



MINUTES

Membership: Ex-officio Chair Sue Ellis - Moderator, Nigel Rogers-CEO/General Secretary, Deidre Palmer-Ex-Moderator, Peter Battersby Synod Property Officer & Presbytery Treasurer, Mark Kickett-UAICC Regional Council appointment, Elected Members Tim Hein, Margaret Brown, Adam Dinham, Sandy Boyce, Bronte Wilson, Peter Morel, Susan Burt, Peter Gunn, Elizabeth Megaw, Anne Hewitt, Ian Dempster, Bruce Ind, Lauren Andris Co-opted members - Martyn Smith, Resourcing (non-voting) Members - Philip Gardner, Amelia Koh-Butler, Malcolm Wilson, Andrew Dutney, Rob Brown (Associate General Secretary), Libby Craft (CEO, UCWPA), Rev Dr Les Underwood and Bruce Trebilcock (Guests)
(Minutes) Tracey Bost

Apologies: Peter Gunn, Amelia Koh-Butler, Margaret Brown
Not in attendance: Adam Dinham, Anne Hewitt, Lauren Andris

Reference #	1.0 WELCOME
	The Moderator welcomed all to the meeting with a special welcome to Rev Mark Kickett, his first meeting of Standing Committee as the Interim Congress SA representative.
	1.1 Devotions Rev Professor Andrew spoke about understanding who we are (Genesis Chapter 1:26-31) and giving thanks to God.
	1.2 Pastoral Matters The Moderator prayed for pastoral matters.
	1.3 Attendance /Apologies As shown above.
PSSC17.42	1.4 Conflict of Interest / Interest Declaration It was AGREED that the <u>Presbytery and Synod</u> Standing Committee resolve to: a. Note: i. Peter Morel's conflict of interest in relation to 5.1.4 – AGS Report as a Formation Panel member and 5.1.1 – familial interest to the PR&MP team. ii. Resolve that he remain in the meeting and be involved in the discussion and decision making. b. Note: i. The Moderator's conflict of interest in relation to 5.1.3 as a former member of the UCWPA Board ii. Resolve that she remain in the Chair.

	<p>c. Note:</p> <ul style="list-style-type: none"> i. Philip Gardner's conflict of interest in relation to 5.1.1 as the Executive Officer, PR&MP and PRC Chair. ii. Resolve that he absent himself from the meeting for this item. <p>d. Note:</p> <ul style="list-style-type: none"> i. The following people declared an interest in relation to 5.1.1 as members of PSPT: Sue Burt (familial interest); Moderator, Malcolm Wilson, Rob Brown, Peter Battersby, Philip Gardner ii. Resolve that they remain in the meeting and be involved in the discussion and decision making.
PSSC17.43	<p>1.5 Approval of Agenda</p> <p>It was AGREED that the <u>Presbytery and Synod</u> Standing Committee resolve to approve the Agenda.</p>
	<p>1.6 Priority Order of Business</p> <p>Uniting Care Wesley Port Adelaide representatives at 4.30 pm; otherwise as per agenda.</p>
	<p>1.7 Process</p> <p>As part of the deliberative process, fully consider the budgetary and missional aspects in accordance with the Strategic Plan brought before Standing Committee.</p>
PSSC17.44	<p>1.8 Receive Reports</p> <p>It was AGREED that the <u>Presbytery and Synod</u> Standing Committee resolve to:</p> <p>RECEIVE all reports as provided (electronic and hard copy) in the Standing Committee business papers 7 April 2017.</p>
	<p>2.0 Review of Previous Minutes</p>
PSSC17.45	<p>2.1 Approval of Previous Minutes</p> <p>It was AGREED that the <u>Presbytery and Synod</u> Standing Committee resolve to:</p> <p>APPROVE the Minutes of the Presbytery and Synod Standing Committee Meeting 10 March 2017.</p>
	<p>2.2 Action List (Actions Taken Since Previous Meeting)</p> <p>See action List.</p>
	<p>3.0 CORRESPONDENCE</p>
PSSC17.46	<p>3.1 Receive Correspondence</p> <p>It was AGREED that the <u>Presbytery and Synod</u> Standing Committee resolve to</p> <p>RECEIVE the correspondence, as listed:</p> <ul style="list-style-type: none"> 1. Letter from UCWPA, re: governance framework. 2. Letter from Kym Wenham, Secretary SEM congregation.

PSSC17.47	<p>3.2 Action from Correspondence</p> <p>It was AGREED that the <u>Presbytery and Synod</u> Standing Committee resolve to:</p> <ol style="list-style-type: none"> 1. To be discussed later in the meeting (5.1.3). 2. Letter of thanks, for noting.
4.0 STRATEGIC MOMENT	
PSC17.48	<p>Members of Standing Committee spent some time reflecting on the recent KCO event at Victor Harbor, a very successful event by all accounts.</p> <p>The CEO/General Secretary offered a minute of appreciation to Malcolm Wilson, Associate General Secretary (Planning and Management) for his extraordinary leadership in organising the KCO event. Malcolm agreed to accept the responsibility of leading the KCO event management only weeks prior to the event being held. It was noted that 2019 is the 40th anniversary of KCO.</p> <p>It was AGREED that the <u>Presbytery Standing Committee</u> resolve to:</p> <p>PLACE ON RECORD its appreciation for the extraordinary leadership of Mr Malcolm Wilson in organising the KCO Event 2017.</p>
5.0 STANDING REPORTS	
5.1 Governance, Innovation and Communication	
PSC17.49	<p>5.1.1 CEO/General Secretary's Report</p> <p>The CEO/General Secretary thanked the Standing Committee members who were able to attend the extra session earlier in the week and spoke to his report.</p> <p>It was AGREED that the <u>Presbytery</u> Standing Committee resolve to:</p> <ol style="list-style-type: none"> 1. THANK and DISCHARGE the Presbytery Strategy and Planning Team. <p>Philip Gardner left the meeting for the following item.</p>
PSC17.50	<ol style="list-style-type: none"> 2. REQUEST the CEO/General Secretary to undertake the process, in collaboration with the Executive Officer Pastoral Relations & Mission Planning, of engaging an independent chairperson of the Pastoral Relations Committee.
PSC17.51	<p>5.1.2 Associate General Secretary's Report</p> <p>It was AGREED that the <u>Presbytery</u> Standing Committee resolve to:</p> <ol style="list-style-type: none"> 1. DEFER the application of the Rev Andrew Klynsmith to be admitted as a Minister in the Uniting Church for at least six months to enable him to undertake a reading course to help him to address issues of formation within the Uniting Church context.

	<p>2. REQUEST the Reception of Ministry Committee to meet again with Rev Andrew Klynsmith within the next 12 months to re-assess his suitability for admission as a Minister in the Uniting Church in Australia.</p>
	<p>5.1.3 UnitingCare Report</p> <p>Rev Rob Brown introduced Bruce Trebilcock, UCWPA Board member, Rev Dr Les Underwood, Minister in placement at UCWPA and UCWPA CEO, Libby Craft. The UCWPA Chair, Gail Fraser was interstate and gave her apology.</p> <p>The purpose of the UCWPA representatives attending the Standing Committee meeting is to discuss the proposed move from an Incorporated Association to a Company Limited by Guarantee, subject to the Presbytery and Synod's endorsement.</p> <p><u>UCWPA Presentation</u></p> <p>The proposed change are due to the commercial realities of a large organisation, who have existed since 1919. They are not about cutting themselves adrift and will continue to share in God's mission. It is simply the legal relationship that would change. The relationship with the Church is extremely valuable.</p> <p>UCWPA have always had a strong relationship with the Uniting Church's values and ethos and want to continue that. This is not about moving away from the UC. UCWPA holds the same values base and ethos, strong in social justice.</p> <p>This is about becoming strategically positioned for the future with a stronger position for grant seeking including Tier 1 housing association grants, not currently available to an incorporated association. Some Tier 1 funding, for community housing for example, is not currently available to UCWPA. The majority of grants are Tier 1 with more in the future.</p> <p>The roots and history are very important to UCWPA, using their vision and values to make decisions about what grants to apply for.</p> <p>Members of the company are the members of the Board. The winding up clause states no debt can be left for the Church however assets do go to the Church for distribution to a like organisation.</p> <p>The Synod's role as appointing authority to approve Constitutions will cease. It should be noted here that the Church is not losing control with this move; the role of appointing authority does not give the Church any mandate to speak into the operational life of the incorporated body.</p> <p>If our relationship depends on rigid enforcement of rules is our relationship in a state of stress?</p> <p>We understand the Church is the mission of God. Our governing statements are used in staff orientation, public presence, governance training and in the foyer of 40 different sites. There is no</p>

intention to try to distance themselves from the Church.

Libby Craft, CEO, UCWPA, is on the UnitingCare Australia Board; Rev Dr Les Underwood is a member of the Mission Ministers Network in association with the Uniting Church. UCWPA staff are engaged in Uniting Church working groups.

The UCWPA employs people who have similar values.

Important to note are comments out of the Royal Commission in regard to incorporated organisations and the risk to the parent body in the event of a critical event.

A Memorandum of Understanding formalises the enduring relationship with the Church. This will be a high level document for publishing on the website and in UCWPA offices. It is not an operational document.

Libby Craft spoke about being encouraged and impressed with the Executive Officer of UnitingCare (Rob Brown's) work in preparing the discussion document for Standing Committee.

Rev Dr Les Underwood spoke about his placement at UCWPA and the strong relationship he has with the organization.

Other points of interest, to note:

A company limited by guarantee has "more meat to it"; a higher level of accountability
Constitutions trump our Regulations

The Church has clung to the idea that incorporated means a measure of power/control

Rev Dr Les Underwood is faithfully engaged in the mission of God, by invitation conducting worship 40 Sunday's a year.

The UCWPA representatives left the meeting after a prayer from the Moderator; the Standing Committee continued the discussion.

DISCUSSION/CLARIFICATION

There is no mention of a MOU in the Constitution. The current classification as "organisation associated with the Uniting Church" will remain. UCWPA do not see this as a change in the way they do business.

Question about distinctiveness of culture. Could the Church lose the ability to directly affect the culture? How is that placed into the future with an MOU? It doesn't guarantee perpetuity.

	<p>How will the organisation maintain the Christian message? Constitution - Board need to abide by the ethos of the Uniting Church?</p> <p>The Constitution requires at least 2 people are members of the Uniting Church.</p> <p>The Church should consider what message it is sending UCWPA in suggesting their Constitution is not sufficiently "Uniting Church".</p> <p>Standing Committee members reluctantly endorsed the move, feeling a degree of loss and lament however adding the Uniting Church's purpose, ethos and values to the Constitution rather than only having a high level MOU would ease their concern and stress. Standing Committee need to own the decision and be confident about the decision before recommending to the full meeting of the Presbytery and Synod the move should be approved.</p> <p>Therefore, Standing Committee encourages UCWPA to insert Christian values into their Constitution and extend the object 4.1 – adhere to the purposes of the Uniting Church, preserving the legacy and history of the Uniting Church and UCWPA.</p> <p>A Draft MOU between the Uniting Church and UCWPA will be brought to a later meeting of the Standing Committee following further discussion between the Executive Officer, UnitingCare and UCWPA. The Associate General Secretary, Moderator and CEO/General Secretary were authorized to prepare the final MOU for presentation to the Synod.</p> <p>It was AGREED that the <u>Synod</u> Standing Committee resolve to:</p>
SSC17.52	<p>1. NOTE the appointment of Mr Simon Shepherd as Principal of Westminster School from the start of term 4, 2017.</p>
SSC17.53	<p>2. SUPPORT the move of UnitingCare Wesley Port Adelaide Inc (UCWPA Inc) and recommend that the Synod supports the move to a new legal structure that will transfer activity and property of the former incorporated association to a company limited by guarantee (UnitingCare Wesley Port Adelaide Ltd).</p>
SSC17.54	<p>3. NOTE that the change in legal structure to a company limited by guarantee will remove from the Synod of SA both the responsibility of appointing Board Members to the new company and of approving any future changes to the constitution of the company.</p>
SSC17.55	<p>4. RECOMMEND that the Synod NOTES the Constitution of UCWPA Ltd as the constituting document of the new company.</p>
SSC17.56	<p>5. NOTE the summary of the Memorandum of Understanding between the Synod and UCWPA Ltd, see Appendix 1.</p>

SSC17.57	6. AUTHORISE the Moderator, CEO/General Secretary and Associate General Secretary to negotiate the final details of the Memorandum of Understanding between the Synod and UnitingCare Wesley Port Adelaide Ltd for approval by the Synod of South Australia at the meeting of the Presbytery and Synod in June 2017.
SSC17.58	7. APPOINT Mr David Marsh to the Board of Lincoln College Inc for an initial term of less than three years commencing on 8 April 2017 and concluding on 31 December 2019.
SSC17.59	8. APPOINT Ms Jane Zadow to the Board of Lincoln College Inc for an initial term of less than three years commencing on 8 April 2017 and concluding on 31 December 2019. Peter Morel declared a conflict.
SSC17.60	9. APPOINT Mr David Whitbread to the Board of Governors of St Andrew's Hospital Inc for an initial term of six months commencing on 12 April 2017 and concluding on 31 October 2017.
PSSC17.61	5.1.4 Associate General Secretary's (Planning and Management) Report It was AGREED that the <u>Presbytery and Synod</u> Standing Committee resolve to: APPOINT Dr Colin Cargill to the SACC Ecumenical Partners for Justice and Peace Committee, from the rise of the April 7 th 2017 SC meeting until end of 2018.
5.2 Resources Board	
SSC17.62	5.2 Resources Board Report The Resources Board met on 9 March. Items included: Financial reports to 31 Dec 2016 212 Refurbishment and Brooklyn Park Refurbishment - Congress joining the College Management of properties transferred to the Synod Proposed repeal of the Insurance By-law UC Loan Fund By-law amendment UCIC – Response to APRA and ASIC changes Seaford Ecumenical Mission It was AGREED that the <u>Synod</u> Standing Committee resolve to: 1) REPEAL by-law 18.2 'The Insurance Services of the Uniting Church in Australia SA Synod' and remove it from Synod's list of By-laws. 2) APPROVE the amendments to the Uniting Church Loan Fund By-laws, shown as Appendix 2.

	5.3 Uniting Aboriginal and Islander Christian Congress
	<p>5.3.1 Congress Report</p> <p>Rev Mark Kickett, Interim Chair of Congress SA and Standing Committee member is happy to announce Candace Champion and Sean Weetra have signed up for the Intern Plus program.</p>
	5.4 Mission and Leadership Development
	<p>5.4.1 Mission and Leadership Development Report</p> <p>The Mission and Leadership Development Board have met twice this year. Rev Prof. Andrew Dutney spoke about:</p> <p>Public Theology and Mission Sub-committee CALD – Next Gen/Second Gen Conference Philippines partnership Congress/Covenanting Joint Intern Plus KCO 2017/SAYCO 2017 Stillpoint – TOR and MOU Staffing</p>
5.5	Pastoral Relations and Mission Planning
	<p><u>Pastoral Relations & Mission Planning Report</u></p> <p>No report this meeting.</p>
6.0	Other Business
6.1	<p>Late Business</p> <p>No late business.</p>
7.0	<p>Next meeting: Friday 12 May 2017 at Burnside City UC</p> <p>Devotions: Tim Hein</p> <p>Apology from Mark Kickett and Peter Morel</p>

UnitingCare Wesley Port Adelaide

Memorandum of Understanding – Summary of Proposed Statements

This document summarises reports presented to the Standing Committee and includes the items that have been recommended to be included in the final document. More work needs to be done on the final document by the CEO/General Secretary, Moderator and Associate General Secretary under the authorisation of the Standing Committee.

- Statement of history of UCWPA including its establishment by the church.
- Company members share the values and ethos of the Uniting Church.
- A requirement for two members of the company to be confirmed members or members in association of the Uniting Church of SA (in the new constitution).
- Ongoing membership and contribution to UnitingCare networks, and payment of the annual levy to support the advocacy work of UnitingCare Australia.
- Ongoing provision of agreed reporting information to the Church (such as annual financial statements, annual report, and strategic plan) for the purpose of transparency and awareness of the impact that decisions of the company may have on the Church because of the historical relationship.
- Management of risk and reputational issues.
- As and when appropriate, the Church supports UCWPA through access to administrative and financial resources.

- **A statement clarifying that the Uniting Church logo will not be used.**
- **Reference to how the name of the Uniting Church will be used (eg, “an organisation that was established by the Methodist Church and continues to be associated with the Uniting Church”).**
- **A commitment by the organisation to appoint at least one staff person to a position that has a primary emphasis on ministry and mission.**
- **A commitment by the organisation to build on or develop congregational links.**
- **Statement regarding use of the name “Uniting SA”**
- **A statement that indicates why UCWPA thinks that the relationship with the Church is important.**

18.7 UNITING CHURCH LOAN FUND BY-LAWS

- 18.7.1 NAME, PURPOSE AND SCOPE OF THE FUND
- The Uniting Church Loan Fund (UCLF) provides loans for eligible Congregations, Faith Communities and other Uniting Church Property Trust (S.A.) entities within the Presbytery and Synod of South Australia for the purpose of funding approved projects.
- Projects which are to be funded by the UCLF must have been through all the required church and other relevant approval and eligibility processes before a loan can be approved. Eligibility can include a commitment by borrowers to the Mission and Service Fund where this is required by Uniting Church regulations. Any project funded by the UCLF must be able to be defined as an asset (or potential asset) of the Uniting Church in Australia Property Trust (S.A.) and sufficient security must be available to protect the loan finance being provided.
- 18.7.2 REPORTING ACCOUNTABILITIES AND DELEGATIONS
- 18.7.2.1 The Resources Board shall appoint a Uniting Church Loan Fund Review Panel (UCLFRP) to manage the UCLF.
- 18.7.2.2 The UCLFRP will consider any loan application greater than \$1,000 to a maximum of \$1 million.
- 18.7.2.3 The membership of the UCLFRP will include the Executive Officer, Resources (or delegate), Manager, Financial Services and Manager, Property Services.
- 18.7.2.4 In addition, to be consistent with the provisions of these by-laws, the Resources Board can delegate approval for any aspect of UCLF operations to the UCLFRP.
- 18.7.2.5 The primary role of the UCLFRP will be to evaluate loan applications and either recommend loan approvals and terms and conditions to the Resources Board or, if the loan fits within the UCLFRP delegations, approve the loan and any terms and conditions in its own right.
- 18.7.2.6 The UCLFRP shall report to the Resources Board on the exercise of its delegation at least once per annum.
- 18.7.3 ADMINISTRATIVE ARRANGEMENTS
- 18.7.3.1 A meeting of the UCLFRP can be convened by any member of the UCLFRP.
- 18.7.3.2 The Executive Officer, Resources (or delegate) will normally chair meetings of the UCLFRP. The Manager, Financial Services will be the Secretary of the UCLF and chair meetings in the absence of the Executive Officer, Resources (or delegate).
- 18.7.3.3 The UCLFRP will have a minimum membership of three (3) persons. The attendance of 50% or greater of UCLFRP members at a meeting shall constitute a quorum.
- 18.7.3.4 All decisions made by the UCLFRP must be documented and approved by the Chairperson before any action is taken to implement the decision.
- 18.7.3.5 All meetings of the UCLFRP will follow the principles of consensus decision making as prescribed in the Uniting Church Manual for Meetings.
- 18.7.3.6 The UCLFRP will document the administrative and application guidelines and eligibility criteria for the UCLF and will make this available to the Resources Board on request.

- 18.7.3.7 Any changes to these by-laws shall be approved by Standing Committee on the recommendation of the Resources Board.
- 18.7.3.8 Appeals by loan applicants regarding the decisions of the UCLFRP may be made to the Resources Board, provided the basis for appeal is an error of fact or procedure. Appeals that challenge the judgement of UCLFRP members about the feasibility of a proposed business case or the financial capacity of an applicant will not be permitted.
- 18.7.3.9 The Resources Board or UCLFRP may approve concessional treatment on new loan applications on a case by case basis. The UCLFRP has delegated authority from the Resources Board to approve concessions up to a maximum value of \$10,000 over the life of the loan. If they deem it appropriate, the UCLFRP may recommend concession applications greater than \$10,000 to the Resources Board for consideration.
- 18.7.3.10 An assessment of a loan application by the UCLFRP should include consideration of the following:
- (a) Eligibility criteria
 - (b) Relationship to the Strategic Plan
 - (c) The existence of all necessary Uniting Church and external approvals
 - (d) Current financial status of the applicant
 - (e) Business case (for loans where the UCLFRP have defined this as necessary)
 - (f) The support of the Church Council or borrower governing body
 - (g) Ability to make loan repayments
 - (h) Any concessional treatment which is justified
 - (i) Evidence of the congregation's affirmation of the project, where financing relies on additional giving.
- The terms and conditions of the loan will always be documented as part of the UCLFRP loan approval process.
- 18.7.4 FINANCIAL ARRANGEMENTS
- 18.7.4.1 The overall objective of the UCLF is to maintain the real value of capital by making allowance for inflation by recognising the impact of increases in the Adelaide CPI Index as published by the Australian Bureau of Statistics on the real value of funds. At its inception the fund had a base equity figure of \$6.777 million being the equity figure for the Church and Hutchinson Bequest Loan Fund as at 31st December 2008.
- 18.7.4.2 The UCLF will provide loans for fixed periods of not greater than fifteen (15) years. It can also provide bridging finance or lines of credit where a maximum dollar limit is set without any fixed repayment criteria.
- 18.7.4.3 The interest rate to be used for UCLF loans will be underpinned by the Bank Bill Swap Rate (BBSW) on quarterly steps and include a factor for default risk and recovery of UCLF administration charges as set by the Resources Board (1% as at November 2016). The BBSW will be calculated based on either:
- (a) the length of the total loan sought (if less than 10 years), or
 - (b) the 10 year rate (if the total loan term is longer than 10 years), or
 - (c) the 3 or 5 year rate (if a lesser term is requested under 18.7.4.5).

This interest rate will be fixed at the time of the loan approval by the UCLFRP or the date that the UCLFRP agrees to forward a loan recommendation to the Resources Board. If, at the time of loan approval, the calculated interest rate falls below the latest available annual CPI (Adelaide All Groups), then the CPI rate will apply.

- 18.7.4.4 The rate charged by the UCLF will be reviewed on the ten (10) year anniversary of the approval for new loans unless a congregation has elected an alternate interest rate review term (or on 1st July 2019 for existing Church and Hutchinson Bequest Loan Fund loans as at 30th June 2009 that have not expired by that date).
- 18.7.4.5 Congregations may choose to review interest rates at either a 3 or 5 year period, providing this application is made at the time of applying for the loan, or on an interest rate review date. Applications to vary the length of the interest rate review period after the period has started will not be accepted.
- 18.7.4.6 The UCLF will make every attempt to fund loan applications from the financial assets of UCLF. However, the UCLFRP can choose to access external funding for the operations of UCLF when internal working capital is insufficient to finance all approved loan applications.
- 18.7.4.7 Where practical, within the overall objective outlined in 18.7.4.1, the UCLF will make an annual contribution to the Mission and Service Fund.
- 18.7.4.8 Once a borrower is in arrears more than thirty (30) days beyond the regular repayment schedule, the Secretary of UCLF will notify the borrower in writing. If the borrower has serious cash flow problems, the Secretary can convene a meeting of the UCLFRP to review the borrower's repayment schedule.
- 18.7.4.9 A loan from the UCLF is considered in default if the borrower is in arrears more than sixty (60) days beyond the agreed repayment schedule. A default interest rate shall be set for any repayment not received within sixty (60) days of the due date. If a borrower continues to default on the loan agreement, whether through non-payment of scheduled loan repayments or through the breach of any other loan condition, a meeting of the UCLFRP will be convened to determine appropriate recovery action from the borrower.
- 18.7.4.10 In exceptional circumstances, the Resources Board may alter the terms and conditions of an existing agreed loan contract.
- 18.7.4.11 Where a UCLF borrowing entity ceases to exist, or moves its operations from the asset which is the security for the borrowing, the balance due on the loan at that date shall be recovered from the borrower within the time frame determined by the UCLFRP.
- 18.7.4.12 Where the UCLF has funds on hand that are not immediately required to finance loans, the UCLFRP will be responsible for the prudent investment of these funds in appropriate UC Invest entities. In determining UCLF's investment strategy for these funds, UCLFRP will have regard for the estimated future cash flow demands on UCLF as well as the need to maximise the return on uncommitted funds.