

**Minute of a meeting of the Newcastle Diocesan Synod
held on Saturday 28th April at the Dr Thomlinson Church of England Middle
School, Silverton Lane, Rothbury, NE65 7RJ from 10:00 am to 1:00 pm.**

President: The Rt Revd Christine Hardman, Bishop of Newcastle

Canon Carol Wolstenholme, Chair of the House of Laity, chaired the first part of the meeting. The Revd Canon John Sinclair, Chair of the House of Clergy, chaired the second part of the meeting. 48 members of the House of Clergy, 60 members of the House of Laity and 6 members of staff attended the meeting.

1. Welcome from the Chair

Canon Wolstenholme welcomed members to the meeting and introduced representatives from the Children's Society, who were hosting a stand in the refreshment area to promote the 50th birthday of the Christingle.

The Revd Canon Sinclair led the Synod in worship.

2. Apologies

The Secretary reported 29 apologies had been noted.

3. Declarations of interests

There were no declarations of interest.

4. Minutes of previous meetings

4.1 Meeting held on 30th September 2017 (Paper DS18 04 supported this item)
The Synod agreed the minute of a meeting held on 30th September 2017.

4.2 Matters arising

(a) Setting God's People Free (SGPF).

The Secretary provided an update on the Church of England's national programme called Setting God's People Free. In January four representatives from the Diocese of Newcastle had joined representatives from eight other dioceses for the first meeting of the Discipleship Learning Community which had been held in Birmingham. The focus of the learning community was to learn from each other through the sharing of best practice and to set action plans to help to engage with the programme. These included:

- the development of discipleship resources;
- work to ensure that, wherever possible, posts are made available to encourage ordained and lay applicants;
- improve communications; and
- the development of training to help people to engage with the SGPF programme.

The Learning Community would meet again in July to look at progress with the action plan.

5. Notices

There were two notices given.

5.1 Elections to Diocesan Synod 2018 (timetable) (Paper DS18 08 supported this item)
The Secretary explained the timetable for elections to the new Diocesan Synod. The nomination period would close on 25th May and if elections were required these would be completed by 29th June.

5.2 Botswana Link

The Revd Allan Marks, Chair of the Botswana Task Group, advised that a Choir from Botswana would be visiting Newcastle to perform a concert at Fenham St James and St Basil on Friday 4th May.

6. Questions

There were no questions submitted for this meeting of the Synod.

7. Presidential Address

The Bishop of Newcastle gave a Presidential Address which reflected on the Exodus narrative and the journey from freedom to oppression. The Bishop posed the question: how can this Diocese, in the journey it is making, growing church and bringing hope, discern God's call to us at this time? The Bishop asked the Synod to reflect on the need to:

- discern God's call to us, God's longing, not just our own;
- recognise that in a diverse society, we are not the persecuted minority;
- resist the trap of looking back into the past, and instead take the journey forward;
- look at new ways to transmit the Christian faith to the declining numbers of young people in our faith; and
- find joy, companionship and fun in our journey so that we have good news to share.

A sound recording of the Presidential Address was made available immediately after the meeting.

8. Establishing a Resource Church for the Diocese of Newcastle

(Papers DS18 09A; DS18 09B; and DS18 09C supported this item)

The Bishop of Berwick explained that this item of business would form the last round of consultation ahead of the second stage submission to the National Church for Strategic Development Funding. The submission was due to be made on 4th May. The Bishop referred members to the three accompanying papers.

Sharing our Faith (Paper DS18 09B)

The Bishop asked Synod to recall and reaffirm the key principles of the strategy, adopted by Newcastle Diocesan Synod in 2005, called 'Sharing our Faith' which was a strategy for putting evangelism at the heart of the diocese. The strategy had been appended with a Bishop's Teaching Document. The Bishop invited question and comment.

Mr G Astbury (Corbridge) suggested there was a need to look to the older, not only the younger generations and questioned the strength of reference to the elderly in the strategy. **The Revd Canon A Marks** (Newcastle Central) referred to the Bishop's Teaching document and asked that we do not let go of the good work, such as Mission Action Planning, that was already happening across parishes. **The Revd Canon C Brown** (Newcastle West) welcomed the strategy and the teaching document and urged members to share the language and diagrams of the teaching document so that we have a common language to share our faith.

Newcastle Diocese Church Planting Strategy (Paper DS19 09C supported this item)

The Bishop outlined the Church Planting Strategy which reinforced the principles of growth and church planting. The Bishop explained the role of the proposed Resource Church in supporting mission and discipleship across the whole of the Diocese. The Bishop invited question and comment.

The Revd J Appleby (Ecumenical Officer) noted that everything in the strategy was very positive but reflected that growth needed to be beyond the Anglican Church and should be in partnership with other denominations.

Resource Church (Paper DS18 09A)

The Bishop introduced a note by the Transformation and Strategy Project Manager, Mr Chris Elder, and invited question and comment.

Mr J Pearson (Newcastle Central) appreciated the need for renewal but questioned whether the Resource Church was the correct approach and asked if the consultation had been appropriate. Mr Pearson went on to ask if the style of Church was right for the Diocese of Newcastle, whether the proposed premises were suitable and how the cost of the project would look to struggling parishes. **The Archdeacon of Northumberland and Acting Dean** (ex Officio) explained that he was celebrating the arrival of the Resource Church as it would work alongside the Cathedral. The Resource Church would not be in competition but complementary to the Cathedral and reminded members that the Strategic Development Funding for the Resource Church together with the Heritage Lottery Fund for the Cathedral were bringing significant investment into Newcastle City Centre. **The Archdeacon of Lindisfarne** (ex Officio) asked about Resource Clusters and how they would work and where they would lead. **The Revd Canon A Marks** (Newcastle Central) understood that a Bishop's Mission Order (BMO) would be established for the Resource Church and sought clarity about the process for the BMO going forward. **Mrs C Barclay** (Newcastle Central) explained that she understood the need to build for the future but was apprehensive about the focus on students when her own church was relying on the support of a reducing number of elderly people. As a Parish Treasurer she was concerned about lower levels of giving and the timescale for building congregations of younger people. **Bishop Packer** asked about how the Resource Church and Resource Clusters would develop ministry in areas of social injustice.

The Bishop invited the Secretary to address some of the items raised by members and in response the Diocesan Secretary advised that the Resource Church was not only aimed at young students but also families and young professionals. A target had been set to grow a Church that would have a congregation of 400 people by year five. The Board of Finance was in consultation with the National Church about how the proposed project would be funded and the Board had been very clear about what it would be able to do and what it could not be asked to fund. It was clear that the proposed building would need repairs and re-ordering to function as the Diocesan Resource Church.

In response to questions and comments the Bishop advised that:

- Paper DS18 09B would be revised to ensure that it would not exclude the elderly;
- With regard to the 'style' of Church, we are looking to learn from others and it is vital that we do this. We are adopting something which has been proven to work in other Diocese and taking lessons learnt in the National Church. We are introducing new things which will build on existing good work;
- options for the proposed building had been given serious consideration and the proposal for All Saints remained the most suitable option at the present time;
- consultation had been carried out across the Diocese and all discussions had contributed to the second stage application to the National Church;
- the BMO for the Resource Church was being drafted and the consultation would follow the prescribed practice;
- work with social justice was a key part of the Resource Church's mission.
- no demography would be overlooked in the work planned in support of the vision. The Intern Scheme would utilise skills and experience to reach across a broad and diverse spectrum of people.

In summing up the item the Bishop explained that the Diocese had identified the need to establish a Diocesan Resource Church to help to reach a demographic that was missing from churches across the Church of England. A leader had been appointed and work was underway to identify how the proposed building could accommodate the new church, the funding requirements and the development of a BMO. The Bishop thanked members for their contributions.

The Chair thanked the Bishop of Berwick for taking the Synod through the items to support the establishment of a Diocesan Resource Church and then invited the Synod to pause for a refreshment break. After the break the Revd Canon John Sinclair took the Chair for the second part of the meeting.

9. General Synod Items

9.1 General Synod Report

Canon Wolstenholme (General Synod Member) gave a report of the February 2018 Session of the General Synod which had met over a weekend for the first time in order to encourage the involvement of lay people who were often working through the usual weekly sessions. Items of business had:

- Standing items: A report by the Business Committee followed by question time.
- Legislative business included an Instrument to enable the Church Commissioners to fund mission, flexibility regarding funeral ministry, the rights of the Archbishops regarding the timings of General Synod and the re-naming of the Bishop of Richmond as the Bishop of Kirkstall.
- The Church in the World included call for action to reduce food poverty, the development of communication systems, and valuing people with Down's Syndrome.
- Ordering the life of the Church included a theological review of the Crown Nominations Commission, Mission and Ministry in Covenant and Safeguarding in the Church of England.

9.2 Promulgation of Amending Canon 36 and Amending Canon 37

Amending Canons No. 36 and No. 37 were enacted at the General Synod February Group of Sessions. The Amending Canons were proclaimed.

10. Annual Reports 2017 (Paper DS18 06 supported this item)

The Archdeacon of Northumberland presented the Annual Reports for 2017 and proposed that the Annual Reports for Boards, Committees, Supporting Ministers and Task Groups be received.

The Synod received the Annual Reports.

11. Financial Business (Paper DS18 05 and Paper DS18 05A supported this item)

11.1 Financial Statements for 2017

The Chair of the Board of Finance, Canon Simon Harper, introduced the full financial statements for 2017. Canon Harper referred to Summary Paper DS18 05A and reported that while the accounts showed a surplus of £591K this included a profit on sale of assets and a reduction in the pension liability. Accounting rules required these items to be reported as part of the surplus for the year but removing the two items actually left a deficit of £329K, equivalent to the deficit in the receipt of Parish Share of £330K.

There being no questions of clarification the Chair opened the item for debate. Canon Harper proposed that the Financial Statements for the year ended 31st December 2017 be received. By a show of hands the Synod, sitting as members of the Board of Finance received the Financial Statements for 2017.

11.2 Contingency Budget for 2018 (Paper DS18 06 supported this item)

The Bishop of Newcastle introduced this item and advised that the financial statements for 2017 clearly illustrated the need for a contingency budget. The Bishop recognised the worry and fear that had been expressed around the ability of some parishes to achieve a full contribution to Parish Share and acknowledged that this was a significant issue. The Bishop explained that the Board of Finance would need to take responsible action to address the shortfall and commended the action of preparing a contingency budget.

Canon Harper, the Chair of the Board of Finance, introduced the proposed changes to the 2018 budget that had been agreed at a meeting of the Diocesan Synod on 30th September 2017. Canon Harper highlighted the following points:

- In September 2017 the Synod had unanimously agreed the budget for 2018.
- The budget had assumed a 100% collection of Parish Share.
- Figures from the first quarter of 2018 highlighted that only 61% of expected income from Parish Share had been received compared to 67% for the same period in 2017.
- The contingency budget would reduce the amount that the Board of Finance could expend on the maintenance of clergy housing; restrict the ability to make appointments to vacant parishes and would lengthen the period of vacancy.
- An increase in the payment of Parish Share would limit the proposed expenditure reductions.
- The proposed contingency budget would not result in a balanced budget and there was more work to do to find further savings.

The Chair invited questions of clarification:

The Revd Canon A Shipton (Newcastle Central) noted that there was a further saving of £67K yet to be identified and asked how this would be achieved. Canon Harper advised that one purpose of the debate was to take away ideas from the Synod. **Dr J Appleby** (Tynemouth) explained that it was not too late to raise the expected 93% receipt of parish share to a figure more in line with 95 or 96%. **The Revd Canon A Marks** (Newcastle Central) asked for clarification about the level of the current deficit that could be directly attributed to a loss in national funding. Canon Harper responded that the loss in national funding was £50 to £60K per annum, which was equivalent to 1% of parish share.

The Chair opened the item for debate.

Eight members spoke in the debate and their concerns included the length of vacancies and the impact on parishes; the over expenditure of the diocese in earlier years and the use of reserves; the need to look at our ministry across the whole of the diocese; expenditure on vicarage replacements; the need to increase source of income including giving; the impact the funding reduction would have on the work of the Education Board and the way in which mission and money is accounted for across the diocese. A transcript is appended to this Minute.

In response to the debate Canon Harper reported that he had listened to a number of items which supported the vision of growing church bringing hope and asked members of the Diocesan Synod to help to ensure that messages governing finance are reported back to parishes. Canon Harper proposed that the Synod, sitting as members of the Diocesan Board of Finance, resolve that the Contingency Budget be agreed.

By a show of hands, the members of the Diocesan board of Finance agreed the proposal. Seven members abstained and two members voted against the proposal. The proposal was carried.

12 Closing Prayer

The Chair led the closing prayers and the Bishop of Newcastle closed the meeting with a blessing.

Transcript from Contingency Budget debate held on 28 April 2018:

Peter Dobson (Tynemouth)

I want to speak up about what Simon was talking about in terms of vacancies and I don't want this to sound at all as if I think stipendiary clergy are the be all and end all of everything really not I count myself very fortunate to minister in a place that's health as a church comes from a broad range of people with a wonderful ministry of Readers and retired clergy very committed. But I think if we look as we say we are as a diocese thinking about being growing healthy churches to talk about there being 1in5 parishes without a minister who is identifiable I think all the research about whatever a healthy or growing church looks like in its broadest terms has to say something about clear and identifiable leadership but if we are saying that 1in5 parishes are not going to have that I'm worried that we are not really investing in what we say that we are about as a diocese and this is not to say also that we should be voting on the contingency budget I quite agree that we have to do something but if this is a question that goes forward but if we are going to continue to be growing church bringing hope is there a way of identifying whether that is interim ministry is there a way of turning round the situation which I don't think is a good one.

Tony Thick (Morpeth)

Yes we do need a contingency budget but the picture may look different from the parish perspective. The fact is Newcastle Diocese has been living beyond its means for years, decades even and we managed it by putting the national church grant into our general account to balance the books. We were not given that grant to balance the books, the National Church wasn't happy but we got away with it. Many of us saw two years ago what the financial changes of Reform and Renewal would mean for Newcastle but we didn't face up to them, we have not had the debates here in this Synod that we needed to have to decide our priorities and how we would pay for them. Instead, a small group of people, the Strategic Development Group seems to have made the decisions and we got that disastrous budget plan to muddle up the Lowest Income Communities Fund with Parish Share avoiding the real issues and causing financial distress in parishes and deaneries. So this is a financial problem of our own making this contingency budget paper implies that parishes are responsible for the problems it attempts to address but parishes were suddenly expected to donate significantly increased amounts without having been consulted and involved. No, parishes are not responsible for this but as Diocesan Synod we agreed that original bad budget and we agreed to request 100% parish share donation. Why did we do that? We knew it was impossible, shame on us I think.

My second point is this: on a purely practical financial basis this contingency budget should not be agreed because it still leaves a deficit of £169K. The stated agreed tolerance is £50K. We must use some of our reserves this time.

Thirdly, yes we need to review and reduce expenditure but reducing paid clergy posts, really? Surely we mean paid ministry posts not paid clergy posts. In discussion about parishes that struggling to pay parish share my archdeacon Peter Robinson always says ministry before buildings and I expect that we all agree that kind of prioritisation should be our mind set: Parish Ministry above all else. As +Christine said we need a passionate commitment to Parish Mission. Surely we should only contemplate cutting parish ministry for financial reasons when there is no money left yet we do have funds that we can use to tie us over a short period of discussion until we solve this problem. We heard from Carol about the instrument to enable the Church Commissioners to fund mission. We can do the same. If you look at the actual financial statements which we were not given copies of today you find that our total funds are £800K higher than last year. We can afford to raid our funds to sort this

problem out without reducing parish ministry. The point I am making is that ok yes we have a financial crisis but we need to use our resources differently.

It is good that Finance Group/ Bishop's Council has brought this paper to Synod but it does seem to have come to us out of the blue – who knew it was coming – who has been consulted about the financial problem? Deaneries? No. Parishes en masse? No. As before it appears that some small hand picked group has been giving advice. Why hasn't it been here in Diocesan Synod that we've had a look at the problem and debated what we should do about it? Are we just so many scarecrows in a field of melons?

Peter Robinson (Archdeacon of Lindisfarne)

I think this is a really painful place for us to be as a diocese and it is my hope and prayer that going through some of the pain will take us essentially to a new and better place financially as a diocese. I think it is right that we now set a budget that means what it says, that we set a budget of 100% expenditure and 100% payment of parish share because I think this will help us with transparency and I think it is interesting that as we read this paper, almost for the first time we are saying in concrete terms what we cannot do unless parish share or income is addressed. For example, speaking as the Chair of the Board of Education I think we are clear that the likely impact of a 10% reduction is going to impact negatively on the our ability to work with our schools on the introduction of a new RE syllabus. This is I think new information for the Synod not just what will happen in the Board of Education but in other areas where there are cuts. I have one plea though as I finish and that is to ask deaneries to tell us and engage with us about what support a deanery needs to address the parish share situation in each deanery. I'd like to hear from deaneries not just today but as we go into the future what help they need to address those situations where we know parishes struggle to pay their parish share. Because I do believe we are not reaping the full potential of parish share that we can do in the diocese at the moment but perhaps we need new approaches, new tools, new expertise in our midst to help us do that .So please can I ask deaneries to give that thought and to come back to us and tell us what support they need

Linda Benneworth (Tynemouth)

I'm just concerned where it says the vacancy period being extended. Coming from a church where we've had two vicars in 18 months the idea of having a longer period before another vicar is appointed makes me very wary so I hope that can be built in somehow.

Lesley Chapman (Corbridge)

First of all I am pleased that this contingency budget shows to our parishes and to our deaneries that actually we are all working hard to make this work. It makes it easier for me to sell this to my parishes when I go back. Mission and money is the same thing of course and we need to be more confident I think in both but we need to share the reality of the situation with each other. So certainly in our deanery what we have decided to do is to ask for statements of accounts from all our parishes to be shared between parishes. It seems to me to be a very basic first step. Out of that I hope we can as a diocese share our accounting between deaneries and beyond and our way of accounting becomes more transparent. I'm not an accountant but I know there are some aspects of creative accounting that have been allowed to continue within the diocese I think for too long but I think we can be confident to go forward with Mission and Money on the same side of the coin and we need to be more confident in both.

Allan Marks (Newcastle Central)

I suppose I reflect on this to years before I was ordained and Bishop Christine will full remember this where there was a time when the Church looked at its ministry and mission when we were looking at a time when the Church wouldn't have as many clergy especially stipendiary clergy in the future. As we look at what we are facing now we know unless a miracle happens, which I pray it will, there won't be as many full time stipendiary clergy available to us as a Diocese not least across the whole of the Church of England. When we look at vacancies I know it is painful for all parishes who have to go through a vacancy but we have to look realistically and say that some of the vacancies are no longer vacancies but are permanent gaps in our (stipendiary) ministry deployment. Not to say that parishes will not have a priest or a part of a priest but we need to look at developing different ways to use the ministry resource we have got. If you look at Lindisfarne Archdeaconry the number of clergy there, are infinitesimally smaller than it is here in urban areas. Yes we have a lot more people to look after in often challenging situations but as a diocese and as a synod we need to look at how we develop our mission and ministry in our parishes and our wider community and to work more collegiately with each other not least clergy because some of us clergy are stubborn beggars and we won't work with anyone unless they have signed our piece of paper to say we are good enough. I'd like this meeting to be a point where we can recognise this fact so that we can use it to help our strategy to help with our budgets in the future because I don't think we can wait any longer because we are going to take reductions over these next three years plus where the central funding will disappear and we will need to make decisions about what we can and can not afford.

John Pearson (Newcastle Central)

This rant will only take half a minute. I go back and I report to our congregation that we have got and rest assured I shall report back on what I have heard here today all of the figures and there will be one person there at least bordering on homeless and they will be absolutely appalled that nearly £700K is to be spent on building a vicarage at Bamburgh and I totally sympathise with him!

Tom Birch (Corbridge)

I am a new first time incumbent in Corbridge Deanery and before that I was a Systems Economist and what we are talking about is cutting away non-essential expenditure to begin with to cut away some of the slack, I think in NHS terms we would say this is an efficiency saving, everytime we make short term efficiency savings we make our church less rich, our church less inviting and our mission less effective and slowly but surely a short term oh well we can't afford that this year becomes normal and we slip into a *church will see me out sort of view*. Well, I'm looking at a further 40 years of ministry (30-35 years) in the Church of England and it is going to be there at the other end. But I say this I have come from a curacy in one parish with money and I have gone to be priest in charge in another two parishes with money and I do not believe in any of those three parishes giving was anything like what it should be and that is a really tough conversation that we all need to be having in our parishes and I give due warning to those who will be there in Ovingham unfortunately you are going to be receiving it tomorrow.