

Paper AD1

Resource Centres for Learning

Business Committee and Education and Learning Committee

Basic information

Contact name and email address	John Bradbury (General Secretary) john.bradbury@urc.org.uk Mark Robinson (Business Committee Convenor) mark.robinson@urc.org.uk Pippa Hodgson (Education and Learning Committee Convenor) pippa.hodgson147@gmail.com
Action required	Discussion – resolutions may emerge from discussion but could only be to steer further work, as to effect specific changes would require consultation with those affected before any change was possible.
Draft resolution(s)	None.

Summary of content

Subject and aim(s)	The background to the Resource Centres for Learning (RCL) funding conversations and the issues around future funding.
Main points	<ul style="list-style-type: none">• We have three RCLs offering learning to the URC.• There is a requirement to reduce the Education and Learning (E&L) budget and conversations have been ongoing for a number of years.• The current funding model is not sustainable for the URC but also not sufficient to sustain the two English RCLs.• It has not been possible to develop a suitable funding model because it has become clear that the issues around RCL funding involve governance, capital funding and denominational requirements too, which go beyond the remit of E&L.
Previous relevant documents	Education and Learning Report General Assembly 2022 and 2024.
Consultation has taken place with...	Education and Learning Committee Business Committee URC Treasurer

	Children and Youth and Ministries Committees and the Moderators Northern College, The Scottish College, Westminster College.
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Summary of impact

Financial	If no change, continued pressure on URC budget.
External (eg ecumenical)	Future changes could affect ecumenical partnerships.

1. Introduction

We are in changing and challenging times as a mainstream Christian denomination in England, Scotland and Wales. As our numbers decline and people's attendance and engagement with church is changing, so too has the context in which we require our RCLs to train people for ministry, lay and ordained/commissioned, who are adaptive and reactive to God's Holy Spirit. In turn, it is the URC's responsibility to support those who train in all areas of their discipleship journeys as they grow and serve. Whilst the task of equipping disciples lies more locally, and through Synods, the RCLs have been, and continue to be, a rich resource in providing learning for the URC.

Numbers of those entering training for ordained/commissioned ministry (EM1) are far fewer than the number required for our 2006 RCL model of training. This is true across the denominations, and, like our ecumenical partners, we shall need to consider what is sustainable and, whether we diversify to other ways of training that are shorter and more flexible.

Of course, our RCLs do more than train EM1 students. We have already begun to outsource programmes, events and other training to our RCLs, for example our Assembly Accredited Lay Preaching course and Pastoral Supervisors training and we are looking to extend this to other E&L work such as Stepwise and oversight of the Learning Hub. In turn, where necessary, the RCLs have also needed to seek external sources of income beyond the URC to remain sustainable. The block grant we give annually is not only for the training of our students but is required to sustain the RCLs as well.

But we are simply spending more than we can afford.

The Education and Learning Committee (E&L) has been grappling with the issue of funding RCLs for about 6 years but funding is only part of the issue. It is not as simple as cutting our coat according to our cloth and putting all training whether lay, ordained/commissioned in one place. In 2022 the E&L report to General Assembly (GA) identified four areas for consideration regarding RCLs: funding, governance, requirements, and capital funding (see section 3.3). The interrelationships of the four areas above, and others, are complex and historical and are greater than E&L.

This paper outlines the journey that E&L has undertaken since 2020 regarding funding and explains where we now find ourselves, that is that the issue is not solely an E&L responsibility. E&L will need to work with others including Ministries

and Resources on denominational expectations. This paper seeks to summarise the current position to enable Assembly Executive to discuss the next stages. We believe God is still calling, equipping and inspiring people to serve his Church and we need to ensure that we continue to have educational spaces that enable growth and development, using resources already available to us to meet the learning needs of the URC.

2. Educational context

2.1. The United Reformed Church requires robust, sound theological education in the Reformed tradition to train and continually develop our ministers and lay leaders. We are a diverse denomination held together by the ethos and history of the United Reformed Church. As such, we need to ensure we can cater to a wide range of educational needs across a range of ministries, both lay and ordained.

2.2. History

From hundreds of academies during the 18th and 19th centuries, the availability of dissenting education is now restricted to a handful of institutions, including Northern College and Westminster College in England. From the beginning, following the 1662 Act of Uniformity (*full title: An Act for the Uniformity of Public Prayers and Administration of Sacraments, and other Rites and Ceremonies, and for establishing the Form of making, ordaining and consecrating Bishops, Priests and Deacons in the Church of England*), the academies provided an alternative education for both lay and ordained to a high academic standard. The ability of the URC to provide ordained and lay people who can pastor and preach to our congregations depends upon any training provided maintaining high standards and sitting within the Reformed tradition.

The picture in Scotland is different. The established church is Reformed and the universities continue to offer a broader range of opportunities in theological education.

Each of our colleges sits within this tradition but occupies its own space with a distinctive ethos and catering to the needs of different students. Any closure of colleges would, of necessity, make it much harder to provide training of a high academic standard to all those with diverse needs, who would wish to offer themselves for training.

It is the view of Education and Learning that should we lose any of our RCLs, our ability to raise theologians in our own tradition and in an environment of peer scrutiny, with assured quality is at significant risk.

2.3. Current state of theological education

Alongside ministerial formation, each of our English colleges provides ordinands with a comprehensive, inclusive, education to a high academic standard each validated through the University of Durham. Few English universities continue to offer the breadth of theological curriculum that the URC requires for its ministers. The University of Durham works with 18 Theological Education Institutions to provide Common Awards (Theology, Ministry and Mission). Within this scheme all our English ordinands are educated for ministry.

Whilst the Common Awards serve us well, the situation is not without risk. Should the Church of England withdraw from the arrangement, then the question arises as to the sustainability of the Current Awards scheme for Durham University and the consequent challenge of accrediting URC theological education. Equally, should the University of Durham withdraw from the arrangement, there are questions over the availability and quality of alternative validation. Reducing the number of URC affiliated colleges increases the risk even further.

The Scottish College achieves its high standard through academic study in Scottish universities alongside URC provided ministerial formation.

3. **RCL funding: the challenge and the complexity**

Historically, and in the E&L budget, the URCs central financial support to RCLs is linked to Education for Ministry 1 (EM1). Increasingly we require so much more from our RCLs who are now, and even more likely in the future, involved in the ongoing education, learning and development of ordained and lay ministries and lifelong learning for those in our denomination.

For the last six years Education and Learning have been trying to find a way to continue to offer the quality of education the URC requires. We have sought to keep dissenting theological education alive whilst understanding the changed financial climate and the pressure on budgets. Over the last twenty years the number of EM1 students has reduced but other formal and informal learning has been, and is being, developed. Each College provides a distinctiveness that suits the diverse needs of our learners and allows us to offer an inclusivity into the education we can access.

The rest of this section of the paper summarises the E&L journey.

3.1 **E&L funding of RCLs**

The expenditure in the E&L budget remains the most significant cost to the URC after paying stipends. The E&L budget is from M&M funding and the interest from investments. Reducing expenditure in this area has been a focus for over six years.

The historical nature of how the URC funds the RCLs was summarised in the E&L GA 2022 report:

E2 4.6.2 The way the RCLs are funded are different in all three cases. Northern College is given a block grant, Westminster College has some key roles funded and Scottish College has a mixture of the two. Not only does this inconsistency make it difficult to ensure fairness it also impairs budgetary control.

The inconsistency mentioned was being addressed pre pandemic and continued afterwards with all Colleges now receiving a block grant. The remaining inconsistencies (see Appendix two) were further addressed for 2024/25 by agreeing an uplift for the grant to Northern College to align their funding with Westminster's as they have comparable numbers of EM1 students. However, as the pressure all URC budgets remains and, in order not to 'reduce' the RCL block grants whilst this process works through, the 5% 'cut' has been maintained for the year using money from investment (New College Fund). For many years, the

interest from this fund has contributed to the E&L budget. Inevitably by spending some of the capital the income received from the fund is reduced.

3.2 **Work in 2020**

Prior to the 2022 report, and mentioned within it, was the work in 2020 by a group involving E&L, the then incoming General Secretary, the three RCL Principals and one representative from each RCL Governing body. This group developed a document entitled '*Towards the future of the RCLs and Education and Learning Serving the United Reformed Church*'. The document did not progress beyond a draft (version 2.2) but captured a significant amount of work by the group. The paper clearly outlined the E&L journey from the 2005 General Assembly resolution '*a church committed to the life-long learning where there is integrated education and training offered to the whole people of God*'. The work developed a number of 'living' assumptions which have informed joint work since (Appendix one). It also proposed a model of 'One College on Two Sites' as a potential solution to reducing costs. This proposal sought to maintain the uniqueness which each institution offers to the URC both for EM1 but, as importantly, their offer into the wider education and learning within the URC. It also proposed a move of functions from Church House based committees to the 'new' combined English RCL. The paper and proposal were not supported by all three governing bodies, Westminster College felt unable to proceed, and so the proposal did not progress.

3.3 **Work in 2021 and 2022**

Following the halt of the 2020 proposal the RCLs, in discussions with E&L, were encouraged to become 'semi-independent' by looking for new avenues of income and broadening their 'offer'. With reducing M&M contributions it was evident that the URC could not continue to be the main income source for the RCLs.

3.4 **RCL funding model 2023 and 2024**

In 2023 a process was initiated to try and develop a new funding model to reduce expenditure. This model looked to establish a fixed grant and a variable grant system for the RCLs to cover all areas of activity for the URC. It became clear during this process that the block grant does not cover all costs of EM1 education and that some other courses were undercharged. In addition to the block grant the E&L budget pays for direct student costs such as accommodation and travel (see Appendix three).

The RCLs submitted detailed figures for the fixed and variable costs for training EM1 ministers across the different methods of delivery (eg full time, part time etc) and more widely for other RCL activity. This process relied heavily on the collaboration of, and partnership working between, E&L and the Treasurer and colleagues at the RCLs.

The work and proposed process was shared widely across URC Committees in January 2024 in a paper from E&L entitled '*Education and Learning Funding for the Resource Centres for Learning. Document for Discussion, January 2024*'. An extract of the proposal can be found at Appendix two. This paper detached the funding of 'buildings' from the costs of 'education provision' to try and find a comparison across the two English Colleges that could also be applied to The Scottish College which works in a different funding context for higher education. It hoped to be able to identify a 'per capita' cost (ie the cost for each course and

per student across ministerial and lay learning) and then some fixed costs associated with providing the learning.

3.5 The funding model process gave E&L a great insight into the costs associated with EM1 education most particularly, with considerable time and effort invested by the RCLs. After a difficulty in March 2023 the process was delayed for a while, following concerns raised by Westminster College Governors, the final figures were compiled. Even with the 'buildings' capital element removed, the figures were not comparable particularly relating to *'Infrastructure, building, running costs and management costs to deliver RCL focused activity (3.3)'* (ref Appendix three). It was agreed the process was not going to be helpful and a new way must be found to progress the funding issues. The exercise had been costly in terms of time and relationships.

3.6 During this modelling the potential for the New College Fund (Ministerial Training Fund) to be used to support the RCLs through any transition to being funding on a 'per capita' basis became part of the conversation with enquires being made during early 2023 about the restricted nature of the fund and if it could be used as seed funding. During the summer, a response was received, via the General Secretary and with the Finance team, that the Charity Commission Scheme governing the fund had been located, and it would appear to be within the restrictions of the fund to offer capital injection into the colleges, to act as seed funding. E&L were given permission to share this news and the fund total with the Governing Bodies of the RCLs. The New College Fund is designated for ministerial education. Whilst good governance is vital, we believe we must also invest in our denominational education (both lay and ordained) to support our future hopes.

3.7 **Business Committee May 2024**

Further work to find a way through the RCL Funding dilemma led to a paper to the Business Committee in May 2024 with a 'to be developed model'. The intent to use the fund as 'seed funding' was part of the E&L discussion paper with the Business Committee. There was no intention to use the entire fund, more to offer the RCLs some funding to enable them to get to a place where funding on a 'per capita' basis was possible. E&L hoped that this might enable all three RCLs to become more independent in order that the URC could continue to access the diversity of the education provided. It had been proposed that any transfer of monies from the fund, if approved, would be carefully monitored against agreed detailed proposals and 'outcomes' and be given in tranches over a number of years. As part of the discussions the Business Committee asked that E&L Committee address the four questions below to facilitate Assembly Executive addressing these questions:

1. Do we carry on as we are, knowing it is financially unsustainable?
2. Do we still need 3 RCLs or would we be better served with one RCL?
3. Should we outsource all training and just pay for the cost of EM1 training at one provider?
4. Do we go for the 'flourishing' option with seed funding?

3.8 The model proposed in May 2024 was that having enabled the RCLs to become sustainable with seed funding, a new RCL funding model would be realised that is properly costed. This model would hinge on the URC paying a realistic price for the education and learning that the denomination needs (eg full costs for EM1 students, AALP etc). RCLs would be given information about our training needs far enough in advance (minimum 18 months) in order to give stability. From this point on the E&L Budget would purchase on a 'per course/per student' (per capita) basis across the range of education and learning the URC requires. This has been an iterative process with E&L developing their understanding at the same time as the RCLs were grappling with a 'vague', if hopeful, brief.

3.9 **A move from Church House to the RCLs September 2024**

Concurrently, following the resignation of Revd David Salsbury, one of the 2020 visions was realised to move 'learning provision' out of Church House to the RCLs. This was approved by the E&L Committee in September 2024. This will effectively 'convert' what was spent on salaries previously to ongoing expenditure to provide capacity within the RCLs to deliver and manage the lay provision. This is an ongoing cost and relates to lay discipleship development eg Assembly Accredited Lay Preachers, Stepwise and other programmes.

3.10 **RCL responses to the Business Committee**

As the RCLs developed their 'flourishing' models (June 2024 onwards), they also responded to the four questions put by the Business Committee. Complete RCL responses are available and they are summarised below.

3.10.1 **Northern College (NoCo) responded to each:**

1. Any cuts in funding would make their offer unsustainable (NoCo subsidise EM1 already by approximately £250,000 in 2024/5).
2. The use of three RCLs is the best way to achieve lay and ordained training (initial and on-going).
 - a) No Co liked the one RCL on two sites option.
 - b) They are committed to working collaboratively with the other two RCLs.
3. They offer a mix of lay/ordained, MWS/CRCW. This enriches training. This option risks an academic rather than confessional theology.
4. They already have a 'flourishing plan'. They would like to see half the NCF used for seed funding for the three RCLs. The interest from the remaining half to fund denominational capacity in the RCLs.

3.10.2 Scottish College (ScoCo) responded to each:

1. The current funding model is sustainable for ScoCo. The past six years has consumed too much energy and inhibited planning.
2. Three RCLs is the best option. They are supportive of a single English RCL on two sites. They are committed to close collaboration between RCLs.
3. The URC needs 'in house' expertise. This is definitely a 'no'.
4. For ScoCo 'flourishing' can only be within the URC.

We do not believe that the United Reformed Church can thrive without 'in-house' expertise and provision in all areas of learning. While we delight in our ecumenical partnerships, our learning networks – RCLs, TDO+, E&L (in transition), Ministries, and Children and Youth – are vital places where we site our conversations and contextualisation. They are, we maintain, an indispensable part of the 'glue' that holds us together.

John McNeil Scott,
Scottish College

3.10.3 Westminster College (WM) responded to each:

1. The funding model needs to change. Is theological education a priority for the URC? Having determined its priorities the URC must resource what it wants.
2.
 - a) Diversity is good. Because Scottish College context is different, at least two RCLs are needed.
 - b) Three RCLs are best. One RCL may be weaker than two. Mergers elsewhere, especially in North America, have often not been successful.
3. This model means losing the URC flavour of training, loss of expertise. The URC would lose curriculum input. There could be difficulties in having a URC input/tutor in provider institutions. Would mean loss of all non-EM1 training.
4. WM already uses its 'considerable asset base' to maximise available funds.

3.11 Education and Learning Committee November 2024

The E&L Committee received the 'Flourishing' papers which were presented and discussed. Complete papers are available, but in summary, to become more sustainable using seed funding:

- Westminster have shared the big picture and their strategic direction.
- Northern College have shared specific initiatives with specific costs as an offer to the denomination.
- Scottish College have shared that they do not have the same opportunities for 'semi-independence' and therefore require any seed funding to be a replacement of the block grant in interest.

The RCLs were not asked for detailed business cases at this point, more for their aspirations. Both the Westminster and Scottish Colleges papers proposed that they would wish for the seed funding to cover 50% (WM) or all (ScotCo) their 'current block grant' using the annual interest from that investment. The Northern College described seed funding for specific initiatives over five years to enable these initiatives to be self-sustaining.

It became clear during the E&L Committee meeting that the proposals and recommendations before the Committee were so linked with issues beyond its scope, that any decisions needed to be made elsewhere by a group wider than E&L alone. The Committee was content that all papers would be shared with the Business Committee for advice on how to proceed.

'Flourishing' has become an unhelpful term. In the context of this paper being written it means that the RCLs get themselves, with help from seed funding, in a position where the URC can be a valued friend and a major customer. That to do this they seek work elsewhere. For the two English colleges they now do have income beyond the URC, there is less opportunity for the Scottish College to do this. However, as all three colleges are expanding ecumenically this 'offer' might be seen as a gift of grace and an ecumenical gift in that its benefit will extend beyond the URC.

Current position regarding the 2022 key areas (see section 1)

These remain, with activity across different departments:

- 3.12 Funding – with E&L with the work as described above.
- 3.13 There are different governance challenges in relationship, particularly, to Northern College and Westminster College. This is as a result of the culture of a previous era perhaps requiring less precision in terms of governance than our current context. They are all perfectly addressable, and there is good will in all directions to do so. The General Secretary has been in conversations with both Northern and Westminster Colleges about these issues. It is also the case that there is a certain amount of popular 'mythology' about the colleges and their governance arrangements which upon closer examination turns out not to be quite so simple.
 - 3.13.1 Northern College is an independent foundation whose charitable purposes are to provide Education and Learning for ministerial candidates, ministers and lay people from the United Reformed Church and the Congregational Federation. It may also provide theological education for students of other traditions as the governors see fit. The General Assembly of the United Reformed Church appoints five members of the Governing body who are the Trustees of the Charity (which is unincorporated). Northern College is in the process of a union with the Northern Baptist College and the Luther King House Educational Trust to form one college, with one governing body and one staff team in the non-conformist dissenting tradition. The adoption of a new Memorandum and Articles for the new college will require the continued appointment of United Reformed Church governors and trustees by the General Assembly. The charitable objectives will need to reflect education and learning for the United Reformed Church. The intention is that the new college will be set up as an incorporated charitable entity to attain the protection that incorporation offers.

- 3.13.2 The building occupied by the Northern College and its partner colleges, Luther King House, is owned in different proportions by various entities. The United Reformed Church Trust owns 16 % of the building (as Northern College itself owns a further 16%). Whilst the proportions of ownership are recorded, there has never been an agreement about the implications of this for the upkeep of the building or the implications that any capital investment in the building would have. It is intended to rectify this in the governance arrangements set up as the new college comes into being. The United Reformed Church Trust notes that it owns a stake in a building which has been maintained and had elements of capital improvement over decades to which it has not contributed, and recognises its moral responsibility to do so. It cannot commit to this in any form until proper governance arrangements are in place to protect any investment the Trust might make.
- 3.13.3 Westminster College has popularly been considered to be 'owned' by the United Reformed Church. The freehold of the building is held by the United Reformed Church Trust. It is, however, held for the charitable purposes of the college rather than simply owned outright as an asset. The freehold is also held with a significant covenant on the ground put in place by St John's College at the point the land was conveyed for the building of the college. The full implications of this are not entirely clear but are significant. The college itself is an older charitable entity whose objects are 'to educate and train young men [sic] for the Christian ministry'. It is not easy to trace with precision the trajectory of trusteeship, and the relationship between the trusteeship of the college as a discrete charitable entity, and the Presbyterian Church of England and then the United Reformed Church. There is a tension in the current situation which needs resolution. The members of the Board of Governors who are members of the United Reformed Church are the charitable trustees of the college, and carry the responsibilities and liabilities that follow and are accountable to the Charity Commission for their actions. As such, and under charity law, they must have control over the day to day life of the college, be able to determine its strategy and manage its risks. However, one of the functions of the General Assembly is to superintend the work of the Church's Colleges. Put simply, if the governing body carry the can, they must have the authority to take the decisions. For decades there has been a lack of clarity over the precise relationship and responsibilities between the college and the church, despite numerous attempts to bring greater clarity. There is now work ongoing which would, with the agreement of the General Assembly, amend the *Structure* of the United Reformed Church to make it clear the General Assembly appoints Governors/Trustees of the college, but that the full trustee responsibilities lie with the Governing body who must have the freedom and authority to exercise them in line with the liabilities they carry. The college is also exploring the possibility of becoming a Charitable Incorporated Organisation, with an updated governing document, updating appropriately the charitable objectives. This process will hopefully bring greater clarity and limit the liabilities of the trustees and regularise the ability of the College to contract as a legal entity in its own right.
- 3.13.4 There is a lack of clarity around all three colleges, around many matters which have simply been handled on a 'custom and practice' basis. This not only includes full clarity around some funding issues, but also around the provision of services to the colleges by the church, be that obtaining visas and recognition through Certificates of Eligibility or Limited Service to ministers serving in the colleges, or the provision of support in running the finances of the college (in the

case of Westminster). There needs to be a clear memorandum of understanding or similar between the General Assembly, the United Reformed Church Trust, and the colleges to ensure that there is transparency over arrangements. Clarity and transparency over expectations everyone has around institutional relationship helps build and develop the trust necessary for close co-operative working.

3.14 **Denominational expectation from RCLs**

The GA E&L report from 2024, Paper D1, summarised the activity and close working between E&L, the RCLs and Ministries team regarding denominational requirements of the RCLs (see extract below). There is always more to do in this area but by working collaboratively much has been achieved.

*Paper D1 pages 122 and 132 onwards for detail.
URC Requirements of EM1; a revised EM2 programme; changes to EM3 grant allowance process; closer working relationships with the Resource Centres for Learning including continuing conversations around funding, capital costs, governance, as well as establishing the College Connective (a space for the Principals working more closely with E and L and other teams); the refining of the AALP programme with Northern College and the You're Welcome course, alongside Ministries; more joined up conversations between the TDO+ Network and the RCLs; the Newbigin Hub for lay Pioneer training; the introduction of an E and L bi-monthly newsletter; one revised and one new Stepwise stream; more resources on the URC Learning Hub; and moves in progress to fulfil the 2006 commitment to the RCLs so that they are the places where education, learning and training opportunities are coordinated from (rather than via the Church House team).*

3.15 **Capital funding**

The upkeep/investment in the buildings of Westminster and Northern Colleges has been removed by E&L from the E&L discussions. Whilst Westminster College is held in Trust by the URC the denomination owns 16% of Luther King House. The URC investment in Westminster College is well known. There has not been a request from Luther King House for capital investment until recently, but it is acknowledged their facilities need improving. There is not an additional source of funding for 'buildings' and so any monies offered will need to come from the New College Fund. Currently the fund is approximately £14m.

4 Business Committee December 2024

4.1 E&L shared a paper with the Business Committee in December 2024 which outlined the work to date and the concerns. The Business Committee supported the proposal that the four areas of work be joined up and that a working group be established to include:

- The Resources Committee
- The General Secretariat
- Education and Learning
- Ministries.

It is proposed that this group would make a presentation to Assembly Executive in February 2025 with an opportunity for questions, discussion and guidance.

Appendix one

Extract from:

Towards the future of the RCLs and Education and Learning Serving the United Reformed Church 2020.

Section 3.1 Working assumptions

The Working Group has framed some working assumptions that underpin discussions and proposals as follows:

1. We remain committed to a Church alive in three nations.
2. We will retain a core competence of training in URC ethos, practice and theology.
3. We aim to enhance the resilience of our education and learning provision to enable increases in demand to be addressed efficiently and effectively.
4. We will continue to implement the 2006 GA goal of 'integrated provision of life long education and learning for the whole people of God'.
5. Where possible and practical, ministers and lay will be trained together.
6. Our focus is on the development of disciples in the URC, but we will not restrict access to people from other denominations, subject to financial considerations.
7. Our primary focus is 'front office delivery, not back office administration'.
8. We aim to reduce the complexities in managing and delivering education and learning.
9. We value the diversity within our denomination; unity not uniformity.
10. We aim to work with a blended approach to education and learning using both virtual and physical methods.
11. Governance is needed to support our aims, not define them.
12. Where practical, hold training events close to where those being trained live, to minimise trainees' time investment.
13. Where possible, hold training events in a location which minimises total travel for environmental reasons.

Appendix two

Extract from

Education and Learning Committee

Funding Proposal – Short, Medium and Long Term, May 2024

1. What now?

There are some decisions to be made by the E&L Committee about what we do now in terms of:

- Financial support 2024-2025 for RCLs.
- Medium Term support
- Longer term: The 'to be developed' model for long term sustainability.

1.1 Financial support 2024 to 2025 options

- Block grant as last year – this is a cut in 'real terms' but is not the 5% suggested cut on top. We may need to supplement the lack of cut by using capital from the New College Fund.
- As last year but with equity between Westminster College and Northern College (using capital from the New College fund). Scottish College, have a different model, they have indicated an increase in their rechargeable costs (2025) and these have been budgeted for.

Additional information for Business Committee as requested by E&L so shared here:

<i>College</i>	<i>No. EM1 students 2023</i>	<i>2022 Block Grant</i>
<i>Northern</i>	<i>14</i>	<i>£237,885</i>
<i>Westminster</i>	<i>15</i>	<i>£370,152</i>
<i>Scottish (different model)</i>	<i>6</i>	<i>£41,996</i>

1.2 Medium term

It is proposed that a significant allocation of capital from the New College Fund is given in tranches over three years to the RCLs with clear conditions/outcomes and an understanding that if the conditions are not met/adhered to, the next tranche is not guaranteed. This is to protect the URC's investment under charity law, while still supporting RCLs. The seed funding should be of a sufficient level to flourish and enable the RCLs to get into a 'better' place.

During this time student support costs (including accommodation, travel etc) and grant funding would continue to be covered (albeit with minor changes).

It is hoped that the allocation would be equal for Northern and Westminster and negotiated for the Scottish College, reflecting the level of education provision and other funding.

The running costs and upkeep of buildings needs to sit outside this proposal. Building costs is a real and pressing issue for both Westminster College and The

Luther King Centre. This is a wider URC issue and should not be part of the work of the Education and Learning Committee and its budget.

1.3 The 'to be developed model'

Having enabled the RCLs to flourish, with seedbed funding, a new RCL funding model is realised that is properly costed, where the URC pays a realistic price for the education and learning that the URC needs (eg full costs for EM1 students, AALP etc). RCLs would be given information about our training needs with an 18 month projection, in order to give stability. At this point, the E&L Budget would be purchase, at a 'per course' cost, the range of education the URC requires.

2 Issues for decision by E&L Committee, 13 May 2024

- Does the long term vision (2.3) meet with your approval (ie we set up a process where the URC fully pays for what we need) having set the RCLs in a more positive situation?

E&L Committee unanimously endorsed this proposal but asked any decision to consider growth in the wider learning required by the URC, rather than a focus on EM1.

- Do you support using the New College Fund (2.2) to enable the RCLs to flourish acknowledging the risk and the mitigation?

E&L Committee unanimously supported this proposal. The Committee understood that the final detail on 'what' and 'how much' sat with the Business and Finance Committees but made the recommendation that this is considered positively.

- Which option in 2.1 do you support, or do you have an alternative?

The question was asked about why there was a disparity in the current block grants? It was explained it was historical due to Westminster academic staffing costs being funded by the URC and a block grant going to Northern and Scottish Colleges, but the exact reason was not clear. The difference in current levels of URC RCL funding has only become more known widely during this process. E&L Committee wishes to recommend to Business Committee the second option of achieving equity of funding in 2025 between the two English Colleges (Northern College to receive the same as Westminster) and supporting the increased costs associated with more students in Scotland. This would be facilitated using the New College Fund.

3 Recommendation

Education and Learning Committee asks Business Committee to consider their recommendations and give a 'steer' to E&L on the direction of work in time for proposals to go to General Assembly 2025.

Appendix three

Extract from
**Education and Learning Funding for the Resource Centres for Learning
Document for Discussion, January 2024**

Section 3

Costs

As outlined in section 2, the current piece of work has looked to identify fixed and variable costs associated with each of the student types (section 4).

Variable costs are the cost associated with each student (section 3.1 for detail):

- The costs for the RCL to provide the education (currently covered by the block grant)
- Recoverable costs from E&L budget (currently cross charged or claimed directly as 'student expenses')
- Fixed costs are the costs incurred by the RCLs to be able to function to deliver RCL education and learning activity (section 3.2 for detail).
- Recognising that some annual E&L funding will in effect have been used to cover day-to-day maintenance, there has never been an understanding that major capital expenditure to develop or keep up-to-date college buildings is funded through the E&L budget. This has come from other sources, such as the wider church.

3.1 Variable costs per student—the cost will vary depending on the student type (see below)

3.1.1 The costs for the RCL to provide the education

- Registration/fee costs.
- Academic staff travel to support and assess students
- Student events, student reviews
- External speakers, supervisors, specialist expertise etc
- IT – licences relating to student numbers.

3.1.2 Recoverable costs from E&L budget

Accommodation costs. These vary between RCLs because of the structure of each college's courses and the facilities available.

- Westminster College accommodation costs for those full-time students who live in are charged for 28 week occupancy over three terms and include hospitality.
- Northern College students requiring full-time accommodation have their accommodation costs claimed through 'student allowances'.
- For Westminster and Northern non full-time student accommodation costs are recharged to E&L as rooms are occupied.
- Scottish College use a variety of venues for accommodation which are recharged to E&L as expended.

Food

- Northern College food costs are recharged to E&L
- Westminster College food costs are included in full/part board prices charged to E&L.

- Scottish College food costs are charged to E&L.

Student expenses/allowances – claimed by each student from E&L

- Subsistence if not included in above.
- Travel – commute costs and costs incurred on placement
- Books, personal IT etc.

Student grant and additional support

Full-time stipendiary students are eligible to apply for a Student Grant through the Financial Assessment process. Additional support may include but not be limited to:

- Assessments as required
- Hardship support – additional support grant
- Individual costs to support individual students (Mental health assessments, counselling etc).

3.2 Fixed costs – the costs incurred by the RCLs to be able to function to deliver RCL focussed activity

To include:

- Academic staff – salaries, stipends, pension, NI, housing (allowance), CPD costs
- Principal costs – stipend, salary, housing (allowance), CPD costs
- Academic staff – accommodation, meals etc
- Non-teaching staff – admin reception
- Academic charges – eg Cambridge Theological Federation, Luther King Centre, CRCW ESB inspections
- Professional subscriptions
- Running costs, office supplies, website, advertising, printing etc
- IT hardware, software licences, phones, Zoom
- Facility costs – insurances, compliance costs, licences (not IT) utilities, rates (% attributed to RCL activity)
- Catering, cleaning, security, caretaking/maintenance (% attributed to RCL activity).

3.3 Teaching space and office space

- Westminster has their own resource in the college building
- Northern College are charged by Luther King House for:
 - Office space (fixed)
 - Teaching space (variable)
 - A block charge (minus reception)
 - Maintenance contract
 - Scottish College use a variety of venues including their own offices and teaching suite jointly owned with the National Synod of Scotland.