**The Oldham Circuit Finance Forum**

Report of 7th September 2021at Delph Methodist Church (Adrian Burdon/Neil Tomlinson)

1. **In attendance:**

Adrian Burdon (Superintendent, Chair of Meeting) Ken McNally (Minister)

Margaret Taylor (Delph, O&S Circuit) Gordon Travis (Former S & R Circuit)

Michael Wilson (Limeside) Gordon Roscoe (East Oldham & CAP)

Jim Upton (Uppermill) Eddie Winterbottom (Fir Lane)

Nigel Bacon (Trinity) David Schofield (Honeywell Lane)

Stephen Foster (Zion) Julie Hughes (Shaw Edge)

Sue Nuttall (Gravelhole) Graham Andrews (Greenfield)

Allan Gibson (representing Bardsley) Sybil Lamb (South Chadderton)

1. **Apologies:**

Glennis Kirkwood (Hollins) Janet Abbot (Senior Circuit Steward)

Janet Mitchell (St Andrews)

The meeting opened with prayer

1. **Processes**

The Oldham Circuit has been officially formed, and has the new charity number 1194708. Both the former Oldham & Saddleworth Circuit and the former Shaw & Royton Circuit are now sharing the same bank account. This is the account formerly used by the Oldham & Saddleworth Circuit, with a new name and mandate. HMRC will need to be notified of the new charity number for any Gift Aid claims made on behalf of CAP. Malcom Mills processes these claims, and Gordon Roscoe will inform him. **Action: Gordon Roscoe**

1. **Sale of Honeywell Lane**

An offer of £380k has been accepted for Honeywell Lane. From previous experience we expect around 60% of this figure to reach the Circuit after fees and the Connexional Priority Fund levy.

1. **Assessment Assistance**

It is proposed to the Circuit Meeting that money received from the sale of Honeywell Lane will initially be used to assist former O&S Circuit churches with their assessments. The proposal is that former O&S churches will receive a 1 quarter assessment holiday (or rebate).

The forum also recommends that the Circuit Meeting commits to being sympathetic in considering giving aid churches across the whole Oldham Circuit with assessments should they experience future difficulties.

1. **Christians Against Poverty**

CAP Oldham has been running successfully for a number of years, and has recently appointed two new workers to meet demand. It currently costs £23k per annum to run, has Circuit funding of £8k p/a, donations of £10k p/a, and a recent grant for £12k. Funds should be fine for 2 years, but there will be a shortfall thereafter. The plan is to move entirely to a donations-funded model over time.

Members were asked to pray for and publicise CAP’s work. CAP is also seeking new donors, people to join its management team, and ‘befrienders’ – people who will act as a listening ear for those seeking CAP’s aid.

It was suggested that the Circuit Meeting allocate funding to the project, which is a central part of the work of the Circuit. Adrian and Gordon are to work together to produce a proposal to be presented to a subsequent meeting of the Finance Forum and the Mission Forum before being presented to the Circuit Meeting. **Action: Everyone/ AB&GR**

1. **Circuit Donation to Methodist Ministers Housing Association**

**Agreement:** A £500 annual donation to MMHA formerly paid by Shaw & Royton Circuit will continue.

1. **Ministers’ Pension Shortfall**

The Revd Dr Adrian Burdon and Ken McNally declared and interest and did not participate in the conversation.

All churches are being asked to contribute a one-off payment of 15% of their cash reserves to the Central Finance Board, in order to cover a deficit in the pension scheme for Methodist ministers. The 15% applies to total funds held by churches (restricted and unrestricted), though the payment will have to be made entirely from unrestricted funds.

The payment is voluntary at present, but a levy may become obligatory if the CFB cannot obtain enough funds. It is unknown whether churches who volunteer funds now will be spared a future obligation, though such a system seems difficult for the CFB to implement.

It was suggested that the Circuit may be able to subsidise church donations with some of the money remaining from the sale of Honeywell Lane.

No decision was made, but Margaret Taylor will circulate more information, including the sort of figures that would be required.

**Action: Margaret Taylor**

1. **Circuit Assessment Calculations 2021-22 and 2022-23**

For the year 2021/22, churches will continue to pay assessments according to the processes established by the Circuits they previously belonged to. A Circuit-wide process needs to be decided for the 2022/23 assessments.

**Shaw & Royton Circuit** moved from a formula-based system to a shares system. An average of the last 5 years of formula determinations was used as the basis to assign shares to each church in the Circuit. Each year, a discussion would determine which churches were in a position to buy shares from others, in order to meet total assessment obligations.

**Oldham & Saddleworth Circuit** calculated assessment based on a formula. The total assessment required was split into four amounts, which were proportionally charged to churches based on various criteria. Each church paid £2k, then roughly a proportion of the following:

25% of the total assessment, split between churches in proportion to church membership.

25% of the total assessment, split between churches in proportion to median attendance.

40% of the total assessment, split between churches in proportion to church income.

10% of the total assessment, split between churches in proportion to church reserves.

Various modifiers applied to the formula to account for specific situations, but it was still vulnerable to producing unfair results when churches experienced unusual situations. These challenges led to O&S setting fixed assessment amounts for each church, and raising or lowering them by appropriate percentages each year. This new system also proved prone to unfair results in unusual situations, and had to be restricted to a maximum 10% rise (or fall) in assessment payments per year for each church. This change has led to church payments failing to meet total O&S Circuit outgoings in recent years.

**Agreement:** A small group will use both methods of assessment calculation to model what the 2022-23 assessment might look like. A third model might be produced at the discretion of the group. The outcome of the modelling will be presented to a specially-convened meeting of the finance forum. was version of the O&S formula will be used as a model for church assessments based on current data, to see what kind of figures are produced. **Action: Margaret Taylor, Gordon Travis, Neil Tomlinson, David Schofield**

The meeting closed with prayer. No future meeting date was set as it will be called when item 9 is ready for conversation.