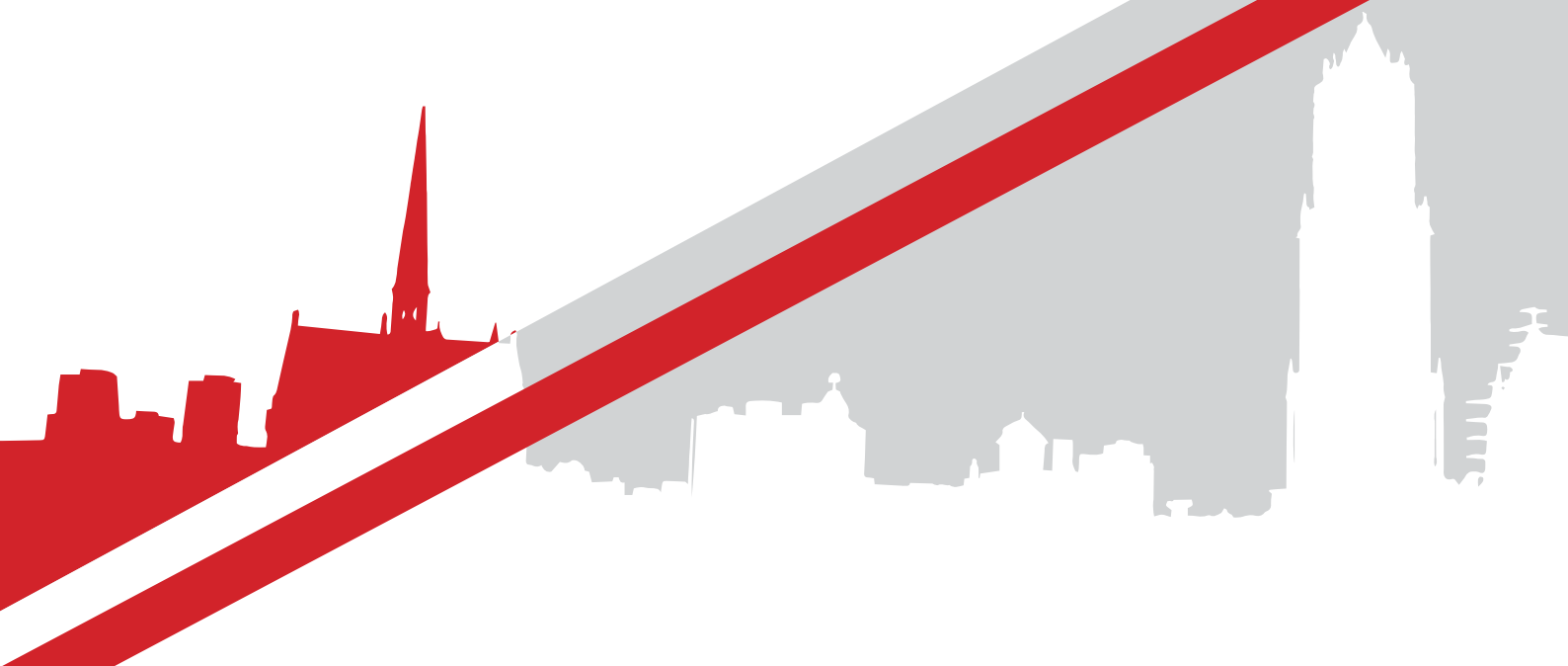




God's Church and its Buildings –

Are they fit for Mission?

*Synod of South Australia Property Report
February 2021*





The Uniting Church
understands First
Peoples' sovereignty to
be 'a spiritual notion,
reflecting the ancestral
tie between the land
and the First Peoples!'



Acknowledgement of Country

The Uniting Church in South Australia (UCSA) acknowledges and pays respect to the First Peoples, the traditional custodians that have, for thousands of years, walked on and cared for the lands on which we gather. The UCSA acknowledges and commits to the Covenant made between the Uniting Aboriginal and Islanders Christian Congress (UAICC) and Uniting Church in Australia in 1994. This Covenant is an outworking of our continued commitment and a practical expression of UCSAs commitment to empower the ministry of the UAICC.

The UCSA also acknowledges the continued deep spiritual attachment and relationship of Aboriginal and Torres Strait Islander Peoples to this country. We recognise that the 15th Uniting Church Assembly affirms that the First Peoples of Australia are sovereign Peoples in this land. The Uniting Church understands First Peoples' sovereignty to be 'a spiritual notion, reflecting the ancestral tie between the land and the First Peoples.'

As the Church responds to God's calling today, land is used to support its mission by providing a space for all people to encounter God. The Church stewards these resources entrusted to it, recognising they exist for the reconciling work of God. We pray that in the power of the Holy Spirit we might work together for reconciliation and justice.

For more information about the Covenant visit
sa.uca.org.au/covenanting



...

make life-giving
decisions for the
sake of the future
of God's mission
through the
Uniting Church
in SA.



Letter from the Chair



The formation of the Uniting Church in 1977 provided new opportunities for the newly-created Church to engage in ministry and mission across Australia. It also provided the Church with a dilemma; a legacy of multiple church properties, many more than reasonably required by its ministry and mission. As the Church has declined in numerical strength over the intervening decades the difficulties associated with maintaining both the large number of congregations and their properties has increased.

Within the South Australian context there have been many projects and papers attempting to draw our attention to this issue; from the *Congregational Mapping* project in the early 2000s through the *Changing Landscapes Papers* in 2013 and the *Property Viability Paper* in 2016. There have been attempts to draw the SA Synod's attention to the issue and to also engage its members in making appropriate life-giving decisions about equipping the Church sustainably for its ministry and mission in the present, and on into the future. Little has changed.

This paper is not just another paper to be read, discussed, and then consigned to the shelf alongside the others. This is a wake-up call. We cannot continue to maintain the same number of congregations and properties that we currently have if we want to be an effective Church. The Resources Board under whose auspices this report has been generated has a mandate to 'maximise financial and property resources ... for mission' and 'assist ... in allocating such resources efficiently in accordance with the mission priorities' of the Church. With our current load of congregations and properties we cannot do that at present.

This is not an issue just for the Resources Board to face. It concerns, or it should concern, every member, congregation, and Presbytery of the Uniting Church in SA. We need you all to engage with this report and face the challenges that it reveals and then to make life-giving decisions for the sake of the future of God's mission through the Uniting Church in SA.

Rob Stoner

Chair, Resources Board



Together we seek
to act in God's
interest as we
respond to the
challenges of
our world.



Letter from the General Secretary



The Synod is a Council of the Uniting Church formed by the Assembly to have general oversight, direction and administration of the Church's worship, witness and service. It is both a privilege and a responsibility for the Synod to embrace with courage and wisdom the powers inherently invested in it. To promote and encourage the mission of the church; provide effective theological and ministerial education; and effectively supervise and manage the property and other resources within its bounds.

The Synod is also a geographic area of extraordinarily diverse but vibrant and interconnected communities of faith. Groups of people and individuals are nurtured in their faith in God through Jesus the Christ and in the presence of God's Spirit and take on many forms: chaplaincy, congregations, faith communities, employees, parish missions, Presbyteries, small and large organisations, committees and boards.

Together we seek to act in God's interest as we respond to the challenges of our world. Change is constant and the next crisis seems never too far away. In our commitment to life-long learning, living ethically and in step with the Biblical imperatives documented by the saints of old, we embrace once more the question Jesus posed as he began his teaching ministry in Mark 4: *Is a lamp brought in to be put under the bushel basket, or under the bed and not on a lampstand?* (4:21)

As we workshop this report and wrestle with the challenges it faithfully presents to the Uniting Church in SA it is important that we treat those who prepared it with respect and hear it with an openness to the opportunities it offers.

I commend this report to the Synod for your prayerful and active discernment.

Felicity Amery
General Secretary, Uniting Church in SA

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Executive *Summary*

At the time of writing this report, the Uniting Church in Australia Property Trust (S.A.) holds properties for 264 congregations around South Australia. In most cases these properties have been passed down from previous generations and they are home to buildings which have been pivotal to the people of God as they have experienced and advanced the mission of God. Many of these buildings hold historic and personal significance as they have supported the faith formation of the people of the Uniting Church and its ministries over several generations. They remain helpful places to gather for worship, witness and service.

While these buildings remain an important aspect in the life of the Church, as many congregations experience decline, church buildings are also experiencing decline. Often the upkeep of ageing buildings is at the expense of missional opportunities, however without this upkeep, unattended maintenance can result in buildings becoming unsafe.

A conversation about the decline in church attendance started many years ago. The *Strategic Mapping* project in 2009 commenced the discussion and it was later articulated in the *Changing Landscapes* papers which were presented to the 2013 annual meeting of Presbytery and Synod. The *Property Viability Discussion Paper* prepared in 2016 investigated building decline in more detail, challenging congregations to consider whether it was viable to retain their building and to consider how their property can be better utilised. The *Congregational Sustainability Discussion Paper* was presented in 2017 as a companion document to the *Property Viability Discussion Paper*, encouraging congregations to give thought to their spiritual vitality through their relationships with God, with one another and within their congregation, the wider community and the Church. All the papers challenged the status quo and acknowledged the decline, but a way to resolve the problem was not found.

Commissioned by the Resources Board, the *Property Review Project* commenced in 2017. The project was initiated to understand the current condition of all the Uniting Church's buildings in South Australia. The project collected quantitative data about each of the congregations' buildings, with a focus on safety. The Church has a moral and legal obligation to ensure its buildings are safe, are compliant with legislation and standards, community expectations and are also aligned with Uniting Church in Australia Regulations.



The rectification works that are necessary would require an investment beyond the financial capacity of the Church.



The data gathered and presented in this report reveals the Church has a significant issue regarding the safety of its buildings. The rectification works that are necessary would require an investment beyond the financial capacity of the Church.

The project has also revealed that the church is trying to maintain much more property than it actually uses. While a few congregations are regularly short of space, many of our church buildings rarely fill. In fact, on average, seating capacity is more than three times the weekly attendance. This raises a question of stewardship. It is wise to try to maintain more space than is actually needed? How can we make best use of the resources entrusted to us? It also raises a question of responsibility. Is it reasonable to leave the remaining congregation members with the responsibility for maintaining a building which no longer has the people or finance needed to sustain it?

The Church (Synod, Congregations and Presbyteries) now faces the challenging problem of owning deteriorating properties, having limited and reducing resources, and at the same time, being compelled to provide a safe place for all people.

Each part of the Uniting Church in South Australia is invited to engage with this report and consider what this means for its future. It is acknowledged that this will require courage, faith and wise and intentional decision-making, for the benefit of the whole people of God.



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1. Introduction

1.1. What will our legacy be? (Stewardship)



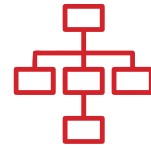
As the current caretakers of today's Church, we need to seek the greatest outcomes for God's kingdom in our time, whilst giving the future Church every opportunity to thrive. We have a responsibility to make wise and deliberate decisions about our properties now, so they enable today's and tomorrow's mission. We also need to recognise that by maintaining the status quo and electing to 'do nothing' we are choosing not to exercise good stewardship.

These issues are not unique to the Uniting Church in SA. Most churches and some institutional organisations face a similar dilemma.

Whilst the Resources Board has responsibility to assist the Church steward property resources across the state in accordance with the mission priorities of the Church, it recognises that Church Councils make decisions regarding property at a local level on behalf of their own community.

The Church has wrestled with the property dilemma for over a decade without a clear way forward being found. It is necessary that we all 'zoom out' to see the big-picture. Whilst acknowledging that each congregation has its own experience of property, being loyal to, and only focussing on its own congregational building is unlikely to progress this conversation. As we take this wider view, we must accept that trying to maintain all of our current property resources will be at the expense of taking up missional opportunities either locally or within our Presbytery or the Synod.

1.2. Governance Structure



The Uniting Church in Australia formed at Union in 1977. Properties previously held by the Congregational Union of SA, the Presbyterian Church of SA and the Methodist Church (S.A) Property Trust Act were vested in the Uniting Church in Australia Property Trust (S.A.). Since 1977, some properties have been sold, but at the time of writing this report, 264 congregations have buildings for which they are responsible.

In accordance with the Uniting Church in Australia Regulations, each congregation, with the oversight of its Church Council, is responsible for the care of its property (UCA Reg 4.4.1). The Resources Board (Synod Property Board [UCA Reg 4.2]) serves the Church by maximising financial and property resources available to the Synod and Presbyteries for mission. It has specific responsibilities to assist the Synod and Presbyteries in allocating resources efficiently and in accordance with the mission priorities and ethos of the Church, whilst managing the risk associated with these decisions.

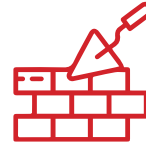
Each Church Council and its Presbytery share responsibility to undertake an annual property review (UCA Reg 4.4.3) and regular inspections (UCA Reg 4.3.1). These activities are desirable to ensure properties are maintained in good and safe condition.



... trying to maintain all of our current property resources will be at the expense of taking up missional opportunities ...



1.3. The role of property in the life of the church



The Church has acquired properties and established buildings as places to congregate as the people of God. In many instances, previous generations have generously and personally invested in the establishment of these buildings, which have blessed those who have used them since that time. It is worth pausing a moment to recognise, with sincere thanks, these gifts from our forebears, and to acknowledge the dedicated Christian service and sacrifice that saw the construction of each building.

Church buildings provide a place for giving reverence, offering hospitality and gathering community, and a space to serve and witness to others. The identity of a congregation can be closely aligned to its property, and a building can represent the heritage and history of the families in the congregation, their shared experiences and their sense of place. From an individual perspective, the church building can be a sacred space where God is especially present. It can symbolise one's faithfulness and be a meaningful part of one's own faith story, as the place where disciples are nurtured and spiritual encounters and sacred events like funerals, baptisms and marriages have occurred. Church buildings can also hold wider social significance as a symbol that a community still exists, long after many other 'institutions' have closed.

1.4. Changing Landscape



It is acknowledged that while some congregations are showing growth, energy and a strong call to mission, a large majority of congregations are experiencing steady decline. It is understood from many conversations across the Synod that this is a painful reality.

In 2013, the *Changing Landscapes Discussion Papers* were presented to Synod. These focussed conversations about the changing nature of the Uniting Church in SA and the decline in many of our congregations and the challenges this presents to managing church buildings. Paper 1 identified that 'For some, the buildings have become both 'our centre and our challenge'. It has become apparent that the focus is on our survival rather than the mission of God for a hungry, hurting world' (*Changing Landscapes*, 2013). This dilemma is faced by many smaller and ageing congregations. Whilst the congregation wishes to continue to gather for 'rich and vital' fellowship (*Changing Landscapes*, 2013), the building itself is declining and in need of repair and becomes symbolic of the congregation's survival. The building itself becomes the focus, although there is limited capacity to maintain it. In this situation, few if any resources (people and finance) remain for mission.



It has become apparent that the focus is on our survival rather than the mission of God for a hungry, hurting world.



1.5. Property Viability Discussion Paper



There is much to consider about why the buildings and properties have declined. Whilst it is not the focus of this paper, the [*Property Viability Discussion Paper*](#) provides helpful insights into the decline in our churches and buildings. Property viability refers to the measure of the congregation's ability to occupy, manage and maintain its property whilst continuing to undertake its mission. This is largely a function of the congregation's capacity to cover costs associated with the maintenance, insurance and running costs of their properties. The discussion paper recognises that decisions about church buildings can be complex and involve more than just financial considerations. Key observations from the report include:

- Less people means greater load on those who remain
- As size of the congregation decreases and the age of members advances the finances available diminish
- The more resources that are spent on property, the less remain for mission
- Building maintenance costs increase as the building ages.

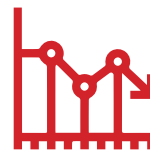
The [*Congregational Sustainability Discussion Paper*](#) was presented in 2017 as a companion document to the [*Property Viability Discussion Paper*](#). It encouraged congregations to give thought to their spiritual vitality through their relationship with God, with one another, within their congregation, the wider community and the wider Church.



... the Church has a responsibility to ensure its gathering places are safe spaces.



1.6. Observing the decline



The Resources Board oversees the Church's resources on behalf of the Synod (refer UCA Reg 4.2.1 and Resources Board mandate Synod By-law 18), Presbyteries and Congregations in South Australia. In recent years the Resources Board has become acutely aware of the decline in the condition of many buildings. The Board most often becomes aware of a problem when it appears in the Work Health Safety (WHS) report or when an insurance claim, lodged on behalf of a congregation, is rejected by the insurer because the incident was deemed 'due to lack of maintenance.' Many matters only become apparent after there has been a significant structural failure, such as when a ceiling, wall and/or floor collapses. Some congregations who occupy ageing buildings have first-hand experience of neglected minor maintenance matters that, over time, have given rise to major structural failure. These events pose a serious safety hazard to the people using the property. Appendix 1 provides some examples of buildings that have required substantial repair in recent years. These safety matters cause the Resources Board members great concern.

It should be noted that many renovation and repair issues have been addressed by congregations with the approval and support of the Property Services Team.

1.7. A safe place imperative



The Uniting Church affirms that all people are made in the image of God. It is committed to providing a safe place for people to encounter God, to develop relationships as part of a community and to grow in faith. This means providing a safe emotional, spiritual and physical environment for all.

In this regard the Church has a responsibility to ensure its gathering places are safe spaces. Allowing people into unsafe buildings poses a significant risk to the health and well-being of all who use them. It is contrary to our values and is not meeting our responsibilities.

We have to be mindful that our church buildings are places for public worship. State and Local Government provide significant concessions to churches because the land is used for religious purposes and are thus defined as places of public worship, meaning they are gathering places for the benefit of the community. Even if a church service has few people attending, the building remains open to the public, so it is imperative that our places are safe.

1.8. Risk



A church building that is unsafe exposes those who use it, and the whole Church, to significant risk. Poorly maintained buildings expose people to injury and possible loss of life. At the same time, Church members carry the worry and anxiety of knowing their buildings are unsafe. A poorly maintained property also presents a reputational risk to the Church.

Whilst the congregation might be friendly and warm towards anyone new, newcomers may not attend because the building itself is unwelcoming.

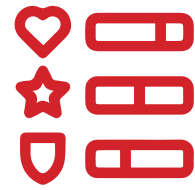
There are also financial risks associated with unsafe buildings, which include penalties for non-compliance with regulatory requirements, penalties for not meeting heritage obligations, potentially voiding insurance cover, litigation by injured persons and diminished property value.



... Church members carry the worry and anxiety of knowing their buildings are unsafe.



2. Current Building Condition Reporting Practice



Before progressing further, it is important to acknowledge that across the state, congregations are committed to doing the best they can to maintain their buildings. It is evident that many hours and many dollars have been spent caring for church buildings over many years. However, these efforts are limited by each congregation's capacity to keep pace with the increasing demands of compliance, maintenance and risk management standards. Furthermore, many do not budget or prioritise expenditure for building maintenance, nor have sufficient funds to afford the work that is needed.

In accordance with UCA Regulations (UCA Reg 4.4.3), at least once every year each Church Council should receive an Annual Property Review (APR) report on each of the properties for which it is responsible. The APR includes a report about the condition of all buildings on the property. Many congregations will have completed an APR or the like in the past (probably pre-2000s), however over time, their capacity to do so has waned. It is apparent now that most congregations do not regularly complete an APR.

In the absence of an APR, the Synod Property Services Team becomes aware of, and then provides advice on, property related matters only when a congregation advises the Synod that there is an issue or problem. Alternatively, issues can be discovered during the due diligence process when an *Application to Build* is received. As part of due diligence, opportunities are taken to improve building condition or take steps to make them compliant; for example, the lodgement of an asbestos register is a pre-condition of building project approval. The Synod can also become aware of a property issue after something has gone wrong, such as an injury or following the lodgement of an insurance claim. From time-to-time, a member of the congregation or the public contacts the Synod directly to report an issue.

Currently the Synod Property policy requires congregations to lodge an application with the Synod for works costing more than \$10,000. This allows the Property Services Team/Property Committee to assess the proposed works and to ensure the relevant steps have been considered in regard to safety and compliance. Past practice has allowed works to be conducted prior to obtaining approval or in some instances, for approval not to be sought at all. This has resulted in works being undertaken without specialist advice, and at times, the works themselves have presented their own problems which have required further remediation work to follow.

In the past, various mechanisms to collect information regarding property safety and compliance in congregations have been employed, trialled or suggested. Previously volunteers were engaged to inspect properties and whilst this was effective, it was not sustainable as there was too much work for too few volunteers. Across Australia the Uniting Church Synods employ different systems to manage the collection of property condition data, with varying levels of success.

Arguably, current mechanisms to gather and manage information about building condition are reactive and lead to poor stewardship practices. Equally, expecting congregations to address this situation in isolation is unreasonable. If an APR was completed and shared with the Synod, Synod would then have a better understanding of the condition of all properties and it could then provide appropriate and timely assistance and advice.

3. Unpacking misunderstandings

It is expected that many readers of this paper may have already begun to generate solutions or explanations for how church building maintenance should be resourced and who should take responsibility for it. From time-to-time, the Resources Board and officers of the Church hear opinions and views on the subject of Church property which have been built on misunderstandings and these warrant clarification.



... opinions and views on the subject of Church property which have been built on misunderstandings and these warrant clarification.



3.1. Misunderstanding #1

Synod's Hidden Cash Reserves

There is a view held by some members of the Church that the Synod holds hidden cash reserves which are available to Synod to spend at its discretion.



The annual independently audited financial statements show that this is not the case. Since 2015 the Mission and Service Fund has operated within a balanced budget as it strives to remain sustainable. There are some funds under investment which are necessary to provide investment returns that enable the operation of the Synod. Any reduction in these investments, for either operating or capital expenditure, impacts the future operation of the Synod which would ultimately cease should those funds be fully expended on building maintenance. Specifically in relation to buildings, there is a Building Compliance Fund outlined in the *Property Sale Proceeds Policy*, which has limited funds, which in the past has been used to fund urgent and critical building compliance issues.

3.2. Misunderstanding #2

Control of Property Sale Proceeds Reserves



There remains a view that the Synod office controls and utilises the proceeds of property sales at its discretion, however this is not the case. Some also believe that the congregation that is closing should determine how all the funds from sale are used, however this is not consistent with the 'commonwealth' principles of the Uniting Church. The *Property Sale Proceeds Policy*, as agreed by the Synod members at its meeting in November 2015, articulates how the proceeds or sale are to be disbursed.

Property sale disbursements are based on the principle that funds be reinvested into capital rather than into recurrent expenditure (operating expenses). This principle is one of good stewardship, ensuring resources are available in the future for the long-term sustainability of the mission of the Church. Property Sale Proceeds are held in trust within a separate fund (distinct from the Mission and Service Fund). The 'category of sale' determines how the funds are utilised (refer to Appendix 2). In particular, if a congregation closes, the funds are allocated differently to when an active congregation sells a property. A significant proportion of the proceeds are allocated to the New Church and Ministry Development Fund. This dedicated fund is held to fund property proposals relating to new or expanding congregations or new mission developments within the Synod. The Synod (or its Standing Committee) approve disbursement from this fund. Equally, significant funds from sale proceeds are held in trust on behalf of congregations for future capital works. Congregations self-determine how these funds are used within the framework of the policy. An agreed portion of proceeds is disbursed to Uniting Aboriginal and Islander Christian Congress (UAICC).

It is acknowledged that there can be confusion in some instances regarding the treatment of property sale proceeds. In the past decade, the *Property Sale Proceeds Policy* has been updated several times. The version of the policy that applies to a property sale is the version that was current when the 'Application to Sell' was approved. Previous versions are 'grandfathered,' meaning the 'old rule' continues to apply to existing situations while the 'new rule' is applied to all future cases. Each edition of the policy has slight variations, however the general principles remain the same, being that capital proceeds from the sale of property are reinvested into future capital works rather than covering operating expenses.



Property sale disbursements are based on the principle that funds be reinvested into capital rather than into recurrent expenditure ...



3.3. Misunderstanding #3

Insurance is unnecessary or too expensive



Whilst insurance in itself is not directly related to building maintenance, the Resources Board is aware that affording insurance premiums is a challenge for many congregations, particularly as premiums continue to rise. It regularly receives requests from congregations to either reduce premiums or not insure at all. UCA Regulations require each congregation to adequately insure each building for which it is responsible (UCA Reg 4.4.3). Insurance provides financial protection in the event of damage or loss and the whole Church carries the risk associated with under-insurance.

The Synod is part of the Uniting Church Insurance Group, which comprises a number of organisations affiliated with the Uniting Church such as Uniting Communities, Uniting SA, St Andrews Hospital, Eldercare plus a number of other entities. This group is able to purchase insurance as a collective which enables significantly lower premiums to be obtained than would otherwise be the case if policies were purchased by the individual entities. This pooling of 'insurable assets' creates volume-based savings.

Often congregations request to have buildings insured for an 'agreed value' (a fixed amount) so as to reduce insurance premiums, however insurance companies have stopped offering this and the practice poses a higher risk to the Church. Where a building is insured for less than full replacement value (as determined by an insurance valuation), in the event of a loss a claim can be denied in part or in full, thereby placing the congregation and the Synod at risk of having to fund the restoration or removal of damaged buildings, at their own expense. This is equally the case for heritage listed and non-heritage buildings. It also puts the integrity of the Uniting Church Insurance Group in question, which may then impact the capacity of other Uniting Church entities to secure insurance. After considering all insurance options, the Resources Board has determined that each building should be insured for its full replacement value. In the event of partial or total loss, necessary repairs can be afforded. This 'full replacement value' policy adequately protects the Church as a whole.

Some congregations believe that the replacement value of their property is overstated which is resulting in higher premiums. Others feel that they can obtain cheaper insurance by purchasing insurance through their local insurance broker. (It should be noted that congregations may undertake their



... the whole Church carries the risk associated with under-insurance.



own valuation of their buildings). For clarity, it is not possible for congregations to source their own insurance for two reasons. Firstly, the Property Trust has the 'insurable interest,' an essential requirement for purchasing an insurance policy. Insurers will not allow another party (in this case, the congregation) to insure a property. Secondly, under an insurance policy, it is not possible to separate the insurable assets of the Property Trust over multiple insurers.

The insurance premium paid by each congregation includes buildings and contents, and also includes cover for Public Liability, Molestation, Personal Accident (Volunteers) and Professional Indemnity. Purchasing these elements as an individual congregation would be significantly more expensive and each policy would carry a minimum premium. It is likely that liability cover containing molestation clauses would not be available to an individual congregation, and it is also likely that any new policy would attract a much higher excess.



... each building
should be insured
for its full
replacement value.



3.4. Misunderstanding #4

Closing a church is
a sign of failure



After many years of worshipping together, closing the doors of a church building can be a painful process for many reasons, one of which being the sense that the congregation has failed. In the last few years, a number of congregations around the state have had to come to terms with closing their buildings. Whilst this feeling is a natural response, seeing it in this way does not recognise the years of faithful ministry, service and witness the congregation has enjoyed. It is vital that the people of God can continue to gather to worship. Part of the sense of failure comes from a belief that gathering to worship can only occur in the building the congregation has come to know.

If we believe that we are a Pilgrim People, we must be open to congregations opening, growing, regenerating, merging, combining and closing. The Church will be reorganised and reimagined. The Church of today is quite different to the Church of 50 years ago. The Church of 2070 no doubt will be different again.

While a season ends for one congregation, a new season starts for another congregation. The Church is the people of God, not the buildings they meet in. If a congregation is small and its members are ageing, closing the church building can be a sign of good and responsible stewardship. Equally, for a young and growing congregation, a building can provide opportunities for expansion and consolidation. However, healthy congregations and faith communities do not always need a building of their own.

As current caretakers of the Church's property the responsibility for stewardship of these resources should be made out of a theological awareness and understanding of stewardship. The Church's resources are to be used for the mission of God and the continuation of the Church into future generations. This matter has been addressed in more detail in the [*Changing Landscapes Discussion Papers*](#) and the [*Property Viability Discussion Paper*](#).



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4. The Property Review Project

4.1. Rationale



The Resources Board has become aware that there is an increasing number of the Church's buildings in decline, however it has not had data on the extent or severity of the decline. The absence of this information places people's safety in jeopardy and creates a high risk to the Church. The *Property Review Project*, commissioned by the Resources Board, has provided real data that will help the Board, each congregation and the wider Church to steward the buildings entrusted to the Church.

4.2. Known areas of concern



At the commencement of the Property Review Project, the Resources Board identified a number of known areas of concern in relation to church buildings, about which data was required. These known areas of concern are outlined as follows:

- Building Condition
- Asbestos Safety
- Accessibility
- Fire Safety
- Work Health Safety (WHS)
- Building care and maintenance
- Heritage Listed Buildings



... there is an increasing number of the Church's buildings in decline ...





4.2.1. Building Condition

Building condition refers to the overall condition of the major structural elements of the building (e.g. roof materials, flashings, gutters, walls, floors, ceilings, spires, amenities, etc.). There is a general understanding that the Church's buildings are in decline, in part due to natural ageing and in part due to insufficient maintenance. Because the maintenance of these structural elements does not relate directly to a mandated safety or compliance matter, they are often not front-of-mind for congregations. It is often only when a structural element eventually fails that the matter receives attention. This would appear, for example, as a collapsed ceiling or floor, masonry falling from a spire, or internal flooding during a rain event. Once it has reached this point, major structure failure can be expensive to remedy. Because of their gradual decline, these matters may not be apparent, or alternatively, may be apparent but are not given priority or are deferred due to their complexity or anticipated cost. These matters are considered important but not yet critical. It is also recognised that congregations do not necessarily have the resources available to assess the structural integrity of their buildings, nor the capacity to rectify any identified issues.



4.2.2. Asbestos Safety

Asbestos, once a very common building product in Australia, is now known to cause respiratory Asbestosis, lung cancer and Mesothelioma. In 1986, state legislation was introduced which requires property owners to keep a register of the presence of asbestos. In 1995 and 2012 asbestos inspections, register and management plans were mandated. A copy of the asbestos register of each property the Church owns should be held at each site and a copy held by Synod. 264 registers should be in place but there are only 140 currently held at Synod. It is possible that some congregations have prepared their registers but not supplied a copy to Synod. Because asbestos is a public health risk, without the registers from congregations, the Church cannot confidently demonstrate its ability to provide a safe place, or that it is compliant with legislation.



4.2.3. Accessibility

The *Disability Discrimination Act 1992* (Commonwealth) provides protection against discrimination based on disability for everyone in Australia. In relation to buildings, the Act makes it against the law to discriminate against someone in relation to access to any premises used by the public. Furthermore, the 15th Triennial Assembly of the Uniting Church in Australia agreed to a 'Statement of Access and Welcome' to initiate conversation and action regarding justice and equality for people with a disability, which challenges all parts of the Church. Whilst many congregations have been able to adapt their buildings to meet the needs of disabled people, many buildings still do not meet all the prescribed requirements. Over past decades the Synod has been involved with the installation of disabled access and toilets in many buildings, however it does not have a full record of every congregation's response to Disability Access compliance requirements.



4.2.4. Fire Safety

Current Work Health Safety (WHS) legislation requires churches to have adequate fire safety equipment and an evacuation plan in place, together with exit plans that are defined and clear. These plans and equipment require continued attention to ensure users of the building can be protected in the event of a fire. All buildings are required to have clear exit routes, appropriate door hardware, emergency lighting and signage. Bushfire risk and the condition of the surrounding landscape require additional consideration, including vegetation management.

All residential buildings that are not occupied by the owner and any leased premises are required to have hard-wired smoke detectors in place. The Synod does not have a record of congregational compliance with fire safety requirements or whether this has been completed in manses and leased premises.



4.2.5. Work Health Safety (WHS)

The Uniting Church values people and is committed to providing and maintaining a safe, healthy and productive workplace for workers (which includes our many volunteers) and any other people involved in our activities. Our safe workplace will be achieved in accordance with the *Work Health and Safety Act 2012* (WHS Act). This legislation places specific duties and responsibilities upon individuals, congregations and the Synod to manage the health and safety of all people at each site. Our shared commitment to safety extends beyond the 'known areas of concern' listed above.

Through good safety management practices and systems each Council of the Church is committed to ensuring that, as far as is reasonably practicable, all workers and other persons are protected from physical and psychological injury and uncontrolled risk to their health and safety whilst conducting work on behalf of the council and congregation. This protection involves taking action to eliminate risks to health and safety in the workplace, or where this is not possible, to take reasonable steps to minimise those risks. Workers also have a duty to take reasonable care for themselves and others, follow safe and healthy work practices, making proper use of available safety procedures, safety devices and personal protective equipment.

The Church is required to have safe systems of work to ensure a safe, healthy and productive workplace. Furthermore, we are all obliged to implement and use these systems. The *WHS Act* outlines these responsibilities, which are greater for those who are considered to be 'Officers' under the Act – which at a base level are all officers of the Church. Significant penalties are reserved for organisations and its officers that fail to meet these duties.



4.2.6. Building care and maintenance

The Church Council of each congregation is responsible for the care and maintenance of its buildings (UCA Reg 4.4.1 [a]). Regular maintenance activities might include pruning trees, cleaning gutters and drains, checking for roof leaks, managing damp, checking for wall movements and electrical and gas appliance testing.

The Resources Board has observed the increasing trend of congregations struggling to cover costs associated with maintaining their properties. For example, each year an increasing number of congregations are unable to pay their full insurance premium and/or their Mission and Service Fund contribution. If affording non-discretionary expenditure is difficult, it is unlikely that funding remains to cover building maintenance.

The lack of maintenance on many of the church buildings has become apparent, primarily in relation to storm damage. When storms occur, roofing, gutters and downpipes which have not been cleaned or repaired and are blocked by debris (leaves, mud etc.) or simply rusted or corroded, have resulted in overflowing gutters, leaking roofs etc. leading to flooding of buildings. This has been evidenced through insurance claims lodged. Since 2014 the Synod has lodged 115 storm or water damage claims with damage estimates at \$1,232,000. Of these claims, 49 were identified as attributable to a lack of maintenance and were therefore rejected and the estimated damage for these claims amounted to \$433,000 which the Church has had to pay.

Insufficient maintenance will ultimately cost the Church, either through the undertaking of overdue maintenance, or following the rejection of an insurance claim after greater damage has occurred. It should be noted, if the Church continues to lodge claims that are deemed to be the result of poor or no maintenance, the insurers may impose a higher excess for 'storm' or 'overflowing water' damage claims. In the worst case they could exclude cover for this type of loss.



4.2.7. Heritage Listed Buildings

Places and objects of state and local heritage are protected in South Australia under the Heritage Places Act 1993 and the Development Act 1993. Many of our buildings are heritage listed and require specialist maintenance and treatment. The management of heritage listed buildings can be a challenge for congregations, as specialist advice and specialist tradespeople to undertake appropriate repairs, renovations and maintenance programs can be expensive. Meeting community expectations can also be an additional challenge. The current State Government periodically offers a grants program and Local Governments occasionally provide small incentives for local heritage listed building(s), both of which have been accessed by a number of Uniting Church congregations. Whilst helpful, these grants are limited in timing and value. It should be noted that penalties continue to apply to property owners that fail to adequately maintain heritage listed building(s).

5. Project Scope

Given the growing concern regarding the safety of our buildings, the Resources Board commissioned the Property Review Project with the agreed scope as follows.

5.1. Scope

The scope of the *Property Review Project* entailed an inspection of each of the 264 congregation's properties for which the Church is responsible. Each congregation has now received a *Buildings Safety Report* (BSR). The review excludes congregations which have properties earmarked for disposal (to be sold or otherwise). It also excludes the Synod Office at 212 Pirie Street, Adelaide, the Uniting College at 312 Sir Donald Bradman Drive, Brooklyn Park and Uniting Venues SA sites.

The *Property Review Project* comprises a 5 step process for managing church property. The *Property Review Project* relates to Step 1 and 2 below. Step 3, 4 and 5 are matters for each Church Council.

Step 1: Scoping of UCSA Properties

An in-house desktop audit was undertaken, using information currently held on each property. This included a 'scoping of properties' to make a preliminary assessment of highest risk properties.

Step 2: Site inspections

Each building was inspected, taking account of essential compliance matters and known areas of concern (see Item 4.2 above) and other physical factors. For each property, a *Buildings Safety Report* was written and provided to the congregation to help the congregation prioritise works, identify compliance matters and indicate potential rectification costs. This BSR then underpins any future Property Management Plan (PMP).

Step 3: Property Management Plan (PMP)

Each congregation has been requested to develop a Property Management Plan (PMP), based on its *Buildings Safety Report* and using a provided template, which will satisfy the requirements of the *Annual Property Review* (APR) as per regulations.

Step 4: Implementation

Implementation of the PMP will include the resolution of critical issues identified in the *Buildings Safety Report* in consultation with the Property Services Team.

Step 5: Reporting

Congregations will undertake their APR which will include updates on progress made on the PMP.

5.2. The Property Collection



Within the Uniting Church in SA, there are 264 congregations responsible for a total of 506 buildings. A small number of congregations meet in buildings not owned by the Uniting Church and are therefore not included in this report.

The primary focus of the building inspections was safety. There are many other aspects that could have been considered, such as community visibility, landscaping, transport accessibility and environmental sustainability. These matters, whilst important in the life of the congregation, are beyond the scope of this project.

5.3. Property Inspections

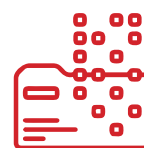


In May 2018 a Buildings Officer was appointed specifically to conduct the building safety inspections. Over a 2-year period, 228 of 264 congregations were visited and 36 congregation visits were delayed due to COVID-19 related travel restrictions. These visits have now been completed and the *Buildings Safety Reports* relating to these building inspections have been sent to relevant congregations.

The Buildings Officer, together with the Synod's Senior Buildings and Projects Officer and WHS Coordinator have accumulated over 70 years professional experience in building and safety related fields. Their collective knowledge and experience has been central in the planning and preparation of the property inspections and *Buildings Safety Reports*. As well, each of these staff members is active in their own congregation and appreciates the experience of worship, witness and service within Church life.

Each visit involved meeting with congregational representatives and hearing their experiences of managing their building(s). The Buildings Officer was taken on a tour of each building and this included documentation (by photograph) of each building and rating the safety aspects of each building accordingly.

5.4. Standard Data Collection Templates








A standard data collection template was used during the assessment of each building. The template included a summary of the condition of the buildings, guidance to planning and prioritising works, safety and compliance matters identified, potential rectification costs and a forecast of future building maintenance.

The Synod of Western Australia had recently undertaken a similar project to the *Property Review*. Copies of their reports were made available to SA Synod which were used to assist with the development of data collection templates.

5.5. Five Safety Aspects of Buildings

The following five safety aspects, where the Church has specific regulatory responsibility, were assessed for each building:

-  1. Building Condition (roofing materials, flashings, gutters, ceiling materials, stormwater systems, movements/cracking in walls, condition of amenities)
-  2. Asbestos Safety (asbestos register, asbestos management plan, necessary signage)
-  3. Accessibility (clearly defined disabled car-parks, wheelchair/threshold ramps, handrails, disabled toilets, doorways/walkways of sufficient width)
-  4. Electrical Safety (Residual Current Device [RCD, or safety switches], 'Test & Tag,' Earthing system, older style switchboards)
-  5. Fire Safety (exit lighting and evacuation plans, fire exit doors, extinguishers, clear fire exit pathways).



The primary focus
of the building inspections
was safety.



5.6. Compliance Safety Rating Definition



For the purposes of this discussion paper, and in order to apply a consistent rating methodology across the portfolio, a *Condition Rating Table* was established (Appendix 3), in accordance with current best practice standards (Ref: *Practice Note 3 – Buildings 2016 – Institute of Public Works Engineering Australasia*). This uses a Traffic Light Assessment, which communicates rating information using the three colours of the traffic lights (red, yellow and green) such that good and poor rating can easily be identified. Red indicates a rating that is far below target and yellow indicates a rating that is near, but below target. Green indicates a rating that is on target or better than target.

In essence, elements of buildings were rated on a scale of 1 to 5, with a score of 1 being Very Good and a score of 5 being Very Poor, as described in Table 1 below. For the purposes of this report, a green rating means we have met safety (and therefore compliance) requirements.

TABLE 1: Compliance Safety Rating Definition

Compliance Safety Rating Definition		
1	Very Good	System in place, functioning and maintained
2		System in place and functioning
3		System in place but not functioning
4		System is a work in progress
5	Very Poor	No system in place

As it cares for its people, it is important that the Church aims to have every element of every building within the property collection achieving a 1 or 2 rating (i.e. a green rating).

6. Property Review Data

6.1. Introduction

As expected, the site inspections have yielded a large amount of data which was used to produce a multi-page *Buildings Safety Report* for each congregation. This same data has been collated and summarised in order for it to be considered through a 'big-picture lens,' by the whole Church, which is the purpose of this paper. To assist the discussion, congregations have not been identified in this report. It was thought that this would draw unhelpful attention to properties that require a large amount of work. Not identifying properties also removes the temptation for bias, comparison or advocacy in favour of any particular congregation or property. The future of the Church's properties remains a matter for the whole Church, rather than individual congregations.

Property

'propəti/ noun

A building or buildings and its amenities and the land belonging to it.

Building

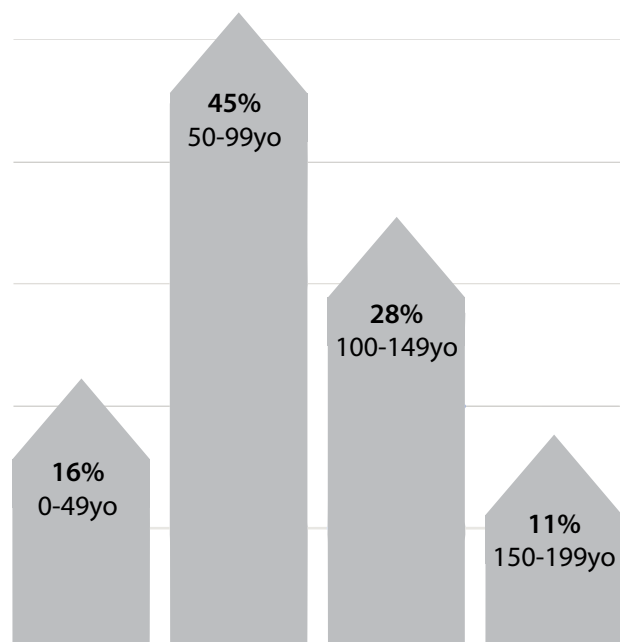
'bildɪŋ/ noun

A structure with a roof and walls such as a church, hall or office building

Table 2 below shows that 84% of Uniting Church buildings (272 churches, 226 halls and 8 office buildings) are over 50 years old, and nearly 40% are over 100 years old.

TABLE 2: Buildings by age

Age	Number	%
0-49	79	16%
50-99	228	45%
100-149	143	28%
150-199	56	11%



An observation made during the review relates specifically to the capacity of our church buildings (not halls and offices). A comparison of the average weekly attendance across the Uniting Church against the average seating capacity of the worship spaces shows our capacity (130 seats per congregation) is more than three times the average attendance (40 people per congregation). This means collectively we are maintaining much more property (325%) than is required on a weekly basis. This gap explains the burden left on those attending which would previously have been shared by a larger number, now represented by empty seats. It is not surprising then that the Church struggles to resource the maintenance of properties, given the large number of 'no-longer-attendees.'

6.2. Overall Rating

The five elements previously mentioned (building condition, asbestos safety, accessibility, electrical safety, fire safety) were all assessed as part of each building inspection. For the purposes of this report, as mentioned earlier, and to make the data accessible for discussion, a traffic light rating system (red, yellow or green) has been attributed to each congregation's site. This rating is an overall assessment of the compliance safety rating of the buildings on the congregation's site (in most cases a church and a hall).

The rating system is based on each element being assigned a weighting, reflecting the significance of that element towards the overall score. The following weighting was applied to each of the known areas of concern, noting building condition (structural integrity) has a large bearing on overall safety:



Building Condition: 50%



Asbestos Safety: 20%



Fire Safety: 10%



Accessibility: 10%



Electrical Safety: 10%

In applying the traffic light rating system, the overall safety condition of the sites is as follows:

FIGURE 1: Overall Safety Score by Congregation

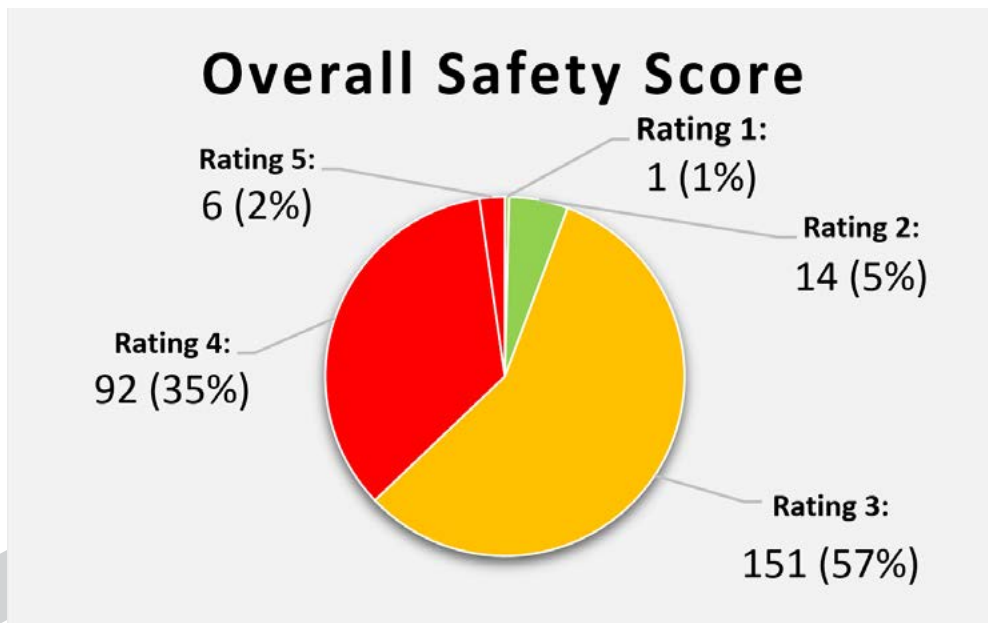


Figure 1 indicates that 15 of 264 congregations (6%) achieve a green rating (rating 1 and 2 combined), while 249 (94%) achieve a yellow rating (57%) or red (37%) rating (rating 4 and 5 combined).

When interpreting the graph, the following points are of note:

- 6% (15 of 270)* of church buildings achieved a green rating
- 41% (111 of 270)* of church buildings achieved a red rating
- 10% (22 of 225) of halls achieved a green rating
- 27% (60 of 225) of halls achieved a red rating
- 58% (290 of 503) of all buildings achieved a yellow rating (506 buildings in portfolio, only 503 inspected)
- 91% (456 of 503) The vast majority of buildings rating in the 3 to 4 range (yellow to high red).

Overall, the ratings for heritage-listed properties are not significantly different to non-heritage listed properties, in that less than 10% achieved a green rating.

* 6 of 240 congregations have properties with 2 church buildings which takes the total to 270.

6.3. Known Areas of Concern - Quantified

6.3.1. Building Condition



Applying the traffic light rating system, the building condition findings are as follows:

FIGURE 2 Building Condition

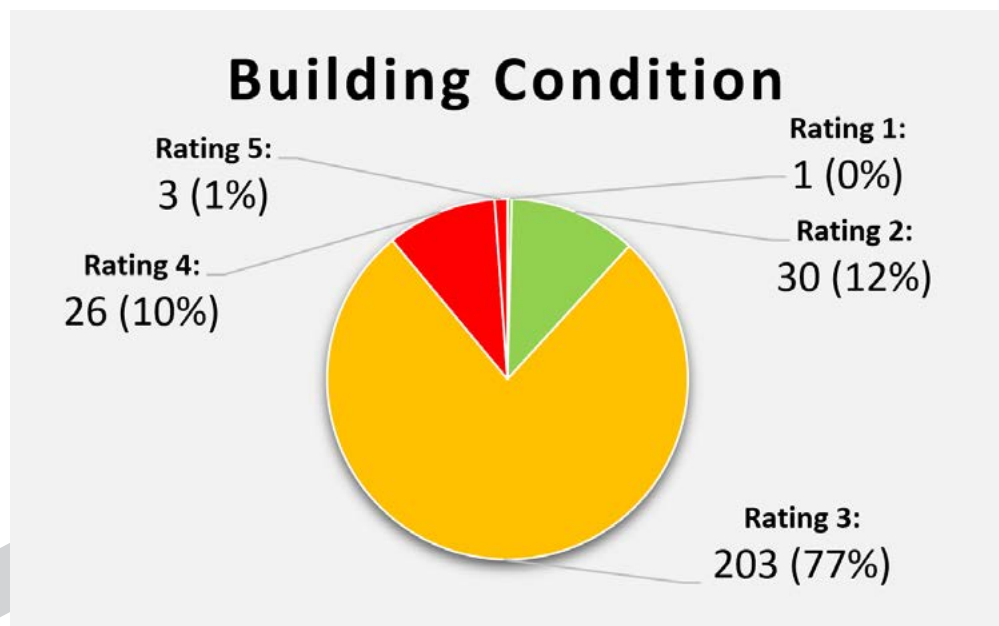


Figure 2 indicates 12% of congregations achieve a green rating, while 88% achieve a yellow rating (77%) or red (11%) rating. Common issues discovered in relation to building condition include:

- Wear and tear consistent with the age of the building. This applies not only to old buildings but also to those constructed in the 1960s to the 1990s as they too are due for major works.
- Damage and deterioration of roofing materials, flashings and gutters. This leads to leaks and water ingress.
- Damage and deterioration of ceiling materials from leaks to sagging panels.
- Maintenance of stormwater system from roof gutters, rainwater heads, downpipes to sumps and drainage channels.
- Movements/cracking in walls caused by:
 - o the lack of footings for older type buildings
 - o site conditions where downpipes discharge directly adjacent the building
 - o absence of perimeter paving
 - o large trees in close proximity to the building
 - o Dampness in walls both from rising and falling damp which causes fretting of stonework and mortar joints in older type buildings
 - o Amenities: many bathrooms and kitchens could do with an upgrade. Many congregations have already taken steps to install air-conditioning.

6.3.2. Asbestos Safety



Applying the traffic light rating system, the asbestos safety findings are as follows:

FIGURE 3 Asbestos Safety

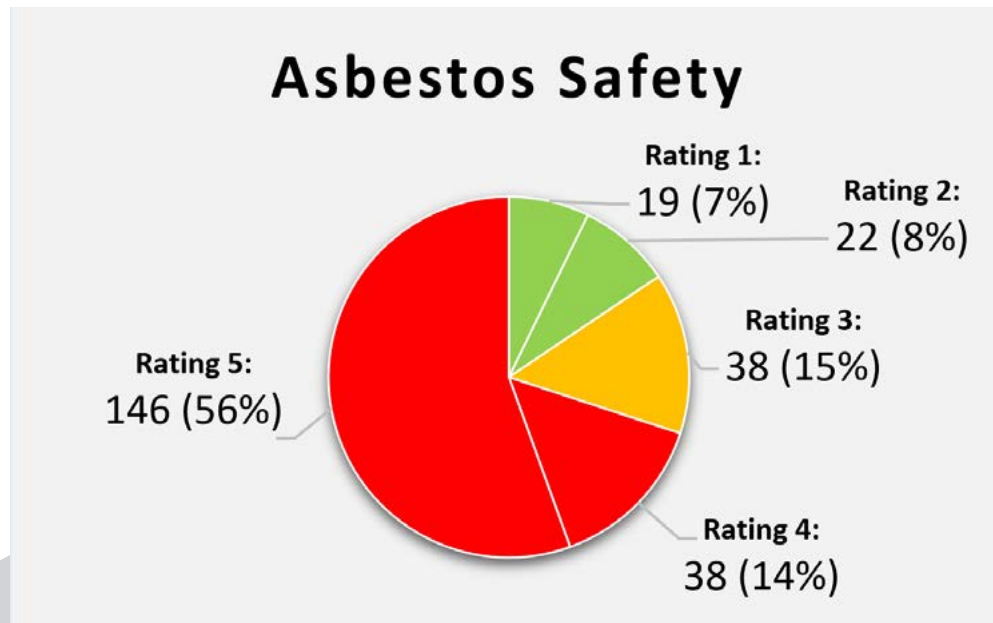


Figure 3 indicates that 15% of congregations achieve a green rating, while 85% achieve a yellow rating (15%) or red (70%) rating. Common issues discovered in relation to asbestos safety include:

- No asbestos register where one is required
- Asbestos register not current (have not been reviewed), and often not known where it is kept and therefore not utilised
- A lack of an asbestos management plan
- No signage displayed throughout the property regarding the presence of asbestos.

6.3.3. Accessibility



Applying the traffic light rating system, the accessibility findings are as follows:

FIGURE 4 Accessibility

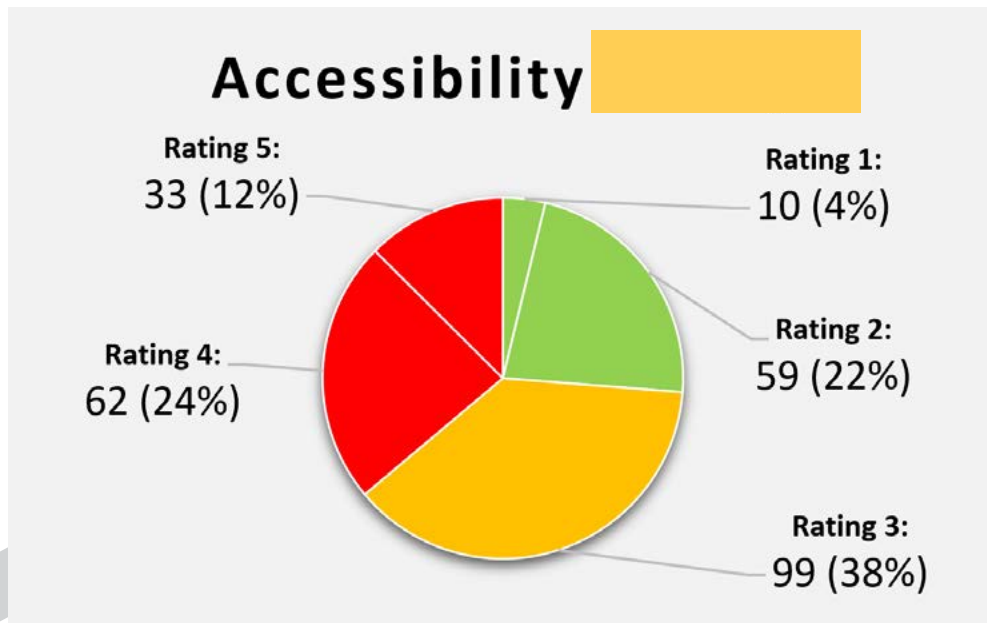


Figure 4 indicates that 26% of congregations achieve a green rating, while 74% achieve a yellow (38%) rating or red (36%) rating. Common issues discovered in relation to accessibility include:

- Lack of clearly defined disabled car-parks
- Lack of wheelchair/threshold ramps
- No handrails/appropriate nosing treatment at steps
- No accessible toilets, or non-compliant accessible toilets
- Circulation within older type buildings are challenging in that passages are narrow and door openings not wide enough
- Portable temporary ramps are often heavy to handle.

6.3.4. Fire Safety



Applying the traffic light rating system, the fire safety findings are as follows:

FIGURE 5 Fire Safety

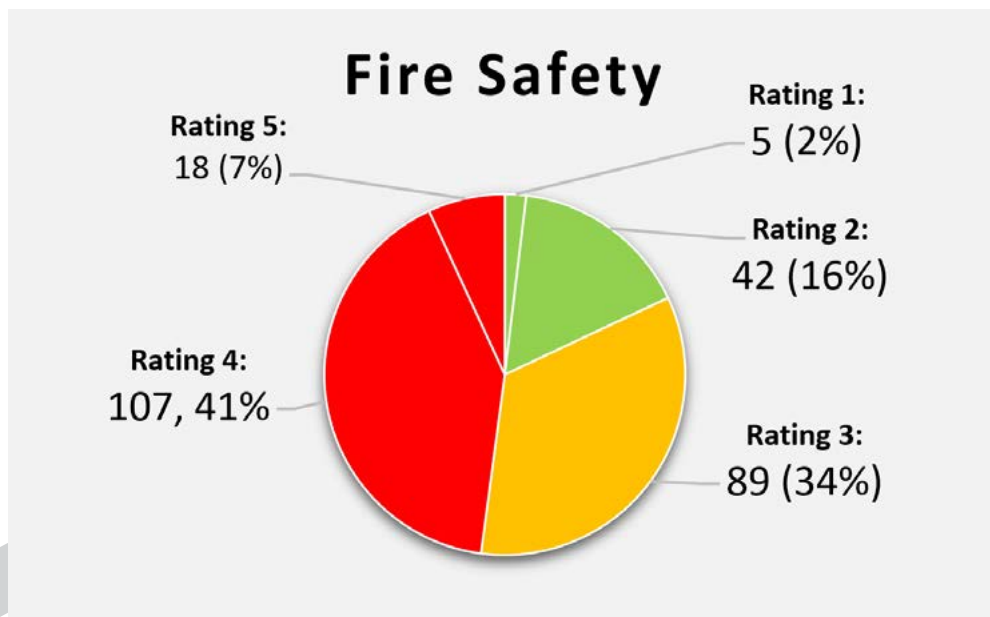


Figure 5 indicates that 18% of congregations achieve a green rating, while 82% achieve a yellow (34%) rating or red (48%) rating. Common issues discovered in relation to fire safety include:

- Not providing appropriate exit lighting and evacuation plans
- Non-compliant fire exit doors (having additional locks/security doors or not being to standard)
- Insufficient number of extinguishers provided
- Fire exit pathways not clear
- Change in use of areas affects/alters the safe route of egress.

6.3.5. Electrical Safety



Applying the traffic light rating system, the electrical safety findings are as follows:

FIGURE 6 Electrical Safety

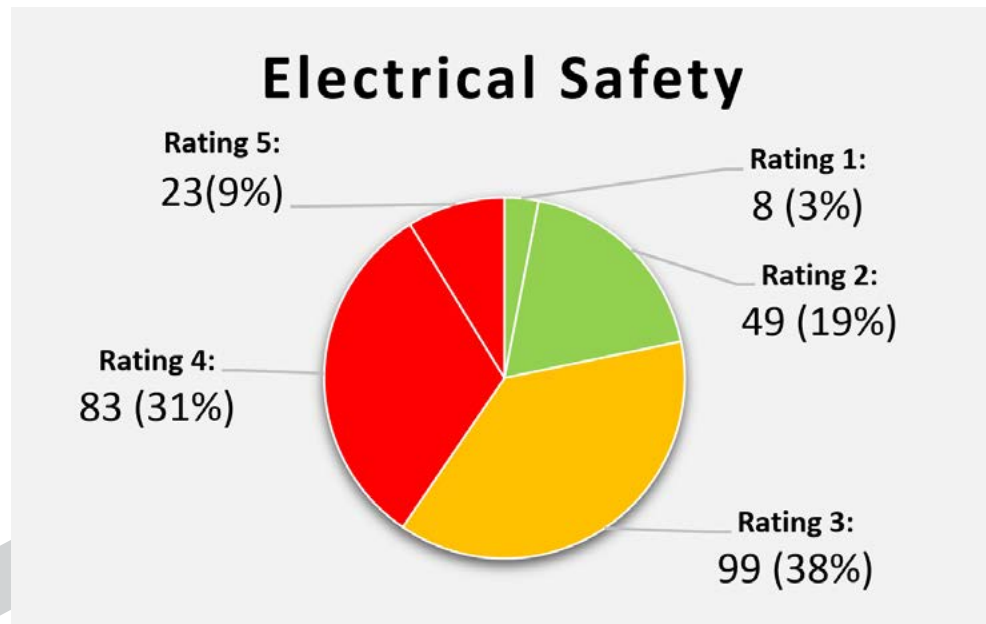


Figure 6 indicates that 22% of congregations achieve a green rating, while 78% achieve a yellow (38%) rating or red (40%) rating. Common issues discovered in relation to electrical safety include:

- Residual Current Device (RCD, or safety switches) where installed are not checked and tested (push button and time test)
- Test and Tag not current or not provided
- Earthing system not checked and maintained
- Older style switchboards not upgraded.

6.4. Other Areas for Consideration

As mentioned in Section 4.2, there are other areas for consideration that impact the capacity of a congregation to manage its properties, including WHS requirements, capacity for building care and maintenance and heritage management. Whilst these aspects are not included in the rating system, they may be significant in the decision-making of congregations.

7. Implications and Costs

7.1. Financial implications

The inspections have identified many safety (compliance) matters that require rectification to enable the buildings to achieve a safe condition (green rating). Costs to bring properties to a suitable safety standard have been estimated. This has been itemised in each congregation's *Buildings Safety Report*, together with a detailed forecast of the funding required for on-going building maintenance.

For the purpose of this report, the identified costs to bring each property to a safe condition (green rating) have been aggregated and an average per congregation is provided below. Equally, the estimated on-going costs to maintain each property to a green rating have been aggregated, averaged and reported below.

7.1.1. Identified Costs

The estimated costs to bring all congregation properties inspected (at the time of writing) to a safe condition (green rating), are as follows:

TABLE 3: Identified Costs by Ratings & State Heritage Listings

	Total			Non State Heritage Items			State Heritage Items		
	No.	Cost	Average	No.	Cost	Average	No.	Cost	Average
Green	15	\$334,750	\$22,000	14	\$250,550	\$18,000	1	\$84,200	\$84,000
Yellow	151	\$19,386,330	\$128,000	134	\$7,768,230	\$58,000	17	\$11,618,100	\$683,000
Red	98	\$10,942,950	\$112,000	95	\$8,767,250	\$92,000	3	\$2,175,700	\$725,000
Total	264	\$30,664,030	\$116,000	243	\$16,786,030	\$69,000	21	\$13,878,000	\$661,000

Table 3 indicates that:

- The total estimate to bring all properties to a green rating is \$30.7m, with an average cost per congregation of \$116,000.
- The cost to move properties classified as yellow to the green category, using median costings is \$19.4m, noting that properties with heritage buildings account for \$11.6m of this amount.

Of the estimated total \$30.7m in rectification works required to move all properties to a green rating, these consist of:

- 243 non-State Heritage Congregations, a total cost of \$16.8m (average cost of \$69,000)
- 21 State Heritage Congregations, a total cost of: \$13.9m (average cost of \$661,000).

The average cost per congregation to undertake all the works required is \$116,000, consisting of:

- 243 non-State Heritage Congregations at \$69,000 (with 16 above \$150,000)
- 21 State Heritage Congregations \$661,000 (with 5 above \$1.0m).

With regard to properties with state heritage listed buildings, the average cost to make these properties safe is 9 times more than the average cost to make the non-heritage listed properties safe. While properties with state heritage listed buildings are less than 8% of the portfolio (21 out of 264), they account for over 45% of the forecast costs to make safe. This greater strain experienced by congregations managing properties with heritage listed buildings reflects the disparity in maintenance costs as specialist services are required.

7.1.2. Annual Maintenance Costs

The estimated average maintenance costs per congregation (at the time of writing) to keep properties in a safe and compliant condition (green rating), are as follows:

TABLE 4: Annual Maintenance Costs by Ratings and State Heritage Listings

	Total			Non State Heritage Items			State Heritage Items		
	No.	Cost	Average	No.	Cost	Average	No.	Cost	Average
Green	15	\$495,898	\$33,000	14	\$483,788	\$35,000	1	\$12,110	\$12,000
Yellow	151	\$3,347,892	\$22,000	134	\$2,254,266	\$17,000	17	\$1,093,625	\$64,000
Red	98	\$844,279	\$9,000	95	\$702,016	\$7,000	3	\$142,263	\$47,000
Total	264	\$4,688,069	\$18,000	243	\$3,440,070	\$14,000	21	\$1,247,998	\$59,000

Table 4 indicates that total estimated average annual maintenance cost per congregation is \$18,000. This is based on 1% of the insured building value for each congregation. It is worth noting that as buildings deteriorate and age, the insured values may not be commensurate with 'new-for-old' replacement values. As such, some properties with quite run-down buildings may show only a low annual maintenance requirement, when in fact these properties likely require an increased annual expenditure. In these cases, congregations will show a lower annual budget estimate than what is likely to be required.

Each congregation received relevant information about its buildings as part of their *Buildings Safety Report*, and is encouraged to use the figures as an initial minimum estimate only, and apply local knowledge to adjust the rates as required.

The table indicates:

- 243 non-State Heritage Listed buildings at \$14,000 (with 12 above \$40,000)
- 21 State Heritage Listed buildings at \$59,000 (with 5 above \$80,000).

Significantly, annual costs to maintain properties with State heritage-listed buildings to a safe condition are more than 4 times higher than properties without State-heritage listed buildings.

Assuming every property is brought to a green rating, attention to on-going maintenance will be important to ensure that rating is maintained. If annual maintenance budgets are not spent, then congregations are encouraged to stow that money for larger projects (such as roof replacement or air conditioning replacement) which will inevitably occur over the lifecycle of any particular building.

7.2. Other implications

7.2.1. Work Health Safety



The *Work Health and Safety* (WHS) Act 2012 (SA, WHS Act) places greater and clearer duties upon congregations to manage the health and safety of all people at their site. From the property inspections, it was apparent that whilst some congregations have a good understanding of their obligations, many do not. As a result, sufficient policies, practices and systems are not in place.

Of significant concern are the poor practices adopted by well-meaning volunteers when undertaking building maintenance, placing themselves and others in danger. The implications for accident, injury or worse, for the 'worker,' families and congregation can be very serious. Some volunteers undertake high-risk works, often without the relevant assessments and control measures implemented. Allowing such works to be undertaken on UCSA property by non-professionals is dangerous and potentially negligent.

Feedback provided from inspections revealed that many congregations do not have functional WHS systems in place. Furthermore, it seems that a lack of funding or perceived significant unnecessary red tape can often tempt congregations to implement non-compliant solutions, such as proceeding without proper approvals or before notifying/requesting Synod support. These matters place the 'worker,' Church Council and wider Church at significant risk.

7.2.2. Litigation














Noting the above, the Church has a responsibility to provide a safe place and to act in a safe manner for all to gather for worship, fellowship and so many other activities in the life of the Church. This is a collective responsibility, for the Property Trust as the legal entity, for those who serve on the Boards and Committees of the Uniting Church, for Church Council members and for ministers serving in congregations. This is a legal responsibility as well as an act of stewardship, pastoral care and mission. We have a collective responsibility to provide a safe place and act in a safe manner - a place where all can come to worship, serve and enjoy fellowship with minimal risk to personal safety. Providing a safe and compliant space assists in the mission of the Church. If we are not compliant and lose the access to our buildings it could limit the missional outcomes of what we are able to collectively achieve.

Allowing people to use a place that is not safe could be considered negligent. Furthermore, behaving in a way that is not safe, which is inconsistent with our values and safe practices (policies) could be deemed as misconduct. Depending on the severity of these matters, the individual or the Church may not be indemnified from legal claim and therefore may not be covered by any insurance.

8. Key Conclusions

From the information provided in this report the following key conclusions can be drawn:

1.		The Church is compelled to provide properties that are safe for all people who utilise them
2.		Each congregation is doing its best to maintain its properties, with declining resources
3.		There is no Synod-wide systematic, regular maintenance plan in place to ensure properties remain in good repair
4.		Our buildings are ageing and declining: a. 84% of our church buildings are over 50 years old b. 40% are over 100 years old.
5.		We are trying to maintain more properties than are needed. The capacity of our church buildings exceeds our average weekly (worship) attendance. Average congregation size - 40 people. Average church building capacity - 130 people. However, it is acknowledged that the buildings are often used for a variety of purposes throughout the week.
6.		All church properties require work to make them safe. a. 6% of our church properties achieved a green rating of overall safety b. 15% of congregation properties satisfied asbestos safety requirements c. 26% of congregation properties satisfied accessibility requirements d. 18% of congregation properties satisfied fire safety requirements e. 22% of congregation properties satisfied electrical safety requirements.
7.		The estimated cost to bring all congregation properties to a safe condition is approximately \$30.7m. Of this, \$13.9m is required for works on 21 properties with State heritage-listed buildings.
8.		The average maintenance cost per congregation is \$18,000 per annum.
9.	4X	It costs four times more to maintain a property that has State heritage listed buildings than one without.
10.		The Church does not have the financial capacity to rectify and maintain all of its properties.
11.		Buildings can be extremely helpful to congregations in how they live out their mission.
12.		Buildings which are intended to enhance mission, can in some cases detract, or distract, from mission.

From these conclusions, it can be observed that:

- The number of properties and buildings is incongruent with the number of people attending
- Without a plan to address the property dilemma, the Uniting Church in SA is exposed to many risks
- The age, location and construction of our buildings does not suit the current day mission.

Wise stewardship compels us to address the issues outlined in the conclusions above.

1. Next Steps

A summary report, together with a short video are being developed to inform and engage congregations and Presbyteries prior to the Synod meeting. This report will be delivered to the Synod meeting in February 2021, along with presentations and engagement in table groups. Table groups will be asked a variety of questions.

Through these table groups and through proposals (see proposals below) it is hoped that:

- The Synod will agree on a process to ensure that red rating congregations commence a conversation about how they will respond
- Synod, Presbytery and Congregation members understand the seriousness of the problem and acknowledge that many of our properties are not safe or fit for our ministry purposes
- A Synod-wide approach is agreed rather than a Presbytery or individual congregation level approach (seeking a commonwealth approach)
- Attendees will leave the Synod meeting with a sense of hope, knowing there is a way forward.



Wise stewardship
compels us to
address the issues ...



10. Proposals



The following recommendations are provided for the consideration of the 2020 Synod meeting.

The Synod of South Australia:

1. RECEIVE the Property Review Report and commend the diligent work of the Property Services Team in undertaking the building safety inspections.
2. ACKNOWLEDGE with thanks the generous and loyal commitment of many people who have contributed to the care and maintenance of congregation properties over many years.
3. RECOGNISE that although the buildings themselves hold special significance for many congregation members the buildings are primarily to be used to progress the mission of God and REQUEST every congregation to:
 - a. GIVE ATTENTION urgently and diligently to their Buildings Safety Report
 - b. DETERMINE whether the property can be made safe and compliant in order that it might be used for continuing ministry and mission
 - c. ACKNOWLEDGE any shortfalls in safety and compliance which cannot be met
 - d. WORK with Resources staff of the Synod and their Presbytery to address the issues.
4. RECOGNISE that the Synod does not have the financial capacity to make and keep safe all the properties currently vested in the Property Trust; REQUEST appropriate Synod staff and Presbytery leaders to work with congregations to:
 - a. DEVELOP financially manageable plans to upgrade congregational property to a safe and compliant standard
 - b. Where such upgrades are not feasible, WORK with congregations on suitable plans for the future of buildings and property
 - c. CREATE opportunities for discussion with surrounding congregations to discover appropriate pathways for future use of buildings and property
 - d. DETERMINE the future of the ministry and mission currently conducted in those buildings
 - e. DEVELOP essential requirements to assist congregations to manage future on-going beneficial use.
5. REQUEST the General Secretary to develop a future-focused strategy (to include an implementation plan) to determine the number and geographic locations of buildings to house vibrant missional communities including a framework to identify potential 'strategic' buildings, working:
 - a. collaboratively with appropriate Synod staff and Presbytery leadership; and
 - b. interactively with congregations as they seek to undertake the tasks in (3) and (4) above.
6. REQUEST a report detailing the outcomes of these proposals be presented to the (October/ November) 2021 annual Synod meeting.

II. Acknowledgements

This paper was initiated by the Resources Board in collaboration with the Property Committee. The members of the Resources Board, Property Committee and Resources Ministry Centre have a strong and committed passion for the future life and mission of the Church.

Congregations have generously opened their doors to allow the property inspections. As part of this process they have shared their stories and experiences and have been candid about the challenges they face. Each congregation is thanked for their contribution to this project.

Members of the Property Services Team have contributed many hours to establish the review process, undertaking building inspections, creating and distributing *Buildings Safety Reports* to congregations and responding to immediate concerns identified through the project. In particular the Buildings Officer is recognised for his extensive work in visiting each congregation, listening to stories, working with congregation property volunteers and sharing his expertise.

The WHS Coordinator is acknowledged, with thanks, for being available to review reports and to offer work health safety advice as the project has unfolded. The Synod Region Minister is acknowledged with thanks for supporting the work of the Buildings Officer in the Adelaide Hills inspections.

The Executive Officer Resources with the Executive Assistant developed this discussion paper drawing together the data gathered and building on the many understandings of the role of property in the life of the church. The Engagement team has shared its expertise in the design and production of the report.

Finally, the Project Oversight Team which oversaw the Property Review Project is acknowledged for the oversight and leadership provided.



Each congregation
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Significant examples of Property Risk

- Extremely rusted water tank burst causing flooding to a hall. Damage was approximately \$15,000.
- A congregation had multiple storm claims over a number of years involving flashing continually coming away from walls.
- Two claims where septic tanks have overflowed into the property due to not emptying the tanks as required. Claims totalled in excess of \$41,000.
- A church building has had 5 significant water damage claims since 2012 all resulting from a leaking roof either not maintained or temporary fixes that have failed. These claims totalled \$42,500.
- Roof capping lifted as a result of not being sealed, allowing water to enter roof over a period of time and damaging the ceiling. Cost of repair \$31,000. We were fortunate to have this claim accepted as it was viewed as a maintenance issue.
- A church had sagging ceilings after a build-up of leaves blocked gutters. Assessor highlighted the maintenance issue. Cost of claim \$14,000.
- Exposed asbestos was present in a church op-shop (this property was listed for demolition and replacement).
- A spire requiring maintenance to stabilise (\$120,000), after portions of render fell from height onto a public footpath.
- A spire requiring maintenance to stabilise and heritage maintenance works after portions of render fell from height onto a public footpath (\$230,000).
- Roof replacement required (\$30,000).
- Hall became unsafe and required demolition (\$12,000).
- Hall required maintenance to repair severe cracking (\$40,000).
- Church roof replacement (\$120,000).

F. Distribution of wider church share of Net Sales Proceeds

Category of Sale	Tiering if applicable % available to the wider church for each tier	Distribution Beneficiaries						
		Funds available to Congregation or Parish	New Church & Ministry Development Fund		Funds available to the Uniting Foundation	UAICC Capital Fund	Property Compliance & Consultation Fund	TOTAL
			Congregation Recommended	Resources Board Directed				
Unsafe building not replaced		0%	25%	25%	15%	10%	25%	100%
Congregation closed		0%	55%	20%	5%	5%	15%	100%
Under-utilisation of property as per Regulation 4.11.10		0%	25%	45%	15%	10%	5%	100%
Amalgamation of two or more congregations (and resulting property sales)	Tier 1 (15% share)	85%	0%	5%	0%	5%	5%	100%
	Tier 2 (30% share)	70%	5%	10%	0%	10%	5%	100%
	Tier 3 (50% share)	50%	10%	25%	0%	10%	5%	100%
Sale of property (including a manse not to be replaced) determined by the Congregation to be surplus	Tier 1 (15% share)	85%	0%	5%	0%	5%	5%	100%
	Tier 2 (30% share)	70%	5%	10%	0%	10%	5%	100%
	Tier 3 (50% share)	50%	10%	25%	0%	10%	5%	100%
Sale of investment property		100%	0%	0%	0%	0%	0%	100%
Sale of manse or church building to be replaced		100%	0%	0%	0%	0%	0%	100%

APPENDIX 3

Presbytery Property Review Projects Condition Rating Table (Ref: Practice Note 3 – Buildings 2016 IPWEA Publication)

	1		2		3		4		5	
	Very Good Condition	Good Condition	Moderate Condition	Poor Condition	Very poor condition					
Estimated Proportion of life consumed	Up to 45%		Between 45% to 90%		Above 90%					
Structure	Sound Structure	Functionally sound structure	Adequate structure, some evidence of foundation movement, minor cracking	Structure functioning but with problems due foundation movement. Some significant cracking.	Structure has serious problems and concern is held for the integrity of the structure					
External	Fabric constructed with sound materials, true to line and level. No evidence of deterioration or discolouration	Showing minor wear and tear and minor deterioration of surfaced	Appearance affected by minor cracking, staining, or minor leakage. Indications of breaches of weatherproofing. Minor damage to coatings.	Fabric damaged, weakened or displaced. Appearance affected by cracking, staining, overflows, or breakages. Breaches of weatherproofing evident. Coatings in need of heavy maintenance or renewal.	Fabric is badly damaged or weakened. Appearance affected by cracking, staining, overflows, leakage, or wilful damage. Breaches of waterproofing. Coatings badly damaged or non-existent.					
Internal			Appearance affected by minor cracking, staining, or minor leakage, some dampness or mildew. Minor damage to wall/ceiling finishes	Fabric damaged, weakened or displaced. Appearance affected by cracking, staining, overflows, or breakages. Breaches of weatherproofing evident. Coatings in need of heavy maintenance or renewal.	Fabric badly damaged or weakened. Appearance affected by cracking, staining, leakage, or wilful damage. Breaches of waterproofing. Finishes badly damaged, marked and in need of replacement.					
Services	All components operable and well maintained	All components operable	Occasional outages, breakdowns or blockages. Increased maintenance required.	Failures of plumbing, electrical and mechanical components common place	Plumbing, electrical and mechanical components are unsafe or inoperable					
Fittings	Well secured and operational, sound of function and appearance	Operational and functional, minor wear and tear	Generally operational. Minor breakage	Fittings of poor quality and appearance, often inoperable and damaged.	Most are inoperable or damaged					
Maintenance	Well maintained and clean	Increased maintenance inspection required	Regular and programmed maintenance inspections essential	Frequent maintenance inspections essential. Short term element replacement rehabilitation.	Minimum life expectancy, requiring urgent rehabilitation or replacement					
Customers	No customer concerns	Deterioration causes minimal influence on occupational uses. Occasional customer concerns	Some deterioration beginning to be reflected in minor restrictions on operational uses. Customer concerns	Regular customer complaints	Generally not suitable for use by customers					

Important Notes

- Immediate maintenance** Small items of immediate maintenance which if repaired in the short term will restore the element to a higher condition rating. In such an instance the surveyor will both rate the element at the higher condition rating and report the immediate maintenance required.
- Rating 1** Many surveyors are reluctant to assess an element as rating 1, opting for the 'conservative' assessment of rating 2. This is a poor practice as it artificially brings forward predictions of future expenditure on that element. As a guide an element will generally remain a rating 1 for 35-50% of its overall life.
- Services** Services relate to all plumbing, electrical and mechanical components.



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