

Paper A11

Size of the Church Life Fund

Business Committee

Basic information

Contact name and email address	Myles Dunnett, Programme Manager, Church Life Review myles.dunnett@urc.org.uk
Action required	Decision.
Draft resolution(s)	Resolution 48 General Assembly gratefully acknowledges the indicative offers of donations to the Church Life Fund from synods and synod trust companies.

Summary of content

Subject and aim(s)	To consider the size of the Church Life Fund, based on preliminary offers from synods/trusts.
Main points	Executive Summary This paper, a companion to Paper A2, was brought late to account for the outcome of Synod Meetings in October. This paper presents the anticipated financial scale of the Church Life Fund (CLF) for its initial three years of operation, based on indicative offers received from synods and their trusts following the October 2025 Synod Meetings. The total level of commitment currently stands at approximately £3 million per year, exceeding the Steering Group's mid-range target and comfortably above the minimum threshold required for the Fund to deliver substantive shared-service and grant-making work. The figures reflect the generosity of synods and the strength of denominational will to resource the Church Life Review's vision of a flourishing, well-supported church. This funding position provides a robust platform for the CLF to begin operations, deliver meaningful work, and assess future capacity as demand becomes clearer. It is recognised that the first three years will serve as a proving period: levels of take-up, costs of shared services, and the appetite for grants will all inform the major review planned at the end of this phase. In the meantime, General Assembly is invited to acknowledge and accept these contributions with gratitude, enabling the CLF to move into implementation with confidence and transparency.
Previous relevant documents	Paper N1, General Assembly 2023 (Resolutions 47 and 48)
Consultation has taken place with...	CLR Steering Group Synods and trust companies Synod Meetings

	(Others as per Paper A2)
--	--------------------------

Summary of impact

Financial	£3mn/pa expenditure for the CLF, based on initial indicative three-year offers from synods (not accounting for any additional income from uplifts, and local church and individual donations).
External (eg ecumenical)	Discussed in other papers.

1. Background: modelling and process

- 1.1. This paper is a companion to Paper A2, addressing the Church Life Fund's anticipated finances in its first three years of operation, up to the major review of the fund after the third year of operation.
- 1.2. In order to reach this point, the Steering Group, aided by the Finance Working Group, prepared two financial models for the Church Life Fund. Extracts of these models can be found in Appendix One (original model, January 2025) and Appendix Two (impact model, September 2025). For access to the full versions in Excel, please contact Myles Dunnett, myles.dunnett@urc.org.uk

2. Initial synod offers: acknowledgment and thanks

- 2.1. The indicative offers made by each synod are detailed in Appendix Three. The total amount for the first year, based on current offers, is £2.97 million, rising to £3.07 million in years two and three.
- 2.2. Synods and their trusts have offered generous contributions to the Church Life Fund. Each of these offers is based on a number of complex factors, including cash flow, short- and long-term commitments, capital outlay, reserves policy, and auditors' requirements. It is important to acknowledge that none of us has a complete understanding of the financial position of every synod trust company. We therefore invite General Assembly to acknowledge the contribution offered from every synod in a spirit of genuine and public gratitude on behalf of the whole denomination.
- 2.3. Through resolutions passed at Synod Meetings in October 2025, some synods have offered indicative contributions for up to five years, and in one case, ten years (in all cases, subject to review). Others have set money aside for contributions beyond the first three years of Church Life Fund operations as part of their routine financial planning. This paper does not include contributions offered beyond the first three years, nor does it mention the ways in which synods may have arranged their finances in the hope that the fund will continue beyond its first review. This is because of the major review of the fund planned to take place after three years of operation. Synods are nevertheless sincerely thanked in cases where these contributions have already been offered, or where arrangements have been made in the expectation of ongoing funding.
- 2.4. Some synods have indicated the potential for an uplift in contributions after year one. This is excluded from the model as this is only potential at this

stage. It is nevertheless noted with thanks. The level of funding indicated for the first three years should not be extrapolated forward. Church Life Fund Committee will communicate the future funding picture to General Assembly as part of their annual reporting.

3. Financial implications

- 3.1. As outlined in the model in Appendix One, the minimum threshold was £1mn annual expenditure. The Steering Group felt that this minimum level of annual income/expenditure represented the lowest viable annual expenditure to achieve any substantive work. The mid-level target was to reach a fund of £2.5mn annual expenditure – we have therefore exceeded this median figure.
- 3.2. The current funding level will enable a substantial portfolio of work to be delivered by the Church Life Fund in the first three years. The impact model in Appendix Two indicates the potential work that can be funded with this level of expenditure (please note the point in bold at the bottom). This level of expenditure therefore represents an encouraging step towards realising the CLR vision of **a flourishing church, less burdened and better enabled**. It is important that, as a denomination, we acknowledge how significant this is, given our size.

4. Future perspective

- 4.1. It has been difficult to assess the necessary scale of the fund for a number of reasons. This is mainly because the scale of appetite from local churches and synods in accessing shared services like accounting support, HR, and IT is not yet known. Additionally, fine details for some of the shared services (particularly group buying, property services, HR, and IT) need to be worked through once Assembly has approved the direction of travel; some elements of cost will only be known in the implementation stage. The effect of this has been a 'chicken and egg' situation, repeatedly named and acknowledged in consultations and communications. Establishing a collectively owned, collectively operated grant-making body was never going to be a straightforward endeavour.
- 4.2. As Church Life Fund operations get underway, the scale of appetite for shared services and grants will become more obvious (supported, importantly, by a substantial communications campaign intended to raise awareness of the fund and the opportunities it presents at the local level). As time goes on, Church Life Fund Committee will know whether the amount of money available for granting is exceeding, meeting, or falling short of demand – this will be a strong basis for future rounds of funding conversations.
- 4.3. Additionally, we intend to create avenues for local churches and individuals to contribute to the fund, as well as exploring potential synergies with external funding bodies. It is expected that this will modestly increase the fund's income.
- 4.4. Overall, the indicated level of initial funding offer gives Church Life Fund Committee a robust platform, allowing them to get work up and running, make tranches of initial grants, and assess future opportunities. The Steering Group extends its sincere thanks to synod and trusts on behalf of General Assembly and the wider denomination.

Appendix One: Fund Financial Model, January 2025

COSTS TO SYNODS SHOWN AS NEGATIVE NUMBERS														
INFLATION														
The amount paid into the Fund will need to increase in line with CPI inflation each year, in order to maintain the Fund's spending power in real terms.														
CPI inflation	2.00%	CHECK: correct if shaded green				PER-SYNOD CONTRIBUTIONS								
Number of Synods				13	High contribution		Medium contribution		Low contribution		Minimum contribution			
Percentage per Synod					4	5		2		2				
Percentage per contribution category					13.0%	8.0%		4.0%		0.0%				
					52.0%	40.0%		8.0%		0.0%				
Number of years	5	10	5		10	5	10	5	10	5	10	5	10	
New Fund:														
Annual income	True cost (CPI-adjusted)				OVER FULL PERIOD (total cost per Synod for the given number of years):									
low	£1,000,000	-£5,204,040	-£10,949,721	-£5,204,040	-£10,949,721	lo	-£676,525	-£1,423,464	-£416,323	-£875,978	-£208,162	-£437,989	£0	£0
medium	£2,500,000	-£13,010,100	-£27,374,302	-£13,010,100	-£27,374,302	med	-£1,691,313	-£3,558,659	-£1,040,808	-£2,189,944	-£520,404	-£1,094,972	£0	£0
high	£4,000,000	-£20,816,161	-£43,798,884	-£20,816,161	-£43,798,884	hi	-£2,706,101	-£5,693,855	-£1,665,293	-£3,503,911	-£832,646	-£1,751,955	£0	£0
PER YEAR (straight division of total cost by number of years):														
low	£1,000,000					lo	-£135,305	-£142,346	-£83,265	-£87,598	-£41,632	-£43,799	£0	£0
medium	£2,500,000					med	-£338,263	-£355,866	-£208,162	-£218,994	-£104,081	-£109,497	£0	£0
high	£4,000,000					hi	-£541,220	-£569,385	-£333,059	-£350,391	-£166,529	-£175,196	£0	£0

Appendix Two: Summary from CLF Impact Model v4 (Updated Following Offers), October 2025

THIS MODEL PROVIDES AN <u>INDICATIVE</u> ILLUSTRATION OF WHAT THE CURRENTLY ENVISAGED SIZE OF ANNUAL FUND MIGHT BE ABLE TO DELIVER. IT IS NOT A PROPOSAL OR A PLAN.				
				CLF Fund Size (annual)
				£3,072,000
Annual Core Costs after setup				
	Administration			£75,000
	Resource Portal			£175,000
	Shared Services			£250,000
		Total core spend		£500,000
		Available for grants		£2,572,000
The assumption is that grant funding is split roughly 50/50 between Lay Workers and New Worshipping Communities workstreams				
		Duration of award in years	Annual Amount	CLF Fund Size (annual, for grants)
				£2,572,000
				No. of grants awarded annually
Lay Workers (LW)				
	Small	3	£15,000	8
	Medium	3	£30,000	7
	Large	3	£45,000	2
New Worshipping Communities (NWC)				
	Small	5	£10,000	8
	Medium	5	£25,000	5
	Large	5	£50,000	1
In the third year of the CLF, the number of LW and NWC projects funded would potentially be three times the above figures.				

Note that the total amount of each 3-year (LW) and 5-year (NWC) grant is taken **in full** from the funding for the year in which the grant is awarded. The number of grants awarded annually reflects this.

For example, an award in year 1 for an annual grant of £50,000 a year for five years for New Worshipping Communities is taken as an award of £250,000 from the Year 1 fund, spread over five years.

Appendix Three: Offers from Synods for First Three Years (up to the major review of the fund)

Synod	Y1	Y2	Y3
North Western Synod	£200,000	£200,000	£200,000
Mersey Synod	£100,000	£100,000	£100,000
Yorkshire Synod	£60,000	£60,000	£60,000
East Midlands	£150,000	£150,000	£150,000
West Midlands	£300,000	£400,000	£400,000
Eastern	£400,000	£400,000	£400,000
South Western	£325,000	£325,000	£325,000
Wessex	£180,000	£180,000	£180,000
Thames North	£541,000	£541,000	£541,000
Southern	£550,000	£550,000	£550,000
National Synod of Wales	£100,000	£100,000	£100,000
National Synod of Scotland*	£66,667	£66,667	£66,667
Total	£2,972,667	£3,072,667	£3,072,667

**Subject to review on 12 November, and with the potential for an additional contribution after Year 1.*