

Property Points

2002 Part 2

Dear Friend

Thank you for taking time to read this Summer edition of Property Points.

Many Churches have already carried out improvements to their property which follow the requirements of the Disability Discrimination Act (DDA). If your Church has not yet done so please read the item in this leaflet and contact the Methodist Property Office if further guidance is required.

There is also information about how to carry out a risk assessment on your building.

Elsewhere we share information about the Fund for Property, the need to continually review our grant making policy and tell you about the new faces at the Property Office

We hope you find this a helpful update and that you will not hesitate to let us know if we can provide support and guidance on any of your property matters.

With best wishes from all the staff of the Property Office.

Alan Pimlott
Connexional Property Secretary

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Statistical Returns

Every ten years the Property Office collates statistical information with the helpful co-operation of all the Churches and Circuits which enable us to record information about our buildings and to note trends in each succeeding decade.

The decennial returns as at 31st December 2000 as on previous occasions will be archived. We shall also be using the returns together with other information on our database to help in our research which we hope will direct future grant making policy.

Whilst the full returns will be held centrally we will be able to provide the figures for any particular District or Circuit if asked to do so. Those who would like such information please contact the Property Office and ask for Helen Morten.

However we would ask that requests be made on behalf of the Circuit or the District rather than individuals for the sake of efficiency and economy.

Charities Qualified Surveyors' Reports

Managing trustees are reminded that where the surveyor who prepares the report also markets the property then there should be no separate fee chargeable for the report, it should be part of the commission charge on the sale.

Fund for Property

Thank you for your continuing donations to the Fund for Property - we really appreciate your annual commitment to our funds which enables us to continue making grants to property schemes for local churches throughout the Connexion.

In spite of some concerns about giving to the main Methodist Funds in recent years, giving to the Fund for Property has held up remarkably well as the following figures show.

Donations

1999	2000	2001
£549,000	£555,000	£567,000

However, we need continually to review our funds and grant making policy.

For the 10 months to June 2002 we received donations to the Fund amounting to **£435,000**

We have been particularly grateful to the Methodist Insurance Company (MIC) for its continuing support.

Donations have held up well but our grant making has also continued at a similar level to previous years. For instance our total grants for the Connexional year ended 31st August 2001 were **£953,000**

When you look back then at the figure for donations received simple arithmetic makes clear that the difference between the donations and the grants has to be found from reserves.

We have to strike a careful balance between holding an element of reserves for future use while seeking to support property schemes generally so your continuing help is vital.

Our recent policy places an increasing emphasis on discretionary grants geared to specific need but we also aim to support every scheme with a standard grant where local money has been raised.

Discretionary grants include, for example,

- disability provision,
- vandalism,
- listed buildings
- and support for property schemes in deprived areas.

We are most grateful to Methodist trustees who recognise that their annual donation to the Fund for Property will enable our work to continue into the foreseeable future and that many local Churches will be able to go ahead with their schemes.

Charity Law Reform - Excepting Regulations Review

The joint Charity Commission and Home Office review of excepting criteria had been suspended pending the outcome of the Performance and Innovation Units' (PIU) review of the legal and regulatory framework for charities and the voluntary sector.

The 1996 regulations which except a range of religious charities from the requirement to register with the Charity Commission are due to expire on the 1st October 2002 under Statutory Instrument no 260 of 2001.

As the PIU has yet to publish its report, matters have been deferred because it was seen that it would not now be possible to consider and implement any recommendations by 1st October.

Amending regulations were therefore laid before Parliament on 25th June to extend the expiry date until 1st October 2007.

We will keep you updated with any progress but in the meantime it is vital that all Church Councils and Circuit Meetings as separate charities should continue to observe the present requirements for completion of annual accounts and of Schedule B.

The effect of all this means that there will be no immediate change to our processes for reporting financial accounts.

Disability Discrimination Act (DDA)

1st October 2004 is not that far away!

We know that many churches have been reviewing their situation regarding the provision of accessible worship and this has been reflected in the number of enquiries and schemes received in the Property Office.

As a consequence, and despite other pressures on the Fund for Property, referred to elsewhere in Property Points, the Methodist Council has allocated additional funds for 2001/2 and 2002/3 from which discretionary grants for access schemes can be considered.

We distributed to all Churches and Circuits last year with Property Points 2001 part 2 an information leaflet on the DDA offering general guidance on the subject including an extensive list of other useful contacts. The leaflet with minor amendments is also available on our website but we have a limited supply of the original paper version if further copies are required.

Additionally all Districts now have appointed volunteer Disability Advisors who may also be able to offer guidance on specific disability issues.

Treasurers' Tips

Circuit Advance Fund

During the Conference debate on Resourcing Circuits and Districts (at Wolverhampton in July) there was a request for some clarification of the above fund and its purpose. (There is in fact information on this and other funds in the booklet Managing Trustees and Methodist Money which was sent to all treasurers in August 2000).

A Circuit Advance Fund (CAF) is established on behalf of a Circuit to place the net proceeds of sale whenever a chapel or manse is sold. This is a requirement of Methodist Standing Orders (SO 916) once other costs have been settled.

At the present time there is some £60 million of capital money in CAFs throughout the Methodist Connexion. There are some 640 Circuits and the capital values of different CAFs vary considerably depending upon the number and value of sales in each Circuit over the years. Some CAFs have substantial balances while others hold little or nothing.

Another Standing Order (SO955) explains how those CAF **capital monies** can be used. This is what the Standing Order says

(3)(a) Subject to sub-clause (c) below the expenditure or grant of capital money in a circuit Advance Fund shall be permitted only for the purchase of land, the erection, extension, alteration, structural repair or replacement of buildings or the establishment or subvention of a district Advance Fund or by way of payment to a Housing Association the purposes of which are wholly charitable if either it is subsidiary or ancillary to the Church or the payment is made in furtherance of the ecumenical work of the Circuit.

In the main CAF **capital monies** are used to support

property schemes.

Additionally there is a way in which a Circuit and a District may agree to transfer capital money from a Circuit Advance Fund to a District Advance Fund to benefit from the wider uses of the District Advance Fund. These include the support of ministry. (SO 963 gives details)

There are different rules for the use of **interest** accrued on the capital. Standing Order 955 covers these provisions. The Circuit Meeting can withdraw up to 50% of the interest for a variety of purposes as set out in SO 917. These include repair and maintenance of property, and the support of ministers.

If more than 50% of the interest is required the Circuit Meeting can apply for a special scheme called an ICAF (Interest on Circuit Advance Fund) scheme with approval from the District and the Connexional Property Committee. The Methodist Property Office provides the application forms.

Interest on a Circuit Advance Fund not used in any connexional year is automatically **capitalised** at the year end and can then be used for capital purposes.

The total amount of interest accruing each year is around £3 million though only about £650,000 is actually currently being withdrawn under the provisions described above. There is thus much greater scope for the use of interest on CAFs.

The Conference approved the Resourcing Circuits and Districts report which included new arrangements for distributing 1% of CAF annually to the District Advance Fund and additional funding for DAFs from the Connexional Advance and Priority Fund.

Districts can resolve to make additional transfers and there will be matched funding from the Connexional Advance and Priority Fund within set limits in year one.

Gift Aid

If you don't already do so, then take a look at Gift Aid. It adds 28p for every £1 of local giving from taxpayers. That includes giving for a property scheme. Suddenly that 50% local target doesn't seem so far away! (A donation of £1,000 thereby results in a further £280 for the scheme).

Billericay Methodist Church raised an extra £65,000 through Gift Aid to enable their Church to establish a new Church plant as an extension of their outreach into the community.

What about Churches where only a few members are taxpayers? Several smaller Churches find the local community are willing to support their fundraising efforts and are more than happy to gift aid their donations. 28% from the "Tax-Collectors" .— Thank you, Mr Brown. If you want to benefit from Gift Aid in your property scheme then contact Mike Everitt at the Tax Recovery Section Rayleigh on 01268 779794.

Legal Fees

Managing trustees have the right to choose their own solicitor to act for them in any particular circumstance. In the case of purchases and sales the Property Office asks for sight of a copy of the solicitor's account and in the light of the information received we are able to tell managing trustees if the fees are markedly out of line with similar transactions across the Connexion.

Landfill Tax

The government have consulted on changes to the Landfill Tax Credit Scheme. Over the last 2 years 47 Methodist churches have received £709,829 from the scheme. It is a possible outcome of the consultation that in future no more money will be given to Church Schemes. At the time of writing no decision or timescale for the decision has been made. As soon as this is available we will let everyone know.

New faces at the Property Office



Left to right: Quentin Pickard (*Technical Officer*), Adam Thomas, (*Schemes Development and Funding Manager*) Peter Jarvis (*Administrative assistant: Schemes Development and Funding Office*) and Andrew Pollitt (*Secretary: Technical and Conservation Office*)

We have welcomed four new members of staff during the year.

Quentin took up his appointment last December following the retirement of Brian Decker after sixteen years' service at the Property Office.

Adam commenced his appointment on 1 July following Robin Street's departure to take up an alternative career after ten years here. Peter is a new appointment from 8 July and Andrew took over early this year following the death of Maureen Mansfield.

We pay tribute to the significant contributions of our former colleagues with sadness at their parting and look forward to developing the work with our new colleagues.

Church Closures (or major redevelopments) & Organs

There have recently been a number of instances where decisions have been taken to close a church, or embark upon a major redevelopment, and only at the last moment has the question been raised 'What can we do about the Organ?' It is only then that the Organ Advisory Service, or the local organ builder, is brought in to the picture.

It is very difficult to make satisfactory arrangements when one is given only a few weeks in which to act. Of course not all pipe organs are worth preserving, but such a decision can only really be made when the counsel of an impartial Adviser has been sought and obtained.

Lack of such advice and shortage of notice has recently resulted in a number of good Methodist organs being broken up or destroyed, part of the British Musical Heritage being lost for ever.

It is incumbent upon managing trustees to exercise good stewardship in such matters.

Contrary to some expressed opinions, it is often possible to find a home for a good British Pipe Organ, but arrangements can take a considerable time.

Relocation is often possible in the UK, and in recent years redundant Methodist organs have been found good homes in Western European, Eastern European and African countries, for they are highly regarded by many outside the UK.

Church Councils, Circuit Meetings and their Officers are urged to contact the Methodist Organ Advisory Service immediately the possible closure of a church (with a pipe organ) is contemplated.

This is also equally important when major redevelopment of a sanctuary is being considered. An Organ Adviser should be involved from the start, and should be invited to meet with the appropriate church officers, and the Architect, if one is to be involved. In this way it is often possible to retain a good pipe organ within the development plans.

It is just as important to follow this course of action in the case of electronic organs. For listed buildings, any alteration will require the formal consent of the Methodist Property Office.

(Whilst many good organ builders will give useful advice to churches it should be remembered that the Organ Advisory Service will always provide an objective view.)

Lest it be thought that the Organ Advisory Service is only concerned with the preservation of historical instruments, it should be noted that the members are always available to give impartial, informed, advice on all matters connected with musical instruments in worship.

For further information contact Mr Phillip Carter, 50 Bayham Road, Bristol, BS4 2DR

Website

The following leaflets are now available on the main Methodist Church Website under the Resourcing Mission section. Address www.methodist.org.uk/rm

Listed Buildings and Buildings in Conservation Areas

Disability Access provision in Historic Chapels
Removal of Pews from Historic Chapels
Replacement Windows in Historic Buildings
Submission of schemes to the Connexional Property Committee
Window Protection for Historic Buildings

Funding

Applying to Trusts
Charitable Trusts You May Apply To
Charitable Trusts You Should Not Apply To
ENTRUST – Landfill Tax Credit Scheme
Property Scheme Grant Aid
Raising Funds for a Building Scheme
National Lottery Grants

Bequests

Guidelines on Bequests

Schedule 10a Withdrawal of the first £5,000 of any unconditional or model trust bequest under Standing Order 930(4)

Schedule 10b Withdrawal of monies for revenue expenditure under Standing Order 917 and 916 (4)(vii)

Schedule 10c Withdrawal of monies under Standing Order 917(1)(ix) and Standing Order 916(4)(vii) for the support of personnel

Managing Trustees and Methodist Money -has been put on the web in sections so that if you need to you can download the section you need rather than the whole book.

The following up to date schedules are also available in this section

Schedule B Receipts & Payments (Church)
Schedule B Receipts & Payments (Circuit)
Schedule B Accruals (Church)
Schedule B Accruals (Circuit)
Schedule B Report form

And the following information leaflets

The Disability Discrimination Act
Fire Risk Assessment Principles for Church Premises

We will keep you updated as we go along.

Of course the leaflets available on the web are also available from the Methodist Property Office. If you would like any of the above please write in.

Risk Assessments

We are getting an increasing number of queries about "risk assessments", and we have therefore prepared a document which can be viewed on our website www.methodist.org.uk/rm, and gives more detailed information. If you do not have access to a computer, please write to us and we will post a copy to you.

Health & Safety law is increasingly complex and we fully understand the concern of managing trustees about the additional administrative burden this is imposing on them. A "risk assessment" is required for all church premises; our understanding is that other circuit property and manses may also require a risk assessment if they are visited by church members or the public. Local authorities have the legal right to inspect church premises, and to require work to be carried out if considered necessary - this is why we suggest that a previously prepared risk assessment, kept with the log-book, is so useful (local authorities often produce their own guidance notes on this topic, and it may be worth contacting them to discuss the position).

The general principle behind risk assessment is that all users of the building should examine their activities (whether paid or voluntary) to identify any risks to health and safety. Managing trustees need to appoint a competent person to assist in preparing the risk assessment and other health & safety matters.

Review of Schedules

You may well have noticed last year that the Property Office undertook a mini review of our Annual Schedules (that is the lettered ones) and incorporated some modest improvements. Thank you to those who have offered positive and encouraging feedback.

We are gradually working our way through a review of the range of Schemes Schedules (that is the numbered ones) and would welcome their use for future schemes. Please ask us for the latest version when you are considering schemes and discard those dusty old versions which you may still have in your files.

We are currently in the process of making certain Schedules available through our website for downloading though many of course are in A3 format. You are welcome to use this facility but are reminded that we can only process Schedules for schemes in paper format as of course they invariably need to be signed by Church, Circuit and District Officers.

Watch this space for further news and developments and as always we welcome your feedback.

Fire Extinguisher Servicing

The firm providing fire extinguisher servicing to many churches across the connexion, was previously called Kidde Thorn but changed its name to Chubb Fire, Major Accounts Division from September 2000.

In the months since then it has become apparent that churches that have a contract with Chubb Fire Ltd. need to check that they are dealing with the Major Accounts Division as this provides a much lower cost for service and replacement extinguishers through the National Contract price available to churches.

If anyone has any queries on this please ring Colin Derville, our Fire Precautions Adviser, on 01704 875 597 to clarify their particular situation. It is also recommended, that churches requesting a survey from Chubb Fire Ltd. for the service or provision of extinguishers ensure National Contract prices are quoted or obtained from Colin.

Extinguisher Safety Warnings (extract from Fire Engineers Journal April 2000)

Safety warnings have been issued concerning fire extinguishers with plastic or rubber bases after a person was killed (not in a Church) when a hand-held fire extinguisher being used to put out a small fire suddenly exploded.

An investigation into the incident revealed that moisture had collected in the rubber or plastic base protecting the bottom of the fire extinguisher. This moisture had remained undetected and caused corrosion at the base of the unit. When the internal carbon dioxide cylinder was opened to energise the extinguisher, the base cracked and the employee was struck by debris in the chest.

After the incident a number of extinguishers from the same manufacturer were found to be similarly corroded. Owners of such extinguishers are warned that annual extinguisher inspections must include a visual inspection of the bottom with the base removed. In addition, they are advised to give special attention to fire extinguishers that are unprotected from the weather or stored in areas of high humidity; to mount extinguishers off the floor/deck to reduce the chance of moisture becoming trapped under the extinguishers base and to warn employees to look for signs of corrosion on all types of fire extinguishers.

Further information

Please contact the Methodist Property Office, Central Buildings, Oldham Street, Manchester M1 1JQ
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2002

Our thanks to Alan Ogle for the following:

Hymn for an opening service

- 1 Father, your care has led us
to this our opening day,
We meet in glad thanksgiving
to celebrate and pray;
We praise you for your goodness
as now, with one accord,
We make this dedication
to you, our living Lord.
2. We thank you for this building,
for all who gave and planned,
For skill in renovation,
for worker's willing hand;
United by your Spirit,
we aim to do your will,
We know you will be with us
to lead and guide us still.
3. When people come together
and meet each other here,
May all receive a blessing
and feel your presence near;
Renew our strength for service,
let faith and hope increase,
And help us share with others
your love and joy and peace.
Alan Ogle

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Metre 7676D Suggested tune Ellacombe

Verse 2 can be adapted to various situations. An alternative to line 1 is "**Thank you for work completed**", and line 3 can have the word "**renovation, restoration or reconstruction**". In the case of a new building, line 1 is "**We thank you for this building**", with "**For skill in its construction**", as line 3".

External Funding Appeal

To help funding for other schemes in the Connexion we are compiling a database of external funding. If you have received an external grant such as a grant from a lottery distributor, European funds, SRB, local authority or trusts then please send in 1 page of A4 identifying the source/s, amount and what it was for together with copies of your successful bids. Any unsuccessful stories on 1 page of A4 would also be welcomed. Please send information to SDO, Property Office, Central Buildings, Manchester

Who has been sent copies

Superintendents	/	Circuit Property Officers	/
Ministers	/	Local Property Officers	/
Circuit Stewards	/	Church Treasurers	/
Circuit Treasurers	/	District Property Treasurers	/