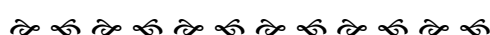


Parish Governance Policy

23 September 2024

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Introduction and Definitions

1. In support of the shared gospel ministry of the parishes and organisations of the Diocese, and the purposes and priorities of the Diocese, this Policy sets out the Governance Standards that the Synod considers should apply to persons responsible for the financial and property affairs of a parish (including wardens and members of a Parish Council, including a rector in his capacity as a member of a Parish Council) in their exercise of that responsibility.
2. This Policy does not apply to persons responsible for the spiritual welfare of parishes (i.e., rectors and other ministers in accordance with licences and authorities from the Archbishop) in their exercise of that responsibility.¹
3. Accordingly, this Policy applies to the following entities (collectively, “**entities**”) –
 - (a) the wardens of a parish (as trustees of church trust property),
 - (b) other individuals acting as trustees of church trust property for the benefit of a parish,
 - (c) a Parish Council in the exercise of the responsibility set out in paragraph 1, and
 - (d) any unincorporated or incorporated entity where the wardens of a parish or a Parish Council appoints a majority of the members of the governing board, council or committee, including, in each case, any of their committees or subcommittees.
4. This Policy (including the Governance Standards) –
 - (a) sets out the expectations of Synod in relation to the governance of entities which are essential to the furtherance of the purposes and priorities of the Diocese, through the pursuit of the purposes of each entity,
 - (b) does not create legally binding obligations on any entity, except to the extent the provisions of this Policy are included, or incorporated by reference, in legislation, the *Parish Administration Ordinance 2008*, another ordinance or other legally binding instrument which applies to that entity,
 - (c) where appropriate, may be included in a charter (or similar governance document) adopted by an entity rather than being included in legislation, an ordinance or other legally binding instrument,
 - (d) does not prevent an act or practice that is necessary for an entity or person to comply with applicable law,²
 - (e) does not require an entity or person to act in a manner which is contrary to applicable law, and

¹ References to “parishes”, “entities” and “Parish Councils” in this Policy are to be read and understood in light of paragraphs 1 and 2.

² If a provision of this Policy is inconsistent with applicable law, the latter shall prevail and the entity must comply with the applicable law.

- (f) is not intended to prevent discussion and debate about contentious issues or require a withdrawal from, or the exclusion from properties, services or activities of, those who do not share the doctrine of the Diocese.

5. In this Policy –

ACNC means the Australian Charities and Not-for-profits Commission.

basic religious charity has the meaning set out in section 205-15 of the *Australian Charities and Not-for-profits Commission Act 2012* (C'th).³

broader charitable purposes means the purposes of the Diocese as set out in Section 4 of the *Anglican Church of Australia Trust Property Act 1917* (NSW)⁴ or any other applicable statute, as publicly expressed by the Archbishop or the Synod for the purposes of this Policy from time to time, including the purpose articulated by the Archbishop in the [Purpose and Priorities for our Diocesan Fellowship](#).

doctrine of the Diocese has the same meaning as “Doctrine” in the Schedule to the *Interpretation Ordinance 1985*.⁵

Diocese means the Diocese of Sydney, one of the dioceses that are part of the national voluntary religious association known as the Anglican Church of Australia.

entity means an entity listed in paragraph 3 (noting the limit on the application of this Policy in paragraphs 1 and 2).

Faithfulness in Service or **FiS** means the code for personal behaviour and the practice of pastoral ministry by clergy and church workers adopted by the Synod in October 2004, as amended from time to time.

Governance Standards means the standards in the Appendix to this Policy.

meeting means a meeting of an entity.

member means a warden, other trustee of church trust property or another member of a Parish Council or the governing board, council or committee of another entity.

³ Copies of the [Commonwealth Acts of Parliament](#) referred to in this Policy are available on the Federal Register of Legislation.

⁴ Copies of the [NSW Acts of Parliament and Diocesan ordinances](#) referred to in this Statement are available on the Sydney Anglicans website.

⁵ The Schedule to the *Interpretation Ordinance 1985* defines “Doctrine” as follows:
“The teaching of the Anglican Church of Australia in the Diocese of Sydney on any question of faith. The sources of Doctrine include –
(a) canonical scriptures of the Old and New Testaments,
(b) the Christian faith as professed by the Church of Christ from primitive times, and in particular as set forth in the creeds known as the Nicene Creed and the Apostles' Creed,
(c) the commands, doctrine, sacraments and discipline of Christ,
(d) the book of Common Prayer, the Ordinal and the Thirty-Nine Articles.

For the avoidance of doubt, “Doctrine” includes both faith and practice and is not limited to its meaning in the majority opinions of the Appellate Tribunal on the Primate’s References re Wangaratta Blessing Services and the Newcastle Discipline Ordinance (11 November 2020).

Doctrine may be declared in statements made by –

(i) the Synod of the Diocese with the concurrence of the Archbishop, or
(ii) the Archbishop-in-Council,

provided that such statements are consistent with the sources of Doctrine in paragraphs (a), (b) and (c) above.”

This Policy is not intended to add to, or detract from, the existing meaning of Doctrine in the Diocese.

Other ordinances (for example, the [Sydney Anglican Use of Church Property Ordinance 2018](#)) refer to “doctrines, tenets and beliefs”. For the purposes of this Policy, there is not intended to be a difference between “doctrine of the Diocese” and “doctrines, tenets and beliefs” in the application of the Policy.

Some Federal and State legislation and existing ordinances use a broader phrase, but others refer to doctrine or doctrines. For example, in the *Sex Discrimination Act 1984* (C'th) (section 4), the *Fair Work Act 2009* (C'th) (sections 153(2)(b), 195(2)(b), 351(2)(c) and 772(2)(b)) and the *Australian Human Rights Commission Act 1986* (C'th) (section 3(1)) ‘religious institutions’ are defined as organisations that are ‘conducted in accordance with the doctrines, tenets, beliefs or teachings of a particular religion or creed’, and section 56(c) of the *Anti-Discrimination Act 1977* (NSW) refers to “any other act or practice of a body established to propagate religion that conforms to the doctrines of that religion ...”.

This Policy has not been drafted with a view to the “doctrine of the Diocese” (as defined) being equivalent to “doctrines” for the purposes of the application of Federal or State legislation to an entity. However, it is expected that entities will seek to rely on advantages, privileges and exemptions available under Federal and State legislation (including legislation protecting religious freedom) where necessary to enable compliance with this Policy.

parish means –

- (a) a parish or provisional parish constituted under or recognised as such for the purposes of the *Parishes Ordinance 1979*, or
- (b) a recognised church or provisional recognised church recognised under the *Recognised Churches Ordinance 2000*,

and, for the purposes of this Policy, includes a cathedral.

Parish Council means the council, chapter or similar body of a parish as constituted under an ordinance, but only insofar as it is responsible for the financial and property affairs of the parish.

Standing Committee means the Committee appointed pursuant to the *Standing Committee Ordinance 1897*.

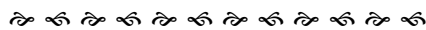
Synod means the Synod of the Diocese and includes, when the Synod is not in session, the Standing Committee of the Synod.

6. It may not be appropriate in all cases for an ordinance, charter or other document relating to the financial and property affairs of an entity to conform with this Policy in all respects, particularly in the case of entities referred to in paragraph 3(d).

The Governance Standards intentionally use different words to set out different expectations (e.g., “must” connotes a higher expectation than “should” or “ordinarily should”). It is more likely that it will not be appropriate for an ordinance, charter or other document to conform with this Policy in all respects when words such as “should” or “ordinarily should” (rather than “must”) are used in the relevant Governance Standard.

7. The Synod anticipates that it will amend this Policy from time to time to better align the Governance Standards with our shared ministry, and the purposes and priorities of the Diocese, and to reflect any changes to regulatory requirements. For this purpose, the Synod encourages on-going input from entities.

Where it is proposed to amend this Policy, the Synod intends that consultation will be undertaken with parishes before any such amendments are made.



Governance Standards

The Synod regards the following Governance Standards as applicable to entities (and members) in the manner indicated in this Appendix and, wherever practicable, expects entities to implement each of the Governance Standards applicable to them in an appropriate and demonstrable way.

The following Governance Standards intentionally use different words to set out different expectations (e.g., “must” and “will” connotes a higher expectation than “should” or “ordinarily should”). As noted in paragraph 6 of the Policy, it may not be appropriate in all cases for an ordinance, charter or other document relating to the financial and property affairs of an entity to conform with this Policy in all respects. It is more likely that this will be the case when words such as “should” or “ordinarily should” are used in the relevant Governance Standard.

A. Mission clarity

- (a) The charitable purposes of an entity –
 - (i) must be clearly expressed in the *Parish Administration Ordinance 2008*, another applicable ordinance or its constitution, and
 - (ii) must be consistent with the broader charitable purposes of the Diocese.
- (b) An entity ordinarily should develop plans (or strategies) for the financial and property affairs of the entity to enable it to pursue the charitable purposes of the entity over a rolling 3-5 year period.
 In developing such plans or strategies, members should consider the types, and levels, of risk the entity is prepared to take on, and the resources, including employees and volunteers, that will be needed to achieve those plans or strategies.
- (c) The entity ordinarily should use practical methods to communicate information about the charitable purposes, and plans or strategies, of the entity to parishioners or other stakeholders.
- (d) An entity registered with the ACNC ordinarily should be registered with “advancing religion” as their charitable subtype, or one of multiple charitable subtypes.⁶
- (e) The entity must pursue the charitable purposes for which it is established and use its property for those purposes.
- (f) In addition, the entity should pursue the charitable purposes for which it is established, and use its property, in a manner –
 - (i) which is consistent with the doctrine of the Diocese,⁷ and
 - (ii) which advances the broader charitable purposes of the Diocese.

B. Member suitability requirements⁸

- (a) Members must satisfy the requirements of the *Parish Administration Ordinance 2008*, another applicable ordinance or the constitution of the entity.
- (b) Members who are clergy or church workers (each within the meaning of *Faithfulness in Service*)⁹ must comply with the applicable standards of personal behaviour and the practice of pastoral ministry set out in *Faithfulness in Service*.
- (c) Members should observe standards of personal behaviour consistent with –
 - (i) living in obedience to the commands of Christ, and
 - (ii) their obligations as a member.

⁶ This requirement may necessitate appropriate amendments to the constitutions of some organisations to enable those organisations to be registered with “advancing religion” as a charitable subtype.

Registration with the ACNC “advancing religion” as a charitable subtype, or one of multiple charitable subtypes, will enhance the ability of an entity to be regarded as a “religious institution” (or similar terminology) for the purposes of advantages, privileges and exemptions available under Federal and State legislation (including legislation protecting religious freedoms). It is expected that entities will seek to rely on those advantages, privileges and exemptions where necessary to enable compliance with this Policy.

⁷ In order for this requirement to be properly applied and for entities to be able to comply with it, an outline of, and references to, the doctrine of the Diocese is to be made available on the Sydney Anglicans website.

⁸ These responsibilities apply notwithstanding that, in the case of some entities, they restate applicable law.

⁹ Section F is not intended to add to, or detract from, the existing scope and requirements of *FIS*.

- (d) Members who are church workers (within the meaning of the *Ministry Standards Ordinance 2017*¹⁰ must comply with the requirements of the *Ministry Standards Ordinance 2017*.
- (e) Members must comply with applicable legislative requirements for working with children and/or vulnerable people.
- (f) A member must not have been disqualified by the ACNC Commissioner, at any time during the preceding 12 months, from being a responsible entity of a registered entity under the *Australian Charities and Not-for-profits Commission Act 2012* (C'th).

C. Member responsibilities¹¹

Members –

- (a) must exercise their powers and discharge their duties in pursuit of the entity's charitable purposes,
- (b) should also exercise their powers and discharge their duties in pursuit of the entity's charitable purposes in a manner which is consistent with the doctrine of the Diocese,¹²
- (c) must act in good faith,
- (d) must act honestly and fairly in the best interests of the entity and to further the charitable purposes of the entity,
- (e) must exercise the powers and discharge the duties of the entity with the degree of care and diligence that a reasonable individual would exercise as a member,
- (f) must not use their position as a member for an improper purpose or in a manner which is inconsistent with the entity's charitable purposes,
- (g) must maintain any confidentiality of information obtained in the performance of their duties as a member, and not use such information for an improper purpose or in a manner which is inconsistent with the entity's charitable purposes,
- (h) must exercise their powers and discharge their duties so that the financial affairs of the entity are managed in a responsible manner,
- (i) must exercise their powers and discharge their duties so any actual, potential or perceived conflict between a member's material personal interests (including as a member of the governing board, council or committee of another organisation), and the member's responsibilities set out in the preceding paragraphs, are disclosed and managed in a proper manner, and
- (j) must comply with any codes of conduct, charter, policy or similar requirement adopted by the entity which are applicable to them.

D. Not-for-profit character

- (a) The funds and other property of the entity must not be distributed for the private benefit of individuals or any other entity –
 - (i) during the operation of the entity, other than in the pursuit or furtherance of the entity's charitable purposes, or
 - (ii) on its winding-up or dissolution, other than in the pursuit or furtherance of similar charitable purposes.
- (b) The entity must comply with its not-for-profit character.

E. Responsibility and transparency¹³

- (a) The entity must at all times act so that its on-going operations, the safety of people in its care and the safety of its assets comply with applicable law, and ordinances and policies of the Synod applicable to the entity.

¹⁰ The definition of a church worker in the *Ministry Standards Ordinance 2017* includes clergy. The definition is different from that in *FiS*.

¹¹ These responsibilities are the minimum expectations of the Synod, notwithstanding that they may be less extensive, co-extensive or more extensive than those applicable to the entity or members under applicable law or other governance frameworks.

¹² In order for this requirement to be properly applied and for entities to be able to comply with it, an outline of, and references to, the doctrine of the Diocese is to be made available on the Sydney Anglicans website.

¹³ These responsibilities apply notwithstanding that, in the case of some entities, they restate applicable law.

- (b) Members ordinarily should have the power to delegate the performance of any of its functions to one or more committees provided any such committee is chaired by a member and reports the exercise of its delegated functions to the next meeting.
- (c) An entity registered with the ACNC must comply with the ACNC External Conduct Standards (if applicable).
- (d) The entity must not, and members must not allow entity to, operate while insolvent.
- (e) An entity registered with the ACNC as a basic religious charity should comply with the ACNC Governance Standards.
- (f) An entity registered with the ACNC (and which is not a basic religious charity) must comply with the ACNC Governance Standards.
- (g) The entity should develop policies¹⁴ –
 - (i) which require members to undertake safe ministry training in accordance, and otherwise comply, with the *Safe Ministry to Children Ordinance 2020* and other applicable law, and ordinances and policies of the Synod relating to ministry to children and youth applicable to the entity,¹⁵
 - (ii) which require appropriate identification and management of related party transactions,
 - (iii) for the management of risks to the entity (including the obtaining of insurance where appropriate),
 - (iv) for the induction, professional development and training of members in matters relevant to the entity's operations including governance practices, and
 - (v) for the induction, professional development and relevant training of members, employees, contractors and volunteers so that they are aware of their respective legal responsibilities (including requirements for work, health and safety, and working with children, youth and/or vulnerable people).
- (h) The entity must maintain an adequate level of accountability and transparency to –
 - (i) the Synod in accordance with applicable ordinances,
 - (ii) parishioners in accordance with applicable ordinances,
 - (iii) other persons (if any) in accordance with the constitution of the entity, and
 - (iv) donors, employees, volunteers and other persons that benefit from its activities.
- (i) Members should not be remunerated for their service as members except by way of reimbursement for reasonable out-of-pocket expenses.
- (j) The entity must provide annual and other reports in accordance with applicable law and ordinances applicable to the entity.

F. Access to records

Each entity ordinarily should –

- (a) keep a complete set of minutes of, and papers considered during, each meeting in chronological order and in secure custody for at least 12 years after the date of the meeting,
- (b) provide copies of those records to a member or former member for the purpose of responding to a claim which relates to the member serving or having served as a member, and
- (c) provide each member and former member with reasonable access to inspect the records from their period of service as a member for any other legitimate purpose for at least seven years after the member ceases to be a member.

¹⁴ In developing these and other policies, it is suggested that members have regard to the [Not-For-Profit Governance Principles](#) published by the Australian Institute of Company Directors (AICD).

¹⁵ This requirement reflects, and is intended to give effect to, Recommendation 16.50 of the [Final Report](#) of the Royal Commission into Institutional Responses to Child Sexual Abuse.