

**JOINT FUNDING AGREEMENT**

between

**THE DEPARTMENT FOR CULTURE, MEDIA AND  
SPORT,**

**THE CHURCH COMMISSIONERS**

and

**THE CHURCHES CONSERVATION TRUST**

**2005-2008**

**1. Introduction**

1.1 This agreement is between the Department for

Culture, Media and Sport ('the Department'), the Church Commissioners ('the Commissioners) and The Churches Conservation Trust ('the Trust').

1.2 The agreement is for the three-year period April 2005 to March 2008. The period of the agreement overlaps with the previous agreement (between the Department and the Trust only), which covered April 2003 to March 2006. However, given the overlap between agreement periods and the timing of the settlement of the current agreement, the Trust will not be expected to report on any of the new requirements of the current agreement in respect of April to December 2005.

1.3 This is the first such agreement jointly negotiated between the Department and the Commissioners as joint funders of the Trust. The Commissioners have previously agreed to the content of agreements formulated between the Department and the Trust.

1.4 The Trust's statutory purpose and principal objective is:

*"the preservation, in the interests of the nation and of the Church of England, of redundant churches and parts of churches of historic and archaeological interest or architectural quality vested in the Trust, together with their contents so vested."*

## **2. Strategic context**

2.1 This agreement comes at a time of heightened interest in the position of churches as part of the historic environment. Attention is increasingly being given to the longer-term future of those historic church buildings that are still in use by congregations. Many historic churches face very heavy repair bills, often to be met by small or ageing congregations. Redundancies continue to run at about 25-30 per year, although predictions continue to suggest that this level might increase in years to come.

2.2 Although established by ecclesiastical legislation, the CCT is a fundamental element of the Government's package of support for the ecclesiastical built heritage, by virtue of the Government contribution to the CCT's statutory funding.

2.3 At a time when the agenda surrounding the Church Heritage Forum's *Building Faith in Our Future* is urging an exploration of how increased community use can help

keep churches open, CCT is already learning important lessons about local community involvement and management, the use and encouragement of 'friends' groups, and the extension of alternate use. Such learning can only benefit the wider sector and the Church in the current climate.

- 2.4 The Trust is in a good position to support not only the Government's policies towards the protection of the historic environment, but also other Government initiatives to which the Department contributes. These include urban and rural regeneration, the sustainability of communities and community cohesion, education, the promotion of tourism and the encouragement of volunteering.

### **3. DCMS Strategic Priorities**

- 3.1 DCMS is given targets for its contribution to the Government's aims and objectives under its Public Service Agreement (PSA). Of the current PSA targets (those attached to the 2004 Spending Review (SR04)), there are two which are key to the CCT and need to be reflected in the targets agreed between DCMS, the Commissioners and the Trust.

- 3.2 These are:

- PSA target 3: By 2008, increase the take-up of cultural and sporting opportunities by adults and young people aged 16 and above from priority groups by:

Increasing the number visiting designated Historic Environment sites by 3%.

- PSA target 4: By 2008, improve the productivity of the tourism, creative and leisure industries

- 3.3 DCMS strategic priorities for 2005-8 are:

- i) Further enhance access to culture... for children and give them the opportunity to develop their talents... and enjoy the full benefits of participation
- ii) Increase and broaden the impact of culture..., to enrich individual lives, strengthen communities and improve the places where people live, now and for future generations. Performance target: increase the number visiting designated historic environment sites by 3%
- iii) Maximise the contribution which the tourism,

- creative and leisure industries can make to the economy
- iv) Modernise delivery by ensuring our sponsored bodies are efficient and work with others.

#### **4. Strategic Priorities of the Church Commissioners**

- 4.1 The Commissioners are responsible under the Pastoral Measure 1983 for settling the future of redundant churches. This involves securing a suitable alternative use in as many cases as possible and, where this is not possible, ensuring the preservation of churches of particular historic or archaeological interest or architectural quality. The continuing ability to vest such churches in the Trust is a vital element in discharging their responsibilities under the Pastoral Measure.
- 4.2 The Commissioners also wish to increase and broaden understanding of the role of vested churches in the history and development of Christianity in England and their continuing witness to the Christian faith as consecrated churches.

#### **5. Strategic Aims of the Trust**

- 5.1 The Trust has published its strategic aims for the period 2006-09. This funding agreement builds on the aims that the Trust has already established for itself.
- 5.2 The Trust's strategic aims are to
  - i) Conserve the buildings in its care;
  - ii) Encourage and enable community use of buildings;
  - iii) Devolve responsibility, management and ownership where appropriate; and
  - iv) Resource what it does through partnerships, volunteers and innovative approaches.

#### **6. Funding Agreement Target Areas**

##### Target Area 1: Access

This target area encompasses the DCMS PSA Target 3.

There is, as yet, no base-line data upon which to assess improvement in this area. DCMS is currently undertaking research on the level of use of DCMS sector services, but this data will not be ready until later in the funding agreement period.

In order to contribute to the baseline data to support PSA Target 3, the CCT will conduct detailed research into the

ethnic origin and disability status of visitors during the first two years of the triennium.

DCMS priority groups include those in socio-economic groups C2, D and E. It is not deemed practical to assess this information at the same time as that on ethnicity and disability, but the CCT will analyse data relating to school visits in order to determine whether an appropriate ratio of school visits come from schools likely to have catchment in the C2, D and E socio-economic groups. Strategies can then be developed to increase this ratio where applicable.

CCT is classified as a service provider under the Disability Discrimination Act 1995 (DDA) and is under an obligation to make reasonable adjustments to any policies or practices, and to physical features of premises, where access to the service would otherwise be impossible or unreasonably difficult for disabled people. The CCT will begin to consider how it can meet its obligations under the DDA by taking forward the recommendations of access audits at 6 churches per year, where these are deemed reasonable in line with the requirements of the legislation. The CCT website should also be assessed for accessibility, appropriate upgrading undertaken where necessary, and an accessibility accreditation sought.

As part of this target area, CCT will continue to aim for 95% of its estate being open to the public at any given time.

Events in CCT churches have been an area of success over the last few years, with increases outstripping targets year on year. The Trust will aim to deliver a sustained increase in events, which include church services, of 3% per year.

The Trust's successful education programme will increasingly be developed at regional level. Through this work the Trust will continue to highlight the part church buildings play in explaining the Christian message, in support of the Commissioners objective described under 4.2.

Targets:

- Conduct research into ethnicity and disability status at 10 selected churches in 2005/06 to inform future work on access;
- Analyse point of origin of school visits to inform future work on access;
- Review access audits at 6 CCT sites per year, and of CCT website, and consider recommendations;
- Maintain proportion of churches open at any given time at 95%;

- Increase number of public events by 3% per year.

#### Target area 2: Tourism

The Trust will work in partnership with other organizations in the sector in order to improve the marketing and provision of church tourism initiatives. By April 2006, there will be in place a joint marketing strategy across the sector, developed through a 6-month secondment to the CCT from VisitBritain. The CCT's work in this target area over the lifetime of this funding agreement will in part depend on the priorities and work areas identified in the joint marketing strategy. As a first step, the Trust will work to establish joint church trails in a number of counties.

To support work by DCMS on the assessment of the 'public value' provided by the Department and its sponsored bodies, the CCT will undertake research on the perceived public value of its service, including the inherent value of the cultural experience in terms of personal enrichment, quality, innovation, and aesthetic and spiritual value and the wider personal and social benefits that exposure to culture can bring, such as education and community cohesion.

Initiatives under this target area and under target area 1 should contribute to a year on year increase in visitor numbers across the board of not less than 3%.

In summary:

- Develop a joint marketing strategy for the sector in 2005/06 to inform future work;
- Establish joint church trails in 6 counties per year;
- Undertake research on the perceived 'public value' of the CCT and the services it provides;
- Contribute to strengthening church tourism partnerships in line with joint sector marketing strategy;
- Increase visitor numbers by 3% per year.

#### Target area 3: Local involvement

DCMS and the Church Commissioners are fully supportive of the Trust's initiatives that aim to increase the level of local involvement in CCT churches by means of local management agreements, leasings, the development of local friends groups and possible devestings. Such initiatives can produce a multitude of positive outcomes including:

- Building of local capacity;
- Fostering opportunities for volunteering;

- Provision of local facilities and the promotion of local arts, culture and educational initiatives;
- Removal of churches from dependency on the public purse;
- Maximisation of the ability of the trust to take on new vestings.

We appreciate that the long-term nature of progress in these areas, and widely differing local circumstances, make rigid targets under this area less appropriate.

However, we believe it reasonable that the Trust, in pursuance of local involvement, develops at least 5 Church Plans in each of the years covered by this agreement. The Trust should also aim to develop at least 4 local management agreements or leases per year, and should seek to establish and encourage local friends groups and engage with the local church community where possible.

In summary:

- Maximise efforts to increase local involvement in churches and engage with the local church community ;
- Develop 5 Church Plans per year;
- Pursue 4 local management agreements or leaseings per year;
- Encourage local friends groups.

#### Target area 4: Conservation and repair

A primary function of the CCT is to conserve and maintain its estate and maintain its ability to take on the vesting of further significant churches to preserve them on behalf of the Church of England and the nation.

The CCT has indicated that £2.2 million will be made available during the period covered by its strategic plan (2006-9) to undertake the necessary conservation work on new vestings.

In accordance with the requirements of the Pastoral Measure, the Commissioners will only vest a church in the Trust where they are satisfied that no suitable alternative use can be found, that the building is of such historic and archaeological interest or architectural quality that it ought to be preserved in the interests of the nation and the Church of England, and that the Trust will have the resources to meet the cost of repairing and maintaining it.

The Commissioners will continue to work closely with the Trust in managing new vestings through regular updates and meetings. They will also continue to encourage and support dioceses and other bodies to exhaust all possible

avenues for alternative use, involving the Trust in pre-vesting discussions where possible and appropriate.

The Trust has the legal vires to undertake work and to expend resources on closed churches that are within the use-seeking period. An increase in the Trust's contribution to the maintenance and conservation of any such churches designated as potential last resort vestings would be offset by a reduction in the initial conservation outlay on the church upon vesting. Pre-vesting support may also maximise the opportunity to secure an alternate use for a church, thus potentially preventing vesting. Any CCT outlay on a pre-vested church that is eventually sold for alternate use could be recovered from any sale proceeds.

It is envisaged that the Trust could be involved in 4 pre-vested churches per year. It is acknowledged that the use-seeking period is up to a 'maximum' of three years and that the Trust's capacity, therefore, to be involved in 4 new churches per year might be affected by its continued involvement with churches whose use-seeking period has been carried over from a previous year. This target will therefore be kept under review.

An unforeseen level of major repair commitment on the Trust's existing estate may jeopardise its capacity to take on new vestings in future. It is therefore important to build up a picture of the outstanding repair need of the Trust's estate in the medium to long-term and to assess the potential impact of these repair needs on the CCT's ability to accept new vestings.

CCT churches are assessed for repair need every six years, with half of reviews being undertaken in each of two three-year tranches. Repair need is categorised by urgency and necessity.

CCT will, therefore, during the funding agreement period, undertake an analysis of outstanding repair need and longer-term repair commitment in order to determine whether current repair programmes are adequate, and to inform discussions in advance of future funding settlements.

In summary:

- Maintain new vestings budget of £2.2 million for 2006-09;
- Contribute to use-seeking discussions, and potentially to the conservation and maintenance, of 4 pre-vested churches per year;
- Undertake assessment of medium to long-term repair need.

## **7. Levels of grant-in-aid**

7.1 80% of the Trust's income comprises grant from the Department (two thirds) and the Commissioners (one third). The Trust raises 20% itself from other project grants and donations. The Department's contribution is made under specific Parliamentary authority in the form of an Order, subject to affirmative resolution in the Commons, specifying the maximum level of funding for the coming three years.

7.2 The Department's grant-in-aid allocation to the Trust for 2005-8 is as follows

	Current Expenditure	Capital Expenditure
2005-6	£3 million	0
2006-7	£3 million	0
2007-8	£3 million	0

7.3 In addition to the grant- in-aid specified above, an additional £61,806 will be provided by the Department in each of the years covered by the agreement, to offset increased employer contributions to the Principle Civil Service Pension Scheme from 1 April 2005.

7.4 The actual level of grant allocated is determined in accordance with Departmental spending review procedures within the limits of the maximum figure specified for the period.

7.5 Levels of grant-in-aid are dependent upon progress by the Trust in achieving the agreed outputs. The Secretary of State, in consultation with the Commissioners, has the right to reallocate the grant if she is not satisfied with the progress achieved by the Trust.

7.6 The Commissioners' contribution is made under Order of the General Synod of the Church of England which is then laid before Parliament.

7.7 The Commissioners' grant-in-aid allocation to the Trust for 2005-2008 is £3.857 million which, rounded up, is £1.286 million per annum.

## **8. Respective obligations of the Trust, the Department and the Commissioners.**

8.1 The Trust will notify the Department and the Commissioners of any major deviations of outturn from the targets and measures agreed in this document.

- 8.2 The Department will notify the Trust and the Commissioners of any changes to the levels of grant-in-aid identified in Section 6, which may affect the Trust's ability to meet its targets. The Department will also notify the Trust and the Commissioners if there is a change on Ministerial policy which affects the delivery of agreed targets.
- 8.3 The Commissioners will notify the Trust and the Department of any significant changes in the number of churches being closed, or likely to be closed, for regular public worship, or in the number of such churches which are potential candidates for preservation by the Trust.

**9. Performance Review**

9.1 The Trust will produce an annual review of its performance against targets. Officials from the Department, the Commissioners and the Trust will meet twice yearly: in July to review performance against targets for the previous complete year and in January to conduct a mid-year review of progress under this agreement.

Signed by:

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Minister for Culture, Department  
for Culture, Media and Sport

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Vice Chairman, Redundant Churches  
Committee  
for the Church Commissioners

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Chairman, the Churches Conservation  
Trust