

## 23. Trustees for Methodist Church Purposes

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<b>Subject and aims</b>	This report provides a brief overview of the service and work undertaken by the Trustees for Methodist Church Purposes (TMCP) in its role as Custodian Trustee and in support of Managing Trustees across the Connexion.
<b>Background context and relevant documents</b>	To be read in conjunction with this Report please see TMCP's website: <a href="http://www.tmcp.org.uk/about/publications">www.tmcp.org.uk/about/publications</a> for a full copy of the Trustees Report and Accounts for the year ended 31 August 2023.

### SECTION A: GENERAL REPORT

#### 1. Mission Statement, Governance and Key Roles

##### 1.1 Mission Statement and Governance

The purpose of the Board (TMCP) is to serve the Methodist Church in the advancement of the Christian faith in accordance with its doctrinal standards and discipline, and any charitable purpose of the Methodist Church or Church organisation.

##### 1.2 Our mission is to serve the Methodist Church

Our mission is to support and strengthen the Methodist Church, both by providing practical support to Managing Trustees and by working closely and effectively with our colleagues in the Connexional Team.

We aim at all times to:

- work within an ethical and Christian framework;
- perform our role to the highest standard;
- act with integrity and patience;
- listen carefully and communicate effectively;
- value and nurture the talents of those within the organisation;
- work efficiently and effectively within the confines of available resources.

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### 1.3 Our Vision and Goals:

Our Vision is:

- to continue to fulfil our principal duty to act as Custodian Trustee of all properties held on model trusts of the Methodist Church Act 1976, to better help the Methodist Church to achieve its mission;
- to provide a comprehensive role as the corporate body of the Church;
- to continue with our specific areas of specialism such as sharing agreements, trusts and data protection (GDPR);
- to ensure that the TMCP team is utilised in the most effective and efficient way, while still maintaining clarity about TMCP's particular role within the Connexion.

Our Goals are:

- to streamline all processes through collaboration with our colleagues across the Connexion and their advisers;
- to fulfil our responsibility to Managing Trustees through ongoing guidance and training;
- to provide appropriate and adequate assistance to the Methodist Connexion;
- to ensure that resources match the need now and on an ongoing basis;
- to support our staff in their ongoing training and development.

In partnership we seek to help and support Managing Trustees across the Connexion to build a sustainable mission-led future.

### 1.4 Structure

The Board is a corporate body and was incorporated by the Methodist Church Act 1939. Our governing documents are the 1939 Act, our Trust Deed of 1939 and the Methodist Church Act 1976. The Board is served by four sub-committees: the Executive, Audit and Risk Committee, Grants Committee and Investment Committee.

### 1.5 Board members

Our Board members are members of the Methodist Church, appointed by the Conference on the nomination of the Board. As far as possible the Board comprises equal lay and ministerial members. Nominations are assessed in terms of experience, skills and expertise. A skills audit is performed annually by the Chair in consultation with all Board members. Board members represent a cross-section of Church Officers and Church members. A list of current Board members is available from TMCP's website: <https://www.t MCP.org.uk/meet-the-team> and can also be found in Section B of this report.

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### 1.6 Working together with Managing Trustees

There are a number of different aspects to our work at TMCP, but a key part is guiding the Managing Trustees through the potential pitfalls of Charity Law, Methodist Law and other legislation. We also have oversight of the General Data Processing Regulations (GDPR) across the Connexion.

One of our primary aims is to guide and assist local churches so that they can engage more fully, and safely, in resourcing mission and ministry.

TMCP are the custodian trustees for all property held on the Model Trusts of the Methodist Church Act 1976 (except for that in the Channel Islands or the Isle of Man which are held by their own boards of trustees) and this includes nearly all of the property held by over 3,700 Local Churches, 333 Circuits and 29 Districts.

The Board is also custodian of the funds held in 5,410 trusts, a small number of which are under the direct management of the Board. Discretionary grants are given from these in accordance with the terms of the trusts.

It is important to distinguish our role as custodian trustees from that of Managing Trustees:

#### **TMCP as Custodian Trustee:**

- We hold legal title.
- We have a duty to ensure Managing Trustees do not act in breach of trust.
- We do not get involved in the day-to-day management.

#### **Role of Managing Trustees:**

- Managing Trustees are responsible for the day to day management of the property.
- Managing Trustees exercise power or discretion in respect of the property in accordance with charity and Methodist law.

The activities of the Board include, but are not limited to:

- Effecting all sales, purchases and leases of property by Church bodies, checking legal documents before signature by Managing Trustees.
- Investing funds received from sales or bequests and transmitting funds for purchases or to meet the cost of projects as instructed by Managing Trustees.
- Fulfilling any other duties or responsibilities required of, or appropriate for, the corporate body acting on behalf of the Methodist Church.

Partnership working remains at the heart of what TMCP does.

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### 1.7 Working together with the Methodist Council

Under SO 931(3) the Methodist Council has delegated to TMCP the role of inspecting and approving contracts. In addition, the Methodist Council may instruct TMCP to undertake additional work.

The Service Level Partnership Agreement, originally finalised and signed by the Methodist Council and the TMCP Board in July 2020, continues to underpin and maintain transparency and accountability in respect of the services TMCP provides across the Connexion.

The Agreement guides the relationship between the Board and the Methodist Council, outlining the protocols and parameters within which both will work. The intention is to promote collaboration and maintain efficient and effective working relationships. The Agreement helps optimise the support offered to Managing Trustees, ensuring a high quality of service which is outcome-focused.

The Secretary of the Conference and the Conference Officer for Legal and Constitutional Practice (COLCP) together with the Chair and Chief Executive of TMCP continue to hold half-yearly meetings, primarily to complete the necessary periodic review and monitoring.

### 1.8 TMCP as a Corporate Body

TMCP has corporate status, and it has been found to be useful as a vehicle beyond trusteeship as such, where certain legal functions need to be vested in a corporate person, rather than a group of individuals. Examples of where TMCP's corporate role has been of benefit to the Methodist Church include holding shares in Methodist controlled trading subsidiaries, entering into the framework agreement and management of the Panel of Solicitors on behalf of the Methodist Church.

### 1.9 General Data Protection Regulations (GDPR)

TMCP continues to act as the Data Controller for all Local Churches, Circuits and Districts (who are deemed to be the "Data Processors" ie the people who deal with data/ information on behalf of the Methodist Church).

Under a separate registration the Connexional Team is responsible for all data protection matters concerning safeguarding, complaints and discipline issues for the whole Methodist Church.

TMCP and the Connexional Team work together to provide data protection resources to the wider Connexion, including precedent documents, policies, practical guidance and frequently asked questions. TMCP continue to hold

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regular online forums with District Data Champions to bring them up to speed on current developments in Data Protection and to provide support and guidance as needed.

As Data Controller, TMCP and its auditors require assurance from the Local Churches, Circuits and Districts that all necessary GDPR processes are being adhered to. In order to obtain such assurances, and on the recommendation of its Internal Auditors, TMCP introduced an Annual Checklist. This is completed by local Managing Trustees each year, with a deadline for submission being 31 May. The Annual Checklist is reported back via the Circuit and District who collate the returns to confirm that the Managing Trustees are fulfilling their responsibilities with regard to Data Protection legislation.

### 1.10 Working Together with the Methodist Church and Partners

TMCP puts Managing Trustees at the centre of all it does and it has close working relationships with many parts of the Methodist Church and its partners to achieve this aim.

Key stakeholders include:

- Managing Trustees, including the Methodist Council;
- District Chairs;
- District Property Secretaries;
- Circuit Superintendents;
- District, Circuit and Church Treasurers;
- Connexional Conference Office, Property Team and the Property Development Committee;
- Panel Solicitors;
- External Solicitors and Surveyors;
- Central Finance Board (CFB);
- Other Methodist Church related organisations such as MIC Ltd.

### 1.11 News Hub Articles

Articles are regularly published on the TMCP website 'News Hub', providing information to Managing Trustees and their professional advisers on updates to the website, guidance on changes in legislation, training events, availability of trust statements and other relevant information. During the year there have been 15 articles published, providing guidance on topics such as Charity Commission updates, Church mergers and amalgamations, replacement projects, bequests, litigation, and data protection updates. Managing Trustees are encouraged to sign up for the News Hub emails to be kept informed of current developments. The number of subscribers is currently in excess of 1,000.

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### 1.12 Grants

TMCP continues to encourage grant applications to be made in respect of the discretionary funds for which the Board has responsibility. The protocols and details of how to apply are on the website.

The Board is pleased that, due to increased publicity across the Connexion and through the Property Development Committee, it paid grants totalling £569,762 for property and other projects from these trusts during the last financial year.

As well as overseeing the discretionary trusts as full trustee, the Board are currently liaising with specialist legal advisers with a view to setting up several all-encompassing trusts with general charitable purposes aligned with those of the Methodist Church to encourage the making of bequests into these trusts to streamline the grant-making function at TMCP.

### 1.13 Monitoring of Panel of Solicitors

The previous framework Agreement for the Panel of Solicitors came to an end in 2023 and TMCP with the Connexional Team went to a full re-tendering process. The result of that tendering process meant that the three existing firms on the Panel – Anthony Collins, Sintons and Blake Morgan – were reappointed. We were also pleased to appoint a new firm to the Panel – Harrison Clarke Rickerbys (HCR). HCR have 10 offices based across England and Wales and will be a great addition to the Panel.

The renewed Framework Agreement between TMCP and the Panel firms has now been signed and sets out the overarching principles for the performance and management of the Panel. In its capacity as the Church's corporate body TMCP is party to the Framework Agreement meaning it has responsibility for ensuring the terms of the Framework Agreement are complied with.

A formal relaunch of the Panel is taking place in spring 2024 in order to promote the Panel and its use across the Methodist Connexion, emphasising the benefits that instructing the Panel can bring to Managing Trustee bodies. The relaunch will also coincide with the introduction by TMCP of streamlining for purchases and leases, which should ensure a much more timely and efficient use of resources whilst making sure that those transactions complete more quickly when the time critical stage is reached. The process will be very similar to streamlining for sales which has proved to be highly successful for those Managing Trustees who instruct a firm on the Panel.

TMCP continue to send feedback questionnaires at the end of every legal transaction to all Managing Trustees who use the Panel. Feedback is an

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important part of the monitoring process which aims to ensure that Managing Trustees are receiving a high and consistent level of service and advice. TMCP are summarising statistics relating to use of the Panel for monitoring, reporting, management and addressing any feedback and complaints.

TMCP will also continue to hold quarterly face to face monitoring meetings with each firm on the Panel and a new programme of training events aimed at Managing Trustees will commence.

### 2. Outcomes and achievements

#### 2.1 The Finance Team

The Team supports the Board's role by planning and performing all financial operations relating to the receipts and payments of Model Trust monies as well as the investment of funds on behalf of Managing Trustees.

The Trust Information System (TIS) provides online access to trust statements, balances and other information. There were 3,142 users of the TIS at the end of 2022/23.

Key achievements 2022/23 and ongoing strategies include:

- The average number of payments requested per month is 218 including consents payments;
- The average total value of payments is £ £5.6m per month;
- Payments are actioned within three working days of receiving the application (provided the application has been completed correctly);
- The average instructions outstanding at the end of each working month equate to 9% of all instructions received - these are primarily instructions received in the final two days of the month or items that are ongoing due to scheduled requested future payments;
- The relationship between TMCP Finance, Central Finance Board and Methodist Church House continues to flourish and we work collaboratively wherever appropriate to improve the overall service delivered to the wider Methodist Church;
- A review is scheduled to consider alternative finance systems, and a plan for replacement software in due course.

#### 2.2 The Legal Team

During the connexional year 2022/23 Managing Trustees were assisted with guidance on new major redevelopment projects, property sales and purchases of new property as well as trust matters, bequests, ecumenical issues and other

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queries. The Team continues to enable Managing Trustees across the Connexion to secure income from their property to fund mission including granting non-residential leases, residential tenancies, entering into licences and one-off booking forms.

Key achievements in 2022/23 and since include:

- The Matter Management System (MMS) has been implemented and the migration of files to the new digital platform completed;
- The MMS integrates agreed Key Performance Indicators (KPIs) for timescales and performance;
- Each matter received from Managing Trustees is given a unique reference number which, when used, ensures that correspondence reaches the correct legal officer and can be dealt with effectively and efficiently;
- A TMCP website 'front door' contact form for new enquiries is reaching the final stage of development and will be rolled out in 2024. This will ensure that new enquiries and transactions are triaged appropriately and responses sent out quickly;
- A live connection between the connexional database and TMCP's new MMS is being configured. The timeline is dependent upon the work the Connexional Team is undertaking to the connexional database but will mean that in due course TMCP will have instant access to the database and subsequently the Consents system.

### 3. Key Strategies

- 3.1 Key strategies continue to be implemented. Delivery of these strategies has resulted in the streamlining of all internal processes and continues to lead to efficiencies which will positively impact performance. The current status of these strategies is outlined below:

IT Strategy (Delivered)

- Configuration and implementation of the Matter Management System;
- Implementation of new telephone systems using 365 Platform;
- Procurement and implementation of a new Managed Service Provider for on-going IT Support.

IT Strategy (In Progress),

- Migration of files to new digital platform and integrating agreed KPIs;
- Review alternative Finance Systems, and plan for replacement software.



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### Legal Strategy

- Introduction and increased use of KPIs in certain areas in line with the Service Level Partnership Agreement;
- Streamlining – This is being extended across more types of legal work including development projects
- Improved ways of communication with Managing Trustees;
- More guidance and training for Managing Trustees – for example ecumenical website pages, more precedent documents and continued training for data champions;
- Implementing further integrated ways of working with connexional colleagues and Districts, including District Property Secretaries.

### Finance Strategy

- There is a continued review of processes. Streamlining and automating processes are being considered and will be implemented where appropriate. In the meantime, the team is maintaining high levels of performance;
- Introduction of KPI's ensuring continued high levels of service delivery;
- There are regular meetings with connexional partners to develop new ways of working.

### Workforce Strategy

- A progressive team review is being undertaken which reflects the fact that processes are currently being streamlined and new systems implemented;
- This review will ensure that the team is fit for purpose moving forward and that resources are appropriately matched to needs, which will allow senior management adequate time for strategic work.

## 4. Moving Forward

### 4.1 Development of a sustainable model providing support to the Connexion in future years

During 2023, the Board reviewed its current funding model which is based on a charge, calculated as a percentage of the assets TMCP holds under its management. The review had concluded that a more sustainable and appropriate model is needed, separating the charge made in respect of the management of funds from the funding of all the other duties performed by the Board.

The Board decided on a preferred option and after initial discussions with the Connexional Team held at operational level, the Board will be seeking strategic

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high-level discussions to ensure that a new funding model, which will sustain the work of TMCP for the next decade, is agreed upon.

### 4.2 Board Recruitment

We are currently recruiting new Board members to supplement the skills and experience of our Board. We are seeking both lay and ordained members who can bring an enthusiasm to support the calling and mission of the Methodist church, helping to share more widely with Managing Trustees the role of TMCP and the positive impact it can have on the ability of Managing Trustees to engage with mission.

Recruitment commenced in February 2024 and we are looking to bring nominations to the 2024 Conference.

## SECTION B

### Membership of the Board

The Board is required to report to the Conference if any members have resigned, died, become bankrupt or made an assignment with their creditors, resided outside the United Kingdom for more than twelve months, refused or become unfit to act or ceased to be members of the Methodist Church so that new appointments can be made by the Conference on the nomination of the remaining members of the Board.

### Changes in Office

#### 1. Resignations

Ms Alethea Siow resigned from the Board with effect from 31<sup>st</sup> December 2023. Mr Gerry Davis has indicated his intention to retire from the Board with effect from Conference 2024.

The Board recognises and appreciates their contributions to the Board and its sub-committees.

#### 2. Board Membership as at 28 February 2024

The Revd Rosemarie E G Clarke	Mr Gerry Davis OBE
The Revd Paul Davis (Vice Chair)	Mr David James
The Revd Rodney Hill	Mr John Jefferson
The Revd Gill Newton	Mr Ian White (Chair)
The Revd Philip Wagstaff	

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### SECTION C

#### Declarations under the Methodist Church Trust Deed 1939

From time to time property is bequeathed to the Trustees for Methodist Church Purposes where no express or special trusts are declared by the legatee or where those terms are uncertain or are wishes only. In such cases clause 2 of the Trust Deed of 1939 adopted by the Conference further to section 11 of the Methodist Church Act 1939 empowers the Conference to declare the trusts upon which the Board is to hold the property. One such case is as follows:

#### **Doreen Bright Deceased**

Doreen Bright, by her Will, bequeathed "*as to one part for the Methodist Church for Church Purposes of the Legal Department of Central Buildings Oldham Street Manchester M1 1 JQ (Registered Charity Number 1132208) absolutely*". The amount bequeathed was £1,032.06.

First, because no trusts have been declared this is a case where it falls to the Conference to declare the trusts further to the Deed of 1939.

Second, it has always been policy to reflect, as far as possible, the wish of the legatee in any Directions which the Conference gives to the Board. In this case, following enquiries, the Board has ascertained from the solicitors who administered the estate and the Managing Trustees of the Crowland Methodist Church in the Peterborough Circuit that Doreen Bright was an active member of Crowland Methodist Church prior to her death.

The Board therefore proposes the Resolution shown below for adoption by the Conference.

#### \*\*\*RESOLUTIONS

- 23/1. **The Conference receives the Report.**
- 23/2. **The Conference hereby directs that the bequest of Doreen Bright shall be held by the Trustees for Methodist Church Purposes on the Model Trusts for the benefit of the Managing Trustees of the Crowland Methodist Church.**