

## Statement of Funding Principles and Priorities 2019 – 2021

### 1. Background

Our Vision is to see Christ honoured as Lord and Saviour in every community.

As a Diocese we have committed ourselves afresh, in prayerful dependence on the Holy Spirit, to glorify God and love our neighbour by proclaiming the Lord Jesus Christ, calling people to repent and living lives worthy of him.

In that light, we have identified several key factors in each of the 4 priorities at this point in our mission –

1. Reach all the lost in our Diocese with the life-giving gospel of Christ
  - 1.1. Engaging with our local community and creating opportunities for evangelism at the local and diocesan level
  - 1.2. Mobilising more people to share Christ's love in word and deed
  - 1.3. Strengthening our invitation, welcoming and integration
2. Deepen spiritual maturity among our members –
  - 2.1. Ensuring congregational gatherings are significant places for spiritual growth
  - 2.2. Enriching Christian fellowship through small groups
  - 2.3. Strengthening personal and family devotions through prayer and Bible reading
3. Equip our members to exercise their gifts –
  - 3.1. Strengthening leadership skills of clergy, especially rectors
  - 3.2. Identifying and unleashing the gifts of church members
  - 3.3. Encouraging risk-taking and new initiatives in outreach and discipleship
4. Respond to the changing face of our society –
  - 4.1. Loving our neighbours in local and cultural communities
  - 4.2. Reaching children and youth
  - 4.3. Connecting with people over 60 years of age
  - 4.4. Planting new churches in rapid growth areas

The nature of most of the priorities and key factors identified in our Mission 2020 statement above mean that action to pursue those objectives will primarily involve initiatives at the local parish level. Furthermore, many of the key factors identified above are part of an individual's response to the grace and mercy shown by God when we surrender to his Lordship. As such they fundamentally shape the way we live and spend our time, the way we relate to others and the way we gather, but they do not necessarily require financial resources from the Synod.

As a Synod we want to allocate and distribute money to various ministries and organisations which provide support to those particular priorities and key factors which need financial resources and are best organised, delivered and supported at a diocesan level.

The Glebe Administration Board, as manager of the Diocesan Endowment, and St Andrew's House Corporation, as manager of St Andrew's House, continue to provide the bulk of the funds available each year for distribution by Synod. A small number of parishes with very substantial lease and other property income provide a significant further source of Synod funds.

A fundamental principle that shapes the document is that significant weighting is given to the long-term nature of diocesan life. There are always many current opportunities but Synod should give particular priority to the long term in the use of funds.

In this document some funding expressions are used that have the following meanings –

“Parish Cost Recovery charge (“PCR”) is a recovery of direct (e.g., minister's superannuation) and indirect (e.g., Professional Standards Unit) costs incurred centrally on behalf of all parishes.

“Levy” is a charge to raise funds from parishes for specific purposes.

“Assessment” is a charge to raise funds from parishes for the general purposes of Synod.

## **2. A framework for the strategic use of our money**

We are an organisation that exists for the long term – till Christ returns.

Our budgets should reflect this, and contain long term goals as well as short term expenditures.

Long term spending provides for the infrastructure needs for the future – for example for the acquisition of land for church sites and investment in the recruiting, training and equipping of people for long term ministry.

We continue to support the work of the Mission Property Committee which was set up in 2002 to plan and oversee the work of acquiring land for future church sites in areas of population growth. Since 2013 we have funded this work through a levy on parishes.

It is proposed that we will continue to give priority in our budgeting process for the recruiting, training and equipping, principally through the work of Moore Theological College (“MTC”) but also through Youthworks College and Ministry Training and Development (“MT&D”).

Should further funds become available to Synod in this triennium we would consider options such as –

- increasing the funding provided for training and equipping of people
- providing for the long term property needs of the Cathedral
- providing support for church buildings in greenfield areas through New Churches for New Communities
- providing funding for urban renewal (brownfields development)
- providing support for ministry in socially disadvantaged areas.

## **3. Diocesan funding principles**

Arising out of the above sections, there are both general principles and specific funding principles that should guide our preparation of diocesan budgets.

### **A. General principles**

- (a) We are a network of Christian churches and other associated Christian ministries working in a particular geographical area that is parish based, episcopally led and synodically governed under an Anglican constitution.
- (b) We are a long term organisation that seeks to grow. Wherever possible we seek to resource growth that is both immediate and long term, especially by investing in growing ministries of the gospel and/or those activities which will enhance and promote its growth.
- (c) We need to invest strategically in long term infrastructure, both in people and property.
- (d) The different parts of the Diocese must be appropriately accountable –
  - (i) Synod funding provided for organisations should recognise their delegated authority and –
    - (1) give appropriate responsibility and authority to the elected board,
    - (2) consider outcomes, conducting review and evaluation primarily through periodic discussion with the elected representatives on the board, and
    - (3) be based on information supplied in an appropriate way (a statement as to the suggested procedure is contained in Appendix 3 to this paper) and
  - (ii) wherever possible program outcomes should be measured, either quantitatively or qualitatively.
- (e) We shall endeavour to meet all contractual commitments under secular legislation and Anglican structures.

**B. Specific funding principles**

- (a) As part of the network of Christian ministries in the Diocese, Synod needs to –
- (i) fund the selection, appointment and ordination of Christian workers,
  - (ii) contribute to funding the recruitment, training and equipping of people for ministry,
  - (iii) support the ministry of the Dean and diocesan events at the Cathedral,
  - (iv) contribute to our representation in the wider Anglican Church, to government and in the public sphere, and
  - (v) ensure the affairs of the Province are appropriately governed.
- In this light, and recognising the scarcity of resources, it is our intention to give priority in this triennium to funding initiatives that strengthen leadership skills of clergy, especially rectors (priority 3.1).
- (b) The Diocesan network also needs to pay for Synod-determined costs –
- (i) annual meetings of Synod,
  - (ii) Standing Committee costs,
  - (iii) Secretariat (according to a service level agreement),
  - (iv) representatives to attend General Synod, and
  - (v) whatever Synod by ordinance establishes.
- (c) Among parish-related costs the Diocesan network has chosen to collectively administer funding for the following –
- (i) employment related on-costs for clergy – superannuation, long service leave, clergy care (stipend continuance insurance premiums and Clergy Assistance Program), and sickness and accident fund contributions,
  - (ii) property and liability insurance program,
  - (iii) risk management program,
  - (iv) Professional Standards Unit,
  - (v) safe ministry program, and
  - (vi) contribution to Diocesan Archives.
- (d) The Diocese needs to fund any Synod-determined discretionary spending for specified ministry initiatives.
- (e) A levy on parishes of 2% of their net operating receipts should continue to be raised to assist the Mission Property Committee to fund the acquisition of land for future church sites.
- (f) Any financial support for buildings in brownfield or greenfield areas should be by way of funds raised through the Large Receipts Policy or proposed Property Receipts Levy, rather than as an allocation of capital or income from the Diocesan Endowment or distributions from St Andrew's House Corporation.

## Biblical and theological background

Important principles can be drawn from a biblical and theological background to Christians' use of money and the relationship between churches.

- (a) The material world and its wealth are part of God's good creation for our stewardship and sufficient for our need (Genesis 1:28-31; Matthew 6:19-34; Philippians 4:19; 2 Corinthians 9:8-11; 1 Timothy 4:1-6; 6:17-19).
- (b) We should avoid covetousness, learn contentment, be generous, provide for the disadvantaged and seek to act justly (Exodus 20:17; Matthew 23:23; Luke 3:14; Acts 20:33f; 2 Corinthians 8:8-15; 9:6-14; Ephesians 4:28; Philippians 4:12-13; Colossians 3:5).
- (c) Christians are to provide for their own needs and the needs of their families in order not to burden others or the church, so that the church can help those who are genuinely in need (2 Thessalonians 3:6ff; 1 Timothy 5:3-16).
- (d) Those who benefit from the ministry of the word should support those who, principally or otherwise, provide that ministry (1 Corinthians 9:4-14; Galatians 6:6; 1 Timothy 5:17-18).
- (e) The New Testament values the work of Christians and churches who voluntarily support gospel ministry and social concerns beyond their local community (Acts 11:27-30; 18:3-5; Philippians 4:10-20; 2 Corinthians 8).
- (f) We should have a concern for transparent honesty and faithfulness in financial dealings (2 Corinthians 8:18-24).
- (g) There is a relationship among Christian congregations. The New Testament does not mandate any constituted structures like "parish" or "diocese". However, congregational independence was not the first century church pattern either. Apostles maintained pastoral oversight of congregations they no longer attended (Acts 14:23; 1 Corinthians 5:3-5; 2 Corinthians 10:7-13; 11:28; 1 Timothy 3:1-13; Titus 1:5-9), and they appointed elders to exercise governance (Acts 14:23). Churches "appointed" a brother to transport money (2 Corinthians 8:19); and there were rules and common practices that individual churches were not free to vary (1 Corinthians 4:17; 7:17; 11:16; 14:33).
- (h) The church is the fruit of the Lord's activity through the ministry of the gospel. This gospel ministry continues inside the church as well as outside. It is as people hear the word of life that they are regenerated by the Spirit and baptised into the one body (Ephesians 2:1-10; 4:1-6; 1 Corinthians 12:12-13; 1 Peter 1:22-2:5).

## What is the Diocese?

For the purpose of thinking holistically, a description that captures the Diocese is –

**We are a network of Christian churches and other associated Christian ministries working in a particular geographical area that is parish based, episcopally led and synodically governed under an Anglican constitution.**

The fundamental activity of each part of the diocese is **Christian ministry**. That is what unites everything else that we are or do. The church, unlike a parish or diocese, is the fruit of the Lord's activity through the ministry of the gospel. The ministry of the gospel precedes, empowers and governs the church. The church further promotes, supports and extends the ministry of the gospel.

The Diocese as a whole is **a network** of Christian ministries, for Christians are called into fellowship not only with God but also with one another. Such fellowship is not limited to congregational life but also among congregations. All ministries, churches, organisations and institutions are part of this network of people ministering the gospel.

This network of Christian ministries occurs in **a particular geographical area** because the primary focus and responsibility of Sydney Anglicans is to minister the gospel of salvation primarily to all people living within the diocesan boundaries.

This network of Christian ministries is **parish based**. A parish is a defined geographical area in which ministry is led by a rector and assisted by a parish council with responsibility to minister the gospel to every person living in that geographical area.

While the parish is central to the responsibility of bringing salvation to all people, not all Christian ministry of the Diocesan network happens within the parish system.

Some ministries targeted to particular people groups are the responsibility of particular Diocesan organisations, for example Anglican schools minister primarily to children and youth and Anglicare provides aged care services both at home and in retirement villages. Some areas are nominated as "extra-parochial" because of the specialised ministry conducted within them. Some ministries such as chaplaincies are not church based. Furthermore, many ministries in the Diocese support and supplement other gospel ministries such as those of the parish or chaplaincies (e.g., Moore Theological College and Youthworks College train our future gospel workers, the Secretariat provides legal support and the Professional Standards Unit deals with allegations of misconduct).

Though parish ministries operate with considerable independence, they do not function in isolation – nor should they. They are formally linked into the Diocesan network because it is **episcopally led**. It is appropriate that the network as a whole, being a network of Christian ministry, should be led by ministers of the gospel.

The network as a whole is **synodically governed** under an Anglican constitution. The government of the Diocese is constituted by State legislation and implemented by ordinances and elections of the Synod. The Synod governs for the good order of the network and the long term promotion of the ministry of the gospel in the Diocese as a whole.

## Supporting information

One of the principles found in scripture (Appendix 1(f)) is transparent honesty and faithfulness in financial dealings. It follows that all funding recipients should be prepared to give an account of their use of Synod funds as well as identify any other sources of funding that contribute to the resources they have to deliver ministry outcomes. Moreover, proper accountability requires an ongoing assessment of the outcomes achieved as well as the resources consumed to produce those outcomes.

The Synod funding schedule has been arranged under 4 headings – long term requirements, immediate requirements, long term Mission commitments and current Mission activities. The concept of financial accountability is particularly important when assessing current Mission activities. With limited financial resources there will always be more ‘good’ things that could be funded, or which could receive more funding than at present. Part of the exercise therefore is not just to ensure that only ‘good’ things receive the funding, but to try and assess whether the present distribution of funding is helping to produce the ‘best’ outcomes for Mission 2020. This will necessarily involve an assessment of the effect on outcomes of both an increase and a decrease in the level of funding in order to facilitate a comparison between different programs.

It is possible some funding may be provided directly to a particular project the Standing Committee and Synod consider a high priority Mission 2020 activity, notwithstanding that no particular organisation has sought funds for this purpose. In other cases funding may be proposed for an organisation on an agreed fee-for-service basis. Furthermore, for some organisations the funding provided by Synod represents their only source of income, they have no reserves and they only undertake one activity whereas in other cases the Synod funding may represent only a small part of the recipient organisation’s overall budget and activities.

Standing Committee intends to hold a series of meetings with the recipients of Synod funding as a Mission 2020 commitment. Where it considers accountability and transparency would be improved by the provision of the following information Standing Committee intends to ask organisations seeking funds to provide the following –

1. A detailed proposal identifying –
  - (a) the purpose for which the funds are sought,
  - (b) attempts that have or can be made to raise funds from other sources,
  - (c) the likely timing of any expenditure,
  - (d) the outcomes expected, and
  - (e) the reporting and other accountability measures by which those outcomes will be assessed.
2. A statement of any reserves held by the organisation –
  - (a) specifically for the purpose for which funds are being sought, or
  - (b) that could be made available for that purpose.