

**Standing Committee of the
Diocese of Waikato and Taranaki**

Minutes

of a meeting held on 2 February 2019
All Saints' Church, Piopio

Present:

**Bishop and
Chairperson**

The Most Reverend Philip Richardson

Vicar General

The Venerable Trevor Harrison

Clergy

The Venerable Malcolm French
The Reverend Julian Perkins
The Venerable Canon Pat Scaife

Laity

Canon Dr Bryan Bang
Ms Mary Bourke
Canon Robin Brockie
Mrs Sue MacLean

In Attendance:

Diocesan Registrar-Manager

Mr Simon Cayley

Minutes Secretary

Mrs Pip Harrison

Chair, WDTB

Mrs Elizabeth Bang, Chair WDTB

Trust Management

Ms Anne Edwards

The meeting opened at 12.45 pm. The Most Reverend Philip Richardson **welcomed** members of Standing Committee and those attending.

Opening Prayer: Canon Robin Brockie

Bible study: Canon Dr Bryan Bang read a reflection on Jonah from Joy Cowley's new book ('Veil Over the Light').

Apologies: The Reverend Dr Jikheli Singh, the Reverend Chee Yong for absence. Ms Mary Bourke and Mrs Sue MacLean apologised for early departure.

Motion: That the apologies be sustained.

**Chairperson
Carried**

Confirmation of Previous Minutes:

Motion: That the Minutes of the meeting of 22 November 2018 be approved as a true and correct record.

**Harrison/ French
Carried**

Items for discussion:

Trustee Declarations over and above those recorded previously: The Venerable Canon Pat Scaife's position as Acting Archdeacon of Waitotara.

Health and Safety – nothing to report.

Risk

Motion: That Standing Committee go into committee.

**Chairperson
Carried**

Motion: That Standing Committee come out of committee.

**Chairperson
Carried**

Finance/ Finance and Audit -

Canon Robin Brockie reported that the December financial statements might still have adjustments to come, depending on decisions made at this meeting. Ms Anne Edwards reported final results were very close to budget and it was a good overall result.

In 3.2 of the December Finance Report, more detail regarding the Ministry Support Fund was given than previously. It was progressing as forecast.

Cash flow (as reported in Section 4) was satisfactory. A net amount of \$112,745 was due to be repaid to WDTB by Standing Committee, after the money owed by the Episcopal Fund to Standing Committee had been passed on to WDTB.

A breakdown of Aged Debtors showed that the amount owing for more than three months mainly related to \$92,000 still owed by MITT.

SC.644: Approval of the Draft Financial Statements

That the draft financial statements of 31 December 2018 be received.

**Brockie/ French
Carried**

Ms Mary Bourke asked how long Standing Committee should continue with the debt situation regarding MITT. Canon Brockie said that the diocese's 'acting as a bank' was due to come to an end shortly. It would continue to be reported in 'debtors' in the meantime but it had been made clear that the responsibility for their payroll was theirs. Canon Brockie reported there was a difference of opinion about a small payment that would be sorted out. After that they had been asked to commit in writing to repaying the debt.

Repayment of Internal Debts

Canon Robin Brockie spoke to a paper on actions to be taken in relation to repayment of the Episcopal debt to Standing Committee. Canon Brockie recommended that the settlement of the debt be made by means of the redemption of Bishopric Units in managed funds. The balance required as at 31 December 2018 was \$506,635.

The ownership of the Bishops' houses was currently split between WDTB and the Bishopric. Canon Brockie recommended that the residual value of \$645,878 be paid to WDTB to acquire WDTB's share. (A recent revaluation increased the value by \$260,000 (Council revaluation) but Canon Brockie said he thought it unfair to put the extra burden on the Bishopric when the properties were not going to be sold.)

The Archbishop said this would clarify the situation as to what could be afforded by the diocese when considering bishopric models.

Canon Robin Brockie pointed out that settling these matters would cost the Bishopric future income. An injection of \$900,000 would be needed to put the Bishopric back in a position to support one bishop. Further funds would be needed to support a second.

Canon Robin Brockie addressed the suggestion that the debt be written off. The Trust Board would then have to take a loss on the debt, which would mean the parishes that had investments in the managed funds would carry the loss, while others would not. He deemed the recommended suggestions were the fairest solution and were less likely to destabilise the managed funds.

Canon Brockie responded to a question as to whether Tikituterangi House was included in this proposal, saying that this had not been considered by the Finance and Audit Committee. The Trust Board would need to form a view on the ownership of the building. The Bishop said he was not clear as to where the funds for the House had come from, although there had been a discussion at the time about them coming out of Bishopric funds. He said the other decisions would be made today and this matter referred to the Trust Board for clarification.

There was some discussion round the principle of not including the re-valuation increase in the amount to be transferred. It was agreed that the Trust Board would benefit in other ways from the debt repayment and all the entities concerned had the same goal: the good of the diocese, so a breach of trust was not involved.

SC.645: Redemption of Units in the Managed Fund

That sufficient units in the managed fund held by the Bishopric Trust be redeemed to acquire the WDTB's interest in the Bishops' houses, being \$645,878 (31 December 2018), noting that this excludes the recent council revaluation (2018) increase of \$260,000.

**Brockie/ MacLean
Carried**

SC.646: Redemption of Units in the Managed Fund to Repay the Debt to Standing Committee

That sufficient units held in managed funds by the Bishopric Trust be redeemed to settle the debt of the Bishopric to the Standing Committee as at 31 December 2018 (\$506,635) and this debt be repaid.

**Brockie/ French
Carried**

SC.647: Settlement of Debt Owed by Standing Committee to the WDTB

That an amount of \$506,635 in partial repayment of the debt owed by Standing Committee to the WDTB be settled, applied first to clearing the interest-free debt and then a proportion of the interest-bearing debt.

**Harrison/Brockie
Carried**

Chattel from Te Rau Aroha Camp

SC.648: The Ownership of the Trailer from Te Rau Aroha Camp

That ownership of a trailer from Te Rau Aroha Camp, registered to the Diocese, be transferred to Mrs Cathy Franzoi, who will ensure it is made warrantable.

**French/ Bourke
Carried**

Te Rau Aroha – Further Advice on Implication of Trust

The Chancellor has given the opinion that wrong information underpinned the advice given to Standing Committee by the diocesan solicitors on whether there was an implied trust when Te Rau Aroha was set up. In his opinion (as opposed to that of the diocesan solicitors), there was no implied trust. He felt any further advice might need to be sought from a QC, as a more senior voice.

SC.649: Further Legal Opinion on the Implied Trust for Te Rau Aroha

That Standing Committee seek a further opinion from a QC on the matter of an implied trust in the Camp documents.

**Bourke/ Bang
Carried**

Motion 2 Ex Synod – Proceeds from the Sale of Te Rau Aroha Camp

was laid on the table until the above matter was resolved.

Seismic Assessment Policy –

Mr Simon Cayley reported that a previous Synod decision (2014) had lapsed without a budget for this policy being provided. He could not draft a policy in a vacuum. Earlier conversations had promoted an approach that had better-off parishes (financially and by building risk) supporting worse-off ones.

After discussion, it was decided that Mr Simon Cayley should draft a policy on Seismic Assessment outlining that the cost of assessments be regarded as a call on parish funds, including investment funds not in specific trust, with a Grant in Aid application as a second possibility, if this were not affordable. Such an application would be considered by Standing Committee for payment from the Grant in Aid fund.

It was suggested that parishes be notified that seismic assessments must be carried out by Seismic Engineers NZ Ltd or get a registered alternative signed off by WDTB. Using SENZ was likely to be the cheapest option and SENZ was a suitably registered company.

The Statutes Revision Task Group was asked to rework the previous Synod's resolution to build up funds by donation and bring this back to the Standing Committee.

The Use of Capital for Parishes

SC.650: Grant in Aid Applications

That current Grant in Aid applications be regarded as exceptions to be considered and that a policy for future decisions on the use of capital be drafted.

**Bang/ Harrison
Carried**

Grant in Aid Applications –

Manaia / Opunake – requested that their Grant in Aid applications be reconsidered in the light of the Use of Capital Bill recently passed at Synod and that the funds from the sale of the Otakeho church might be used for seismic assessment and remedial work at St Cuthbert's Manaia (should this be necessary and worthwhile), as well as ministry initiatives to re-establish the parish and insulation of the church house at Opunake. The Venerable Pat Scaife said allowing these things would be an investment in the repositioning of the parishes and their mission.

(Ms Mary Bourke and Mrs Sue MacLean left the meeting.)

Canon Robin Brockie said there was not a lot of Grant in Aid money available (\$11,000 with \$17,000 in other applications). He suggested there did need to be more flexibility in interpreting the statute on the spending of investment funds.

SC.651: Grants in Aid for the Parishes of Manaia and Opunake

That as proposed by Central Region, Manaia and Opunake's Grant in Aids applications be laid aside and, rather, that the \$85,000 from the sale of Otakeho church be used as follows: up to \$50,000 to be set aside against remediating St Cuthbert's, Manaia, should this be deemed necessary and worthwhile after assessment; that the remaining \$35,000 be available for insulating the Opunake church house (expected to cost \$6,000) and for ministry initiatives in the parish, led by the Reverend Vincent and Kathleen Nuku; also that the principle of the use of capital in parishes be referred to the Statutes Revision Committee.

**Bang/ Scaife
Carried**

Faculty for Holy Trinity, Forest Lake

SC.652: Application for a Faculty from the Parish of Forest Lake

That the application for a faculty from the parish of Forest Lake for the sale of their properties be approved, the use, however, of capital monies for stipendiary ministry being subject to future application to Standing Committee.

Chairperson

Carried

Historic Clergy Leave Balances

Mr Simon Cayley reported that when the Charities Commission required balances of 'clergy leave' be entered into a system, there were some overly large balances recorded for some clergy, due to a fault in the system. These had to be recorded in the accounts as liabilities (over \$100,000 worth). No-one had been paid for extra leave. Standing Committee encouraged Mr Simon Cayley to pursue taking this up with each person affected and getting the correct amount entered, while ensuring people were taking the leave they were entitled to.

Dispensation from the Diocesan Earthquake Prone Building Policy

SC.653: Dispensation from the Diocesan Earthquake Prone Building Policy

That St Paul's, Okato be granted a dispensation from the diocesan Earthquake Prone Building policy – their building being 7% under code at 60% NBS.

Chairperson

Carried

Manager's Report – none due to Episcopal Commission meeting.

Asbestos Management – Mr Simon Cayley asked whether Standing Committee was interested in investigating a preferred contractor for dealing with asbestos. The Archbishop suggested it depended on local capacity and the Venerable Malcom French that Mr Cayley discuss a possible arrangement with Babbage Consultants Ltd, who had approached him on the matter.

Conflict of Interest Policy

Concern was expressed over the detail in the policy as drafted, which might exclude useful people and provides opportunities for loopholes. Canon Bryan Bang suggested a much simpler form. Canon

Robin Brockie suggested splitting the policy from related guidelines. It was agreed that Canon Bryan Bang and Mr Simon Cayley would do further work on this.

Interim Solution to the Workload of the Diocesan Bishop

The Venerable Malcolm French presented a paper on this matter, suggesting that an Executive Archdeacon (1/2 time and temporary until the Episcopal Commission reported back) be appointed to reduce the bishop's workload. A grant from St John's College Trust Board could free up money to support this role. He suggested three possible people. The Archbishop commented that the grant from SJCTB was made on the basis of his doing more teaching. Even with the grant, the diocese would break even with one bishop, rather than having spare money. A different source of funding would be needed. The Archbishop suggested defining the tasks that needed doing and look at how they could be done and funded, rather than starting with the Executive Archdeacon model.

(Mr Simon Cayley left the meeting.)

It was agreed that the Archbishop, Archdeacon Malcolm French and Mr Simon Cayley would discuss this further before the end of the month and possibly hold a conference call with Standing Committee to implement a plan.

Parish of Matamata – Request to hold its AGM in May

SC.654: Request to Hold AGM in May

That permission for the parish of Matamata to hold its AGM in May be granted.

Chairperson

Carried

Ratification of Email Decision on Opposition to Pokie Machines

Motion: That the following decision be ratified:

SC.643: Recording of Opposition to the Addition of 60 Further Pokie Machines by Sky City Casino

'That the Standing Committee of the Diocese of Waikato and Taranaki expresses its unequivocal opposition to the proposal to add 60 more pokie machines to Sky City Casino in Hamilton and adds its voice to those of the Mayor and many leaders across city's social services, including the Anglican Action Missioner, Karen Morrison Hume. The evidence of the harm caused by 'pokie machines' is overwhelming.'

Chairperson

Carried

Items of Information:

Tikanga Giving Schedule – Anglican Missions Board

Tabled. It was noted that results were poor in this area.

BAF Quarterly Activity Report – 4th Quarter

Notice of Departure - Presbyterian Schools Office

The Director of the Presbyterian Schools' Resource Office has given notice to terminate their lease on space at Charlotte Brown House, as she is leaving the role.

The meeting closed at 15.58 pm.

Date of next meeting: Thursday 11th April, 6pm. By video conference, at Charlotte Brown House and Tikituterangi House.