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Running the Church as an enterprise

Viability and Sustainable Churches and churches

Church - clarifying the word.

In case you haven't noticed there are two meanings to the word and we need to know which is which. In this document and in anything that I write, the following applies:

Church with a big C = people 'the gathered people of God'

church with a small c = the building 'the umbrella where the Church meets'

Churches as 'Going Concerns'

We need to recognise that each Church needs to be a 'going concern' in terms of both ministry and buildings.

An important issue which needs to be clarified is the distinction between viability and sustainability. This applies to both Churches and church buildings. It is at times all too easy to pour in loads of time, energy and money to sustain something that just is not viable in the first place!

Beginning with the dictionary, the Shorter Oxford English Dictionary has the following:

Sustain To succour, support, back up; To keep going, to keep up, to carry on;

Sustainable Supportable, maintainable

Viable Capable of living, able to maintain a separate existence; **Viability** The quality or state of being viable

Before making any judgment about a church building's sustainability or how to make it sustainable, some sort of assessment needs to be made about the Church community's viability.

Because of the importance of retaining the mission and ministry across the country, the Church of England at a Diocesan or national level rightly chooses to sustain many Churches that might not be viable as individual units. The wider Church sustains those areas of mission and ministry which are not viable in themselves. This provides all the more reason to ensure that such Churches are run in a business-like manner.

Money

There are two main aspects to the finances for any Church:

- ministry costs and
- building costs.

The principle to work towards is for the living Church to meet the costs of the living Ministry and for the buildings to pay for themselves.

The local Church needs to generate income and spend money in two separate categories: ministry and buildings. Clear separation of the ministry budget and buildings budget is recommended.

The cost of the ministry is properly the responsibility of the Church members. The funds for the buildings may need to come from a wider constituency. However, this will only happen if people want the building enough and/or the building(s) can generate an income and so 'wash its own face'.

Ministry budget

Ministry costs include Parish Share, administration, heating, lighting, insurances and all the general costs of providing for services and the life of the Church. The payment of Parish Share should be a high priority for every Church community.

Given the pressures on Church finances, many Churches will need to take every opportunity to maximise their income from Occasional Offices (weddings, funerals etc.) and events. Each PCC will need to maximise the potential to generate income from all aspects of Church life, especially when people want the Church for what the building or their services offer.

The local Church needs to continually review the Stewardship Giving of the members and ensure that there is a positive and well informed attitude regarding the financial situation. It would also be sensible to regularly review the various opportunities to generate revenue from sources other than the existing members of the congregation.

Buildings budget

Building costs should be split into three categories: Regular Maintenance; Capital Repairs; Improvements and New Work. The first two categories are cyclical; regular maintenance being a short cycle from every three months to five years and the capital repairs running from five years upwards.

1. **Regular Maintenance** (e.g. cleaning rainwater goods, lightning conductor test, gas installation servicing and test, electrical test, paths maintenance) and minor repairs (fixing things that break or wear out, 'little but often' repairs e.g. pointing, painting metal work etc).
2. **Capital Repairs** this is the repair and or replacement of major elements of the building and site (e.g. roof coverings, stone work, electrical installation, central heating installation and lavatory and kitchen fittings, boundary walls, gates and railings).
3. **Improvements and New Work** these items consist of alterations to the existing building to meet changing legislation (e.g. Disability Discrimination Act requirements, fire regulations, asbestos regulations) or liturgical needs (e.g. nave altars, space for musicians) together with the changing expectations and desires of contemporary Church life and society in general (e.g. lavatories, refreshment making facilities, sound amplification, computer technology).

When these budgets are prepared in conjunction with the architect and the Q.I report together with realistic cost estimates, they will provide the basis of an Asset Management Plan which is an essential part of successfully managing any church building.

Managing Buildings and Property

Buildings and property are a fact of life in the Church of England. The legislation of the Faculty Jurisdiction Measure for their proper management is another fact of life in The Church of England. People who say they are not prepared to engage with the joys and sorrows of church buildings and their management perhaps don't understand the Church of England's unique role as the national church in every community.

If the church building is listed, then it is subject to another layer of legislation and interest from people outside of the Church community. Ignore this fact at your peril. Instead recognise the importance of establishing and maintaining effective working relationships with the outside organisations and individuals who have an interest in your church building.

Look after the assets

The church building is usually the local Church's biggest asset. The church building is the premises from which, and within which, the local Church conducts their core activity. This is why the church building needs to serve the mission of the local Church, not inhibit it.

Church communities need to be in control of their property assets, otherwise they will find that events associated with the property assets will control *them*. The PCC has a duty in law to protect the assets from loss or depreciation.

All buildings, but especially old buildings, need regular preventative maintenance. The greatest hazard to a church building is from water getting in at the wrong place. Every church building needs a "dry hat and boots", which requires a watertight roof, working rain water goods and well pointed external walls.

Putting in place a forward looking Asset Management Plan for the management of the church building will be of considerable benefit to every Church and their church building.

Getting the building to earn its keep

Grants of public money for the repair or maintenance of a church will come with various requirements including: 1) to put in place and carry out a management plan of preventative maintenance for the church building in the future; 2) open the building to the public on a regular basis

The Church will need to be confident that there are sufficient resources (human and financial) to meet such requirements. The maintenance agreement requires funds and opening the building requires people on site.

Wider community use of church buildings can provide for their long term sustainability. Busy churches are often able to earn an income and, because of the various activities going on inside, are self policing.

Community use of church buildings requires the Church community to 'give the building away and allow people in on their terms'. Some Church communities will need to work through the issues associated with letting go of their territory.

'No Change' is NOT the solution

'Going on as we are' will be the recipe for a slow dribble to decline for many Churches.

The Mission of the Church can be likened to the retail world in as much that the Church has something that the members want to share with others. However the message or product is only right until the next 'right' comes along.

There is a famous retail maxim which applies to Churches:

"When what we are doing isn't working, it is complete folly to keep doing what we have been doing and expect a different result"

So keep the product the same but make the packaging different. Something has to change in the way we present ourselves and our premises to our target audience.

'Going on as we are' and dribbling to decline results in closed church buildings that are lost to the community.

Closing church buildings just shifts the problem from the PCC onto 'the Diocese'. The costs go to the Diocesan Board of Finance and finding a solution of what to do with the building goes to the Diocesan Closed Churches Committee.

Before giving up with the building, the Church needs to make an effort to become sustainable by exploring the possibilities to open up the building for community use.

Try to see the building as an asset rather than a liability.