

Paper G5

Funding our Legacy of Slavery Task Group

Finance Committee

Basic information

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Action required	Decision.
Draft resolution(s)	Resolution 16 General Assembly will: 1) Reallocate the energy crisis fund back into general funds Resolution 17 2) Transfer £250k into the Legacies of Slavery Fund Resolution 18 3) Seek contributions from Synods to reach a minimum target of £1m for the Legacies of Slavery Fund.

Summary of content

Subject and aim(s)	The URC seeks to establish a fund to cover the operational and project costs of our Legacies of Slavery Work.
Main points	Having considered the URC's context and financial position, a target amount for the fund of £1m is reasonable. This is assessed as a fair figure when considered in the light of the Church of England's response which, while not a perfect or easy comparison, is the only available yardstick.
Previous relevant documents	
Consultation has taken place with...	Mission Team.

Summary of impact

Financial	
External (eg ecumenical)	

Introduction

- 1) Over the past few years, Mission Council, Assembly Executive and General Assembly have all given overwhelming support to the direction of travel suggested by the Legacy of Slavery Task Group (LoSTG), which is overseen by the Mission Committee. While most of their significant (in terms of cost) plans are embryonic, the aim of this paper is to provide guidance on the funding that might be available to support their goals, and to provide credence to the URC's Apology for our role in the enslavement of black people and the continuing legacies of racism and deprivation.
- 2) This paper deals with the two aspects of funding the LoSTG: namely, operational costs and project costs, project costs being the big number!

Operational costs

- 3) General Assembly in 2023 agreed to allocate £20,000 for the initial tranche of anti-racism training in 2024. This was added to the Mission Committee's budget for 2024. The recommendation is that all of the LoSTG operational costs are accounted for, and managed within, the Mission Committee budget. The costs include staff and travel costs, but also include the anti-racism training as the original sum was added to the 2024 budget. Assuming a 5% reduction for 2025, this would give an expected budget of £19,000 for LoS training in 2025.

Project costs

- 4) These costs will include all the expenditure needed to deliver the agreed restorative justice projects within the global, regional and local categories (as defined in the GA 2023 paper – except for anti-racism training as mentioned above).
- 5) Clearly, the breadth and depth of these projects will be influenced by the 'budget' provided to the LoSTG. The sooner we can provide a budget for the team the better. The LoSTG is particularly concerned about developing detailed project plans which, for whatever reason, fail to be funded by the URC. This will neither honour the work of the team nor our apology. At this stage, I do not believe the URC can commit to an overall budget because that requires a broader conversation with the denomination, specifically through the Synods and their Trusts.
- 6) We suggest the way forward to establish a restricted LoS fund is two-fold.
The Convenor of the Finance Committee will:
 - a) undertake to organise these broader conversations in the URC, with the aim of agreeing a firm fund total before the 2025 General Assembly.
 - b) work with the URC Trust to provide a guaranteed minimum for the initial fund to enable some of the detailed project work to begin.

Overall budget

- 7) Setting a target for the overall budget is not a straightforward matter, and will need to take account of what is affordable (even if it is sacrificial), significant enough to make a difference and enough to honour our apology.
- 8) When considering an appropriate figure for the URC to allocate, the previous Treasurer estimated and suggested the value of £1m for the fund which, when considered in context, is a reasonable initial (possibly minimum) target.

- 9) One of the only yardsticks available is the Church of England's (CoE) allocation of the investment income from £100m. This is not a straightforward yardstick, for three reasons:
 - a) The URC's positive and negative involvement in the transatlantic slave trade is very different from the CoE's involvement.
 - b) The CoE has (only) allocated the income from the £100m, not the capital itself.
 - c) The CoE is using this fund as a starter to encourage others to support the fund, with the aim of developing a total of £1bn.
- 10) However, it is probably the best yardstick we have, and it may be one used by others. Assuming a net investment return of 5%, the CoE fund will provide an income of £5m per annum. Over a ten-year period, this will provide funding of £50m.
- 11) To define an equivalent sum for the URC, two different methods have been used.
 - a) By regular worshippers. In 2022, the CoE had about 984k regular attendees. The URC had about 36k. By this metric, an equivalent investment for the URC would be about £1.8m.
 - b) By investments. The Church Commissioners' total investment portfolio is worth about £10bn. For the URC (all Trusts) this is about £250m (data taken from the Moore Kingston Smith report for the Church Life Review in February 2023). By this metric, the equivalent investment would be £1.25m.
- 12) Therefore, with a target of £1m for our LoS fund, a reasonable 'starter' from the URC Trust would be about £250k, if both restricted and unrestricted funds are included, or about £125k if we only consider unrestricted funds.
- 13) If we are able to transfer the remaining £1.79m of the Energy Crisis Fund back into general (unrestricted) funds, we recommend allocating £250k from this surplus to the LoS fund.

Governance

- 14) As this fund represents a significant investment for the URC, we need to establish a governance process above and beyond the LoSTG. This will safeguard the LoSTG such that any reporting to General Assembly can be made with the assurance of independent governance for major items of expenditure.
- 15) The LoSTG is a task group established on the behalf of the denomination by the Mission Committee in 2019. It is not the intention of the Finance Committee to change that arrangement. The day-to-day operations of the LoSTG will continue to be managed and funded by the Mission Committee. However, any major LoS project expense would be funded through the restricted LoS fund. The LoSTG will apply to the Business Committee for funding on a project-by-project basis. Once approval is given, the LoSTG will be able to draw on those funds as needed.
- 16) Please note that as this fund will be for LoS purposes only, any income from the unspent fund will be added to the principal and be available for project expenditure.