



Anglican Diocese of Canberra & Goulburn

ADMINISTRATIVE CIRCULAR 2014

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1. INTRODUCTION

This document covers a range of administrative matters applying in the Anglican Diocese of Canberra & Goulburn. Copies of this circular are available from the Diocesan Website at www.anglicancg.org.au in the Registry Services section. Each Parish should ensure that office-bearers in the parish including the **Treasurer** have access to the document..

2. CLERGY CONDITIONS OF SERVICE

2.1 Minimum Clergy Stipend Effective from 1 January 2014

The Diocese sets a minimum cash stipend for clergy and this is adjusted from 1 January each year on the basis of movements in the average weekly earnings for the past twelve months. The cash stipend is set as 75% of the seasonally adjusted Full-time adult (male) total earnings figure reported by the Australian Bureau of Statistics (ABS) in May each year in ABS circular No.6302.

Superannuation contributions for licensed clergy and stipendiary lay ministers are calculated as 15.87% of cash stipend. The annual contribution for full-time clergy in 2014 is \$9,964.84. **Superannuation contributions should be calculated as 15.87% of total cash stipend paid regardless of whether or not the stipend is above the minimum stipend and applies to full-time and part-time clergy (including stipendiary lay ministers).**

The annual cash stipend from 1 January 2014 is \$62,790.43 and part-time clergy should receive a pro-rata cash stipend based on the base rate for each day worked. The calculation for the annual stipend amount is outlined in the following table:

ITEM	AMOUNT
Average Weekly Earnings Figure	\$1,605.60 per week x
No of weeks in a year (365÷7)	52.1428571 weeks x
Average Earnings Annual Figure	\$83,720.57
Cash factor after "in kind" items deducted	75%
Cash Stipend	\$62,790.43pa
Superannuation (15.87% x cash stipend)	\$9,964.84

It is strongly recommended that parishes pay stipends fortnightly via bank transfer from the parish account to the clergy member's bank account or through the diocesan payroll system. Enquiries about the latter method should be made to the Registry Office. A monthly charge of \$25 per person (effective from 1 January 2013) is payable for this service.

2.2 Stipended Lay Ministers – Minimum Stipend

Lay Ministers who are licensed by the Bishop may hold a position as a Stipended Lay Minister (SLM). These ministers should receive a cash stipend of at least 90% of the minimum diocesan stipend for Clergy. Stipended Lay Ministers are defined as 'Religious Practitioners' under Australian Tax Law and are therefore entitled to salary sacrifice up to 30% of the cash stipend in the form of exempt benefits as per diocesan guidelines. The minimum full-time cash stipend for SLMs in 2013 is \$54,065.23. Stipended Lay Ministers are also entitled to receive travel benefits as per current diocesan travel rates outlined in 2.4 below.

2.3 Guidelines For Remunerating Religious Practitioners

Detailed administrative guidelines for the remuneration of religious practitioners in the Diocese are contained in Attachment J and were approved by Bishop-in-Council on 7 December 2007.

2.4 Travel Allowance/Benefits - Fixed Rate

If a religious practitioner is not provided with a parish owned and maintained motor vehicle to perform their duties; they should be paid a travelling allowance or travel benefits in accordance with diocesan guidelines. It may be paid directly to the clergy member in which case income tax should be deducted. Alternatively clergy may receive travel benefits paid to third parties or receive an allowance paid to a car loan account provided the funds do not pass through the clergy member's hands. (See attachment J guidelines for further details)

From 1 January 2013 the annual travel allowance will be **\$8,850 plus 24.60 per km**. This figure was arrived at by applying the CPI for the 12 months ending to 30 September 2012 of 2% to the 2012 rate (\$8,676 and 24.12c). *If an agreement has not been entered into between the parish and ministry worker as to the number of kilometres that will be claimable each year, a log book should be kept to record all trips for which the per kilometre component of the reimbursement will be claimed.*

Part-time clergy and part-time stipendiary lay ministers should receive either:

- a) A pro-rata payment of the base fixed rate plus cents per kilometre travelled (using one sixth of the base rate for each day per week worked); or
- b) Payment for an agreed number of kilometres at the casual rate outlined below based on kilometres to be travelled. If the number of kilometres is not agreed up front, a log book should be kept to determine reimbursement for kilometres travelled for ministry purposes

2.5 Travelling Allowance - Casual Rate

This allowance is normally paid to the following:

- retired clergy who undertake relief duty
- visiting clergy who for some reason are obliged to provide transport at their own expense and do not receive any travelling allowance from their own parish.
- when a visiting clergy member is using a vehicle provided by another parish or organisation, this allowance should be paid to the body which provided the vehicle.

This amount is not to be paid by a parish to its own clergy who use their own vehicle. The allowances in para 2.4 above are appropriate in these circumstances.

From 1 January 2014 the casual travel rates will be based on the ATO business kilometre rates (2013/14) as per the following table¹:

Engine Capacity		Cents per Kilometre
Ordinary Car	Rotary engine car	2012/13 Fiscal Year
1600cc (1.6 litre) or less	800cc (0.8 litre) or less	63 cents
1601cc – 2600cc (1.601 litre – 2.6 litre)	801cc -1300 cc (0.801 litre – 1.3 litre)	74 cents
2601cc (2.601 litre) and over	1301cc (1.301 litre) and over	75 cents

2.6 Ministry Allowance

Ministry Allowance is determined by parishes, however Synod in 1981 accepted that a reasonable minimum allowance (then known as the hospitality allowance) would be about 2.5% of minimum stipend. In addition, the Synod noted that in many parishes 5% of minimum stipend would be a more appropriate amount.

¹ <http://www.ato.gov.au/Business/Deductions-for-business/Motor-vehicle-expenses/Calculating-your-deduction/Method-1--cents-per-kilometre/> accessed 13 January 2014

The allowance is intended to offset the effect on clergy personal income of the cost of providing amenities for the benefit of the parish. These could include:

- (a) Accommodation and meals for parish visitors: visiting clergy (including the Bishop and Assistant Bishop), parish officers and other persons visiting the parish on church business.
- (b) Parishioners and other persons in need, especially where a discretionary fund is not provided for this purpose.
- (c) Hospitality extended to parishioners.
- (d) Other demands upon personal income by reason of the fact that the role of clergy sometimes requires involvement in certain activities such as attending community functions.
- (e) Wear and tear on personal property used for parish purposes, e.g. furniture.
- (f) Purchase of books for reference and study.

It should be noted that hospitality allowances are taxable. This being the case it might be more appropriate for parishes to make alternative financial arrangements involving the re-imbursement of expenses referred to above other than by an allowance paid directly to clergy. For example, the parish may open a special account on which the member of the clergy may operate. In these cases appropriate expenditure is not taxable. Proper records, however, need to be kept. Alternatively, an allocation could be made from the parish budget for this purpose with a special column in the cash book headed "Re-imbursement of Ministry Expenses".

2.7 Telephone

Parishes and other employing agencies pay all telephone costs less private STD calls and significant private local call usage by clergy or their families.

2.8 Energy

Parishes and other employing agencies meet energy costs for clergy residences.

2.9 Annual Leave

Annual leave is provided for in the Clergy Leave Ordinance 1995 as follows:

"Entitlement of parish clergy to annual leave"

- 3 (1) *A clergy member whose paying authority is a Parish Council and who is in full time service in that parish is entitled to leave of absence under this Part ("**annual leave**") for a total of 28 days in each calendar year, including 4 Sundays.*
- (2) *Annual leave that is not taken before the end of the year in which it is due lapses at the end of that year unless approval to accrue the leave for a special purpose for a period not exceeding 2 years is given by the Parish Council and the Bishop.*

When annual leave is to be taken

- 4. (1) *The priest of a parish must consult with the Parish Council concerning the time or times when he or she proposes to take annual leave.*
- (2) *Annual leave is to be taken by an assistant priest or deacon in a parish at such time or times as the priest of the parish or district approves.*

Bishop to be notified by priest of parish

5. *The priest of a parish must inform the Bishop of his or her intention to take annual leave. **This should be advised by means of a leave form (see Diocesan website and Attachment L) signed by the appropriate Parish office holder. Please note that it is important that if the priest of the parish is on the Diocesan payroll system that payroll receive the leave form before the leave is undertaken.***

A 17.5% loading on holiday pay is payable on annual leave.

Clergy and parish councils need to take care when clergy are transferring from one parish to another that all leave accrued for service has been taken before moving to the new parish unless special arrangements are made between the parish councils concerned.

In addition, when clergy are moving between parishes, treasurers responsible for the leave need to ensure that any outstanding leave loading is paid to the clergy either for service for a whole year or part thereof.

2.10 Long Service Leave

Information on Long Service Leave is contained in Attachment A.

The Long Service Leave Fund will provide funds for long service leave on the basis of an annual stipend of \$67871.00 (\$1305.21 per week) during 2014 plus a supplementary allowance of \$1320.00 per week.

A monthly payment of \$110.00 per individual must be made to the fund in order maintain the long service leave entitlement. Long service leave contributions should be made for full-time and part-time clergy and stipendiary lay ministers. The contribution payment is set to \$110.00 per month for part-time clergy and stipendiary lay ministers regardless of their stipend levels as the full notional stipend will be paid to the ministry unit.

Parishes and employing organisations should note that clergy are to be paid at their usual rate of stipend plus allowances while on long service leave and this applies also to part-time clergy and stipendiary lay ministers.

2.11 Ministry Evaluation Prior to an Extension of Ministry

Prior to a Clergy person reaching the 'retirement' age of 65 an application can be made for an extension of ministry. This occurs in three increments, +2 years, +2 years and +1 year up to the age of 70. Each extension is dealt with separately; **it is not possible for a single extension of five years to occur.**

For the extension of ministry to occur there must be clear reasons why it would benefit the ministry unit to which the clergy person is currently appointed. Agreement is sought from the Clergy person concerned, the ministry unit and the Bishop.

To assist in the process of discerning the advisability of seeking an extension of ministry it would be in the best interest of all parties concerned for the clergy person to undertake, at least two years prior to seeking an extension, the Facilitated Ministry Feedback process offered by the Diocese. As part of the process of applying for an extension of ministry, and to aid in the decision-making, an evaluative tool has been developed which is to be used about six months prior to the proposed extension of ministry.

The evaluative sections of this report are to be undertaken by: the clergyperson, the wardens of the major centre (or their equivalent) of the ministry unit/parish, the ministry unit/parish members of the clergy appointments board (if any) and, the presiding member of the ministry unit/parish council. N.B. The wardens will have a fuller role in the process of discernment including a discussion with the Bishop.

The report is to be forwarded directly to the Diocesan Bishop. A copy of the evaluative tool can be accessed on the Diocesan Website, or by contacting the Anglican Diocesan Services Office.

2.12 Protocol for Study Leave

Background

The importance of 'Life of Ministry Learning' has been recognised by providing one week's study leave, or its pro-rata equivalent, as part of the clergy conditions of service. Study leave allows clergy to engage in professional development in a focused manner apart from the day-to-day ministry associated with the life of a parish or other ministry unit. It takes seriously the 'examination' in the Ordinal:

"Will you undertake such other studies as will help you in your ministry?" (The Ordinal p. 786 & p. 795 APBA).

It allows, and allocates time for focused study that will develop the ability to minister, study which in many circumstances will then be passed on in the equipping of '...the saints for the work of ministry, for building up the body of Christ' (Ephesians 4:12 NRSV).

This does not in any way detract from the day to day "...study of holy scripture" (The Ordinal p. 786 & p. 794 APBA) and associated learning to which those who are ordained are committed.

The following guidelines are intended to create an atmosphere, not of control but of reasoned accountability to the parish/ministry unit, colleagues and the Diocese/Bishop.

Guidelines

Study Leave is to be taken so as to develop a clergy's ability to exercise their ministry. It may be directed at developing, enhancing and updating skills and areas of knowledge. It may be practical or academic in nature (recognising that these are not mutually exclusive).

One week's study leave is available each year. If it is not taken within the calendar year it is forfeited unless other provisions have been entered into in the covenant.

Consideration could be given to a parish/ministry units vision/mission statement and strategic plan, i.e. How does this area of study enable/forward the vision/mission statement or strategic plan of the parish/ministry unit? Equally, consideration could be given to an individual's own development, i.e. How does this study enable me to be a better 'minister' - deacon/priest/bishop? How does this continue my own personal development in the faith?

Another area that could be taken into account is the emergence of new models of ministry. Many of these emerging models challenge preconceptions of what it means to be an ordained person in the church, i.e. What ongoing study will help me to adapt to/be equipped for emerging models of ministry?

Clergy are to discuss proposals for study leave with the Wardens (or their equivalent). This discussion could canvas some or all of the questions raised above. It would be preferable that the Wardens (or equivalent) have endorsed the proposed study leave. As the study leave is self funded by the parish/ministry unit, a brief outline of how the ministry will be exercised/sustained during the period of study leave is required.

Applications for study leave should be made in writing (emailed/mailed) to the Director of Ministry Training and Development:

Bishop Trevor Edwards
GPO BOX 1981
CANBERRA ACT 2601

trevor.edwards@anglicancq.org.au or (02) 6232 3610

Applicants should follow the template as shown at Attachment K.

2.13 Occasional Service Rate

The rates payable are as follows:

- *One service* \$ 100 (one twelfth of weekly stipend rounded to nearest \$5.00)
- *Two services* \$ 150 (1.5 times the one service rate)
- *Three or more services* \$200 (2.0 times the one service rate)

Travelling allowance is paid at the casual rate outlined in 2.5 above.

The occasional service fee is normally paid to retired clergy who have previously been in stipendiary ministry. It is not normal for clergy currently receiving a stipend or for honorary clergy to be paid an occasional service fee although the payment of the casual travelling rate may be appropriate in these circumstances.

It should be noted that all parishes paying occasional service rates to clergy must supply the clergy member with a PAYG Payment Summary at the end of the Financial Year. This is required even though no PAYG is withheld.

2.14 Clergy Removals

The costs associated with the removal of furniture and effects of clergy are met by the Diocese in the following cases:

- * clergy removals between parishes following an appointment occurring as a result of the Clergy Appointment Board process;
- * a stipendiary appointment made by the Bishop (e.g. Diocesan Archdeacon);
- * clergy entering retirement on the basis of age or invalidity;
- * theological students proceeding to their first full-time stipendiary appointments just prior to ordination.

The following conditions for removals applied from 12 February 2010:

- (a) the Diocese funds all removals centrally within a capping limit which is a base of \$3,000 (based on a 60m³ load) plus \$200 per hour for travel from upload and back to base.
- (b) the Parish to which the clergy person is moving is responsible for paying any removal costs which exceed the capping limit.
- (c) there is a special circumstances provision where, at the discretion of the Bishop, the Diocese will cover removal costs which exceed the capping limit (e.g. when clergy are moving into retirement; those moving to rural parishes in need).

Clergy should obtain three (3) written quotations for the removal and forward them to Anglican Diocesan Services Office for the Registrar's consideration. Quotations can be emailed to Emma Body emma.body@anglicands.org.au. It should be noted that the personal furniture and effects of clergy in transit are insured by the Diocese. Clergy subject to a removal may claim a removal allowance of 1% of a rector's stipend by writing to the Registrar. The allowance from 1 January 2014 until 31 December 2014 will be \$628.00 and will be paid as a taxable allowance.

2.15 Income Tax

Clergy are subject to personal income tax. Treasurers should make the appropriate deduction prior to paying stipends to clergy. Hospitality, travelling and other allowances paid directly to clergy are also subject to income tax.

2.16 Fringe Benefits Tax - Clergy

The Church as a Religious Institution is exempt from paying fringe benefits tax in relation to clergy while they are performing predominantly pastoral duties.

2.17 Guidelines Regarding Clergy Use of Parish Cars

See Attachment B.

2.18 Parish Car Purchase/Lease, Registration, Insurance and Exemptions

When Parishes have the need to acquire or dispose of motor vehicles the following should be taken into consideration.

Charitable organisations and not-for-profit organisations are eligible for national fleet discounts and more recently, NSW State Government Contract pricing on vehicle purchase and leasing.

It is important that you contact the Anglican Diocesan Services for details of the Diocesan preferred providers of financial and non-financial leasing facilities or refer to attachment B of this circular

The Anglican National Insurance Programme provides for competitive Comprehensive Motor Vehicle Insurance Cover and details are available from the Diocesan Property and Insurance Managers.

Parishes are exempt from **Registration Stamp Duty** on parish owned vehicles. When registering a motor vehicle, the Diocese is classified as a charitable institution and as such attracts a lower registration rate which is equivalent to the private registration levy. Please contact the Fleet Management staff in the Anglican Diocesan Services Office. They will assist you for the vehicle to be registered to the Anglican Church Property Trust, but garaged at the Parish address. Parish cars must be registered in the name of the Anglican Church Property Trust - Diocese of Canberra and Goulburn with the Parish name and address.

When registering the vehicle, all new registrations (existing cars and new) are to be registered to a Common Expiry date of 18 August annually. Again the Fleet Management staff will assist in this process. Contact on (02) 6245 7125.

An alternative to tying up capital in a depreciating asset is to enter into an operating lease. The Diocese has a number of vehicle financing options in place through AngliCar Fleet Management using (mostly) Honda motor vehicles. These include a **Fully Maintained Operating Lease Facility**, a **Non Maintained Operating Lease Facility** and a **Chattel Mortgage Financing Facility**. With a Chattel Mortgage the purchaser retains ownership of the vehicle at the end of the contract following the payment of a residual /Balloon Payment. All these facilities enable parishes and ministry units to access fuel efficient and low emission sustainable vehicles at cost effective rates. AngliCar will manage the entire acquisition process, recommend vehicles in accordance with the Diocesan Sustainable Vehicle Policy and source the most competitive pricing.

The monthly lease payments cover all costs associated with the operation of a motor vehicle with the exception of fuel costs or may be tailored to suit your particular requirements. A fuel card offering up to 7c reduction on the per litre pump price of the day is an option available. This assists the Diocese to manage running costs and provides for comprehensive reporting of fuel consumption, booking of services etc. plus Green House Gas Emission reports.

Please contact Kylee Ciszek at the Diocesan Office for further details and/or a quotation, on (02) 6245 7125.

2.19 Clergy Residences

The “Guidelines on Clergy Occupancy of Parish-Owned Residences” at Attachment C and the residence standards at Attachment D form the basis of any understanding between clergy and parishes in relation to this matter.

2.20 Clergy Conferences, Retreats and In-Service Training

Parishes normally meet the costs associated with clergy attendance at these events. In addition, parishes are encouraged to meet the costs of clergy spouses in attending the Clergy Spouses' Conference each year.

2.21 Clergy Living in Own Residence - Housing Benefits

Rectors and Priests-in-charge (including those working part-time) are generally expected to live in the accommodation provided by the ministry unit. There are particular circumstances however where Clergy will live in other accommodation.

These fall into the following categories:

- a) The parish or diocese does not own suitable accommodation. If the clergy person has suitable accommodation they will be permitted to live in that accommodation and will receive a housing benefit. The housing benefit will usually be based on the rental value of the Parish Rectory or in the absence of a Rectory, a house built to diocesan standards in the Parish. The Parish and Clergy Person will negotiate the value of the housing benefit in consultation with the Bishop and the Registrar on the basis of the particular circumstances.
- b) The member of the clergy asks the parish or diocese for permission to live in their own accommodation when a rectory is available. If the Bishop and Parish agree to this request, the housing benefit will be based on two-thirds of the estimated rental value of the Rectory. The housing benefit should not exceed the amount the parish would have to pay if its residence was occupied nor should the amount provide a financial incentive for clergy to opt for this arrangement.

“The housing benefits referred to in a) and b) above should be provided as exempt benefits and paid to third parties. Cash payments made directly to Clergy are not exempt benefits and will be treated as taxable income.”

Housing for part-time clergy and full-time stipendiary lay ministers will not form part of remuneration generally; however housing benefits may be negotiated between parties where housing benefits may be mutually beneficial to both parties.

2.22 Insurance for Clergy

The Diocese provides two categories of personal insurance for eligible members of clergy:

Salary Continuance – In the event of a clergy person requiring extended sick leave (up to two years) for reasons of having sustained a total or partial disability, the Diocese (Parish) offers insurance cover which provides the clergy person with up to 75% of his/her total stipend, plus allowances and Superannuation contributions. In order to facilitate payment of this insurance it is essential that all absences on such leave are reported on the leave form and submitted to the Anglican Diocesan Services Office.

Life Cover – is offered to all clergy in the event of the death of a clergy person up until the age of 70 years whilst still employed within the Diocese for a minimum of 15 hrs per week.

For details of both categories of cover please contact Peta Gardiner in Diocesan Services, HR Manager.

Workers Compensation Insurance - is provided for all paid clergy of the Diocese and is provided across both the jurisdictions of the ACT and NSW. Honorary Clergy are covered by Voluntary Workers Cover. Details are available on the Diocesan Website or contact Anglican Diocesan Services.

3. MISSIONARY AGENCIES - HANDLING OF FUNDS

Parishes should remit funds collected for mission agencies directly to the agency concerned.

4. ANGLICAN WOMEN - FUNDS

Treasurers are requested to forward all Anglican Women moneys directly to the Anglican Women's Treasurer, Mrs Helen Lloyd, 7 Mokoan Place, Duffy, ACT, 2611. This includes subscriptions, special projects, missionary funds and hospital chaplaincy funds raised by Anglican Women.

5. COLLECTIONS AT CONFIRMATION AND INDUCTION SERVICES

It is normal practice for the loose collections at these services to be set aside for clergy training. Clergy are requested to announce this at these services and to ensure that the funds are forwarded to St Mark's National Theological Centre, 15 Blackall Street, Barton, ACT, 2600 as soon as possible after the service.

6. INSURANCE

6.1 Insurance Cover

Details of insurance policies in place within the Diocese are published in the Insurance Manual for Parishes and Ministry Units. Certificates of Currency are available from the Diocesan website or may be requested as an email attachment. These should be kept in the Insurance Manual within the appropriate section. The Insurance Manual must be kept where it is accessible at all times for all who might be required to use it. For more information please contact Diocesan Services Insurance Manager, Rhys Bailey-Brown on 0448 473 918.

6.1a Protecting People Protecting Property

This document has been adopted by the Synod as the Risk Management Plan for Ministry Units. It provides illustrated guidelines as to how potential risks to people and property can be managed. Each parish received a hard copy of this document in 2004. It is also available from the Diocesan website.

6.2 Payment of Premium

Parishes have the opportunity to pay insurance premiums by two methods:

- (a) in one amount if paid by 15 February ; or
- (b) in 10 equal instalments during the year, which are billed from 31 January .
(an additional charge applies to this arrangement to cover financing costs)

6.3 Insurance Relief

Parishes can seek relief from property and contents insurance. To be eligible the parish must:

- (a) Have submitted to the Registry a Parish Return including audited accounts
- (b) Demonstrate that the Parish has been operating in deficit
- (c) Be able to demonstrate that an active Risk Management program is in place.

The application must be submitted in the approved form to the Registrar and will be considered by a panel consisting of two (2) nominees of Bishop-in-Council and the responsible Archdeacon or Area/Rural Dean.

7. DIRECT DEBITING AND ACCOUNTS ISSUED BY ANGLICAN DIOCESAN SERVICES

All parishes are required to use this option unless other arrangements are made. The monthly amounts from 1 January 2014 will be:

	Per Month
(a) Superannuation (Employer Contribution)	\$ 830.40 (minimum)
(b) Long Service Leave (As advised by the Long Service Leave Fund of the Anglican Church of Australia)	\$ 110.00
(c) Parish Contribution to the Work of the Diocese	1/12 of annual contribution

If clergy are paid more than the minimum stipend then parishes should also remit 15.87% of the additional cash stipend amount.

Items (a) and (c) are charged to parishes for each stipendiary clergy member. If there is a vacancy in the stipendiary clergy strength of the parish, the superannuation and long service leave amounts are not charged. **Note: It is vital that the Diocesan Finance Team are advised directly of any changes to clergy appointment and terms.**

8. PAYMENTS TO THE DIOCESE

Separate cheques should be made out as follows:

- (a) Trust Fund deposits - "Anglican Church Property Trust";
- (c) All other payments - "Diocese of Canberra and Goulburn".

9. MAINTENANCE OF BUILDINGS

It is recommended that an ongoing maintenance program for all buildings be undertaken within parishes. See also paragraph 2.20 above in relation to clergy residences.

10. SUBMISSION OF PROPOSALS TO THE DIOCESE

Approval from the Diocese is required in the following general circumstances:

ACTION	METHOD OF SUBMISSION	APPROVING AUTHORITY
Borrowing Funds	Permission to Incur Debt form available on the Diocesan website or from the Registrar	Registrar (up to \$20K and all car loans) Finance Committee (up to \$100K) Bishop-in-Council > \$100K
Altering a building on church land	Plans to be submitted to the Registrar and the Bishop for consideration	Property Trust
Constructing a building on church land	Plans to be submitted to the Bishop for consideration	Property Trust and Bishop-in-Council
Varying the furnishings or ornaments in a church	Apply to the Bishop for a faculty	Bishop
Legal documents	All legal documents, contracts, transfer of land, building contracts	Property Trust
Assistance to Parishes	Parish Grants Application to the Registrar	Ministry Executive

This list is not exhaustive. Please contact the Registrar in cases where some uncertainty exists. See also Attachment E regarding regulations associated with the Parochial Property Ordinance 1975 and Attachment F for Property Developments

11. ELECTION OF LAY MEMBERS OF SYNOD

The Governance of the Diocese Ordinance 2000 governs election of Synod members. Synod elections are held every three years for all lay members. The next Synod is the 45th and new members will be elected in early 2014.

Details of Parish Synod members must be provided to Anglican Diocesan Services by March 2014 so records can be updated.

12. POLICY AND GUIDELINES FOR THE DEVELOPMENT OF DIOCESAN PROPERTY

The policy and procedure for development of property in the Diocese contained in Attachment F was adopted formally by Bishop-in-Council on 11 December 2009.

13. PARISH ARCHIVES

Please see Attachment I for an outline of the diocesan policy on parish registers and other records together with matters relating to family history enquiries.

14. PROFESSIONAL STANDARDS POLICIES

There are several policy documents that relate to professional standards in the Diocese. These include: Safe Communities of Faith, Code of Good Practice, Professional Standards Ordinance, Protocol for Addressing Grievances and Responding to Conflict, Protocol for responding to Complaints about Treatment by the Diocese, Protocol for Safe Ministry to Persons of Concern and Towards Restoration Protocol. All church workers are subject to the Safe Communities of Faith Policy and the Code of Good Practice and these policy documents are located on the Diocesan website. Any inquiries related to any professional standards policies should be directed to Mrs Celia Irving, the Professional Standards Director.

15. THE NATURE OF PARISH INCORPORATION

The following form of words is normally used to describe the nature of parish incorporation. It is also used in relation to Diocesan organisations (e.g. Anglican Women, Cursillo etc.) where these bodies are not incorporated by other means.

"The parish is an established unit of the Anglican Diocese of Canberra & Goulburn. While the Diocese is an unincorporated body its existence is recognised in the Anglican Church of Australia Constitutions Act, 1902 and the Anglican Church of Australia Trust Property Act, 1917 of New South Wales and by the Anglican Church of Australia Trust Property Act 1928 of the ACT. Property held for the use of the Anglican Church of Australia within the Diocese is vested in the Anglican Church Property Trust, Diocese of Canberra & Goulburn, a body corporate continued in existence by the Anglican Church of Australia Trust Property Act, 1917. It was incorporated by an Act repealed by that Act. It is not incorporated under Company Law. The Property Trust is the corporate trustee for the Diocese. Property of the Diocese is held in the name of the Trust and formal contracts in writing by the Diocese or any of its parishes are entered into by the Trust as trustee for the Diocese. This includes applications and agreements in relation to government grants."

ATTACHMENT A - Long Service Leave Fund Information Paper

The Long Service Leave Fund was created by Canon of the General Synod of the Anglican Church of Australia in 1966. It currently operates under Long Service Leave Canon, 1992-1995. All Dioceses of the Australian Church have accepted the provisions of the Canon.

Notional Stipend

This is the rate fixed by the LSL Board annually as the stipend payable by the Fund to the diocese, or participating organisation for the period of leave. In 2014 the notional stipend is \$67871.00 pa or \$1320.00 per week.

In the Diocese of Canberra & Goulburn, clergy receive their actual stipend, which is usually in excess of the notional stipend.

Entitlement

(a) Leave

Members of the Long Service Leave Fund are entitled to:

- (i) 10 weeks Long Service Leave on completion of the first 10 years of qualifying service. This leave is paid for at the incumbent's ordinary level of stipend.
- (ii) On completion of each subsequent 5 years of qualifying service a period of 5 weeks leave.

(b) Supplementary Allowance

Where actual leave is taken, a supplementary allowance is paid by the Board at a rate fixed by the Standing Committee of General Synod. In 2014 the Supplementary Allowance will be \$1320.00 for each week of long service leave.

A member of the clergy who terminates ministry for any reason after a period of qualifying service over 10 years is eligible for a pro-rata payment from the Fund based on the period of qualifying service not already used. There is no entitlement when less than 10 years qualifying service has been worked for the Australian Church.

A *Quick Reference Table* is included in an appendix to this Attachment showing the value of leave and the supplementary allowance. These amounts are, of course, taxable.

Qualifying Service

Qualifying Service is:

- (a) Service up to a maximum of fifteen years prior to 1 January 1969.
- (b) All service after 1 January 1969 for which a contribution has been paid to the Fund by a diocese or participating organisation.

Whilst service covered by any other long service leave scheme cannot be taken into account, there is provision allowing clergy to buy back periods of qualifying service (e.g. for a period whilst on study leave).

Actual Leave

Leave should be taken as soon as practical after clergy become eligible. Leave can be arranged in:

- (a) one continuous period;
- (b) where the amount of the leave exceeds 5 weeks but does not exceed 10 weeks, in 2 separate periods; or
- (c) where the amount of the leave exceeds 10 weeks, in 2 or 3 separate periods.

Long Service Leave includes public holidays, but excludes annual holidays. It is not a form of superannuation, it is not to be confused with sabbatical or study leave, and payments should not be made in lieu of leave except as stated in the Canon.

Participating Organisation

There is provision within the Canon for an organisation employing clergy to become a 'participating organisation' and thereafter deal directly with the Fund, rather than through a diocese.

Payment in Lieu on Death

When a member of the clergy dies a pro-rate payment based on the period of qualifying service not already used is payable by the Fund. Such payment will not include a Supplementary Allowance.

Payment in Lieu on Resignation or Retirement

When a member of the clergy no longer has contributions paid to the Long Service Leave Fund on his/her behalf through a diocese or a participating organisation and has completed part only of a subsequent period of 5 years qualifying service after completing the member's first 10 years of qualifying service, then the member will be paid a pro-rate amount based on the period of qualifying service not already used. No supplementary Allowance will be paid.

If 10 years qualifying service has not been completed after joining the Fund then:

- (a) no payment is made by the Fund, and
- (b) the record or service of less than 10 years will be maintained in the Fund's records. If within 5 years of the date contributions ceased the member of the clergy returns to work with the Church, then such period of earlier service will be continued towards future long service leave. If however, the member of clergy does not return to work within the Church within 5 years such record of earlier service will be deleted from the fund's records.

There is provision within the Canon for qualifying service of less than 10 years to be re-instated after 5 years in special circumstances where, for example, extended overseas missionary service is involved.

Continuous Service

It is not necessary for clergy to have continuous qualifying service.

For example:

Prior to 1 January 1969	4 years
1 January 1969 - 1 January 1982	13 years
1 January 1982 - 1 January 1988	no contributions received
1 January 1988 - 30 March 1993	<u>5.25</u> years
	<u>22.25</u> years

In this instance the member of clergy would be entitled to take up to 20 weeks long service leave.

Contributions

Contributions are set by the Board in consultation with the Actuary and are currently \$110.00 per month. Contributions for clergy are payable by the parish responsible for the stipend, (through their diocese) or by a participating organisation.

Actuarial Investigation

An actuarial investigation of the Fund is carried out at intervals not exceeding 3 years.

Leave Arrangements

The Canon requires that the diocese or participating organisation give clergy at least three months notice of impending leave. The diocese or participating organisation determines the date, period of leave and all other arrangements for clergy to take leave.

Administration

The Board is responsible for the conduct of the Canon and has delegated its day-to-day administration to the office of the Australian Clergy Provident Fund. Audited Financial Statements are prepared annually for a financial year ending December 31.

The Board reports to the Standing Committee of General Synod and is required to send copies of the Fund's Financial Statements to the Bishop and Registrar of every participating diocese and to every participating organisation.

Note:

This advice explains the main features of the Long Service Leave Fund. It is not intended as a substitute for the Canon which is the legal document covering the Fund. In the event of any conflict between the contents of this advice and the provisions of the Canon, the latter will prevail.

**ANGLICAN LONG SERVICE LEAVE FUND
QUICK REFERENCE TABLE**

BENEFIT PAYMENTS FROM 1ST JANUARY, 2014

WEEKS	LEAVE	SUPPLEMENTARY	TOTAL
1	1,305.21	1,041.31	2,346.52
2	2,610.42	2,082.62	4,693.04
3	3,915.63	3,123.93	7,039.56
4	5,220.85	4,165.23	9,386.08
5	6,526.06	5,206.54	11,732.60
6	7,831.27	6,247.85	14,079.12
7	9,136.48	7,289.16	16,425.64
8	10,441.69	8,330.47	18,772.16
9	11,746.90	9,371.78	21,118.68
10	13,052.12	10,413.08	23,465.20
11	14,357.33	11,454.39	25,811.72
12	15,662.54	12,495.70	28,158.24
13	16,967.75	13,537.01	30,504.76
14	18,272.96	14,578.32	32,851.28
15	19,578.17	15,619.63	35,197.80
16	20,883.38	16,660.94	37,544.32
17	22,188.60	17,702.24	39,890.84
18	23,493.81	18,743.55	42,237.36
19	24,799.02	19,784.86	44,583.88
20	26,104.23	20,826.17	46,930.40

2014 NOTIONAL STIPEND: \$67,871

ATTACHMENT B

GUIDELINES REGARDING THE CLERGY USE OF PARISH-OWNED CARS

Where cars to be used by clergy are owned by the parish, the following guidelines contain the standard arrangements. Any variations should be based on discussion and the reaching of a mutual understanding between the member of the clergy and the parish council. In cases where there are one or more Assistant Curates, the same arrangements apply with each vehicle. The parish should always be responsible to provide a vehicle to each full-time member of the clergy unless the member of the clergy elects to use his or her own vehicle. Part-time clergy would normally be paid a travelling allowance unless the parish has a spare car.

Provision of Cars

1. The parish members of the Clergy Appointment Board are responsible to provide the Bishop with a clear indication of the travelling arrangements in the parish, so that proper consideration can be given when the Clergy Appointment Board meets. Where parishes own the car and it is agreed that this arrangement should continue, careful consideration must be given to the situation of the incoming incumbent who has had his or her own car so that he or she is not financially disadvantaged if he or she agrees to follow the normal practice in the parish.
2. It is strongly recommended that parishes lease or purchase sustainable vehicles in line with the **Diocesan Sustainable Vehicle Policy**. A **register of suitable vehicles** is maintained by Anglican Diocesan Services and can be found on the Diocesan Website under the sustainable church area of the Property and Insurance Section.
3. AngliCar Fleet Management services (02) 6245 7125 is a business arm of our Diocese. AngliCar can give competitive prices on leasing, purchasing, vehicle disposals, or general advice around options. Fully maintained leasing and non-maintained leasing is a cost effective option and prevents the tying up of scarce capital in depreciating assets. The Diocesan Services Fleet Management Team is available to assist you in discussing lease options and costs.
4. If a member of the clergy is moving to another parish, they may request to take the car. The two parishes concerned should then negotiate on terms for the transfer of the car. If agreement is not reached on the terms, the Registrar will arbitrate any outstanding issues.

Operation of Cars

5. At the time of appointment to a parish, the member of the clergy and the parish council should discuss any variations from these guidelines on the use of the parish car, so that misunderstandings do not arise in the future.
6. The member of the clergy is responsible for the careful driving, regular maintenance and general care of the vehicle so that it is constantly available for his or her use. It is recommended that the parish council appoint a person or persons with whom the member of the clergy may discuss problems relating to the car.
7. It is strongly recommended that a qualified mechanic carry out all work done on the car. The service record book belonging to the car must be kept up-to-date throughout its life. This book is valuable as it records all services, and if the record is incomplete or lost then the value of the vehicle at the time of sale will be reduced by \$500 - \$2,000.
8. The member of the clergy shall have the use of the car at all times for parish and personal use, and for travelling outside the parish, including holidays. The member of the clergy will pay for petrol only when the car is used for annual leave or long service leave.

9. Motor Vehicles should be insured through the Diocesan Motor Vehicle Policy. The car will be insured in the name of the parish and the name of the member of the clergy as driver, and the parish will pay all excess due in the case of any accident. The member of the clergy may offer to pay the excess if he or she believes the cause of the accident was entirely his or her fault or the fault of his or her family. If persons in the clergy family under 25 are to drive the car, the clergy family shall pay the insurance excess surcharge. The Diocesan Services Fleet Management Team should be contacted to arrange insurance.
10. The parish should not expect the member of the clergy to use alternative transport unless he or she indicates a preference.

ENVIRONMENTAL CONSIDERATIONS–DIOCESAN SUSTAINABLE VEHICLE POLICY

The Diocesan Environment Commission has produced guidelines for the purchase and running of Diocesan motor vehicles and these have been endorsed by Bishop-in-Council. Anglican Diocesan Services has also produced a schedule of Green Vehicles based on the latest green star ratings. The Sustainable Policy and Vehicle Schedule can be found in the Sustainable Church area of Property and Insurance on the Diocesan Website: **www.anglicanregistry.org.au** See also the Environmental Code of Good Practice in Attachment H which incorporates these principles.

ATTACHMENT C

GUIDELINES ON CLERGY OCCUPANCY OF PARISH-OWNED RESIDENCES

These guidelines for the parish clergy and the parish council clarify responsibilities in relation to housing as part of the appointment process. They are designed to ensure that residences are maintained at an appropriate standard once they have been occupied.

Before the appointment is made, the parish members of the clergy appointments board are responsible to provide the Bishop with a clear indication of the condition of clergy residences to be occupied by a new appointee. The Archdeacon has the responsibility to inspect the residence to ensure that it meets acceptable standards.

At the time of appointment to a parish, the clergy member and the parish council should consider these guidelines and come to a mutual understanding if there are to be any variations.

1. The Parish Council will:

- a. in consultation with the relevant Archdeacon, ensure that the premises comply as far as is practicable with diocesan standards and are in a fit condition for use as a clergy residence at the commencement of the occupancy;
- b. allow the clergy member and their family to occupy the residence as a private home and place no obligation on the clergy member which would involve the parish use of any part of the rectory without his or her initiative;
- c. pay all maintenance costs, rates/council charges and other outgoings on the residence;
- d. complete without delay all reasonable repairs relating to the clergy members ordinary use and occupation of the residence; and
- e. give authority to the clergy member to effect emergency repairs.

2. The Clergy Member will:

- a. ensure that the premises are used only as a residence other than for any parish use agreed to by the clergy member;
- b. take care of the residence and keep it in a clean condition, in particular:
 - i. keep the grounds and gardens tidy and free from rubbish - and the guttering and storm water downpipes free from debris;
 - ii. take special care of the parish items within the residence including refrigerator, washing machine, carpets and curtains;
 - iii. make no alterations or additions to the residence without the consent of the parish council (see Parochial Property Ordinance);
 - iv. do no decorating that involves marking, defacing or painting any part of the premises, without the consent of the parish council;
 - v. ensure that nothing is done that might prejudice any insurance which the parish has in relation to the residence;
 - vi. notify the parish council promptly of any loss, damage or defect in the residence;
 - vii. take all reasonable precautions to prevent the outbreak of fire in the premises; and
 - viii. keep up and preserve in good condition the lawn and garden belonging to the residence.

3. General

The parish council and the clergy member will:

- arrange an inspection of the residence to be carried out by the churchwardens on an annual basis;
- facilitate the inspection of the residence by a diocesan representative every two years.

CLERGY RESIDENCE STANDARDS

1. Planning Guidelines

The Buildings and Faculties use the following "benchmark" when considering plans for new residences or the upgrading of existing residences.

The residence should include as far as possible:

4 Bedrooms
1 ½ or 2 bathrooms
A Study (12sqm with a minimum of 3 m wide)
Lounge room
Family room
Kitchen
Laundry
Double garage (preferably constructed as part of the residence and made of the same materials)

In planning clergy residences, particular attention should be given to separating the bedrooms and family living areas from the "public" areas such as the study and lounge room. If possible, there should be separate external access to the study.

The use of an architect is required. Further details and sample plans of residences recently approved may be obtained from the Diocesan Property Manager.

2. Furnishings and Fittings

Bishop-in-Council has specified that the following furnishings and amenities be provided by each parish or district for the residences of stipendiary clergy:

- a fenced area for the safety of children and for Rectory privacy;
- insect screenings on doors and windows and exterior openings such as chimneys;
- garage, or at least a carport with lock-up shed for tools, garden implements and storage space;
- rotary clothes hoist or other clothes line;
- digital television antenna;
- septic tank where sewerage is not available;
- appropriate fire protection equipment, properly maintained;
- floor coverings (carpet throughout except that the kitchen floor should have either kitchen carpet or hard coverings, and the laundry and bathroom(s) should have hard coverings);
- all windows to have curtains or drapes;
- built-in linen cupboard (recommended minimum dimensions 1.8 metres high, 1.8 metres wide, 0.6 metres deep);
- all bedrooms to have built-in wardrobes (recommended dimensions 1.8 metres high, 1.8 metres wide, 0.6 metres deep) with drawers or shelves if requested;
- light fittings in all rooms;
- adequate refrigerator;
- modern fixtures and appliances in kitchen, bathroom and laundry, including hot water system and washing machine;
- study furniture (a suggested minimum: bookshelves, large filing cabinet, cupboard space for robes and other equipment); and
- adequate heating in all living areas.

REGULATIONS TO ACCOMPANY PAROCHIAL PROPERTY ORDINANCE 1975

(Issued 1979)

1. THE ERECTION AND/OR ALTERATION OF BUILDINGS (Parochial Property Ordinance, section 9)

- (a) **Note** that final responsibility in this area rests with the Bishop. This is because:
 - (i) buildings are tools in the Church's mission;
 - (ii) objective, supra-parochial standards need to be maintained with regard to all buildings, and not least to those for the housing of clergy.
- (b) Because the ultimate decision rests with the Bishop, it is sensible for any project to be discussed, in broad terms, with the Bishop **before** the parochial council, **or anyone else**, becomes so committed to it as to make the Bishop's decision unnecessarily complicated, or, if opposed to what its promoters are seeking, even divisive and destructive of relationships.
- (c) Sub-section 9(4) of the P.P.O. then sets out the first formal steps. The remainder of the section is a series of safeguards which clearly necessitate that communication with the Bishop be kept open, stage by stage.

2. AN OUTLINE OF BASIC REQUIREMENTS FOR RECTORIES

- (a) In general, rectories should be capable of accommodating parents, children of both sexes, and occasional guests. They should have studies adequate for normal working, including occasional interviews with up to, say, three people at a time.

i.e. 4 bedrooms and a study is the basic requirement.
- (b) In many parishes, meetings in the rectory are necessary or desirable. The sitting room (possibly including a dining area, though this may be separate) should be of sufficient size to serve this need. The same need for occasional meetings in the clergyman's house may necessitate providing a family room, so that children need not be banished to bedrooms when a parish meeting is scheduled.
- (c) An adequate garage, or at least a carport with lock-up shed for tools, garden implements, etc., is equally necessary.

Plans will not be approved unless they either meet these requirements from the outset, or detail the plans which the parish has to provide them over a period.

- (d) More generally, the Bishop will concern himself with such matters as the suitability of the site; the proposed orientation of the house; whether the plan will permit parish business to be conducted without intruding excessively on the rectory family, and vice versa.

3. FACULTIES AND PERMISSIONS RELATING TO CHURCH AND HALL FURNISHINGS, ALTERATIONS TO THE FABRIC OF CHURCHES, AND PROPOSALS CONCERNING ORNAMENTS AND MONUMENTS

(P.P.O. Sub-section 10(1) and sections 16, 17 and 18)

- (a) **Note** that the same fundamental responsibility in these matters reposes with the Bishop. **The Bishop asks, therefore, that the same care be taken to consult him before any decision is reached by the parochial council or any other person.** Not to do so either invites the Bishop to abdicate his responsibility (and probably his better judgement) when the time comes, or to run the risk of offending people in the local scene.
- (b) The process of applying for, and being granted, a faculty is a sensible protection of the rights of everyone concerned. Remember that feelings often run highest in parishes over the very matters that some might think obvious or insignificant.
- (c) General observations concerning some of the commonest types of petitions:
 - (i) **Stained glass windows** are amongst the most problematical of all ornaments. Each one should be a work of art. It is important that the stained glass window is of good quality and cost is an important consideration.

When the project has been agreed upon with the Bishop, the artist should be told clearly what is expected, and be required to produce a coloured graphic. This should then be considered by the church officers and the Bishop, and any alterations suggested to the artist. Once any changes have been made, the Notice of Intention to apply for a Faculty should be posted, with the graphic on display at service times, so that the congregation is fully aware of the details of the proposal.

- (ii) **Memorial Plaques, including Inscriptions on Windows, etc.**

Plaques, as such, are not very good memorials, except in special cases. They should not be erected where the persons they commemorate have not had significant church associations.

Simplicity and precision are the essence of good wording.

"A.M.D.G." is not as readily understood as "To the Greater Glory of God" - but one must be careful how one uses that expression. The window or other gift should be of a quality that does, unequivocally, give glory to God. In other words, it should be a genuine offering out of the talents which God has given to men.

"In memory of Mary Jones, 1890-1970, faithful worshipper in this Church", expresses a good Christian sentiment. Note that years of life are to be preferred to the date of, and age at, death, since it is the life of the person, not the death that is being commemorated.

Of course, there are special cases in which the wording must be expanded. The point remains the same: the choice of words should be precise and simple. Avoid wording that makes much of the donor. "The gift of her family", or some such equivalent, is usually sufficient.

- (iii) **Organs:**

The most serious problem, when selecting an organ, is the cost. Smaller parishes generally have a ceiling on cost that precludes the purchase of a good instrument. There may also be some serious disappointments if you work simply on the basis of cost alone. Electronic instruments have in-built obsolescence, and part of the problem of selection is in not knowing how soon this will manifest itself.

Moreover, most of the cheaper organs are not built so much for churches as for home entertainment, and consequently, what they offer is peripheral to what the Church needs.

At the earliest point in consideration, there should be informal discussion with knowledgeable musicians. Try not to let salesman's talk overrule the practical **musical** advice that can be given to you. If you can wait to accumulate funds for a better instrument then try and do so. **The Bishop should also be consulted at an early date.**

Once relevant consultations have been completed, publish the Notice of Intention to Apply for a Faculty. Your application will be referred by the Bishop to his Advisory Committee, and the decision made on the Advisory Committee's advice.

(iv) **Re-arrangement of furniture** is a common request. However, some people resent it strongly.

The problem is that one cannot be sure, in advance, what changes may be best in the long run. It is sensible, therefore, to apply for a faculty seeking the **temporary**, experimental, re-arrangement of furniture - giving the reasons for it and indicating the term during which you wish to experiment. Three or four months is usually sufficient. At the end of the experimental term, a faculty should be sought for whatever **permanent** re-arrangement is decided upon.

ATTACHMENT F

GUIDELINES FOR THE DEVELOPMENT OF DIOCESAN PROPERTY

1. Policy and Process

The Bishop-in-Council at its meeting on 11 December 2009 endorsed the following Property Development Procedure on recommendation from the Anglican Church Property Trust. The procedure will be used to guide future property development projects and will ensure accountability and transparency is present in each project.

The scale and complexity of each project will be different so discretion will be used in smaller projects to avoid unnecessary bureaucracy and costs. The procedure will not be applied to minor projects or building alterations, however projects over \$30,000 and/or those requiring a faculty from the bishop must be submitted to the Registrar.

1.2 Project Governance

The Governance Structure for Diocesan Developments is based on the following assumptions:

- Development Projects can be initiated by a Ministry Unit, Agency or the Registry
- Development proposals will be submitted in the standard format to the Registrar for consideration to ensure that submission contains all necessary information
- Application to incur debt is to be submitted if required
- The Property Trust will make an initial assessment of the project
- The Property Trust will provide a recommendation to Bishop-Council in regard to the suitability and feasibility of the project prior to the project design and delivery phase
- The Bishop-in-Council will consider recommendations and either approve or reject the development proposal in concept form
- If approval is given, the project can move to the design and delivery phase
- Projects will be monitored at key intervals by the Property Trust and Bishop-in-Council as outlined in (2) below

The Property Trust acts as an advisory body to the Bishop-in-Council in relation to property matters with Bishop-in-Council exercising overall authority. The Bishop-in-Council has the power to delegate specific roles to the Property Trust and Registry as necessary to facilitate implementation and oversight of Property Development Projects.

A Governance Group will be appointed to oversee each Property Development Project.

The functions of the group will include;

- a) Internal approval for the project to proceed on completion of all due diligence
- b) Approved authority for key project documentation and stages
- c) Ongoing review of the risk profile of the project
- d) A conduit for stakeholder groups to make representations in relation to the project
- e) Attendance at various strategic meetings
- f) Media responsibilities as necessary

Larger or more complex development projects will have a Governance group consisting of the major stakeholders; however smaller Parish initiated projects will have a Governance group appointed by the Parish Council. Diocesan oversight and risk management of these smaller projects will occur in the context of the standard approval and accountability process.

The Governance Group will be responsible for driving the initiation and design and delivery phases of a development with the assistance of Diocesan Staff, strategic project managers and other expertise as necessary. The Property Trust as the legal owner is required to execute legal documents and this will occur in the context of the development procedure and ensure accountability and transparency. The Governance Group will report to the Bishop-in-Council and the Property Trust on progress against the project delivery plan.

2. Property Development Procedure

The following procedure has been developed to provide a standard process for the development and consideration of property development projects in the Diocese. The procedure provides the framework for submission, consideration, and if agreed, approval and management of each future development and must be followed. The Registrar will provide guidance in these matters at the early stages of project initiation to ensure flexibility can be provided for smaller projects.

The framework is predicated on a two phases; project initiation and project design and delivery. There are several decision points in the consideration process of project proposals. Proposals that do not meet the requirements of these development procedures may be either returned to the proposer for further work and resubmission or may not be approved.

2.1 Project Initiation Phase

This stage deals with the development proposal in concept form and the due process to be completed before the project proceeds to the next stage. This will ensure that the project aligns with the mission goals of the Ministry unit, Agency and Diocese and that the project is feasible and life giving in its outcomes.

Stage	Actions
Step 1 Project Identified	Ministry Unit or Agency identifies a potential project to develop land or buildings Vision and concept shared with Regional Archdeacons for discussion with Bishop and Registrar to ensure project is aligned with mission objectives Vision workshops are conducted with stakeholders to develop a project mission statement that will underpin the project, confirm the business drivers and ensure project meets diocesan criteria (see 2.2) Identify the sustainability requirements and ensure objectives comply with the Diocesan Green Building Code Identify options to achieve the project goals Contact Registrar to advise of the projects intent and seek assistance where necessary Obtain copies of relevant documentation from the Registry Office e.g. property deeds. Engage necessary expertise to develop concept plans and a broad feasibility study
Step 2 Develop Business Case	Develop Critical Success Factors (see below for details) Identification and analysis of the various options to achieve the project by assessing opportunities and constraints associated with each factor. Engage specialist business case and financial modelling consultants Identify all stakeholders and develop a communications strategy including media Establish the appropriate Project Governance Structure Convene a risk workshop and develop a risk analysis program including insurance requirements Undertake high level investigations into site conditions and engineering services Assess the various project delivery models available. Finance and contract structures for design and delivery should be based on the project risk profile Confirm funding sources
Step 3 Conclude Project Initiation Phase	Document all findings against each phase of initiation Identify outstanding areas of investigation that may be carried over to the design and delivery phase Update risk analysis based on findings Propose recommendations on the preferred option to be adopted to progress the project based on business case analysis, critical success factors and funding sources

Critical success factors are defined as those elements that must be achieved to ensure that target goals and objectives of the project are achieved and the project will succeed. In the context of the Diocese these would include:

- Confirmation of the core missional objectives of the project
- Timing and staging of works
- Alignment with the Diocesan Green Building Policy
- Selection of the optimum development model through thorough options analysis
- Effective stakeholder identification, engagement and agreement
- Consistency of the project with culture, values and policies
- Minimisation of operational disruption including stringent site management policies and procedures
- Effective risk management methodology and strategy including ability to service any loan
- Effective and detailed project planning regime
- Obtaining necessary approvals
- Choice of contract to achieve outcomes while minimising disruption, risk and costs

2.2 Criteria for Development Approvals

The following criteria will be used by the Property Trust and Bishop-in-Council when assessing potential property development project:

- Does the project promote ministry development and mission?
- Has there been adequate consultation about the project and opportunity for stakeholder input?
- Have all relevant options for development been explored?
- Does the project comply with any existing Master Plans or projects?
- Will the project provide flexibility for the future use of the site and options for adaptability?
- Is funding required for the project and has the funding been approved by the ADF or alternate provider?
- Does the project fit the current risk profile of the ministry?
- Is the project dependent on partners? If so are these partnerships sustainable and what are the risks associated with these partnerships?
- Does the plan comply with the Diocesan Green Building Code?
- Does the business case stack up and how will this contribute to the financial health of the Ministry in the short and longer terms?
- Have adequate resources and expertise been assigned to the project to ensure its success?
- Has the project delivery model been specified?

2.3 Project Design and Delivery

This stage moves the project from a concept to the implementation stage where detailed design, project planning and stakeholder consultation takes place.

Stage	Actions
Step 1 Approval to proceed	<p>Detailed proposal sent to Registrar for review in standard format (Appendix A)</p> <p>Registrar confirms that the projects complies with policy and has been provided in correct format</p> <p>Proposal reviewed by Finance Committee to assess financial model and feasibility and to advise Property Trust and Bishop-in-Council</p> <p>Registrar forwards to Property Trust for consideration</p> <p>Property Trust assesses the proposal and provides recommendation to Bishop-in-Council</p> <p>Finance Committee assesses and provides recommendation on financial viability</p> <p>Bishop-in-Council considers the proposal, and if agreed, provides approval to proceed and permission to incur debt where necessary</p>

Step 2 Project Start-Up	<p>Appoint project managers</p> <p>Develop the project management plan</p> <p>Prepare contracts for contractors and consultants involved in the project and forward to Registrar for execution by Property Trust</p> <p>Finalise project management and supporting plans</p> <p>Refine the meetings and reporting framework</p> <p>Continue risks and issues identification as part of initial stakeholder consultation, and review risk management plan</p> <p>Progress discussions for the delivery methodology to be adopted by the builder</p>
Step 3 Concept Design	<p>Develop project control framework</p> <p>Architects or designers prepare room data sheets and complete a concept design after consultation with relevant stakeholders</p> <p>Concept drawings provided for approval by Governance Group</p> <p>Services engineer provides a detailed services engineering brief</p> <p>Identify specialist design consultants</p> <p>Preliminary selection of fixtures, fittings and finishes for approval</p> <p>Conduct initial risk workshop, value engineering workshop and OHS risk assessment workshop</p> <p>Quantity Surveyor provides first iteration of cost plan to produce initial budget</p> <p>Master program is updated</p> <p>Internal and external audits completed</p> <p>Concept design stage report drafted and approved by Governance Group and submitted to Registrar for consideration</p> <p>Property Trust reviews and if approval is given the project progresses to detailed design</p>
Stage 4 Detailed Design	<p>Confirm concept design parameters are achievable throughout detailed design phase</p> <p>Coordinate the design process to ensure the detailed issues important to the relevant users are addressed</p> <p>Conduct regular design phase meetings</p> <p>Confirm functional layout of the design and coordinate other specialist design groups</p> <p>compliance issues associated with the design</p> <p>Quantity surveyor provides the update of the cost plan, in accordance with detailed design and a revised budget is developed</p> <p>Detailed design and budget approved by Governance Group</p> <p>Property Trust reviews and makes recommendation to BIC</p> <p>Permission for additional debt and changes to design approved by BIC where necessary</p> <p>Master Development Program updated</p> <p>Detailed design stage report is submitted to Registrar</p> <p>Plans submitted to relevant authorities for consideration, and if agreed, approval</p>
Stage 5 Manage Project and Construct	<p>Request tenders or seek expressions of interest for the building works</p> <p>Governance Group will evaluate tender responses and where a suitable respondent is selected, bring forward a recommendation to Bishop-in-Council for consideration and if agreed, final approval will be given for the commencement of works.</p> <p>Attend site regularly to review progress on site</p> <p>Conduct regular construction phase meetings to ensure the project is managed and work completed</p> <p>Review and monitor progress against program and costs</p> <p>Assess variations, claims for payment and administer contract</p> <p>Undertake commissioning inspections with the contractors</p> <p>Inspect works at practical completion to confirm scope completed</p> <p>Project control group(when formed) reports are submitted along with updated programs and cost plans</p>
Stage 6 Relocation and Occupation	<p>Determine relocation requirements (if applicable)</p> <p>Evaluate, recommend and award contract for relocation contractor</p> <p>Relocation and occupation</p> <p>Manage user occupation</p>
Stage 7 Defect and Post Occupancy	<p>Review defects on site</p> <p>Report issues associated with post occupancy and confirm they have been addressed</p> <p>Complete documentation of project</p> <p>Complete final inspection at end of defect period</p>

Adopted by Bishop-in-Council on 11 December 2009

Appendix A: Development Submission Format

Property development proposals must be submitted in the following format.

1. Submission Date

2. Name of Ministry Unit or Agency

3. Project Title

4. Description of the Project (500 words or less)

What is the nature of the development?

Property Details

Details of project brief

Master Plan Outline

How does the project respond to current ministry needs and circumstances?

Planning context and constraints

5. Alignment with mission (300 words or less)

How does the project support the mission and goals of the unit / agency?

What benefits strategic opportunities will the project provide for ministry?

How will the project compliment existing ministry

How will the project contribute to ministry sustainability?

6. Design Concept

Include concept drawings

Demonstration of how the project will comply with the Diocesan Green Building Policy

7. Project Planning

How will the project be managed?

Indicative project timetable and milestones

Intended model of building contact

How will the project be funded?

8. Feasibility and Business Case

Project costing including all specialist services (e.g. architects, surveyors, project management, builders)

Details of project start-up costs

Latest financial report for the ministry unit / agency and financial projections for next 2 years

Financial impact on completion of the development and how any surplus funds will be allocated

9. Submission must be signed off by the Rector and Chair of Parish Council or School/Agency Board

A Strategic Framework for Property Management**Introduction**

Some Parishes and Diocesan organisations hold or manage an ideal property portfolio: they have property that is both well-located and just right for their current and future needs. Others are not so fortunate. Indeed, the reality is that a number of Parishes and other bodies have property holdings that are very useful but something less than ideal.

For example:

- Mission and growth opportunities may exist in locations where no property at all is held, and there is no clear means of addressing this shortfall.
- Significant maintenance and / or insurance costs may be being incurred for buildings that are only used infrequently or by very few people.
 - This can put great stress on organisational budgets and also energy levels within congregations
 - In a worst case scenario, the body simply cannot afford to maintain and insure a particular building.

A Strategic Framework

With this in mind, the Property Trust has drafted a possible framework for strategic assessment of property holdings. This framework is designed to assist bodies in any strategic reviews that they wish to initiate. It simply provides a suggested approach for a body wishing to look at its current property holdings and weigh up how to approach and handle property issues of concern. We stress that this approach is a framework only. Those bodies that are responsible for managing properties are the ones best placed to self-identify the actual property issues and how to handle them.

Parishes and other bodies are encouraged to make creative use of this suggested approach, as and when they wish to address significant property issues in their area of responsibility. Any action arising from use of this framework would, of necessity, require further detailed consultations and process work. Feedback and suggested improvements will be welcomed.

Diocesan Property Master Plan – Categories of Properties

Category	Description	Example	Recommended approach to maintenance	Recommended approach to future development
1	Right place and right structure	Building that is both ideally located and a very suitable structure for the Diocese and our mission for the foreseeable future	Maintain and improve to the highest level that funds permit	Redevelopment should not be considered
2	Right place and inadequate structure	Building is in an ideal location but structure is not considered adequate for the Diocese and our mission <ul style="list-style-type: none"> - Examples could be buildings in the right place but which hamper effective mission of the Diocese 	Maintain to a level that preserves the current building in current state <ul style="list-style-type: none"> - Do not spend funds to improve building 	Open to the possibility of redevelopment for the site, when a suitable opportunity presents

3	Right place and wrong structure	Building located in an ideal place for Diocese and our mission - however the building is wrong and cannot be refurbished for our needs - Example could be Jamieson House	Only absolutely essential maintenance until redevelopment can be achieved	Actively seek redevelopment options for the site, as it is the right place for something
4	Wrong place and right structure	Building located in the wrong place for Diocese and our mission - However the building is right Examples could be historic churches with significant heritage and / or spiritual values, but located in places which bear no relation to the Diocese's needs and mission	Maintain to a level that preserves the current building in current state - Do not spend funds to improve building	Actively seek options to sell. Reinvest funds towards Diocesan mission.
	Wrong place and wrong structure	Building located in the wrong place for the Diocese and our mission - And the building is wrong too Examples could be buildings of no historic and / or spiritual value, that are located in the wrong place for the Diocese and our mission (no current or foreseeable congregations]	Do not maintain except where there is an OH&S issue or where there is an heritage statutory requirement	Actively seek options to sell. Reinvest funds towards Diocesan mission.
6	No land or structures in a "right" place	Locations in the Diocese where there are real opportunities for planting new congregations or other mission work - But we do not own any property in the location, to underpin this work - Examples could be new population centres and growth areas, likely to be on the coast or in new developing areas of Canberra	Not applicable	Actively seek land and or buildings to purchase or lease

Environmental Code of Practice

The following Code of Practice was adopted by the Bishop-in-Council in June 2009 as a voluntary code. Although the code is not mandatory it is expected that that all ministry units comply with the Code.

Introduction

Synod 2007 recognised that:

- The bond between Creator and creation underlies our whole relationship with God and it is clear from scripture that this bond is not just with humanity but with the whole of creation (e.g. John 1: 3; Romans 8: 20-21);
- As a consequence, it is essential that the Church takes this relationship seriously and seeks to express it rightly and fully, remembering that only those whose words result in relevant action are blessed (James 1: 22-25),
- Our generation is faced with the dual threats of human induced climate change and the highest extinction rate in human history.

In order to act as responsible stewards of creation, the 2007 Synod recognised strategies were needed in order to:

1. Use the resources of the earth responsibly
2. Conserve and promote biodiversity

This Code of Practice aims to formulate and implement mechanisms by which the Church may responsibly respond to these challenges both as a faith community and as a corporate citizen. It has been developed in accordance with the Diocesan Care for the Environment Ordinance Section 18.

Strategies

A. Responsible use of the earth's resources

The 2007 synod recognised *'the need for the Church to establish mechanisms by which it may conscientiously respond to this threat to the integrity of creation on this planet by changing its behaviour so that it does not contribute to a human-induced increase in global average surface temperature of more than 2°C above pre-industrial levels.'* (Synod motion 1053/7 *Shrinking our environmental footprint*)

In order to achieve this goal, this Code requires actions by the Diocese, ministry units and diocesan agencies in the three following areas:

1. Vehicles
2. Buildings
3. Water Use

B. Conserve and promote biodiversity

The 2007 Synod agreed (Motion NM/3 *Care of species and ecosystems on church land*) that inadequate management leading to the loss of listed species located on church grounds is inconsistent with our responsibility to care for creation and to preserve God's creation for the enrichment of future generations. Mismanagement also has significant legal, spiritual and social consequences; particularly as Commonwealth and State legislation protecting endangered species have strengthened in recent years.

This Code requires actions by the Diocese, ministry units and diocesan agencies in order to protect

4. Biodiversity

Actions

1. Vehicles

The aim is to shift the Diocesan car fleet to more fuel efficient and greenhouse friendly vehicles. In doing so it seeks to achieve a balance between the economic, environmental and social aspects of vehicle purchasing decisions and use.

When **purchasing** a vehicle, the Diocese, ministry units and diocesan agencies must abide by the following process:

1. Unless specific approval is obtained from the relevant agency or ministry unit governing body to purchase an alternative, purchasers must select a vehicle that achieves a Greenhouse Rating of 7 or above from the *Green Vehicle Guide*.²
2. If approval is obtained to purchase an alternative vehicle, a short statement setting out the purchaser's rationale should be provided to the Diocesan Registrar (to allow the Commission to identify systemic problems in the Code).
3. Consideration should be given to diesel and LPG models where available.

When **using** a vehicle, users are encouraged to:

1. Drive in a manner that will minimise fuel consumption by, for example, driving smoothly and at moderate speeds.
2. Minimise vehicle use by choosing alternatives to private car travel for short trips and car-pooling or teleconferencing wherever possible.

To assist purchasers, the Registry will compile a list of compliant vehicles from which the Diocese is encouraged to purchase. The list would be compiled using the most current information available from authoritative sources relating to vehicle emission levels, fuel consumption etc and recommendations provided as to the best performers in relation to these criteria.

The Registry will also provide purchasers with access to the very best pricing for a range of highly fuel and greenhouse efficient vehicles, trade-in valuations, dealer discounts, specials on run-out models, and possible finance packaging. Information regarding the preferred time to sell will also be provided where possible.

Rating levels will be reviewed regularly to ensure that the benchmark is set at an appropriate level and that the code is achieving its desired outcome. Information will be gathered regarding vehicle purchases to assess the policy's effect on shrinking our environmental footprint.

Further practical and technical background information to assist vehicle purchasers and users is contained in the attached document and available from the Registry.

3. Buildings

The intention is to improve the environmental quality of buildings within the Diocese. In doing so it seeks to achieve a balance between the economic, environmental and social aspects of building construction and use.

When **constructing a new building or carrying out a major renovation**, ministry units and diocesan agencies must abide by the following process:

1. Before any new building or major retrofit project can be considered by the Diocese, there is a requirement that the Anglican Church Property Trust Property Development Procedure be adopted and appropriate approved guidelines adhered to (*Policy PRO11, Dec 2009*).

² See www.greenvehicleguide.gov.au

2. When briefing an architect, proponent or builder on a new or major rebuilding project, they are to be provided with the document at Appendix 1. It is to be made clear that all new commercial buildings, including multiunit residential buildings, healthcare and educational facilities are expected to reach a 6 star greenstar building rating (this rating is now under review) (<http://www.gbca.org.au/green-star/rating-tools/green-star-rating-tools/953.htm>). Domestic buildings are to reach a 5 star (or one above legal requirement, whichever is higher) Basic standard. The architect's and builder's briefs are to be written accordingly.
3. The brief will inform architects that the Green Building Council of Australia (GBCA) ratings will be used when selecting the preferred design, and instructs designers to use the GBCA ratings tools to present a case to support the measures proposed. They are also to provide a statement of the additional costs (if any) contributed to the design by reaching this standard and the long term financial benefits to be expected from the proposed measures.
4. The approach is designed to ensure that environmental attributes are considered in an evaluation process that is fully informed of the relevant facts, where assessment is based on accepted national standards, and where 'other criteria being equal' selection will be based on the design that results in the least harmful effect on the physical and social environment.

Ministry units and diocesan agencies will develop their proposals according to this process unless given a specific exemption after an examination of practicality, costs and benefits by Bishop-in-Council. If approval is obtained not to meet the standards, a short statement setting out the ministry unit's or diocesan agency's rationale should be provided to the Diocesan Registrar (to allow the Commission to identify systemic problems in the Code).

When **performing minor modifications** ministry units and diocesan agencies are to seek to improve the energy efficiency of existing buildings (see '*A Green Guide for People in Parishes*', (found under 'Resources' on the Commission website), and the Diocese of Bathurst document '*A carbon neutral diocese*').

Ministry units and diocesan agencies are encouraged to have an **energy audit** done of the buildings under their care to identify significant energy loss areas to assist with the development of a plan to improve building energy efficiency. Such an audit can be arranged through your electricity supplier who will also provide suggestions as to ways to improve energy efficiency (and reduce costs). Alternatively, a less detailed audit can be made using the checklist in *A Green Guide for People in Parishes*.

The option of offsetting carbon emissions related to energy consumption is now available from most energy providers as well, allowing ministry units and diocesan agencies to both offset carbon emissions and also promote green power infrastructure in the energy industry (contact the Diocesan Registry, also see Diocese of Bathurst document '*A carbon neutral diocese*').

Further background information to assist with building construction or modifications is contained in the attached document and is available from the Registry.

4. Water Use

The aim is to shift the Diocesan use of water on to a more sustainable basis as our decisions regarding sustainable water use are, ultimately, a moral choice. In doing so it seeks to achieve a balance between the economic, environmental and social aspects of water systems purchasing decisions as well as water use.

When **building** new or redeveloping old facilities, ministry units and diocesan agencies should abide by the following process:

1. Unless given a specific exemption by Bishop-in-Council after an examination of practicality, costs and benefits, ministry units and diocesan agencies will develop their proposals according to the Diocesan Building Code given above.
2. All buildings and refits must reach the standards provided in the Diocesan Building Code.
3. If approval is obtained to not meet the standards, a short statement setting out the ministry unit's and diocesan agency's rationale should be provided to the Diocesan Registrar (to allow the Commission to identify systemic problems in the Code).

For **diocesan buildings**

Registry to assemble factual information on the status of water use across diocesan facilities by

- documenting water sources for all facilities, provide a condition assessment, and identify storage capacity and consumption volume
- documenting all wastewater disposal and septic treatment facilities
- compiling a needs assessment statement and priority list.

Ensure the minimum volumes of the lowest grade water fit for purpose are used.

Water **users** are required to:

1. Ensure water is not wasted by auditing water use and carrying out the necessary repairs as described in the *Green Guide for People in Parishes* (see Commission website).
2. Upgrading facilities or changing sources where necessary to ensure the minimum volumes of the lowest grade water fit for purpose are used (e.g. adding rainwater tanks or changing to dual flush cisterns).

4. Biodiversity

Churches have played a crucial role in the survival of endangered species. In many cases this role is fortuitous, but is consistent with our long tradition of providing sanctuary to the persecuted.

Discovering and promoting native species on church property can be a profound spiritual experience and a way to establish stronger connections both with creation and the wider community.

Listed Species and Ecosystems

If land is identified by government agencies as having significant environmental importance or where land managers (diocesan, ministry units and diocesan agencies) become aware of listed species or ecosystems on their land, land managers will:

- (i) Inform the Environment Commission in writing; and
- (ii) Consult with the Environment Commission and relevant government agencies before selling, developing, and/or changing use of land providing habitat to listed species/ecosystems.³

The Environment Commission/Registry will:

- (i) Add relevant ecological information about resident listed species/ecosystems to the database of diocesan land.
- (ii) Assist ministry units and diocesan agencies and other diocesan land managers to appropriately promote and manage endangered species/ecosystems on their land and abide by governmental regulations.⁴

Encouraging Biodiversity

To improve the biodiversity value of church land across the Diocese, ministry units and diocesan agencies are encouraged to:

- (i) seek assistance from the Environment Commission in developing plans for the management and celebration of these special but often overlooked parts of God's creation.
- (ii) Explore ways of connecting with the wider community through the protection and care of native species.
- (iii) Contact local community and governmental organisations for further information about the identification, promotion and management of local endangered species.
- (iv) make an environmental inventory of listed plants, animals and ecosystems present on land in their care.

³ Note: Simply changing the use of land, or land around an area with a listed species can have significant legal consequences [such as civil and criminal penalties].

⁴ Recognising that many ministry units and diocesan agencies will require assistance and there is considerable assistance available from governments and community groups.

- (v) ensure that the environmental impact of ministry units and diocesan agencies activities receives careful consideration along with their social and financial implications (triple bottom line reporting).
- (vi) explore ways to link with local biodiversity in the way church gardens are developed and managed (see the *Green Guide for People in Parishes* for suggestions).

General Considerations

Parishioners are encouraged to apply the equivalent standards in their domestic, farming and business facilities.

The policy will be reviewed as often as is necessary and at no longer than two year intervals to ensure that the benchmarks set are at an appropriate level and that the policy is achieving its desired outcome. The information gathered will be used to assess the policy's effect on shrinking our environmental footprint and preserving biodiversity.

Appendix 1

BRIEFING OF AN ARCHITECT OR PROPONENT ON GREEN REQUIREMENTS

In addition to normal briefing documents the following documents should be included:

1. 'New Facilities for the Anglican Church – Report to the Anglican Church's Environment Commission, Canberra – December 2004.' (see Commission website).
2. A requirement to base the design of new facilities on the principles and details of the Green Building Council of Australia, Green Star Rating system and to utilise data from the website: www.gbcaus.org to achieve a minimum of a 6 Star Rating (this rating is now under review).
3. Current Green Star Rating Tools are:
 - Green Star – Office Design
 - Green Star – Office As Built
 - Green Star – Office Interiors
 - Green Star – Office Owners
 - Green Star - Education
 - Green Star - Healthcare
 - Green Star - Shopping Centre Design
 - Green Star - Multi Unit Residential
 - Green Star - Mixed Use
4. For domestic buildings the 5 star basic rating standard should be met.
5. For major renovations the above standards are to be met as far as is possible and the shortcoming listed and explained.

If the Proponent/Architect is of the opinion that The Diocese will benefit from variations to the minimum specifications stated, the Proponent must detail the alternative.

The Diocese expects the "alternative" specifications nominated to reflect cost effective innovation and the overall design objectives of the project.

There is an opportunity for the Proponent to provide an innovative response to the standard practice or specification indicated. Where the Proponent takes this initiative the response should indicate what the innovation is and how it is of benefit.

The following footnotes provide additional explanation to the specification where standard practice could be considered environmentally questionable.

1. Life Cycle Impact. The Diocese expectation regarding life cycle impact is that the materials and components used within the building will last at least twenty five years with minimal or standard cleaning and maintenance. At the same time, materials with cost effective, low environmental impact should be considered and included. The Diocese will give preference to cost effective innovations in low embodied energy and low environmental impact materials and their benefits over the life of the building. Cost effective innovations that require replacement over the life of the lease may be included if the overall environmental benefits can be shown.

2. Material Selection. Many standard, modern, commercial, building materials have low or minimal recycled content and are difficult to reuse and recycle. While expecting a commercial level of finish for the project, the Diocese will give preference to cost effective innovations in the use of materials that have high recycled content and/or are easy to recycle, or the material is part of a product stewardship programme so that it is taken back by the original supplier at the end of its life. Innovation can include recycling of materials that have previously been difficult to reuse/recycle as long as this ability can be evidenced.

3. Indoor Environment Quality. Many standard, modern, building materials use chemicals as part of their manufacture, content or installation. The Diocese will give preference to cost effective innovations in use of materials and solutions that have low toxicity content particularly formaldehyde and volatile organic compounds. Preference will also be given to solutions for installation that do not rely on adhesives or use adhesives that are low in volatile organic compounds and formaldehyde content. Preference will also be given to installation methods that are re-usable.

4. Water. The Diocese requires its projects to be water efficient – see the provisions of the Diocesan Water policy. Cost effective innovative solutions that assist in the saving, storage and re-use of all water will be given preference.

5. Energy. Ventilation and Internal Conditions. The climate is a large factor in dealing with heating and cooling and appropriate ventilation of the project. The Diocese will give preference to cost effective innovations in ventilation that increase the amount of natural ventilation and reduce the water and energy required to provide this ventilation. The Diocese will give preference to proposals that use cost effective innovations in the façade, glazing and sun shading where they allow the building to use less energy, water or resources and provide for a better quality of internal environment.

6. Cleaning and Maintenance. The Diocese will give preference to cost effective innovations in use of materials. Preference will also be given to cost effective innovations requiring minimal or no chemicals and where chemicals are required for cleaning, they can be disposed of safely and easily without damaging building systems or waterways.

Further details and explanatory material is contained in the full version of the Code which can be downloaded from the Diocesan website under registry/property/sustainable church For more information or clarification please contact Peter Masters in the Diocesan Office.

PARISH ARCHIVES

Parish Registers:

It is the policy of the Diocese that parishes forward completed BAPTISM, MARRIAGE, BURIAL and SERVICE REGISTERS and PARISH MINUTE BOOKS, to the Diocesan Registry office for placement with the Diocesan Collection held in the National Library of Australia (NLA).

Minutes must be contained in a formal minute book and not in loose leaf folders.
Please **do not** forward parish correspondence, financial records, day books or old vestments.

There are over 2000 items held in the Diocesan Collection at the NLA in optimum conditions for archival preservation. The earliest registers date from 1838.

Access to the collection is determined by the Registrar of the Diocese (not by the NLA).
The Diocese holds the copyright of all microfilmed registers. Microfilmed registers are on open access up to 1920.

For privacy reasons, records after 1920 are closed and are not available for public access. Requests for information from Registers after 1920 should be made in writing to the Diocesan Registrar (see details below).

Parish records are always accessible to the Rector of the parish. A letter of access must be obtained from the Registrar.

Parish and Family History Enquiries

The Diocese provides a research service for those seeking parish archival information and family history information (i.e. baptisms, confirmations, marriages and burials).

Information is also provided from the Diocesan records for former residents of the Diocesan Children's Homes i.e. St Saviour's in Goulburn, 'Bungarimbil' in Tumbarumba & 'Birralelee' in Wagga Wagga.

No charge is made for information from Diocesan Children's Home records.

The volunteer research work is carried out by a member of the Anglican Historical Society.
A search fee of \$20 is charged for each five year period searched for individual requests.
Search fees are paid into the Anglican Historical Society account.

Enquiries should be made in writing and addressed to the Registrar, Diocese of Canberra and Goulburn, GPO Box 1981, Canberra, ACT 2601 or Telephone: 02 6245 7101

Guidelines for the Remuneration of Clergy and Stipendiary Lay Ministers

1. Introduction

These guidelines apply to Clergy and Stipendiary Lay Ministers in the Anglican Diocese of Canberra and Goulburn. The guidelines have been updated to incorporate the principles contained in the guidelines produced by the National Anglican Resources Unit in 2003 and have been endorsed by Bishop-in-Council in December 2007.

2. Terminology

2.1 For the purposes of these guidelines:

Minister means –

- (a) a priest licensed by the bishop of the diocese as the minister-in-charge (by whatever name called) of a parish who performs pastoral or other duties or activities that directly relate to the practice, study, teaching or propagation of religious beliefs, and
- (b) a deacon or priest licensed by the bishop of the diocese as an assistant (by whatever name called) to the minister-in-charge of the parish to carry out pastoral or other duties or activities that directly relate to the practice, study, teaching or propagation of religious beliefs.

Lay Minister means -

a lay employee who is licensed or authorised by the bishop of the diocese to carry out in a parish pastoral or other duties or activities that directly relate to the practice, study, teaching or propagation of religious beliefs.

Pastoral or related duties means, in general, duties associated with the spiritual care of the members of the congregation of a religious body and includes -

- (a) communicating of religious beliefs;
- (b) teaching and counselling adherents and members of the surrounding community;
- (c) providing adherents and members of the surrounding community with spiritual guidance and support;
- (d) attendance at an in-service training seminar by a person or persons conducting the seminar, provided the seminar is of a spiritual nature; and
- (e) meeting with and visiting adherents, the sick, the poor, or persons otherwise in need of emotional and spiritual support.

Religious practitioner means a minister or a lay minister.

2.2 The definitions in clause 2.1 reflect that these guidelines apply to the remuneration of parish clergy and lay ministers only. Nothing in these guidelines is intended to limit the meaning of terms used in tax legislation, particularly in other contexts. The Diocese also regards its bishop, assistant bishops and chaplains (among others) as being 'religious practitioners' for the purposes of the tax legislation.

2.3 In these guidelines -

ABN means Australian Business Number

ATO means the Australian Tax Office

FBT means Fringe Benefits Tax

GST means Goods and Services Tax

PAYG means Pay As You Go Tax

3. Taxation treatment of Religious Practitioners – Overview

New legislation dealing with the taxation treatment of religious practitioners was introduced in August 2001. These amendments ensure that religious practitioners who are not employees at common law will be treated in the same way as employees for income tax purposes. Remuneration received by a religious practitioner from a religious institution will be treated as follows:

- 3.1** Payments to a religious practitioner for activities done in the pursuit of a vocation as a religious practitioner and as a member of a religious institution will be subject to PAYG withholding.
- 3.2** A religious institution making a payment to a religious practitioner for the performance of such activities is required to make PAYG withholding deductions and will be required to issue a PAYG payment summary to the religious practitioner at the end of the tax year. This will only apply if the paying entity makes the payment in the course or furtherance of an enterprise. See section 10 for special PAYG withholding rules that apply to certain payments.
- 3.3** Under the new ABN and GST laws all activities performed by a religious practitioner as a member of a religious institution will be taken to be the activities of the religious institution. As a result the religious practitioner will not be eligible to register for GST or an ABN for these activities. Religious practitioners may be entitled to an ABN for other activities if they satisfy the criteria for recognition as an enterprise.
- 3.4** Fringe benefits provided by the relevant religious institution to its minister or employed lay minister predominantly in respect of pastoral or related duties are exempt from FBT.

4. Elements of remuneration

- 4.1** The remuneration paid or provided to a religious practitioner for their pastoral or related duties usually consists of one or more of the following elements –
 - (a) the payment of a stipend or salary,
 - (b) the use of a fully maintained motor vehicle, or the provision of a travelling allowance in lieu,
 - (c) the provision of housing, or the provision of a housing benefits in lieu,
 - (d) the payment of utilities such as telephone, electricity and gas,
 - (e) other benefits such as the making of contributions to a superannuation fund, and the provision of annual leave, long service leave and parental leave.
- 4.2** The remainder of these guidelines deal with the elements of the remuneration package and other job related payments of a religious practitioner referred to in paragraph 4.1.

5. Stipend or salary

Payment of a stipend or salary

- 5.1** A minister should be paid the cash stipend as per Diocesan Guidelines and outlined in the Administrative Matters document.
- 5.2** Licensed Stipendiary Lay ministers should be paid the minimum cash stipend as determined by Diocesan Guidelines and outlined in the Administrative Matters document.

Tax treatment of stipend or salary

- 5.3** Stipend or salary paid to a religious practitioner is assessable income and PAYG deductions are to be deducted and remitted to the ATO in accordance with the requirements of the tax legislation.

What are stipend or salary sacrifice arrangements?

- 5.4** A stipend or salary sacrifice arrangement is one where a religious practitioner and their parish/diocese agree that the religious practitioner will forego the payment of a portion of their cash stipend. In return, the parish or diocesan payroll will make payments to third parties on behalf of the religious practitioner or will provide other non-cash benefits. If it is agreed that the value of the payments made, or the value of the benefits provided, equals the amount of the cash stipend foregone (or “sacrificed”), the salary sacrifice arrangements do not add to the overall cost to the parish of remunerating the religious practitioner.
- 5.5** Stipend sacrifice arrangements benefit the religious practitioner because they have the effect of increasing his/her “take home pay”. This occurs because of the different tax rules which apply to the payment of a stipend and the provision of non-cash benefits. Payments of stipend are liable to tax, and the party paying the stipend must deduct and remit tax to the Tax Office at the appropriate marginal rate of tax. However, under current tax legislation, the value of non-cash benefits provided to a religious practitioner is exempt from tax. Therefore, if non cash benefits are provided in lieu of stipend, the religious practitioner receives an increase in their “take home pay” of an amount equal to the additional tax which would have been paid had part of the stipend not been foregone or sacrificed. (It is important to note that while non-cash benefits made to religious practitioners are exempt from tax and payment summary reporting, social security legislation takes the value of many exempt benefits into account when assessing eligibility for various social security payments.)

Limits on stipend or salary sacrifice arrangements

- 5.6** Currently, the tax legislation does not limit the amount of the stipend which can be sacrificed under stipend sacrifice arrangements. It is important however that the Church observes reasonable limits on the use of those arrangements. **Bishop-in-Council has determined that a religious practitioner may sacrifice up to 30% of their cash stipend or salary in addition to exempt benefits such as housing, provision of a motor vehicle or personal superannuation contributions.**
- 5.7** Currently, the tax legislation does not limit the types of expenses which can be paid to third parties on behalf of religious practitioners. It is important however, that the Church observes reasonable limits on the level of benefits available to Clergy as provided in the 30% limit set by the Diocese. The following types of benefits are commonly paid to third parties under salary sacrifice arrangements:-
- holiday home payments
 - non work based travel and entertainment costs
 - personal insurance premiums
 - private health fund contributions
 - retirement home payments
 - loan repayments
 - credit card payments
 - school fees and child care costs for dependent children
 - travelling and accommodation benefits to the extent they are not provided in lieu of an allowance (see section 6)

Guidelines for implementing stipend or salary sacrifice arrangements

- 5.8** The Bishop-in-Council has determined that the following guidelines should be followed when implementing stipend or salary sacrifice arrangements in the Diocese. Religious Practitioners are also encouraged to seek financial advice before entering into stipend sacrifice arrangements.
- (a) The religious practitioner and the parish council must agree in advance about the amount of cash stipend to be sacrificed and the type of benefits that will be provided. These details must then be advised in writing to the Parish Treasurer. If the Religious Practitioner is paid via Central Payroll from the Registry Office; the Parish Treasurer must advise the Registrar in writing of the arrangements. Further guidance on administrative requirements for salary sacrifice arrangements can be sought from the Registrar or Finance Manager.

- (b) The amount sacrificed should be retained by the parish and be posted to a separate account in its books of account. For the purposes of these guidelines, that account is called a "stipend sacrifice account". A separate bank account for stipend sacrifice is not necessary however it may help to simplify the administration process.
- (c) The religious practitioner must not be able to operate the stipend sacrifice account by themselves.
- (d) The stipend sacrifice account should be used to provide exempt benefits to religious practitioners.
These payments should be made:
 - (1) directly to a third-party; or
 - (2) to the religious practitioner provided the payment is a reimbursement for expenditure on exempt benefits, which they have already incurred themselves.
- (e) If a religious practitioner is paid an amount in cash other than to reimburse for an expense that he or she has incurred, the payment will be treated as a payment of stipend or salary and PAYG deduction must be made.
- (f) Particularly for audit purposes, parish treasurers need to collect and retain adequate information about all expenses paid from a stipend sacrifice account. The payment of non-cash benefits must also be clearly recognisable in the parish books.
- (g) The salary/stipend sacrifice arrangement should be reviewed annually

5.8 A religious practitioner is not entitled to claim a personal tax deduction for an expense that is paid from a stipend sacrifice account

6. Motor vehicles and travelling

6.1 A religious practitioner should be provided with the use of a parish owned and maintained motor vehicle to perform their duties or be paid a travelling allowance in accordance with diocesan guidelines and outlined in the Administrative Matters document.

Use of a parish owned and maintained motor vehicle

6.2 The provision of the use of a parish owned and maintained motor vehicle is an exempt benefit and therefore is not subject to tax under current tax legislation.

6.3 If a parish owned motor vehicle is provided, it is common for a car replacement fund to be created in the parish's accounts to which periodic payments are made to build a balance to enable a new parish owned vehicle to be acquired in due course. Since the account is owned by the parish, payments into the account do not give rise to tax obligations. However, if a religious practitioner were to be paid in cash an amount from a car replacement account, the amount would generally be taxable income in their hands.

Motor vehicle owned by the religious practitioner

6.4 If a religious practitioner is not provided with a parish owned and maintained motor vehicle to perform their duties; they should be paid a travelling allowance or benefits in accordance with diocesan guidelines.

6.5 Payment of a cash travel allowance is taxable income in the hands of the religious practitioner and PAYG deductions from those payments are required to be made. However, the religious practitioner may be able to claim deductions for travelling expenses they incur, in accordance with the tax legislation.

6.6 Alternatively, the religious practitioner and the parish may agree that in lieu of a travel allowance, the parish will provide travel benefits of an amount up to the value of the travelling allowance that would otherwise have been paid. If travel benefits are provided in lieu of an allowance these are exempt benefits and not subject to tax under current tax legislation.

The following guidelines are suggested for the provision of travel benefits –

- (a) The parish should make direct payments to a third party or reimburse the religious practitioner for permitted expenses.
- (b) Any amounts paid in cash to the religious practitioner other than to reimburse for the expenses which they have actually incurred, are treated in the same way as stipend and subject to PAYG tax.
- (c) Payments made by the parish must be fully and properly documented.

6.7 A religious practitioner is not normally entitled to claim a personal tax deduction for an expense that is paid by a parish. However personal tax deductions may be claimed for depreciation in relation to assets used in the performance of ministry related duties.

6.8 Any travel benefits above the value of the travelling allowance which would otherwise have been paid would generally be regarded as being provided in lieu of stipend, and should be paid from a stipend sacrifice account (see 5.5 to 5.11).

7. Housing and accommodation

7.1 A religious practitioner should be provided with the use of a residence or be paid a housing allowance or benefits in lieu as determined under Diocesan guidelines.

7.2 In most cases the parish will pay for home utilities of the religious practitioner such as gas, electricity and telephone bills. Alternatively the parish may reimburse the religious practitioner for the cost of these utilities. The payment of such bills should be treated as exempt benefits and are therefore not subject to tax under current tax legislation.

Provision of a residence

7.3 The provision of a residence to a religious practitioner is an exempt benefit and not subject to tax under current tax legislation.

Housing allowances

7.4 Payment of a cash housing allowance is taxable income in the hands of the religious practitioner and PAYG deductions are required to be made from this payment. Generally, it would be unlikely that a religious practitioner could claim deductions for many of the expenses for which a housing allowance is used.

7.5 As an alternative to the payment of a housing allowance; a religious practitioner and the parish agree that the parish will provide accommodation benefits to the religious practitioner of an amount up to the value of the accommodation allowance that would otherwise have been paid. If accommodation benefits are provided in lieu of an allowance, these are exempt benefits and will not be subject to tax under current tax legislation. The following guidelines are suggested for the provision of accommodation benefits –

- (a) The parish should make direct payments to a third-party or reimburse the religious practitioner for permitted expenses
- (b) Any amounts paid in cash to the religious practitioner other than to reimburse for the expenses which they have actually incurred, are treated for tax purposes in the same way as stipend.
- (c) Payments made by the parish must be fully and properly documented.

7.6 Any housing benefits above the value of the accommodation allowance which would otherwise have been paid would generally be regarded as being provided in lieu of stipend and should be paid from a stipend sacrifice account (see 5.5 to 5.9).

8. Ministerial Expense Accounts

8.1 Ministerial expense accounts are accounts which are used by a minister to pay for ministry related expenses. As these expenses are necessary for the performance of ministry they should not be treated as remuneration of the religious practitioner and should therefore be separated from salary sacrifice payments. These expenses should not be charged to stipend or salary sacrifice accounts.

8.2 The following guidelines are suggested for the administration of ministerial expense accounts:

- (a) The religious practitioners and parish should agree in writing about the types of expenses to be paid from the ministerial expense account and the periodic limits (e.g. monthly limits) on such expenditure.
- (b) The ministerial expense account should only be used for ministry related expenses.
- (c) If a corporate credit card is used in conjunction with a ministerial expense account, the following guidelines are suggested –
 - (i) The card should be issued in the name of the Anglican Church, but also have the name of the religious practitioner assigned to the card embossed on it. The card would be for their exclusive use, with usage restricted to parish expenses.
 - (ii) The service provider would charge the total expenses on all cards for religious practitioners in a parish to a parish bank account.
 - (iii) Monthly statements would be issued direct to the parish, not the religious practitioner, as the expenditure is expenditure of the parish. Each religious practitioner holding a card should supply the purchase vouchers to the parish each month, with an explanation of the expenses incurred if insufficient information is recorded on the voucher.

9. Other benefits

9.1 Other benefits to which a religious practitioner will generally be entitled are as follows –

- (a) *Superannuation* - A minister (including stipendiary lay ministers) will be entitled to have contributions made to a superannuation fund in accordance with diocesan policy.
- (b) *Annual leave* - Each minister (including stipendiary lay ministers) is entitled to annual leave in accordance with the relevant rules applying in the diocese.
- (c) *Long Service Leave* – Ministers are entitled to long service leave in accordance with the terms of the General Synod Long Service Leave Canon.
- (d) *Parental leave* - A minister (including stipendiary lay ministers) will be entitled to parental leave in accordance with diocesan policy.
- (e) *Removal expenses* - The payment of removal expenses for a religious practitioner are paid as per the diocesan policy.

10. Special PAYG withholding rules

10.1 Payments for locums / relieving services

A *religious institution* is not required to withhold tax on payments made to a religious practitioner for locum or relieving services performed for a period of not greater than (2) days in a quarter. The payer will still be required to prepare an individual payment summary for the religious practitioner and include in its annual reporting.

Where a particular parish is concerned that they are unable to meet their obligation to provide payment summaries and report to the ATO they can make a written application requesting an exemption. The parish must clearly describe their circumstances and reasons why they are unable to meet their obligation under PAYG withholding legislation. Each request will be considered on its own merit.

10.2 Travel Allowances

A payer (e.g. parish) will not be required to withhold tax on the first 5,000 kilometres of travel allowance it pays annually to each payee (e.g. religious practitioner). The payments must be made on a per kilometre basis and the rate paid should be no more than the rates prescribed by the ATO. The payer will be required to include the allowances on the individual's payment summary and include in its annual reporting.

10.3 Other Allowances

A payer (e.g. parish) will not be required to withhold tax on other allowances paid, provided the payee is able to match with tax deductions that are at least equal to the value of the allowance. The payee must be able to substantiate the tax deductions claimed and the amount and nature of the allowance must be shown separately in the accounting records of the parish. The payer will be required to include the allowance on the individual's payment summary and include in its annual reporting.

10.4 Senior Australians Tax Offset

Religious Practitioners over the pension age (65 for men and 62 for women) may be eligible for the Senior Australians Tax Offset. Provided the tax offset is not claimed elsewhere, they would claim the tax offset from one payer when they fill in a new Withholding declaration and the parish or diocese should then use the special tax table for senior Australians.

An individual can only claim the tax offset through one payer (e.g. parish), however the individual (e.g. religious practitioner) can make an application to the ATO enabling them to claim the tax offset through a number of payers. If they choose to do this option, the individual (e.g. religious practitioner) must lodge an application for variation of amounts to be withheld under PAYG Withholding with the ATO. It is up to the religious practitioner to advise their payers to claim the approved variation.

ATTACHMENT K

Application for Study Leave

Name:
Ministry Unit/Parish:
Address:
Phone:
Email:

Proposed Area of Study:

Proposed Dates for Study Leave:

N.B. You are not expected to respond to all of the following questions.

Does this area of study enhance the vision/mission Statement and/or strategic plan of the Parish/Ministry Unit?

How?

Are there benefits to the Diocese in the study leave that is to be undertaken?

How?

Does this area of study enhance your own development as an ordained person?

How?

Does this area of study enhance your ability to minister within the context of emerging models of ministry?

How?

Will it enable you to '...equip the saints for the work of ministry, for building up the body of Christ' (Ephesians 4:12 NRSV)?

How?

Have you discussed the proposed area of study with the Wardens (or equivalent)?

Do they support this proposal?

How will ministry be sustained/undertaken during your absence from the parish/ministry unit?

As a result of your study leave how, if appropriate, would you share your new understanding/skills/etc. with the parish/ministry unit/fellow clergy/Diocese.

A brief report will be expected at the conclusion of the study leave. The report should include a reflection on how useful the study leave has been and whether you would encourage others to undertake the same line of study and why. About one A4 page would be adequate.

NB: You must apply at least one month before intended Study Leave.

ATTACHMENT L

ANGLICAN DIOCESE OF CANBERRA AND GOULBURN

APPLICATION FOR LEAVE FORM

Applying to Diocesan, Parish and/or Agency staff paid through the Diocesan Salaries System

Applicant Name: _____

Date Leave Required From : ____/____/____

Date Leave Required To : ____/____/____

Date of Return to Work : ____/____/____

Please indicate leave hours required if only partial day leave: _____

Type of Leave:	Recreation Leave	<input type="checkbox"/>	Long Service Leave	<input type="checkbox"/>
	Personal Leave	<input type="checkbox"/>	Compassionate Leave	<input type="checkbox"/>
	Without Pay	<input type="checkbox"/>	Study Leave	<input type="checkbox"/>
	Parental Leave	<input type="checkbox"/>	Other	<input type="checkbox"/>

Leave without pay does not count for service, i.e. recreation and personal leave does not accrue during periods of leave without pay.

Applicants applying for recreation or sick leave who do not have sufficient leave accrued will be granted leave without pay.

Special requirements or instructions/comments: _____

Applicant's Signature _____ **Date** ____/____/____

Authorised Signature _____ **Date** ____/____/____

(Note: This form must be signed by an authorised representative of the parish or entity before forwarding to the payroll section. Failure to complete this form in full will result in the application being suspended from processing.)

OFFICE USE ONLY

Name: _____

Balance of leave remaining: Recreation Leave: _____ Sick Leave _____

ATTACHMENT M

National Anglican Resources Unit

Centrelink Income Assessment of Clergy

Executive summary

This briefing paper has been developed to provide clarification about the way Centrelink assess income of clergy to determine eligibility for various income support payments and low income health cards.

The treatment of income differs significantly between the Australian Tax Office and Centrelink. Each system has a definition of reportable income to determine eligibility for various taxation and social security benefits. The Australian Taxation Office determines income according to A New Tax System Act 1999 and Centrelink determines income on the basis of the Social Security Act 1991.

The interpretation and application of these two acts as they apply to religious practitioners has caused much confusion for diocesan administrators and clergy. The main difference is around the valuation of exempt benefits, allowances or amounts provided under salary sacrifice arrangements. In determining the total reportable income for religious practitioners; the ATO only assess income that is included on the individual payment summary. Centrelink however, determine income on the basis of income disclosed on the payment summary plus any personal benefits received by the religious practitioner.

Centrelink use the following principles when assessing the remuneration of clergy;

- Allowances or benefits paid to clergy for activities directly related to ministry are disregarded as income. For example: home office expenses, parish resources and job related travel
- Allowances or benefits paid to clergy to meet expenses that are not directly related to ministry will be treated as income. For example: school fees or personal travel
- If an allowance or reimbursement contains both private and ministry components; clergy will need to determine what proportion is for private purposes. For example: housing allowance or provision of a motor vehicle will include ministry and private components

The contents of this paper provide guidance on how Centrelink will treat various elements of a typical remuneration package for Anglican clergy and how clergy can determine the ministry and private usage component of various benefits. Summary information is also contained in Appendix B1.

Background

The treatment of income differs significantly between the Australian Tax Office and Centrelink. Each system has a definition of reportable income to determine eligibility for various taxation and social security benefits.

Amendments to the Social Security Act 1991 and the introduction of the A New Tax System Act 1999 led to the consolidation of Family Payments into two types;

- Family Tax Benefits administered by the Australian Taxation Office under the A New Tax System Act 1999, and
- Parenting Payment, administered by the Department of Social Security under the Social Security Act 1991

The interpretation and application of these two Acts as they apply to religious practitioners has caused considerable confusion for some time. The confusion has mainly centred on the value of non-cash benefits provided to clergy in their ministry roles. These benefits are exempt from income tax and are not reported on payment summaries. The ATO under tax law do not include these benefits to calculate income.

Centrelink assess eligibility for various benefits according to Social Security legislation. This legislation includes non-cash benefits in the income definition and this also includes exempt benefits provided to clergy.

This briefing paper seeks to clarify the income assessment rules under the two systems and dispel the confusion that has existed for many years. Clergy are strongly recommended to disclose all income, allowances and exempt benefits to Centrelink. Failure to declare this information can result in severe penalties and/or repayment of benefits and allowances.

2. Clergy Remuneration

Parish Clergy and authorised stipendiary lay ministers receive a remuneration package which is made up of the following elements;

- Cash Stipend;
- Superannuation;
- Provision of Housing;
- Housing allowance if a rectory is not provided;
- Salary sacrifice into fringe benefits;
- Use of a fully maintained motor vehicle or the provision of a travel payment;
- Payment of utilities such as telephone, electricity and gas; and
- Other allowances.

Fringe benefits made to religious practitioners (by a religious institution) in the performance of predominantly pastoral related duties are exempt from fringe benefits tax and do not have to be reported on the individual's payment summary. These benefits are therefore not included in the definition of income for ATO income assessment purposes. Eligibility for Family Tax Benefits A & B is based on the Income Tax Act and as such; exempt benefits and benefits exempt from fringe benefits tax are excluded in the calculation.

Eligibility for other government payments and allowances is administered by Centrelink and subject to the Social Security Act. This has been the source of much confusion and frustration for clergy, diocesan administrators and Centrelink Officers. The major difference between the definitions of reportable income under the two acts is the inclusion of exempt benefits and fringe benefits exempt from fringe benefits tax for Centrelink assessments. The application of the Social Security Act to religious practitioners is explained below.

3. Centrelink Income Assessment

Under Section 1.1.M.150 of Centrelink's internal staff guide to Parenting Payment details: *'A Minister of religion under a contract for service is neither an employee nor self-employed, but is a 'holder of a religious office'. A number of allowances and reimbursements of ministry related expenses may be deducted from the minister's gross income, but fringe benefits which are for the minister's own private benefit are "valuable consideration" and MUST be included'.*

The Social Security Act defines income as "an income amount, earned, derived or received by the person for the persons own use or benefits."

Income may consist of;

- Valuable consideration;
- Personal earnings;
- Money; or
- Profits

Valuable consideration is defined as; *"Receipts not in money form but capable of being valued in money terms. This occurs when a person receives goods, services or some other benefit in exchange for some item, action or promise."*

4. How will Centrelink assess income of clergy?

Tracey Matthews and Damien Arnold met with Centrelink officials in late 2004 to obtain clarity on a number of income assessment issues in regard to Anglican clergy. The meeting was helpful and the parties involved reached a common understanding in regard to Centrelink income assessment of clergy and how income is defined. Information contained in this paper is based on the outcomes of this meeting and subsequent written confirmation recently received from Centrelink. The following is a summary of how clergy benefits and allowances are considered by Centrelink and details about the treatment of various benefits is covered in section 5.

- Allowances, benefits or reimbursements paid to clergy for activities directly related to ministry are disregarded as income. For example: home office expenses, parish resources and job related travel
- Allowances or benefits or reimbursements paid to clergy to meet expenses that are not directly related to ministry will be treated as income. For example: school fees, groceries or personal travel
- If an allowance, benefit or reimbursement contains both private and ministry components; clergy will need to determine what proportion is for private purposes. For example: housing allowance or provision of a motor vehicle will include ministry and private components

5. Treatment of various benefits

5.1 Housing

Centrelink deem provision of free accommodation in Church owned property to be exempt from income calculations. This means that the value of rectory accommodation or the provision of a rental property leased in the name of the relevant diocesan legal entity will be exempted from any income assessment. Centrelink take a different approach to the payment of housing allowances or payment of third party housing benefits. This would include; housing allowances, payment of mortgages or payment of rental properties leased in the name of the religious practitioner. In these circumstances Centrelink will include the value of any housing allowance or housing benefit as clergy income.

Example 1: A clergyperson receives a housing allowance of \$10,000 per annum as they live in their own home rather than the rectory. Centrelink will include the \$10,000 as income of the clergyperson.

Example 2: The parish does not have suitable rectory accommodation so it leases a rental property for the rector to live in. The lease is in the name of the Diocesan legal entity. Centrelink would not include the value of the weekly rent in the income assessment as it is deemed to be the provision of free accommodation.

5.2 Travel

Travel allowances and/or benefit payments will be considered income for Centrelink purposes. However, the business or ministry related usage component will be deductible from the income assessment.

Clergy will either be provided with a fully maintained motor vehicle to perform duties or be paid a travelling allowance. It is particularly important to make a distinction between ministry and private usage and ministry travel should be treated as a parish expense.

a) Clergy use their own car and receive a travel allowance

Payment of a cash travel allowance should be reported on the individual payment summary and will be considered income for tax and Centrelink purposes. However, the work related or ministry usage component will be deducted from the income calculation. It is therefore essential that an appropriate valuation method is undertaken to ascertain the private and ministry usage. All travel should be recorded in a log book over a thirteen week period to determine the proportion of ministry and private travel. These figures should be reviewed on an annual basis.

Example 1: Rectors operate their own vehicle and receive a set cash travel allowance of \$5,000 per annum (This is not reimbursement of travel expenses or a payment to a 3rd party). They keep a log book for thirteen weeks to record all travel. During this time they travel 5,000 kms of which 4,000 kms is ministry related. Their ministry related usage is therefore 80% and they can claim a deduction of \$4,000 for both income tax and Centrelink income assessment.

Example 2: A rector receives reimbursement or direct 3rd party payment of travel expenses including insurance (\$600) and registration (\$400). A log book has determined that 90% of travel is ministry related. In this case 10% of \$1,000 = \$100 will be included as income for centrelink assessment purposes.

b) Clergy are provided with a fully maintained vehicle owned by the parish or diocese

When clergy are provided with a fully maintained motor vehicle they should disclose the value of any private usage component of the motor vehicle to Centrelink. In order to determine the private usage

component it is necessary to calculate the taxable value of the vehicle under the operating cost method. This is calculated by determining the annual operating costs of the vehicle such as; fuel, insurance, registration, maintenance, deemed interest and depreciation. This is then multiplied by the private usage proportion to determine the value of the personal benefit. In order to determine the private usage proportion; a log book should be kept for a thirteen week period to determine the percentage of ministry and private usage.

If the Diocese provides a car fleet scheme, it is recommended that they provide recommended assumptions of costs to the participants.

Example: A rector is provided with a fully maintained motor vehicle. The depreciated value of the vehicle is \$25,000 and the operating costs are as follows;

Annual operating costs of fuel, insurance, registration and repairs = \$3,500

Depreciation = \$25,000 x 22.5% = \$5,625

Deemed Interest at ATO statutory rate = \$25,000 x 7.05% = \$1,762.50

Private Usage as determined by logbook = 20%

Car benefit value = (\$3,500+\$5,625+\$1,762.50) x 20% = \$2,177 per annum

5.3 Utilities and Telephone

These benefits are treated according to the accommodation which is provided. If utilities are paid for a Church owned property; the amount will not be treated as income. If utilities are paid for a private residence, the payment will be treated as income; however any ministry related component will be deducted from the income amount.

5.4 Groceries

Payments by way of fringe benefits for groceries that are private use of the rector and his/her family will be treated as income by Centrelink.

5.5 Private Health Insurance and other personal insurances

Payments by way of fringe benefits for personal insurances will be treated as income by Centrelink.

5.6 Children's School Fees

Payment of children's school fees will be treated as income by Centrelink.

5.7 Holiday Home Payments

Holiday home payments will be treated as income by Centrelink.

5.8 Personal Loan Repayments

Personal loan payments will be treated as income by Centrelink.

5.9 Superannuation

Superannuation which is either diocesan or personal contribution will not be treated as income by Centrelink.

6. What are ministry related expenses?

Ministry Related Expenses (MRE's) are parish expenses that clergy are able to deduct from their income which is to be reported to Centrelink. The definition of Ministry Related expenses is not determined by Centrelink and therefore this must be considered by each Diocese and each individual cleric. ATO guidelines for work related expenses can be used to provide guidance in this area.

The following information is an attempt to provide guidance on what should be considered ministry related expenses. The information contained in this paper is based on the ATO view of work related expenses.

6.1 Work Related Expenses (Australian Taxation Office)

The Australian Taxation Office has defined a work related expense as, "payments incurred in the course of earning assessable income and must not be private, domestic or capital in nature". For example, the costs of normal travel to and from work or buying lunch each day is private. If you incur an expense that is both work related and private or domestic, you can only claim a deduction for the work related portion of the expense.

Basic rules to consider before claiming a payment as work related include:

- The payment must 'match' the year of income. For example, if claiming a deduction for the income year 2004-2005 you must have incurred the expense in the same year.
- You cannot claim an expense which has been or will be reimbursed to you by your employer or any other person.
- If you incur an expense for services paid in advance, some or all of the expense may be allowable this year.
- You must be able to substantiate your claims with written evidence for the total expenses claimed.

6.2 Ministry Related Expenditure

The following items are considered to be Ministry Related Expenses.

Motor Vehicle Expenses (related to the role and responsibility in the Parish)

- Insurance;
- Parking fees (not parking fines);
- Petrol/gas and oil;
- NRMA service Fee - if not provided with a vehicle;
- Registration and insurance;
- Repairs and maintenance;
- Tyres;
- City link fees; and
- Job-related hire of motor vehicle.

Continuing Education

Professional development (related to resources, training, conferences and seminars that are required to develop the role within the Parish)

- Subscriptions (religious or other job-related newspapers and periodicals);
- Secular, spiritual papers and journals required to assist clergy in their vocation and/or professional development; and
- Audio, visual or audio-visual material for bible studies, addresses for research or study, or for use in worship.
- Conference fees; conference papers, cassettes etc.; and
- Accommodation and meals whilst attending conference.
- Memberships of Professional Bodies;
- Membership of societies and associations intended to equip for support, or eligible ministry.

Resources

Books, journals and magazines for Parish related business and will remain the property of the Parish.

Home Expenses/Utilities

Vicarage expenditure including:

- Light, heating, telephone etc. where not reimbursed or paid for;
- Cleaning and maintenance;
- Garden expenses, gardener, lawn mowing etc;
- Hardware expenses;
- Council fees;
- Utility fees – gas, water and electricity; and
- Internet connection/usage fees where used for Diocesan purposes.

** Please note that expenses incurred in maintaining a vicarage or Church Owned property are to be reported as Ministry Related Expenses. Expenditure associated with maintaining a private residence will be considered private expenditure.*

Stationery

Allowable expenditure for purposes of stationery is outlined as follows:

- Stationery in general;
- Printing costs for letter heads, business cards, posters etc.;
- Paints;
- Pens;
- Postage costs for job related items posted or dispatched

Ministry Related Travel

Travel associated expenditure

- Accommodation;
- Meals;
- Public transport fares; and
- Taxi Fares

Hospitality for Parish Related Business

- Catering;
- Restaurant meals; and
- Other Hospitality items as agreed by the Parish.

6.3 Private expenditure

Private expenditure is considered income; as this expenditure is not incurred in the course of earning assessable income. It can be private, domestic or capital in nature.

Private expenditure includes:

Housing

- Home loan repayments for owner occupier and/or investment property house. (caution required where repayment is made to a loan that has a redraw facility as it may not qualify as a fringe benefit);
- Retirement or investment housing;
- Light, heating, telephone, cleaning, maintenance etc. relating to a private residence;
- Garden expenses such as gardener, lawn mowing and tree lopping relating to a private residence;
- Home maintenance items relating to a private residence;

Travelling Expenses (Personal)

- Motor vehicle(s);
- Car washes, insurance, car loan repayments, license fee (car and driver), parking fees, petrol/gas and oil, R.A.C.V. service fee, registration, repairs and maintenance etc.;
- Public transport fares;
- Interstate and overseas fares; and
- Hire of motor vehicle(s).

Children's Education

- Pre-school, primary, secondary, tertiary and adult learning school fees; and
- Uniforms, books etc.

Clothing

- All clothing for the family;

Holidays

- Expenses and contribution towards provision and maintenance of holiday housing; and
- Holiday expenses would include accommodation at motels including the provision of meals taken at the motel.

Hospitality (Personal) & Entertainment

- Hospitality includes restaurant dinners with family and friends, cinema, theatre.

Insurance Premiums

- Stipend Continuance;
- Private Health Insurance;
- Term Life Insurance;
- House Contents; and
- Motor Vehicle.

Professional Bodies

- Membership of societies and associations intended to equip for, support, or enable ministry not paid by the parish.

APPENDIX 1 – INCOME ASSESSMENT FOR VARIOUS GOVERNMENT BENEFITS

PAYMENT TYPE	INCOME ASSESSED	ADDITIONAL NOTES
FAMILY TAX BENEFIT (including Family Tax Benefit Part A & B and Child Care Benefit) (Maternity allowance, Maternity Immunisation allowance also)	Taxable Income only. All payments are made based on an estimate of income for the current financial year. At the end of the year to FAO (Family Assistance Office) compares its customers estimates with actual taxable income for the year. It's generally best to be high on estimate as any further entitlement can be claimed through the tax system.	Based on income tax for the tax system only. Family Tax Benefit Part B is a payment made to the secondary earner in the family if their income is below a certain figure. This figure varies depending on age of child, amount of income etc but generally, if the secondary earner has estimated income less than about \$10,000 there may be some entitlement.
PENSIONS (including Age Pension, Disability Support Pension, Widows Allowance, Bereavement Pension, Wife Pension and Carer Payment)	All sources if income and/or in kind payments or donations are considered. i.e. Taxable Income plus other benefits received at 'valuable consideration'	Valuable consideration is derived as receipts not in money form but capable of being valued in money terms. i.e. a person receives goods, services or some other benefit in exchange for some item, action or promise. Ministers of religion can have reimbursements for out of pocket expenses such as books, telephone calls and petrol disregarded in calculating their income. (this is not an obtrusive list and is a guide to the type of expenses allowed)
ALLOWANCES (Including NewStart Allowance, Mature Age Allowance, Mature Partner Allowance, Parenting Payment but not Youth Allowance, see below.)	As for Pensions. The Income test for Allowances are applied differently in that for couples each individual's income are identified and applied separately but can if high enough effect each partners payments.	As above.
YOUTH ALLOWANCE	There are several different income and assets tests that can be applied to youth allowance. If the youth allowance claimant is considered to be dependent on their parents there are three parts to a parental means test that will be applied. 1/ Parental Income test – based on taxable income of the parents. 2/ Assets test – again of the parents 3/ Parental Actual Means tests – Looks at the actual spending of a household and relates this to a level of income. On top of this the "youths' own income can affect their own payments and if they earn enough they can be found to be independent and not subject to the above parental test.	As can be seen from the previous column Youth Allowance can be a complicated area. There are many issues that can relate to ministers in particular. Too many in fact to relate here.

APPENDIX 2 – CENTRELINK INCOME ASSESSMENT FOR VARIOUS CLERGY BENEFITS / ALLOWANCES

BENEFIT / ALLOWANCE	ASSESSABLE	EXPLANATION
Rectory provided	No	Centrelink consider free housing exempt
Rental house leased in parish name	No	Centrelink consider free housing exempt
Cash housing allowance to cover mortgage or rental property in clergy name	Yes	Payment should appear on payment summary and is assessable for income tax and Centrelink purposes. Portion of floor space used for ministry may be deductible
Third party payment of mortgage	Yes	Payment considered to contribute to asset accumulation of clergy. Portion of floor space used for ministry may be deductible
Third party payment of rent when lease is in clergy name	Yes	Rental payment deductible only if the lease is in the parish name. Portion of floor space used for ministry may be deductible.
Travel Allowance (cash)	Yes	Payment should appear on payment summary and is assessable for income tax and Centrelink purposes. Portion used for ministry use is deductible
Payment of running costs for clergy owned vehicle e.g. fuel, insurance, registration	Yes	Personal component is assessable and work related component is deductible. For example: Clergy determines ministry use is 90% of total usage. If total running costs are \$2,000 then \$1,800 is deductible and \$200 will be assessable
Provision of a fully maintained motor vehicle owned by parish or diocese	Yes	Log Book must be kept to determine personal usage component. The operation cost method could be used to determine annual operating costs. Personal usage amount would then be calculated and treated as assessable
Motor Vehicle Replacement Fund	No	This is not assessable provided clergy do not receive any cash payments from the fund
Utilities	Yes	Personal usage component is assessable
Telephone	Yes	Personal usage component is assessable
Groceries	Yes	100% assessable
Private Health Insurance	Yes	100% assessable
Other personal insurances	Yes	100% assessable
Children's School Fees	Yes	100% assessable
Holiday Payments	Yes	100% assessable
Personal Loan Repayments	Yes	100% assessable
Superannuation	No	Not treated as income