

Fourth Day

Monday 8 July 2002

The Archdeacon of Carlisle (Ven. George Howe) led the Synod in prayer.

Legislative Business

Draft Parochial Fees Order 2002 (1452 and 1452X)

Order made under the Ecclesiastical Fees Measure 1986

THE CHAIR *Canon Frank Dexter (Newcastle)* took the Chair at 9.30 a.m.

The Bishop of Gloucester (Rt Revd David Bentley): I beg to move:

‘That the draft Parochial Fees Order 2002 be considered.’

This is the fourth year in which the Archbishops’ Council has prepared a Draft Parochial Fees Order for consideration by Synod since responsibility for the preparation of parochial fees orders was transferred from the Church Commissioners to the Council. Members of Synod will recall that we had a brief debate last year. This is therefore the second time on which I shall be introducing a debate on parochial fees. It is also actually the last time, as I shall be handing over the chairmanship of DRACSC next year to the Bishop of Ripon and Leeds.

There are two main changes in this year’s fees order. First, we have made various changes to the definitions and wording as applied to monuments, particularly cremation tablets. These have been the object of discussions with the lawyers and the changes are covered in the explanatory memorandum. I therefore do not propose to say any more about them, unless in due course anyone has any further questions or comments.

Second, we have proposed an increase in line with the forecast in average earnings. This marks a change from our previous view where increases were linked to those in the national stipend benchmark, on the basis that incumbents’ fees were primarily a contribution towards stipend.

In coming to this decision, mindful of the significant contribution made by fee income towards the stipends bill, we did consider the possibility of a very substantial increase. We consulted widely about the possibility of actually doubling the level of the existing fees. After a long discussion, and as you know from Question Time last night, a narrow

vote, DRACSC agreed to recommend to the Council an increase of 4 per cent, in line with forecast average earnings.

I am not a member of the Archbishops' Council so I was not present when it considered the DRACSC recommendation, but I understand that the Council firmly supported it. In particular, I understand there was a very strong feeling in the Council that increases of more than 4 per cent in funerals were not appropriate.

There are a number of reasons to support this level of increase, but there are three points that I would like to emphasize. First, the great majority of those who responded to our consultation suggested that increases in parochial fees which were substantially above inflation would attract a great deal of criticism and would do an immense amount of harm to the Church. They believed that they could result in reduced contact with many people who otherwise would not be coming into contact with the Church and that opportunities for pastoral care and mission would thereby be lost.

Second, we were concerned that an excessive increase in the level of fees could lead to a reduction in the number of Church of England funerals, as funeral directors might be more inclined to make use of other groups, both religious and humanist, for funeral services if they were significantly less expensive than using Church of England clergy.

Thirdly, the market for weddings and funerals is undoubtedly becoming increasingly competitive, particularly now that the Government has issued a pilot scheme for civil funerals, and civil marriages do not any longer have to take place at register offices.

The number of Church of England marriages continues to fall and the proportion of Church of England marriages as a total of all marriages has declined from just over one-third in 1981 to just below a quarter in 2000. The Church's share of this market is already diminishing and I believe we need to be extremely cautious before we proceed with a very large increase in parochial fees.

We believe that the draft order as proposed does get the balance right between making a realistic charge and ensuring that people are not put off from seeking the Church's offices. I would therefore strongly encourage members of Synod to support the Parochial Fees Order 2002.

The Chairman imposed a speech limit of five minutes.

The Archdeacon of Surrey (Ven. Robert Reiss): I do not wish to delay the Synod for long but there is something about the fees for burials that has occurred in one of the parishes in my archdeaconry which I suspect might apply to a number of other places, and to which I believe the Archbishops' Council should give some attention.

This particular parish has a very large open churchyard where the annual cost of maintenance runs into several thousands of pounds. The PCC is concerned that the

statutory burial fee meets only a very small proportion of that cost and so they voted to have an additional churchyard maintenance fee. Although the PCC is overwhelmingly in favour of that proposal, it has obviously met with some queries from local undertakers, mainly directed to me. I am trying to get a firm legal decision on whether parishes are allowed to charge such fees or not. Early indications are that they may in fact not be legal, but we shall know that more definitely later on this year.

The further factor that makes the parish feel this is right is that the local authority cemetery charges far higher fees. A burial in a churchyard, with the permanent rights that provides, will cost in our new fees £139. In that particular local authority cemetery, it will cost £1,100 – almost eight times the fee in the churchyard. That is because the authority fixes its fees with the maintenance costs of the burial ground in mind. Not surprisingly, the PCC feels it is unreasonable for the living members of the Church to have to raise very considerable sums of money to care for their churchyard, in addition to all the other money they have to raise, and therefore in the process to undercut the local authority by such a huge amount.

Personally, I fully agree with the last sentence of paragraph 8 in the memorandum, that the occasional offices are a very important part of the Church's outreach and that this could be damaged if the increase in fees was too high, but I think this Synod also needs to note that it can be equally damaging to the Church if it is seen to be simply naive in respect of costs compared to the charges made by similar bodies for a very similar service.

I am certainly not asking that we should reject the Parochial Fees Order this year, and I think I am inclined to vote against Mr Lilley's amendments, but I am asking for something rather more radical. I would ask that, before we return to this subject again next year, the Archbishops' Council, through its committees, could consider whether parishes might have the discretion to charge and determine churchyard maintenance fees or, if that is not possible, whether the present system of a single national fee should perhaps be changed to allow PCCs, possibly in discussion with dioceses, to determine what is an appropriate burial fee in the light of their particular costs and in the light of their local authorities' fees. I realize that that might require legislation but maybe that is what we should be considering now.

If I may say one further thing, I am bringing this matter to the Synod not in any sense at all as a spokesman for archdeacons. I am doing so as a spokesman for the parishes and the diocese in which I work, which is what I think is the role of archdeacons in this Synod.

Revd Dr Richard Turnbull (Winchester): I rise to speak in this debate with some reluctance. I agree very much with what the Archdeacon of Surrey has said. I believe the level of our parochial fees to be entirely inadequate and in many cases damaging to the credibility of the Church of England, because it bears so little relationship to the realities of the market. However, I am not sure that I can support the later amendment

that will come because it approaches the whole matter piecemeal, but I do need to share my dilemma with the Synod.

It was sought to advocate a higher increase in the level of parochial fees behind the scenes in, I hope, a responsible fashion. When that did not succeed, I judged that it was not right and not sensible to seek to move a formal amendment to the Parochial Fees Order but rather that I should seek some assurances through Questions.

The situation we have before the Synod is a fees order which was supported by less than one-third of the membership of the body charged with making such recommendations to the Archbishops' Council. Indeed, without my question, which the Bishop of Gloucester referred to, that division of opinion would never have been brought to Synod's attention. I was then advised, in answer to a later question, that to include such figures in future explanatory memoranda would not add value to the process. It seems to me both reasonable and sensible that Synod does have before it full information concerning any such recommendations.

I then sought an assurance that the matter would be further reviewed and that next year Synod might have a range of options such that the mind of Synod might be tested. I received no such assurance.

There are questions to ask about the level of fees, as Bob Reiss has suggested, the whole legal framework, the question of whether there should be one national fee or any local discretion. I need to ask the Bishop of Gloucester: how might the mind of Synod be tested on a range of options concerning fees in an appropriate and responsible manner?

Dr Julian Litten (Chelmsford): It is said that the most appropriate weather for a funeral is rain, and it seems to be a most appropriate morning to discuss this.

It is not so much funerals I wish to address but the matter of monuments themselves, referring to page 5 of GS 1452 and also to the note which comes later, note 8 on page 9.

I am a council member of the Association of Burial Authorities, President of the Friends of Kensal Green Cemetery and President of the Church Monuments Society, and so I am quite aware of the types of fees and variations of fees that are payable for certain cemeteries, both public and private, throughout the nation. Indeed, in comparison with the fees which we see in the draft order in front of us today, those fees are extremely ungenerous. By that, I am saying that it is far preferable for any person who is considering their purse to choose burial in a churchyard. Indeed, to some extent I would think that the paucity of the fees we charge has been to the detriment of the maintenance of our churchyards.

Yesterday I went to a small churchyard nearby at a place called Warter. In that churchyard was a magnificent monument to the First Baron Nunburnholme, who died

in 1910, with a rather lovely bronze on it, a standing figure of peace sculpted by Gilbert Bayes.

If I wanted to have such a thing on the top of my grave – and I may so – it is only going to cost me a very small amount of money, indeed £61, if I look at the fees here. That is the price of two small vases. I look at item 8 on page 9 which talks about the reservation of grave space, specifically for vaults. If I wanted to erect a monument in the churchyard on top of that vault of any size whatsoever, again it would be only £121 *in toto*. I have not put up a monument yet on my vault on consecrated land and I do have a vault space already prepared which is nine feet square. I am extremely encouraged to be able to let my executors know that the pyramid that they may choose to put on top of it will be allowed for £121, which is less than the cost of even the opening statement of the inscription to the letter cutter. We really must be realistic: there is a better way to look at it.

We have to address the way in which the fee structure is established for municipal and private cemeteries, but we must remember that those areas of consecrated land in public and private cemeteries are merely extensions to churchyards that come within faculty jurisdiction, although there has been *laissez faire* over the years on that. We should look at the fees that the Church charges, and bear in mind that the majority of individuals select, if they are going to have burial, to go to a public or private cemetery. If they are willing to meet those fees – and indeed they are, when one looks at the size of the monuments that are being erected – we should revisit the fees for next year to see whether or not we can bring ourselves in line with that.

If one looks at cemeteries abroad, certainly those in America and in Europe, one sees how well they are maintained. That is because there is a two-tier structure for fees: there is the fee that it costs for the process of burying the body, that is construction of the grave and infilling; there is a similar cost which is for the maintenance of the burial area itself, the burial ground. They take 50 per cent of the total fee charged and that is invested in a portfolio and ring-fenced, with the interest being used for the maintenance of the churchyard. I think that is a sensible way of approaching burial and maintenance in general.

Perhaps next year we could see if we cannot try and readjust the fees we are asking for in line with what is already being paid by people who select deposit in consecrated land in private and in public cemeteries.

Mr Tim Hind (Bath and Wells): I am a member of the DRACSC. I am reminded every time we talk about the Parochial Fees Order of the story of the man who said that his mother-in-law had come to him on one occasion and said that she was going to dance on his grave when he died. So he put a codicil to his will to be buried at sea!

I just want to address two brief points and, first of all, the voting principle to which Richard Turnbull has referred. I think, if we have a democratic society, we have to rest

with the democratic process. If people do not turn up to meetings, their votes cannot be counted on one side or the other. Those who were there voted and the vote went in a particular direction, and that is that. If we want to change that process, then we need to do so and move on.

The second is a bigger principle. From time to time we come here to discuss fees and people have all sorts of views about the sort of level of increase we need to have. The reason why there is such a division of opinion as to the level of increase is because we do not actually know what there ought to be out there. We spend a lot of time reorganizing the Church of England's structures, in terms of committees and everything else, but many of the archaic practices of the Church of England have not even been looked at.

I think we need to understand exactly what the fee is for. Once we have understood exactly what the fee is for, we might then have some benchmark from which we can judge each year what the appropriate increase could be. We are suggesting increasing it this year by 4 per cent. That is 4 per cent of what? It is 4 per cent of what it was last year. Next year somebody will say, 'Let us increase it by 10 per cent because inflation has gone up by whatever', but nobody has taken the longer view. We really need to look under the drains, as they say, and understand exactly what these fees are for, right the way across the board, but I am not asking Michael Nazir-Ali to come up with a theological perspective!

Mrs Anne Williams (Durham): On a point of order Mr Chairman:

I beg to move:

'That the question be now put.'

This motion was put and carried.

The Bishop of Gloucester, in reply: Thank you to everybody who has taken part in the debate. The Archdeacon of Surrey has made a very useful and interesting suggestion, which we should be happy to look at, particularly as the churchyard he referred to in his speech was the one for which earlier in my ministry I was responsible as an incumbent. In fact, when I was rector of that large parish, a very large extension to that churchyard was opened and consecrated in my very time there.

Local authority charges do vary considerably across the country, for a variety of reasons. I understand they are normally in the region of £200 to £300, not the £1,100 referred to in the Archdeacon's speech. That £1,100 does include £500 for the reservation of a particular space, and also the cost of digging the grave.

It would represent a major shift to have fees for burials in churchyards being decided by the PCC, along with the optional extras that we already know about, like bells,

flowers and organists. We would need to explore very carefully what could be done within the scope of existing legislation, as well as consulting the Legal Advisory Commission.

So it is not a straightforward matter but we shall certainly examine the implications of this when we look at parochial fees for the following year. I am very grateful to the Archdeacon for the suggestion that he has made.

As for Dr Turnbull and his dilemma, he is a distinguished member of DRACSC and his arguments have been heard and appreciated on a number of occasions. I do have to remind him that of course it is not DRACSC which makes the recommendations but the Council in the end, so any voting figures would be much more relevant if they were from the Archbishops' Council rather than from DRACSC. In fact, you know the figures from DRACSC by the Question last night and, as Tim Hind quite rightly said, in synodical government and democratic government those figures were perfectly valid. A majority was achieved and the result is here today.

I enjoyed Dr Litten's speech. I am not an expert in monuments, as he is, but I have to remind him that if he does need a pyramid on his grave, he will need a faculty and the fee for that will be set by the Chancellor and would no doubt be pretty massive! However DRACSC would be very pleased to receive any written submission from Dr Litten before next year's discussion because he obviously has some very important points to make.

Burial at sea is a further complication. I do not want Tim Hind to push that any further!

As retiring Chairman of DRACSC, it has major matters ahead, not least conditions of service, so any review of these in a major way would have to take its place in a queue of business. I do not want to make any rash promises to leave the new Chairman cursing me for making them.

The motion was put and carried.

Revd Chris Lilley (Lincoln): I beg to move as an amendment:

'In part 1 of the Schedule to the Order, in the final item under "marriage services", relating to "Marriage service", *omit* the figures in columns 1, 2 and 3 and *insert* the following:

Col 1 (fee payable to incumbent)	£108
Col 2 (fee payable to parochial church council)	£120
Col 3 (Total fees payable)	£228.'

I believe that we undervalue and therefore undercharge the time and skill of the clergy when setting parochial fees for marriages and funerals. I was pleased when, following

my request last year for additional fees in two specific areas, DRACSC dealt with the matter so helpfully. I was encouraged when they wrote to me earlier this year saying that they were considering a substantial increase in the fees, possibly even doubling them, but I was rather dismayed then to discover that, after consulting a number of interested parties but not consulting the Church widely, i.e. the clergy, they decided to reduce the proposed increase to just 4 per cent.

In making my proposed amendments, I have looked at a substantial increase, the sort of increase that DRACSC apparently were considering, and feel that it is justified. I would like to demonstrate how I have arrived at those figures, so that Synod can see that it is actually worth going back to first principles to recalculate the basis of our fee charges.

My proposals to Synod are based solely on covering our costs. They do not and should not seek to include more than that. It is entirely reasonable that the various organizations that were consulted should, of course, themselves charge fees that do include profit: they are commercial organizations. Equally, it is understandable that they would try to discourage the Church from charging more because it does perhaps make their life rather more difficult.

Let me first demonstrate how I have arrived at the calculation. It is not too difficult. The total annual cost of keeping a priest in post we now know is something over £30,000. If we reckon on, say 45 available weeks a year, allowing for leave, training and illness, and then assume perhaps 45 hours a week – I know that many of us work more than that, perhaps far more but again we need to exclude things like our prayer time, saying the offices and study – and if we do that simple calculation, we can see that the cost per clergy hour is something in the region of £15. We can then apply that figure to the time that we take in marriage preparation and funerals. Let us look at marriages. We perhaps have two or three dedicated preparation sessions, including initial interview, maybe a second interview, the time for the rehearsal, preparation of the registers, the service itself. With funerals, there will be one or two pastoral and planning visits to the family, again time preparing the service, writing the sermon, travel time, and of course follow-up pastoral care. It is entirely reasonable then, using this £15 per hour figure, to arrive at the figures that I have put in my amendments. To charge less means that we are not actually covering our direct costs. I believe it is entirely reasonable that we should do so.

We also need to bear in mind that we are at a time, as we all know, when we are cutting posts centrally, in the dioceses and in the parishes. The reasonable opportunity to increase our income will help every parish and every diocese. I would like to say more but perhaps I can leave that for my second opportunity.

The Bishop of Gloucester: I understand Mr Lilley's concerns and I am grateful to him for showing that careful attention to the work we are looking at this morning. For the reasons I have already referred to, I do not support the level of increase proposed in this amendment.

A 50 per cent increase in the fee for a wedding as proposed by Mr Lilley will not necessarily produce a 50 per cent increase in the level of fee income received by the Church for marriages. The most recent figures we have available up to March 2002 show that fee income has remained flat or fallen slightly compared with increases in the level of fees of at least 3 per cent. This is because the number of Church marriages has been steadily declining.

Even if we consider the level of fees as a purely financial question, which of course it is not, we need to be extremely cautious about raising our prices when our market share is falling. This might simply have the effect of accelerating the decline in the number of marriages in Church, which I believe would be an enormous pity. The number of Church of England marriages has already fallen from 70,000 in 1997 to 65,000 in 2000, and is now less than a quarter, as I said earlier, of the total number of weddings.

If two sets of banns are called, the cost of a marriage service as proposed by Mr Lilley would be £264 compared with a figure of just below £200 in the draft order, which we consider is a reasonable mid-point between £100 for a basic register office wedding and around £260 for a civil wedding at approved premises.

In any case, the Synod will be considering later this session the proposals in *The Challenge to Change*, which tries to simplify the legal procedure for marriage preliminaries and will have some implications for the level of fees. I therefore believe that, rather than rushing into a substantial increase at this particular point, it would be better to look at marriage fees in the context of the proposals in *The Challenge to Change*. So I do encourage members of Synod not to stand so that this amendment will lapse.

The Chairman: This amendment will lapse unless I see 40 members stand who wish a vote to be taken. There are not 40 members standing.

Revd Chris Lilley (Lincoln): I beg to move as an amendment:

‘In Part 1 of the Schedule to the Order, in the first item under part A of “Funerals and Burial”, relating to “Funeral Service in Church”, *omit* the figures in columns 1, 2 and 3 and *insert* the following:

Col 1 (fee payable to incumbent)	£78
Col 2 (fee payable to parochial church council)	£66
Col 3 (Total fees payable)	£144.’

I would like now to look at the total cost of either a wedding or a funeral service to put our fees in context, whether we are talking about those which are being proposed by the Archbishops’ Council or my somewhat higher figure. Whatever we charge does need to be seen in that context.

May I go back for a moment to the question of a wedding? There is of course a wide range of costs for a wedding. You can insure a wedding against cancellation. One insurer offers cover from £4,000, the silver policy, to £10,000, the platinum policy. If we take an average, say, of £7,000, which personally I suspect is rather low, then the marriage fee proposed for 2003 of £162 is just 2 per cent of the total cost of a wedding. If Synod had accepted my amendment there, the revised fee would have just been 3 per cent of the total cost of the wedding.

Contrary to the Bishop, I believe that the fee that we charge is not the reason why people get married in Church or do not get married in Church.

The Chairman: Your amendment deals with burials. I hear you talking about marriages. I hope there is no confusion.

Revd Chris Lilley (Lincoln): I will move on to funerals. The costs of a funeral fall within a somewhat narrower band. Burials tend to be more expensive, as we have already heard, in urban areas where a plot can cost as much as £1,000, whereas cremations are the more expensive option in many rural areas where churchyards are still open and the burial cost just £139.

I am grateful to the Archdeacon of Surrey for raising a point that I myself was going to mention, and feel that that is an area that does need to be looked at. Various figures have been supplied to me, but let us take a relatively low total cost of £1,500 for a funeral. The proposed fee for an incumbent taking a funeral in Church is just £42, which represents only 3 per cent again of the total cost. The fee for the use of the church – or is it compensation for the unavailability of the incumbent, and the logic of the fee structure is a little fuzzy I feel – is £36, or 2 per cent of the total cost of the funeral. With my proposed increase, the fee for the incumbent is £78. If the media are listening, lest there be any doubt, please do understand that we do not keep any of it.

How does this compare with the proposed charges by registrars? I understand that £180 will be charged by people for taking a funeral who have no less than three days' training. They will not be expected to provide any follow-up pastoral care. The justification given for the charge of £180 is, 'although this is more than the clergy charge, recognition should be given to the amount of work involved.' I feel that my case is made.

The Church should not be afraid of charging a fee that more fully reflects the time and skill involved by its clergy. We should not be afraid of competition, even if the competition has had three full days' training!

Finally, we can and should, where appropriate, in cases of acute or pastoral need, exercise discretion by reducing, or even waiving, fees.

Can I urge enough members to stand so that we can actually debate this issue? I realize that my amendments are not likely to be passed today but I feel it would be helpful for

enough people to indicate their concern so that the matter is taken back to DRACSC and is looked at as a matter of some priority.

The Bishop of Gloucester: I thank Mr Lilley again for his concern. I must say, I am afraid, that many of the arguments about the fall in the number of Church marriages that I make apply equally to funerals.

I do foresee considerable problems with a rise of the magnitude proposed by Mr Lilley for funerals. According to an inquiry by the Office of Fair Trading, the average total cost of a funeral over the last decade has risen by more than inflation. More significant, however, is the fact that over the same period increases in funeral fees have been virtually twice as much. We have already carried out consultations on the possibility of a substantial increase in funeral fees, and our consultations do suggest that Mr Lilley's proposal to double the fee for a funeral has the potential to do a great deal of damage to the mission and standing of the Church. For example, those who have been saving for their funerals through pre-paid funeral plans would be particularly affected by such a substantial rise. There could be an increased risk that those on low incomes, for example, might be denied Church services. Where people are on benefit, the Government will pay the burial or cremation costs, plus a maximum of £600, which has to cover all the other costs, including the parochial fee and the costs of the funeral director. If there were a substantial increase in the level of the parochial fee, people relying on DSS help would be unlikely to be able to afford Church funerals.

I can assure Mr Lilley that DRACSC continues to keep the review of fees under careful scrutiny, whether 40 members rise today or not. I would strongly urge Synod not to accept this amendment and ask that 40 members please do not stand.

The Chairman: There are 40 members standing.

The Chairman imposed a speech limit of three minutes.

Canon Bob Baker (Norwich): I am a spokesman for the parishes of the diocese of Norwich, whose clergy elected me.

I have stood to have this matter debated but I want to encourage the Synod to resist the amendment, which sounds a bit illogical. My reason for standing is that the Bishop earlier told us that the Archbishops' Council had debated these fees and had agreed to a 4 per cent increase. Of course that is absolutely true but the Council was only presented with a choice between a 4 per cent increase across the board or a larger increase across the board. My difficulty in that discussion was that it seemed to me that there are considerable and strong arguments for an increase in marriage fees but weak arguments for an increase in funeral fees. I wanted to argue that we should keep funeral fees modest but should increase significantly the marriage fees. I might tell you that my own daughter is about to be married and fortunately any increase will not

come until after that time! Having discussed with the hotel the cost of the meal and all that sort of stuff, my wife suggested that we might have something to eat towards the end of the evening and the hotel told us that we could have a cheese board that would cost us a mere £400. It seemed to me that a bit of bread and cheese for £400 compared to the cost of the marriage service made the marriage service a little bit under-valued and under-priced.

There is another issue here. It seems to me that the difference between marriages and funerals is that, first of all, the funeral is pastorally more sensitive because it often comes unexpectedly, it is an unexpected cost, and we should make it as modest as possible. There is also real evidence of a competitive element in this, that funeral directors are pushing people in the direction of other ministers, non Anglican and non-authorized ministers in some cases, because that is a cheaper option. We need to be alert to that possibility.

In 20-odd years as a parish priest I have never come across anybody who has said that the marriage service was too expensive, and indeed when telling them the fees, I have always reminded them that there is a discretion which we can operate if the fees are prohibitive.

It seems to me that there is a serious difference between these two things and I hope DRACSC will continue to keep funeral fees modest, but will look to a significant increase in marriage fees in the future – after my daughter has been married.

Prebendary Horace Harper (Lichfield): The more fees we charge for a particular occasion, the more those for whom the occasion is are likely to insist upon having things precisely their way.

I find it an increasingly difficult task to persuade families that the text of the funeral service has already been written, despite many alternatives, and that to construct a service entirely of their own devising is not acceptable, nor indeed to ask me to conduct it, particularly if some other character of person would be more appropriate.

Let us not put up the fees, so that in our pastoral relationships with the families concerned we are able to lead them, perhaps for the first time, into some Christian understanding of prayer at a time of death and during the funeral.

The motion was put and lost.

Revd Chris Lilley (Lincoln): I beg to move as an amendment:

‘In Part 1 of the Schedule to the Order, in the first item under part B of “Funerals and Burial”, relating to “Service in crematorium or cemetery”, *omit* the figures in columns 1 and 3 and *insert* the following:

Col 1 (fee payable to incumbent)	£144
Col 3 (Total fees payable)	£144.’

I will be very brief. I feel rather like Tim Henman facing Lleyton Hewitt at the start of the third set of his semi-finals. There is just one final point that I would make: I wonder whether it may be possible for DRACSC to look at providing more than one option to the Archbishops’ Council for fees in future, and for Synod therefore also to have a choice.

The Bishop of Gloucester: I am grateful to Mr Lilley for that flattering comparison. It is a long time since I felt like Lleyton Hewitt!

I am grateful once again to him for his remarks. DRACSC is certainly listening to the debate, I have no doubt. I can assure him that his concerns will be heard and taken seriously. Again, I hope very much that this amendment will not be put and therefore that you will not stand to support it.

The Chairman: Do I see 40 members standing? I do not. The amendment lapses.

The Bishop of Gloucester: I beg to move:

‘That the draft Order be approved.’

The motion was put and carried.

The Chairman: The draft order now stands referred to the Archbishop’s Council under Section 2 of the Ecclesiastical Fees Measure 1986.

THE CHAIR *Mrs Diana Webster (Europe)* took the chair at 10.30 a.m.

Challenge and Response: Archbishops’ Council’s Annual Report and Financial Statements for 2001 (GS 1461 and GS Misc 671)

Canon Dr Christina Baxter (Southwell): I beg to move:

‘That the Synod do take note of this Report.’

I am glad to have the chance to introduce the Archbishops’ Council Report for 2002, *Challenge and Response*. This is a substantial document which represents a great deal of dedicated work on the part of staff and members of General Synod, for which we thank God. In this speech I can do no more than highlight a few features of that work.

By way of backdrop, we have mentioned a number of factors which inevitably required our urgent response in the last year. The chief of these was the movement in the world markets and increasing longevity, which affected clergy pension contributions adversely.

The Archbishops' Council was very keen that the response from the national Church institutions should be measured, co-ordinated and firm.

The Church of England has reason to be very thankful to Philip Mawer in leading us through negotiations which resulted in: first, the decision to freeze administrative expenditure for three years; second, the initiation of a pensions policy review; and, third, additional capital from the Church Commissioners.

I remember enough of the central Church's history to know that the presence of the Archbishops' Council has enabled us to meet this major challenge with far better process and outcomes than would have been possible, say, 20 years ago, despite the fact that the Archbishops' Council is really only a toddler at three years of age.

Other tragic events in the world around us, the foot-and-mouth outbreak and the events begun by September 11, have involved staff and Church members in new and sensitive work. Jeremy Martineau and his colleagues at the Arthur Rank Centre made a huge contribution in helping farmers directly and in supporting the rural Church and the key networks to give practical and pastoral support to those who were caught up in the foot-and-mouth epidemic.

Staff members in the BSR and the Board of Mission with expertise in international affairs and interfaith issues played a key role in assisting Church leaders and the Synod to respond to the tragedy of September 11, and to build new bridges.

These are excellent examples of the way that we have been able to engage with social issues.

The Archbishops' Council has been concerned to help the Church understand the overall picture of our current circumstances. We therefore welcome the Church's Information for Mission survey, with its important insights into Church life in the parishes: what churchgoers actually think and do. Many new initiatives, such as the developments of the reJesus website, are good examples of our second theme: equipping to evangelize.

The Church Commissioners' provision of an additional £10 million over three years to help fund mission schemes or sustain ministry in poor parishes we hope will be very significant for mission in our parishes.

I imagine that many of our members feel that we have been conducting too many reviews – of stipends and ordination training, to name but a few. At times dioceses may

have wondered if anything was not being reviewed. On this matter I have three comments to offer.

First, reviews are an essential prelude to major change. It would be irresponsible to act without them.

Secondly, the Church of England is a voluntary society. The dioceses and the finance forum were telling us things we had to take seriously, so these reviews are responsive to whole Church concerns, not least as expressed, for instance, in a petition which Mrs Margaret Brown organized.

Then thirdly, these reviews have addressed very important issues which will enable us to make good plans for our future, if we use the current opportunities wisely.

Granted all of this, we might perhaps have expected the Archbishops' Council not to attend to any new work, but that is not the case. For instance, in the area of children and young people, we have been able to take forward our determination to listen and to act creatively with and for these generations. The Council's encounter with young people in one of our residentials underlined the energy and creative change which young people can bring to our Church when we are open to this.

Of course the Dearing Report and the new work on evangelism among children will also make significant contributions to the work of the kingdom. Who knows what might be possible if every parochial church council were to listen and to take a few strategic decisions in this area.

Good relationships and collaboration are never achieved without a great deal of effort and prayer, and this is as true for the Archbishops' Council as anywhere else. We know that we need, as a council, to continue to work on our relations with the House of Bishops, the General Synod and the dioceses and parishes. What is different now that we have an Archbishops' Council is that we have some tools so to do.

A key part of our work is to help the Synod focus on key issues and resource the debates and decisions that are made in this place so that we can genuinely advance the kingdom in what we discuss, determine and deliver. If our service to the General Synod and our partnership with the House of Bishops and others is not yet perfect, we ask you to help us to improve.

In any year, there is much routine and hidden work which quietly serves others. There are key areas of responsibility which we need to continue to deliver: for example, payment to the clergy; helping to develop and sustain hospital chaplaincy; or providing the national Church institutions and the dioceses with good human resources advice, to name but a few.

As Christians, we know very well that we need every part of the Church and, in the name of the Church and the General Synod and the Archbishops' Council, I thank all

those who as volunteers or as our employees have given their wisdom, energy and sheer hard work to keep these vital functions trouble-free and are continuing to work through taxing and trying times.

I want to conclude with some personal remarks which I hope echo discussions within the Archbishops' Council, but they are my interpretation. I find myself the longest-serving member in the Archbishops' Council and elsewhere too frequently nowadays. From that perspective, I want to acknowledge the immensely significant part both Archbishops and Philip Mawer have played in enabling the Archbishops' Council to come into being and in helping us to keep the larger picture in view, as well as the God who calls us to fresh acts of discipleship in the service of the Gospel of Jesus Christ. It has only been because of the quality of their leadership under God that we have been able to work through some very difficult decisions and arrive in good order to face our fourth year.

As we, the Archbishops' Council, pass from toddling into walking, I believe we will see that the Archbishops' Council will be increasingly able to run the race set before it, which I believe is essential for the sake of the kingdom.

I struggled last night to find an image of how the new systems, which include the Archbishops' Council, work. I believe I have found one this morning. In long-distance running different people take the lead at different stages of the race. In the Church of England we all run to complete the race. Sometimes the House of Bishops takes the lead; sometimes a parish initiative; sometimes the General Synod; sometimes the Church Commissioners, a deanery or a diocesan synod; sometimes a voluntary society or our ecumenical partners; and sometimes the Archbishops' Council.

I hope the fourth year of the Archbishops' Council operation will be a year in which we learn even more how to allow first one and then another to lead, in which we learn to be less inclined to feel downcast when another overtakes us in the Gospel and more inclined to focus on the need to keep running. There is a long distance to travel if we are to reach the prize of our upward call in Christ and we will reach it more swiftly and safely if we continue to learn to run the race together.

The Chairman: May I remind members that under Standing Orders for an annual report the speech limit is, from the outset, five minutes.

Mrs Margaret Swinson (Liverpool): I shall detain the Synod for considerably less than five minutes.

I would like to speak in this debate to paragraph 14 on page 5 of the report concerning the new system for selective allocations.

As members will be very aware, after lengthy debates and discussions which surrounded the adoption of the new formula, some continuing concerns remained for

those who feel ill at ease with the proposals. Since their introduction, others have started to get to grips with the consequences of the new system. In that context, concerns have again been expressed during debates in this group of sessions.

Such unease is, I think, inevitable, following the introduction of something new in such a crucial area for the dioceses. I would like to put on record my thanks to the Council for their open acknowledgement of the continuing anxieties and for their commitments to the continuing review of the operation of the new arrangements.

In the light of their comments on paragraph 14, I would also ask the Council, as it keeps the new arrangements under review, to consider inviting an outside body with appropriate expertise to assist in the assessment of the success of the formula, particularly in its aim of targeting allocations to the neediest dioceses, and then to report their findings to the Synod and to dioceses. This should enable the arrangements to maintain their focus and should allow any difficulties to be identified and addressed promptly. That will encourage the confidence of the wider Church in both the Council and the allocation system.

Mrs Margaret Brown (Chichester): I want first to say that I do realize what a lot of work goes on behind the scenes at the Archbishops' Council and General Synod and its boards, councils, meetings and so on. It has been painful to think that so many people have been made redundant and have had to take early retirement. I feel that those people should not have been taken on in the first place because we have had a proliferation of jobs. I wonder, and many of us do, when the Archbishops' Council is going to deliver.

We have so many conferences, so many meetings and consultations, and these all cost money. Where is the Church heading? I think, if we are honest, we all want Christ brought to this nation. Someone in the media was talking to me during this group of sessions of the General Synod and I asked about his programme, 'Why is it that we have so little Christianity on it?' I could hardly believe my ears when he said, 'Well, you see, it won't be long before Islam and so on are the greatest bodies in this country. They will have overtaken Christianity.' We have got to bring Christ to this nation and be quick about it before we are taken over.

I am not saying that we are not to be kind and friendly to people of other faiths, but at the same time we have got to make Jesus supreme as the only way to the Father. This is what I want the Archbishops' Council to be about. I want to see the numbers of boards and councils greatly reduced.

In this report before us on page 16 we have the establishment of the ecumenical Churches Criminal Justice Forum and a presentation to the British Confederation of Psychotherapists on confidentiality in counselling. The Liturgical Commission established a new liturgical formation group to develop the educational environment in which *Common Worship* needs to be rooted in the dioceses and parishes. The

harassment advisers presented their first annual report to senior management. This is all in the report and there are other things too.

I do urge the Archbishops' Council please to deliver and get to the basics of bringing Christ to this nation. I instigated a petition for the Synod. It is not that I want a song and dance myself. I was glad that it was mentioned this morning because I have had hardly any notices or letters. I think the last letter I received was in February this year. I seem to have to keep stirring up this question of the petition, which said that there must be a considerable cut in the number of boards and councils, that diocesan offices should amalgamate wherever possible to save costs, and diocesan staff should be cut. This is all in order that we can have good clergy in the parishes of our land and every one of the clergy should be an evangelist. Why is it, I ask, we have to have diocesan evangelists? Yes, it sounds good but every clergy person and all of us should be evangelists witnessing to Christ and his world in this day and age. I am asking the Archbishops' Council to consider this.

In response to Christina Baxter who said something about 'we are learning to walk', we cannot run balderdash but, please, can we learn to run with the Gospel of Jesus Christ and really bring this Archbishops' Council down in size to do the things it should be doing and which we should all be doing to bring Christ crucified, Christ risen, Christ as Saviour, Christ glorified to this world. This is what we should be doing. Christ should be on the tips of all our tongues, instead of this talk and proliferation of papers.

Canon Jeremy Haselock (Norwich): I am also a member of the Liturgical Commission.

In the preliminary matter before the substance of the Archbishops' Council report we are helpfully reminded of the vision and purpose of the Council. Bullet point 2 tells us that the Council will seek to encourage and resource the Church in parishes and dioceses to work as one body in witness, worship and service in today's world.

Overleaf, within an impressive black frame, are the themes and fundamentals clearly signalled as vital to the Council's work in this quinquennium. The first fundamental is enhancing worship. This debate gives Synod an opportunity to comment on how far the Archbishops' Council is responding to or reflecting the declared priorities in its work.

I would like briefly to comment on the issue I have highlighted. I draw Synod's attention to page 74 of GS 1461 where we find the financial results of *Common Worship*. I am hopeless at reading accounts, not least because they keep changing their format, but we can all see from this page that *Common Worship* has generated for the Church an accumulated surplus of £627,000. This is a substantial contribution to the Archbishops' Council's work and must help them in furthering their purposes. Why then has the Archbishops' Council declined to accede to the Liturgical Commission's request for the appointment of a national liturgical education officer in succession to Mark Earey? Mark's track record in furthering the implementation of the new

Common Worship services throughout the country is a distinguished one. I was for six years diocesan liturgical adviser in Chichester diocese and I now hold that position in the diocese of Norwich. I know from personal experience just how valuable the work of a national liturgical education officer has been in countless ways. Page 27 of the report before us tells us that the Liturgical Commission has established a new liturgical formation group to develop the educational environment in which *Common Worship* needs to be rooted in the dioceses and parishes. The right arm of this group is severed before we really begin by the refusal of the Archbishops' Council to fund the education officer we need.

There is a further point to be made. In the figures provided on page 74, you will see among the variable costs the sums expended as royalties: £239,000 in 2000 and £45,000 in the year 2001. The members of the Liturgical Commission who have worked so long and so hard on the texts of *Common Worship* do not receive any royalties at all for their work after publication. We sign away those royalties together with our copyright. To whom then do these royalties go? They go, as I am informed, largely to the central funds of the Church, and so the net contribution of *Common Worship* is even larger than the accumulated surplus published. Surely from this sum the Council may find the means to employ a national liturgical education officer and help us in the Liturgical Commission to move from toddling to walking?

The Bishop of Chelmsford (Rt Revd John Perry): I would want to express my huge gratitude for what this report represents as it has sought to push forward the four themes that this Synod approved, one of which was of course to develop the ministry of all. I want particularly to express gratitude on behalf of the Committee for Ministry among Deaf People, and this is referred to on page 25, for the fact that the post of Secretary for that Committee has been unfrozen.

I want, too, to express my gratitude on behalf of that Committee, and indeed on behalf of all the chaplains who work among deaf people throughout the length and breadth of our dioceses, and to the Synod members who spoke last November expressing their alarm that that particular post had been frozen. I believe that the unfreezing of this post will bring enormous encouragement to those who work amongst deaf people. The concerns have been taken on board with that post as it is being redesigned to respond to disability issues: my gratitude to the Archbishops' Council that the alarm expressed by the Synod last November has been heard. I recognize in saying that that other posts have had to go, but this post, I believe, has had wide implications. I am grateful that those concerns have been taken on board.

Revd Richard Thomas (Oxford): First, I would like to echo my thanks to the Archbishops' Council for the restoration of that post. I too had a lot of response even in our own diocese about that.

However that is not the point I wish to raise in substance this morning. I refer to page 29 and to the Communications Unit of the Archbishops' Council. I ask Synod to recall

that, when the Archbishops' Council was established, the Church of England Communications Committee was abolished on the understanding that the Archbishops' Council would fulfil that role. In some respects we have lost an enormous resource in that abolition. The Church of England Communications Committee brought together expert practitioners in a wide range of media issues: broadcasters, people in television, in film, in the electronic media and so on. That has now gone and yet we live in a culture where our society is dominated by the values of the media.

I was reflecting last night on *Big Brother* and I thought: what if we said to the media that we can have 570 people locked in a university for four days: we could see what happens and whether that would increase the ratings.

It is a serious loss to us and I would like to suggest to the Archbishops' Council that, without spending any more money, it would be perfectly possible to put back what we have lost by setting up a network of Christian professionals in the media who would come together to support and advise the central work of communications in the Church of England. We could do that relatively swiftly, drawing on the resources of professionals who are in our pews already, who want to support the Church, and yet who are frustrated day by day because they have no mechanism by which to contribute.

I would simply ask that the Archbishops' Council consider that proposition. It would, I am almost certain, be largely self-funding because those very same professionals who long to support the work of communications and Christian values in the media are already willing to contribute.

Mr Alan Cooper (Manchester): What I have to say will take just a couple of minutes. I hope we may hear today that reorganization at Church House has now reached a conclusion. We cannot go on living in a perpetual state of reformation. There has to be consolidation. It is all right saying nice things about the staff but we are thinking of careers, movements, families, doing a good job and being recognized. I hope I will hear today quite unequivocally that we are going to have some stability for the good of the Church, for the good of this organization. I think it is lean enough now.

Secondly, to my dear friend Margaret Brown: it is always good to hear Margaret. She electrifies us and makes us think big thoughts, but we cannot run today's Church with the systems of medieval times. We are asked to think of the Archbishops' Council, Commissioners and others as in a race, some going ahead, some coming along later. I used to run cross-country years ago in very long shorts and, even in those far off days, someone had to plan the course; someone had to be at the end of the course; someone had to provide refreshments. Therefore, you need systems and organizations. I tremble for those who serve us in the three national institution bodies as they wonder exactly where we are going.

Hospital chaplaincies: a number of us have contact with that service through friends and colleagues. It is a tremendous service in which the Church of England is a lead player. Board of Education: the work they have done for schools and education goes beyond what it has done for the Church of England. We must have the resources for that body.

I am chairman of a board of finance. I know we have to look for every single penny but sometimes, as the chairman of a board, you have to have the courage to say, 'We must pay out for this.' You cannot eternally retreat behind the balance sheet. You have to have some expansion.

It would be grossly unfair and naughty to place the chairman's representative in a corner but can we have some assurance that we will have stability? We need more staff to do everything that has been asked for this week.

I think there is a case for liturgical advisers. Some years ago I chaired a small commission on trying to get a music adviser for the In Tune with Heaven Follow-up Group: does anyone remember? We were to have someone to do it. We wait upon it. The coda is not in place, not even the prologue yet. So there is a lot to do.

I have said enough. I hope to get a confident reply from the speaker.

Revd Dr Richard Burridge (London University): I am glad to follow that plea from Mr Cooper because I want to say something very similar.

Dr Baxter has described the Council as a toddler now beginning to walk. I am really impressed by how much ground has been covered by GS 1461 by our toddler but I want members of Synod to be aware of how much it costs for that toddler to crawl across this ground, and I do not just mean in money; I mean what it costs the people who are doing it.

Every single line of this report represents a huge amount of work. I know some of the work that has gone into just two or three examples. I am going to mention them, not because I think they are particularly special but because they are the ones I know about. I appreciate that behind every other line that I do not know about there is an equivalent amount of work.

Take page 9 where it talks about the Secretary for the Chaplaincy in Higher Education: we had to fight to save that post a few years ago. Please take, use and put forward the report, *Pillars of the Church*, which Paul Brice has sent to all of us.

Turn to the work of the BSR on page 17 and think of the debates that they service on things like Israel/Palestine and the incredible fringe meetings they have organized for us this time with Yael from B'tsela or indeed a little more to the point the marriage officers getting £45,000 from the Lord Chancellor's Department for research on relationship support.

On page 24 there are a few lines about the structure of funding for ordination training and about the Ministry Division, where I spend a large amount of time. I know that days and days of work have been freely given on that. I hope you will all come to the fringe meeting in Langwith at lunch-time to talk about it. There is a phenomenal amount of work being done on the Education Validation panel, which I happen to chair, as mentioned in paragraph 83. That would not be possible without people like David Way as Secretary servicing the working parties.

All this is going on against a background where these same staff members have been looking at how in the future they can save more money, at who is going to be cut next and such matters. That is a really debilitating atmosphere in which to have to produce all this huge amount of work.

We have heard pleas this morning for a liturgical adviser, for the deaf, for the Communications Unit. I support all of that. I am perfectly guilty of special pleading myself for many interest groups. Time and time again we heard in Question Time that the reason why we could not do something was because of the cuts for which we had voted.

We have heard about the high quality of the staff to whom we are saying goodbye but we have not said why we are having to make them redundant. We keep saying we want all this work to be done but we are not giving the staff the money to do it. If this toddler is to walk we have to stop shooting it in the foot and shackling it.

Mr Barry Barnes (Southwark): On a point of order Mr Chairman. I beg to move:

‘That the question be now put.’

This motion was put and carried.

The Chairman: I call Dr Baxter to reply and she has five minutes.

A member: On a point of order, I thought you had called me before that gentleman proposed closure.

The Chairman: I am sorry, it was my intention to wait for Mr Barnes and his motion. Can you come and talk to me afterwards, please? That is my decision. You must stand by it.

Canon Dr Christina Baxter, in reply: Thank you to everybody who has taken part in this debate, which has been most helpful. I can assure you that the Archbishops’ Council will take seriously all the contributions which we have heard.

I want to say a general thing and then just one or two detailed things. The general thing is that I believe we are all facing in two directions. We face towards our dioceses

where we know that there are financial challenges in the parishes and in other ways, and then we face towards the centre and we see the value of the work that is being done and decide on the work that needs to be discontinued. For us all that builds a kind of tension in ourselves that somehow or other we need to resolve. The Archbishops' Council is working hard to do that.

This morning I have heard two messages which we hear each time we have these kinds of debate. I have heard Margaret Brown saying, 'Let us do less and less at the centre and put all the money into the parishes because of evangelism' and our hearts are with that; we want to be in parish ministry and in evangelism. On the other hand, we have heard quite properly the staff at Church House and others being praised for the quality of their work and the essential nature of it, and that costs money.

Let me go to one or two of the questions that were raised. First of all the liturgical post. As a member of the Finance Committee, I was there when Jeremy came to present the proposal. I have a great deal of sympathy for it, but a great deal of the money that is in the books as surplus is actually in *Common Worship* books and no liturgy adviser wants to be paid in *Common Worship* books. Until we have sold them, we cannot proceed to make a further decision about having a central person, but it is a matter which is high on the agenda of the Archbishops' Council.

We were so grateful for the comments about the ministry amongst the deaf and a post being unfrozen. We have, of course, a great concern about Communications. A review of that is going on currently. We will take back the suggestions that Richard Thomas made. I can assure you that the Archbishops' Council believes that Communications is an extremely strategic unit. That is precisely why we are not rushing into making a decision, but trying to take some advice first.

I would love to be able to say to Alan Cooper that there will be no more change. Life would be so easy if we could affirm that. I would be a bit King Canute like if I said that. I can tell you that the Archbishops' Council is coming to a conclusion with *The Guildford Review* about the changes that are needed, but none of us in this House can know what might happen in the world markets in the next 5 to 10 years. Neither can we have any idea of what God might do in the way of revival in the Church. It would be foolish indeed to say that there will be no more changes. There will be no unwarranted changes, of course not; we have not been making them. No one is more concerned than I am, as a member of the Human Resources Panel, about the effects there have been on the staff. I thank again all those who have borne the heat of the day in that area.

Michael Chamberlain will come to finance in his speech later today. There are no current plans. I sound like a politician when I say that. I have no plans but that does not mean that events will not overtake us or opportunities will not present themselves. We ought perhaps to adapt in those cases.

I want to say a word or two about selective allocations. I was thankful for the way in which Margaret Swinson responded to all those issues. We will of course consider the use of consultants but when we do that we have to consider the cost of using consultants: we will have to weigh that very carefully. I will take those comments back to the Archbishops' Council.

I want to conclude, if I may, by referring back to Margaret Brown's comments about mission. We are indeed committed to mission, but I think we believe that mission is not only about helping people to come to faith in the parishes; it is also about addressing issues in our society today. If we were to give up on the kind of work we are doing in our education policy, health policy, social policy and in Government headquarters we might have thousands of people coming to faith but our nation might be getting more and more pagan. So we are trying to balance the big picture and the local picture. Like you, we feel the tensions and we seek your prayers.

The motion was put and carried.

Annual Report of the Archbishops' Council's Audit Committee for 2001 (GS 1460)

The Chairman: At the invitation of the Presidents, Mr Ian McNeil, the Chairman of the Audit Committee, will address the Synod under SO 112.

Mr Ian McNeil: I have pleasure in presenting the third report of the Audit Committee serving the Archbishops' Council. First, may I thank the Synod for confirming my reappointment as Chairman of the Committee for a further term of two years and may I thank the Presidents for inviting me to address the Synod on this occasion.

As I am not a member of the Synod, my duties extend only to making the report to you. Mike Tyrrell, who sits with me on the Audit Committee, will formally move acceptance of the report and will deal with any questions that may arise, leaving me in the fortunate position of not being directly answerable – a position that perhaps an audit committee chairman should not always encourage.

In its third year, the volume of business that the committee has considered has been greater than before but I am glad to say that, contrary to recent international auditing revelations, we have nothing particularly dramatic to report.

Membership of the committee has been relatively stable over the three years we have been in existence and this has enabled us to increase our understanding of the environment in which the auditors, both external and internal, are working and reporting to us.

Our external auditors, PricewaterhouseCoopers, again offered us an unqualified set of accounts and their management letter in support of the accounts reflected further

improvements in the financial management of the Council, particularly by the Council's chief accountant and his staff. As a result of compliance with national accounting standards, the financial statements are unavoidably quite complex documents. Management accounts, not requiring an audit report, have also been provided to give further information.

Arising from last year, I am pleased to report that the bank reconciliation problems have now been resolved. Also, a prior year adjustment resulting from the inadequate control of sales information for *Common Worship* has been agreed, and this situation continues to be investigated and monitored.

Discussions have also taken place with our external auditors about the revised accounting requirements for charities, together with two new accounting standards, all of which have been implemented in these accounts. In particular, they concern the treatment of grant expenditure and the provision to be made for the cost of the final salary pension scheme.

This year, the internal audit department has had to prioritize its work as resources have been stretched. It has nevertheless produced a number of valuable reports for the committee's consideration, including those on treasury functions and payments and receipts. No major concerns have materialized.

Arising from a report on the introduction of a new human resources and payroll system, the committee has endorsed the suggestion that guidance on project management controls that would be of benefit for the future work of the NCIs should be made available on the Intranet.

To assist the staff budget group examining the proposals for *Discerning the Future*, the internal audit department reviewed the Ministry Division's options for possible cost savings, including some of the more radical options for devolving selection for ordination training to dioceses, to see if these might provide savings for the Council and the dioceses as a whole. It concluded that any change was likely to result in additional costs overall. This has been a substantial piece of work for the department, coming as an addition to their original plan for the year. Nevertheless, it was considered of high importance, given the significant sums involved in the ministry budget.

Work has taken place in the past year in order to comply with the requirements of the Charity Commission for trustees to identify the key risks facing the Council and to put systems in place to deal with those risks. This does not prohibit the taking of risk but is concerned with awareness and management of risk. The Council has produced a risk register, which will be both reviewed by senior management and checked by internal audit. My committee will keep the process under regular review.

I have again met with my fellow Audit Committee chairmen, from both the Church Commissioners and Pensions Board, to discuss matters of common interest. A year ago

it was agreed in principle to put the appointment of an external auditor for the NCIs out to competitive tender as soon as was practicable. Since then, there have been a number of developments affecting the timing and start of the tender process. The most recent development has occurred since the preparation of the report before you. The Church Commissioners have recently received notice from their auditors, Andersens, that the firm will be dissolved later this year, leaving the Commissioners with no choice but to request tenders for an immediate replacement. Following consultations with the Chairman of the Commissioners' Audit Committee and with my own committee members, both the Council and Commissioners will request tenders together. Unfortunately, the Pensions Board feel unable to participate at the present time because of the imminent loss of two of their senior accounting staff. Presentations by shortlisted audit firms will be held in early September, leading to a recommendation from the audit committees later this year. Consequently, the Council will not be asked to approve an appointment for the year ending 31 December 2002 until the autumn of this year.

Finally, may I thank all the members of the Audit Committee for their expertise and support during the past year and the staff of the Council's Finance Division for their unstinting hard work and commitment throughout a very difficult period.

At the start of my remarks I did not promise you anything dramatic but I cannot speak for Mike Tyrrell, to whom I am most grateful for agreeing to move acceptance of the report. Being in Yorkshire, I am aware of the reported attitude to members of my profession, which was summarized by a chairman speaking to his accountant, who said, 'Shut up, thee. Thou's nowt but scorer'! Nevertheless, our committee continues to work to ensure that you know the score, clearly and accurately. I therefore conclude and hand over to Mike Tyrrell.

Mr Mike Tyrrell (Coventry): I beg to move:

'That the Synod do take note of this Report.'

Mr Richard Rand (Winchester): I believe that I was the only member who asked to speak in this debate last year and so I apologize for doing so again. My comments will be very mundane to many, after the grand words we have heard so far this morning.

I refer to 10.2 of GS 1460 and, as the member who last year raised from the floor the question of tendering, I thank the Audit Committee for taking this matter on board. My concern was that we should be in the vanguard of best practice and seen to be getting best value for money. Indeed, as Mr McNeil has implied, in the light of recent world events in financial and auditing sectors, this is now very pertinent.

As regards the external audit appointment in particular, may I, having heard last year the mutterings from the stage to the effect that I must be representing one of the

alternatives to PricewaterhouseCoopers, assure members of Synod and of the Audit Committee in particular that that is and was certainly not my position. I am delighted to know that we are going out to tender and I hope that you receive satisfactory responses.

In the meantime, I note that the audit fee has increased by £4,000. I understand the reasons for this, but I hope that the higher fee will not be the benchmark from which the fee for the next year will be agreed.

Finally, I refer to 10.1 of the paper, regarding the unsatisfactory matter of *Common Worship* finances. May I ask, I suppose, Mr Tyrrell – as Mr McNeil is not allowed to speak any more – why was accurate information not made available on a timely basis and why was the control of sales information so unreliable?

Mr Mike Tyrrell, in reply: I thank Mr Rand for his comments on the work that we have done during the year. Certainly one of the roles of internal audit is to keep all processes under review. We have a detailed internal audit plan and they will look at the issues of external tendering on a number of the services that are provided by the Archbishops' Council – whether it is better to have them in-house or out-of-house. In fact, one of the pieces of work which they did was on the question of devolving matters to the dioceses. From a financial point of view, while it would have saved the Archbishops' Council a lot of money, it would have cost the dioceses a lot more, on the basis of the figures that were before them. That is always kept under review, and I can assure him of that.

In terms of the external audit appointment, we have rather been dancing in pairs. At one point we were going to go with the Pensions Board, and we are now going to go with the Church Commissioners. The other one has dropped out, always for understandable reasons. I have to say personally – and I think it is the view of the Audit Committee – that it would be nice for all three NCIs to have the same auditor, but that will be something for much further in the future.

On the issue of *Common Worship* finances, there was a problem. *Common Worship* was an event that does not happen every year. There were problems because the distributor provided inaccurate or inadequate information during the period in November 2000, in the run-up to December 2000. You will remember that was when *Common Worship* was being introduced. Our systems internally did pick it up, but did not pick it up until after we had closed the 2000 accounts. We therefore had to make that opening adjustment, which you will see detailed in amounts on page 74 of the Annual Report and Accounts that you have just passed.

The motion was put and carried.

THE CHAIR *Mr James Humphrey (Salisbury)* took the Chair at 11.27 a.m.

Financial Business

The Archbishops' Council's Budget for 2003

Mr Michael Chamberlain (ex officio): I beg to move:

‘That this Synod now consider for approval the budget to cover expenditure to be incurred in the year 2003 for the general purposes of the General Synod, as set out in GS 1447.’

As background for the 2003 budget, it is appropriate to look briefly at the out-turn for 2001 and the forecast position for 2002. It is important to remember that it was agreed that the total apportionment for Vote 2 in 2002 should be no greater than 2001.

For 2001 the position was as follows: Vote 1 was underspent by £225,000; Vote 2 was underspent by £42,000; Vote 3 was overspent by £2,000; and Vote 4 was underspent by £65,000.

The current forecast out-turn for 2002 – though, of course, the position may well change as it is fairly early on in the year – is Vote 1, a possible underspend of £225,000, and the others are expected to be in line with budget.

So far as Vote 1 is concerned, the underspend will go forward towards the rolling reserve up to an agreed maximum, as recommended in *Managing Planned Growth*, to accommodate possible future increases in numbers. The other savings are reflected in reserves or the 2003 budget.

Interestingly, some of the points that I shall make were raised in the presentation by Dr Baxter in the subsequent discussion, but the key principle underlying the 2003 budget for Vote 2 follows the Council's decision in 2001 that the Vote 2 budgets for 2002, 2003 and 2004 should be prepared on the basis that the total apportionment to dioceses should remain at the 2001 level. This decision reflected the additional costs which parishes and dioceses are facing, principally as a result of the very substantial increase in contributions to the clergy pension scheme.

The process by which this policy has been implemented is set out in some detail in GS Misc 671, *Discerning the Future*, and has incorporated the proposed structures following *The Guildford Review*. However, one option rejected at the outset was the imposition of any further across-the-board savings. Such a basis could not be implemented, having regard to the fixed obligations in the Synod's and Council's duties.

I would like to emphasize to Synod members that the process set out in *Discerning the Future* has been carried out with wide-ranging consultation and has involved closely

the staff at Church House. On your behalf – as indeed many people have already stated – I would like to express our deep gratitude to all of them in what has been, and inevitably will continue to be, a difficult and uncertain time. However, I hope that the implementation of the Guildford proposals will be the start of a positive moving forward and a return to a position of relative stability for the staff.

The outcome of such an exercise does inevitably result in compromise and, in certain cases, disappointment. Indeed, the additional 1 per cent on National Insurance contributions from April next year, arising from the Chancellor's recent budget, is yet another cost to be absorbed within the total. However, it has been possible, as a result of the budget group's work, as the Bishop of Chelmsford has pointed out, to unfreeze the post of officer for ministry of and among deaf and disabled people, and also for a half-post for a child protection adviser. Furthermore, significant external funding has already been promised towards the national rural officer post.

It is appropriate at this point to indicate to Synod that, with present obligations and structures, I am convinced that the freeze on Vote 2 cannot be continued after 2004. Indeed, the freeze for 2004 is bound to put further pressure on staff and resources. Of course we will continue to look for better ways of working, but we are at a point when it would be totally unrealistic to expect the current level of activity to be carried out successfully by any fewer people. The present workloads are only just sustainable. In the meanwhile, we will continue to explore with dioceses where the optimum place is, for what are inevitably in some cases joint activities.

I can reassure Synod that the presentational change in respect of costs of functions transferred to the Council, which appears to result in a substantial increase in the Vote 2 apportionment, is not a sleight of hand and the explanation is given on page 11 of the report.

For 2003, the budgets for Votes 1, 3 and 4 follow the same pattern as previous years. For Vote 1, the projected numbers coming forward for ordination are slightly lower than provided for in the last two years, and a table setting out the forecast numbers is set out in the detailed budget paper. As in every part of the Church's activity, the increase in pension contributions, in this case for ordained teaching staff, has had an impact and has turned what would have been a reduction in total expenditure into a small increase. Possible future changes relating to the cost of training await the recommendations of the Hind Review. One of the main reasons for its establishment was the level of financial provision of the present arrangements for training.

For Vote 3, the Council agreed last year that the contributions under this heading for 2003 and 2004 should be at the same level as 2002. This proposal seems to have met with understanding by the bodies concerned which, with us being the major contributors in many cases, will mean that in a number of situations hard decisions will have to be made, just as we are having to do in almost every area. There has, however, been some reallocation of expenditure between Votes 2 and 3.

In respect of Vote 4, the contributions for mission agency pensions, the provision is made on the agreed basis, with the full cost being met by dioceses through the apportionment from 2004. However, there continues to be a reduction in the number of clergy for whom this provision has to be made.

All the budget proposals which the Council is putting forward are based on a recognition of the financial pressures facing every level of Church and, indeed, in respect of pension costs, the country as a whole. The work and its outcome, as recorded in *Discerning the Future*, is a process which is being mirrored in different forms in all our dioceses. They and their parishes are similarly seeking out the right way to achieve balanced budgets in the face of increasing costs.

Painful though it may be, this process does provide the opportunity for radical thinking about our priorities and the way in which work is done. Mrs Brown will be delighted to hear that a number of dioceses are taking the opportunity, when circumstances permit, to share resources, benefiting financially from economies of scale but, perhaps more importantly, improving the quality of service and support for clergy and parishes.

In the administrative area, examples of what has been achieved in some dioceses include the creation of a central accounting function and rationalization of the audit arrangements; a single property management function and information technology services, and a jointly serviced diocesan advisory committee. In the mission and pastoral areas, sharing of education, mission and social responsibility function is also happening, or is being done or considered, not only on an inter-diocesan basis, but also ecumenically.

I believe there is 'low fruit' to be gathered and, as opportunities arise, I suggest the first question should always be 'can it be done differently?' Consideration should not necessarily focus on just bilateral arrangements between dioceses, but also multilateral ones. Indeed, there is merit in some forward planning because the timing of some of these opportunities is known in advance – for example, when key staff approach retirement.

Financial savings and improved services are only part of the equation, however. How many of us can claim that *First to the Lord* is not gathering dust? The opportunity for increased planned and tax-efficient giving exists in all dioceses, and in some more than others. Some dioceses are developing a strategy to attract funding for both urban and rural renewal. Experience points to the availability of matching funding to enable the Church to take a lead in these areas. Resource creation, whether at national, diocesan or parish level, must be considered in its widest sense.

I believe that it is aspects such as these – shared administrative and mission activities, matching external funding and, above all, increased giving – that dioceses should address fully, in the development of their medium-term operational and financial

plans. When these avenues have been fully exploited, there could well be a case for the further development of mutual support over and above the present arrangements and what is being discussed in the consultation paper. However, these will be the sort of criteria that the better-resourced dioceses will understandably expect to have been addressed as a precondition to their offering additional financial support. Indeed, I find it somewhat surprising that some calls are being made for mutual support before realistic financial projections have been finalized and parishes challenged to respond to the reality of the position.

The Council believes that the proposals before Synod are a realistic and appropriate budget for the year ahead.

Revd Jeremy Fletcher (Southwell): I have four brief reasons to speak – in this debate, all deriving from page 9, paragraph 24, of the Archbishops' Council's budget and particularly the last three lines which are in brackets.

The first reason to speak is to offer my thanks to the Finance Committee of the Archbishops' Council and, through them, to the Archbishops' Council itself. I had the unenviable task of appearing before the Finance Committee, asking for money for the creation of a new post which has more than once been referred to in this Synod already – that of a national liturgical education officer. That is what is referred to in the words which are in brackets. To have been heard with interest and to gather that there was serious debate about this, not simply a ruling out of order – 'We cannot create new posts: we are cutting them left, right and centre' – was really gratifying. To know that it also went through to the Archbishops' Council was very helpful. In the current climate, I could expect no more. Those of us who are liturgists and who, most of the time, are engaged in the purpose of writing serious prayers for the Church of England are used to seeing our little imprints and footprints, royalty-free, in the prayers that are printed. It was more than I could expect to find an imprint in a budget report, and I was grateful for that.

My second reason for speaking is to observe that, despite all our joined-upness, despite budgets and accounts, despite *Discerning the Future* and *The Guildford Review*, it was very hard to find a forum in this Synod to make the point that I wanted to make: that there might be a need for the appointment of a new officer. In some ways I apologize to the chair of the Finance Committee because I do not think that he can give a broad answer to this, but there is nowhere else to say it.

The Archbishops' Council has two fundamentals and four themes. Given that my own diocese has adopted them verbatim – changing them slightly to make all of them begin with the same letter – they are etched on my heart. The themes you know are evangelism, social issues, children, young people and ministry. All are found somewhere in this budget and elsewhere in the Archbishops' Council's documents. They are in *The Guildford Review* and in the *Discerning the Future* exercise. You will know that there are staff resources at the centre for each of those themes. The two

fundamentals are to do with visible unity and enhancing worship. One of these two has a number of officers at work within Church House and around the country; one does not. Having even one officer dedicated to enhancing worship as a fundamental for the Church of England, based in Church House and resourcing all the departments and divisions, or whatever they will be, is not that much to ask. However, there was no real place to make the strategic argument and therefore all I could do was to go and ask a budget committee – who have no money – to ask whether that could take place. It starts and ends with finance.

My third reason to speak is to observe that organizations which of necessity have to cut down on their expenditure, and of necessity have to cut down posts – and I know how painful that is for the officers involved – cannot simply cut and leave it at that. Organizations which want to grow and develop might need to create new strategic posts, not simply cut across the board. As it happens, I think that the worship one will be strategic for the Church of England, but there will also be other posts. I would submit that focusing on a fundamental by the appointment of an officer may be money well spent, though it is hard to do politically – and I was aware of all of those tensions.

My final reason to speak is to ask that the Finance Committee, as they hint in those words in paragraph 24, keep this on their agenda and keep asking the Archbishops' Council to think strategically, through the *Discerning the Future* exercise and others, to consider whether it would be prudent to resource its fundamental by the promise of such a post. I would not want to say that there is money here because of *Common Worship*. It is not for me to tell the Finance Committee how to spend its money, but I would simply ask the strategic question, are there posts that will develop us – even as we have to slim down at the centre?

Mr Gavin Oldham (Oxford): Following my comments at the November Group of Sessions, I have to say that matters on the Finance Committee have improved considerably. I would like to put on record my thanks to Michael Chamberlain for his gracious response to my challenge then, and also his willingness to change the committee's modus operandi.

I have recently been asked to join the Church House Publishing board, which I am very pleased to be a part of. Publishing may be a zero effect item on this budget, but it is a uniquely sensitive item. This is because it has the capacity to generate significant revenues through increasing sales, thus combining extending the mission of Christ with improving central finances – surely a virtuous circle?

Church House Publishing produces a host of high-quality work, including and beyond what you see in this Synod: books of great value; worship material; resources for schools and children's work. At the same time we have a million or more regular churchgoers and 5,000 Church of England schools. This is surely a publisher's dream? High-quality production plus a large, warm and receptive market. Surely all we need

to do is to galvanize that relationship between production and market? I will certainly give this a first priority in my role on the Church House Publishing board.

I believe that it is a combination of marketing and incentive. May I share with you a plan which I intend to explore regarding the latter? I would like to see us produce in Church House Publishing a simple parish catalogue, on a regular basis, sent to all 13,000 parishes and 713 deaneries. This would include a commission return direct to PCC funds as a percentage of all revenue on books and materials sold. In short, I want to engage a sales force of over 100,000 individuals, incentivized to drive sales for Church House Publishing. These could be in local schools, in the backs of churches, in Christian book clubs, music groups, *et cetera*. If each individual could achieve sales of, say, an average £20 per annum, we are talking about £2 million revenue – which would make a substantial contribution to the central budget, plus a welcome return to help parishes meet their parish share.

I hope this works. You and your colleagues in the parishes could make it work. If it does, we may be able to hold back on extra demands for the central budget. However, if it does not, I would like to put on record my position regarding the budget. That is, that 2003 and not 2004 is the last year in which we should contemplate freezing the central budget.

Alan Cooper, speaking in our earlier debate, is absolutely correct in my view. We need proper resourced planning and co-ordination if, as Margaret Brown correctly demands, we are really to move forward the mission of Christ in this nation.

Revd Jonathan Frais (Europe): I would like to draw Synod's attention to page 36 of GS 1447 and to declare an interest. On this page, devoted to inter-diocesan support and mission agencies, you are paying my pension contributions for I am working for one of those mission agencies listed.

We are a very humble group and happy to be placed at the bottom of the league table, for I am funded by Intercon. It is not the first name of that organization. It was once the Colonial and Continental Church Society. It has had other names, but this is also an old name. We thought for a while that it sounded like a self-help group for convicts and then, when someone pointed out that it was a rather rude word in French, we thought that we ought to drop it altogether!

On a technical point, it would be nice in next year's presentation if Intercon were simply replaced by the three letters 'ICS', which the Intercontinental Church Society now go by.

I want to say thank you. I would like to continue to commend this to the General Synod as a good policy – that you give clergy contributions to mission agencies. ICS are a success story. In the mercy and grace of God we have planted 10 new congregations across continental Europe in the last five years. That is due to the giving

of our membership and the opportunities for English language ministry, which are growing a great deal. I myself was involved in a Church plant in the Ukraine three years ago, and that continues to flourish. Our aim, as for all, is financial self-sufficiency. We are on track, although we are not fully there. We think that we might be there within another two or three years. In that growing time, to know that, until we reach that point the General Synod of the Church of England assists us with pension contributions, takes the edge off the stress and uncertainty and helps us to sleep a little better at night.

Thank you to General Synod for having adopted this policy, renewing its commitment to it year by year. I think that it is a fine thing and would like to think that we will be pleased to continue this process. Yes, as we have heard, there is a steady reduction year by year in the number of ordained Anglican clergymen abroad. I believe ICS is an exception to that. In each individual case it is never a long-term dependency. We are willing to review works that do not reach financial self-sufficiency. We are not interested in a culture of dependency in the long term. This, however, is a great help for us. I want to say, on behalf of myself and my colleagues abroad, a very big thank you to the General Synod.

The Chairman imposed a speech limit of three minutes.

Mr Guy Milner (Chester): On 22 January of this year Dr Gordon Gatward, the director of the Arthur Rank Centre, came to talk to the Cheshire rural group. It was a magnificent talk, but he came with the shattering news that the national rural officer Jeremy Martineau's post was to be axed.

I met these two gentlemen again yesterday at our rural group and I look with some surprise on page 21 of the 2003 budget and see, 'It has been possible, subject to external funding, to preserve the post(s) of national rural officer ...' That was clearly not the position understood by those two gentlemen yesterday. True, Mr Martineau has achieved some money, but the anxiety is that people externally who provide money often wish to control what people do.

Why am I concerned about this? We have seen the Church of England during the last 12, 15, 18 months at its very best at mission. This nation in the rural world has been shattered by foot-and-mouth and the Church was able, through the Addington Fund, to respond in very many cases within hours of crises being made known to us. This is the Church of England at its best; in mission at its best. It gave the Church of England throughout the rural communities an enormous fillip of respect and encouragement by the people. I believe that it is critically important that we look again and fully fund a national rural officer for the Church of England.

Mr Tim Hind (Bath and Wells): I am sorry to put a dampener on Jonathan Fraiss's ambitions, but I think that something has to be said about the mission agency pension contributions.

This Synod was bounced into allowing for that to be included as part of the Pensions Measure some years ago. There was no financial advice given to Synod at the time, and Synod acted with its heart. I personally believe that that was a generous act by Synod, but it belies the fact that there is not a good understanding within Synod of what a pension really is.

A pension is deferred pay, and therefore ought to be paid by the people who employ those people. That is absolutely right and proper. The Church of England should pay the stipend and then the pension afterwards. The mission agencies should pay their people and should pay for their pension. The sooner we can get rid of this anomaly, the better for the Church as a whole.

Mr Barry Barnes (Southwark): I beg to move:

‘That the question be now put.’

This motion was put and carried.

Mr Michael Chamberlain, in reply: When Jeremy Fletcher got up to speak about his visit to the Finance Committee, I thought that he was going to talk about the Star Chamber, but it clearly was not quite as bad as that!

The question of the appointment of a liturgical officer was mentioned by Christina Baxter in her response in the previous debate. So far as the Finance Committee of the Archbishops' Council is concerned there were issues arising from the proposals which came to the Finance Committee, such as the exact job description and the location of the post. One thing that weighed heavily on the mind of the Finance Committee, however, was that when it sees the cash in the bank, so far as *Common Worship* is concerned, that would be the appropriate moment for money to be made available. That is the point that I made last year. Certainly there is a commitment to review the position early in 2003, and I can give that assurance.

I am very grateful to Gavin Oldham for representing the Finance Committee on the Church House Publishing board. I hope that he will be able to adjust the marketing budget accordingly, to initiate his idea.

He thought that it was appropriate to continue the freeze for only 2003 and not for 2004. I am afraid that time has moved on. Dioceses are planning on the assumption that the vote for apportionment will be at the same level as 2003. Indeed, if you read *Discerning the Future* you will see that steps are already in place and action has already been taken to achieve that objective. It would, I believe, be irresponsible to go back on that particular process and that decision.

So far as Mr Frai is concerned, it is not really General Synod that he ought to thank; it is the parishes who pay the apportionment. Nevertheless, those thanks are gratefully received.

Mr Milner raised the matter of the post of the rural officer. First of all, I – and indeed everyone else – would recognize the enormous contribution that Mr Martineau has made over the last few years. I am pleased that funding is available, and the rural officer post is just the sort of post that does attract outside funding. It links up to the point that I made in my budget speech – that we really have an obligation to go out and see what funds are available to support our work. For the funding that has so far been received, which is the majority of the money required, no conditions whatsoever are attached. I hope that those who are concerned about the work of rural affairs can rest assured on that.

The motion was put and carried.

Votes

Mr Michael Chamberlain: I beg to move:

‘That this Synod authorize the Archbishops’ Council to expend in 2003 a sum not exceeding £9,175,071 in respect of Vote 1.’

The motion was put and carried.

Mr Michael Chamberlain: I beg to move:

‘That this Synod authorize the Archbishops’ Council to expend in 2003 a sum not exceeding £15,693,551 in respect of Vote 2.’

The motion was put and carried.

Mr Michael Chamberlain: I beg to move:

‘That this Synod authorize the Archbishops’ Council to expend in 2003 a sum not exceeding £1,194,229 in respect of Vote 3.’

The motion was put and carried.

Mr Michael Chamberlain: I beg to move:

‘That this Synod authorize the Archbishops’ Council to expend in 2003 a sum not exceeding £584,300 in respect of Vote 4.’

Revd Jonathan Fraix (Europe): Following a previous comment from the floor, of course this matter can be reviewed, but may I point out that, after the overwhelming support and endorsement for the Private Member’s Motion previously in this Group of Sessions for evangelism for all, you are here supporting – or drawing on parish resources to support – direct evangelism.

If a review were to be made at this point, and if it were the mind of this Synod to conduct such a review, I would simply plead that a longer process with better preparation be put in place. I would encourage the Synod to carry this motion.

Mr Michael Chamberlain: Mr Frai's comments will certainly be taken on board.

The motion was put and carried.

Apportionment

Mr Michael Chamberlain: I beg to move:

‘That the net sum to be provided in 2003 to meet expenditure approved in Votes 901, 902, 903 and 904 be apportioned between the dioceses in accordance with the Table of Apportionment (contained in GS 1447).’

The motion was put and carried.

The Chairman: That concludes this item of business. I want to thank the Synod for the expeditious but sensitive way in which we have dealt with it. I hope that Synod will join me in paying tribute to all those who work in the Finance Division who have produced this piece of work for us. (*Applause*)

THE CHAIR *Mr Anthony Archer (St Albans)* took the Chair at 12.05 p.m.

Review of Synodical Government Follow-up: Report by the Business Committee (GS 1441)

(Resumed debate)

The Chairman imposed a speech limit of five minutes.

Mr Michael Chamberlain (ex officio): I draw the Synod's attention to the sixth notice paper and the financial statement pursuant to SO 98. That is about the financial implications of any reduction in the total membership of General Synod.

This is set out on page 3 and it indicates that the approximate saving would be about £1,000 per year for every reduction of one in the size of General Synod. That is an up-to-date estimate of the saving, and of course much of the savings will flow through to diocesan budgets rather than the national budgets.

Mr Brian McHenry (Southwark): Winston Churchill once said that a politician's only diet was eating his words. I am not at all sure that it is right to characterize this holy

Synod as made up of Church politicians, as Sir Patrick Cormack did the other night, but maybe Churchill's tag does not apply to us.

Having heard the speeches from Alan Hawker and Penny Granger on the case for a reduction in the size of the Synod, I have been reflecting and discussing with Synod members what is the right way forward. On the one hand, I remain as passionately committed as ever to securing a broad, representative Synod of all ages and backgrounds, and which ensures that we hear from minority interests and groups of all kinds. That is why I moved my amendment last year, which had that precisely in mind. We have also been reminded this morning and earlier throughout the Synod about our incredibly difficult financial situation. The staffing available to service this Synod has been significantly reduced. Many dioceses and parishes, I believe, will not find it credible if we do not make a significant reduction.

After a great deal of anxious thought, therefore, I think that we must make a reduction greater than the number we arrived at a year ago. To my mind, however, Alan Hawker's amendment is too drastic. If my basic arithmetic is right, a quarter reduction would remove some 140 members; a third reduction would remove 190 members. That is even more drastic than Cromwell's clearing out of the Long Parliament.

It seems to me that the way forward is to support Penny's 500: not so drastic as to hit our representativeness, but it would show that we are alive to our collective financial situation. I would therefore urge the Synod not to back Alan's amendment but, instead, to back Penny's.

The Archdeacon of Malmesbury (Ven. Alan Hawker): I beg to move as an amendment:

'At the end *insert* the words "but so that paragraph (a) reads "The total size of the General Synod be reduced by between one-quarter and one-third of its present size".'

It is for the Synod to decide, but over the weekend I have heard a number of grossly inaccurate statements about what the impact of the smaller number would be. May I say in passing that, under my proposal, if you retained the House of Bishops at its present number and you had three proctors and one archdeacon per diocese and four laypeople per diocese, you would still have about 20 or 30 places to distribute. The suggestion that people would be reduced to two or one per diocese is utter nonsense.

Mr Gerry O'Brien (Rochester): We need to nail this problem on the size of Synod. The size of Synod is not, or should not be, proportional to the size of our electoral rolls or the number of clergy. If we had a wonderful evangelistic campaign, if the numbers on our electoral rolls doubled, no one would be coming here to suggest that we double the size of General Synod. Suggesting that we reduce the size of General Synod because we have perhaps lost 10 per cent from our electoral rolls is therefore an equally ineffective argument.

What would be the effect of making the kind of swingeing reduction that Mr Hawker is calling for? When we look at ideas of cutting down, we have this amendment, calling for a reduction of between a quarter and a third; the next amendment speaks of a maximum of 500. A reduction of between a quarter and a third would still give a number under 500, and therefore there is little to choose between them.

It is all very well for Mr Hawker to say that we would perhaps have three proctors, one archdeacon and four laypeople per diocese, but we are trying to be representative and we are trying to insert some democracy into the Church. If the suggestion is that, say, the diocese of Bradford and the diocese of Oxford should have equal representation, when one has four times the electoral roll of the other, that makes a mockery of democracy.

If we want to make a cut, how do we do it? The proposal, as far as I am aware, is that the House of Bishops would be reduced by nought per cent; that the nominated members of the Archbishops' Council would be reduced by nought per cent, and that various constituencies would be fixed. If we want to achieve an x per cent reduction in the size of the Synod, the only way to do it is to make a larger-than- x per cent reduction in the size of what is left, which is the elected members of this Synod, the elected proctors and the elected laity. The cut for the elected laity would therefore be far greater than whatever percentage is proposed.

Under the Bridge report, we were to have 30 dioceses reduced to three lay members. We would have some lay members representing 10,000 people on the electoral roll; others representing 3,000 people. There is a major democratic deficit there, and it is just not on. For instance, if in our diocese we were reduced from six to three members, who would fail to get on?

Where there are six members being elected, you need 14 per cent of the votes to obtain your quota. Fourteen per cent is quite a high target to aim at. If you are only electing three members, you have to go for 25 per cent. It is likely that the people who do not reach the 25 per cent would be the less well-known: they would be the young candidates; they would be the ethnic minority candidates. These are the very people we want to have here, and yet we will be proposing a means of excluding those very people.

I urge the Synod to keep the House of Laity at roughly its present size, to ensure that we retain a broad-based house, giving reasonable representation to the full breadth of the Church of England. If we are talking about my diocese saving £3,000 a year by not sending three of us here, I believe that would be a very poor bargain.

Mr Ian Garden (Blackburn): If I have the maths right, Mr Hawker's amendment reduces the Synod to a total of either 428 or 376. Mrs Granger's amendment goes for, at most, 500. If I have to go for either of those amendments, like Mr McHenry, I would go for Mrs Granger's.

The point about pressure on resources has to be heard – of course it has to be heard – but those pressures are not only financial; there are also human resource pressures. Much might be said in terms of specialist interest groups and minorities, but I do not want to use that language.

The overriding usefulness of a larger elected body is that it allows the deanery electors the best possible opportunity to return to the Synod the widest body of skill, learning, experience, expertise, tradition, age and gender. Take as an example the diocese of Blackburn. Within a body of eight elected laity we find, amongst other things, one of the youngest members of this Synod; an experienced and senior banker, until recently Chairman of our DBF; a former college vice-principal; a professor of pharmacology; a further education lecturer; the bishop's officer for OLM; and, yes, a lawyer. The full spectrum of churchmanship is represented from – and only a lawyer could say this – an allegedly ultra-high Anglo-Catholic to those firmly committed in the Evangelical tradition.

One question I have not heard asked recently in this debate is 'What does the Synod do?' How do the people I have just rehearsed participate in the life and work of this Synod? Participation is not limited to making speeches on the floor of Synod. Participation includes listening, voting and communicating to our dioceses and parishes, but even that is only a small part of what it is to be a member of this body. Much, if not most, of the Synod's valuable work is done outside the chamber, in boards, councils, commissions, revision committees and, dare I say, reviews. That work needs the widest body of skills, expertise, tradition, age, gender as it is reasonably possible to assemble, if the work is to be done. My experience as a member of the Appointments Committee – and the chairman of that committee knows that I am about to say this – tells me that, the smaller the pool from which we can draw the necessary proficiency for the work in hand, the more difficult it will be to discharge the work effectively, with the mix, balance and expertise which the work demands – and factor into that the problem sometimes, when we are making the appointments, of making sure that we have enough bishops, enough clergy and enough laity.

The smaller the pool the greater the level of commitment we will require from those in the pool. By that I mean days away from the parish, days away from paid employment and days away from our families. Even after Guildford, I do not believe that a Synod of even 428 could discharge effectively all the necessary business of the Church at national level.

Mr Chairman, reflect upon the number of hours you spend travelling to and from Church House for meetings. Reflect how long someone from the Northern Province or from the deep South West spends travelling to Church House meetings. If members of Synod feel that we can personally do more, no doubt we will support Mr Hawker. If we feel that it is about right, what we do is about right and the pressure is about right, maybe we will vote for Mrs Granger. If we feel that the pressures on the human resources of this Synod are already at stretching point, maybe we will not vote for

either amendment but leave the numbers as we left them last year – already a reduction on our present size.

Mr Tim Allen (St Edmundsbury and Ipswich): In reporting the decisions of the General Synod back to the deanery synods with which I am linked and to my own PCC, in my short experience there has not been a stronger and more hostile reaction than that they showed last year, when they heard of the General Synod's decision last July not to reduce its overall size.

I am sure that the Bishop of Rochester is right in saying, in *The Shape of the Church to Come*, that action is needed in lightening our organizational structures, whether nationally or in dioceses and parishes. As he writes, 'A pilgrim Church should have light and adaptable structures for consultation and decision-making.' Surely it is our clear duty, at the top of the synodical structure, to set an example by reducing this Synod to a size which is lighter, more affordable and appropriate to the present-day Church.

It is overdue that we cease to model this Synod on Parliament, aping the House of Commons not only in our somewhat self-important procedures but, above all, in our size. As the Bridge report argued, a smaller General Synod will encourage more effective representation by enabling a higher degree of participation and discussion; will be cheaper, and will be less demanding in time and administration.

I fully accept that our Synod must be large enough adequately to represent the points of view which make up our broad Church but I believe that, thanks to the fair electoral system which we have, this should be possible even with a Synod reduced, as Mr Hawker proposes, by between one-quarter and one-third. I therefore support his amendment, but hoping too that there will be a good number of those essential drain-like archdeacons in the smaller Synod.

The Dean of Derby (Very Revd Michael Perham): Mr Chairman, you will remember from the opening of the debate that I am trying to help the Synod see the issues rather than present a particular case.

As I see it, there are now three choices before the Synod in relation to size. If we vote for Archdeacon Hawker's amendment, we go for a fairly radical rethink in the composition and size of the Synod. In round figures it is between 380 and 430; though, as he has pointed out, he has calculated that there can still be a very full representation of different constituencies within that figure. Nevertheless, it is quite a radical change. Mrs Granger's amendment puts the Synod just below 500. That means some reduction, but quite a small one. In the terms in which it is expressed, that reduction could be across the board in terms of all the different constituencies, including the representatives of the dioceses being affected to some extent. It would not be to a large extent, however, because the figures involved would be quite small. If we reject both amendments, we are left with the position we arrived at last time – one

where afterwards we were not quite sure whether we had meant to arrive at – namely, Mr McHenry’s suggestion that in those elected directly by the diocese, clergy and laity, there should be no reduction at all, but that the Synod would be a little smaller because the special constituencies would have been tinkered with to some extent or other. Those are the three choices.

Mr Gavin Oldham (Oxford): On a point of order, since the impact of these various votes would have a different effect on the different Houses, would you consider testing the Synod by taking a count by Houses on these amendments?

The Chairman: I am bound to order a count by Houses if more than 25 members are standing. We will determine that when we come to the vote.

Mr Barry Barnes (Southwark): I beg to move:

‘That the question be now put.’

This motion was put and carried.

The Chairman: We come now to vote on Item 38. Does Mr Oldham wish to request a vote by Houses?

Mr Gavin Oldham: Yes, can I request a count by Houses?

The Chairman: Do I see 25 or more members standing? There are 25 members standing.

Revd David Bird (Peterborough): Would it not be reasonable to take a vote by hands before we move to that? Otherwise, it will delay us for a long time, especially if we do it on the two amendments.

The Chairman: I have no discretion in the matter. Before the question was put, there was a request that there be a division by Houses. There were 25 or more members standing. There will therefore be a division by Houses.

The amendment was put and The Chairman, pursuant to SO 48(d)(iv), ordered a division by Houses, with the following result:

	<i>Ayes</i>	<i>Noes</i>
House of Bishops	24	9
House of Clergy	75	118
House of Laity	50	159

The amendment was therefore lost.

Mrs Penny Granger (Ely): I beg to move as an amendment:

‘At the end *insert* the words “but so that paragraph (a) reads ‘The total membership of the General Synod shall be no greater than 500’”.’

Canon Dr Christina Baxter (Southwell): Some of those who were watching one another as they voted will realize that I went out in favour of Alan Hawker’s amendment and I will now very strongly support Penny Granger’s amendment. I believe that this Synod needs to take seriously the points which have been made about our own credibility, in terms of also bearing some of the pain of the cuts.

We were asked just now whether the Archbishops’ Council planned to decrease its number. We already are decreased from what went before. *The Guildford Review* is also proposing somewhat lighter government.

All of the points which have been made about boards and councils are serious ones, but they are also votes for staying as we are and not thinking about whether we should move to a situation where we could work more creatively and more constructively in other patterns. Our continued size perhaps even stops us thinking of drawing on some of our working parties and groups – people who are not necessarily members of the Synod, but younger people and people from other groups who might be able to contribute.

I believe that it will be increasingly difficult to defend the work of this Synod if we do not take that painful decision to decrease our own numbers. I believe that it will help us to focus on how we might change our procedures, in order that we might work much more effectively and somewhat more lightly.

For myself, though I know that this item is not on the agenda, I would prefer that we were much smaller and met more frequently, because I think that accountability will be delivered better that way than to have a large body which meets only twice a year with pressed agendas, which we have been struggling with this time. If we were now to take the courageous decision to go with Penny Granger, we could hold out a new way of working in the Church, which would be extraordinarily helpful.

We will need to rethink the patterns of management that we have in this Synod, in relationship to legislation and also to other aspects. Decreasing our size gives notice that we intend to work in different ways in the future – ways which we will be pushed towards adopting, as we take this creative and rather painful decision. I therefore hope that if we vote again by Houses we will vote courageously for Penny Granger’s proposal. However, I also hope that we might be united in Synod in voting all together and voting overwhelmingly for this proposal to slim modestly. I know for myself personally that I need to do that!

A member: I beg to move:

‘That the question be now put.’

This motion was put and carried.

Mr Gavin Oldham (Oxford): Having consulted with quite a few of my colleagues, I believe that there is a strong feeling that we ought again to have a count by Houses. (*Several members:* No) It is an issue of altering the ...

The Chairman: You do not need to make a speech, Mr Oldham. Do I see 25 or more members standing? There are 25 members or more standing.

The amendment was put and The Chairman, pursuant to SO 48(d)(iv), ordered a division by Houses, with the following result:

	<i>Ayes</i>	<i>Noes</i>
House of Bishops	30	3
House of Clergy	143	55
House of Laity	129	84

The amendment was therefore carried.

The Chairman: The debate is once again adjourned to a time of which we will be informed by the Business Committee.

(Adjournment)

THE CHAIR *The Dean of Wakefield (Very Revd George Nairn-Briggs)* took the Chair at 2.30 p.m.

Diocesan Synod Motion

Appointment of Bishops

(Resumed debate)

The Bishop of Worcester (Rt Revd Peter Selby): Some of you will have been present in the chamber this morning for the good-humoured spat between the Archdeacon of Surrey and the Prolocutor of the Convocation of Canterbury, in which each attempted to exalt their own credentials as a representative person by saying who had put them here. Mr Chairman, I represent John Major (*Laughter*) and it is very encouraging that so many of you remember him.

The reason I am standing here is because, on an unspecified and undisclosed date, the Bishop of Woolwich sent you two names in a sealed envelope, with a request that you