

39(1). Revision of property legislation

1. The legislation contained in CPD Part 9 regarding Methodist property has been comprehensively reviewed in accordance with the decision taken at Conference in 2007 to replace the existing connexional approvals process for property transactions with one where final consent to proceed will be given by a single body beyond the circuit at the nearest possible point to the transaction. For most local church and circuit property this will be the District.
2. The proposed revised legislation is contained in the Law and Polity Report that follows. It has been drafted in accordance with instructions derived from resolutions and Reports approved by the courts of the Church. In the course of that drafting, however, a number of points of principle have emerged which the Conference is now asked to endorse as new policy.
3. In particular, attention has been paid to a number of situations where a connexional body needs to give consent to a specific aspect of a project. An obvious example concerns listed building works, where the Church's exemption from certain provisions in England and Wales of the Planning (Listed Buildings and Conservation Areas) Act 1990 depends on connexional procedures being in place.
4. In cases where a connexional body needs to give consent to a specific aspect of a project it is recommended that the District should be the consenting body in all cases so far as the mission aspects and general desirability of the project are concerned, and that the relevant connexional body should be limited to giving consent to a particular aspect of the project before the district body gives final consent to proceed.
5. The cases concerned are identified in the proposed S.O. 931(1). In establishing the contents of this list a number of specific items were considered. Some were to be found in the version of S.O. 931(1) to be found in the 2008 Constitutional Practice and Discipline (CPD) which lists a number of particular types of property project that expressly require approval to be given by the Methodist Council as the successor to the former Property Committee, or by officers on the Council's behalf. Others were to be found in S.O. 930 in the 2008 CPD, and yet others in the current processes for dealing with cases under some of the sub-heads of paragraph 16 of the Model Trusts. The revision process has considered a number of these particular cases in turn and proposes that in the following instances (with one limited exception) consent for such projects should be required from the appropriate district body, and that the cases should not be referred to the connexional authorities.
6. Paragraph 16(f) of the Model Trusts concerns rights to mineral deposits and forestry on Methodist property.

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It has historically been expected that such matters would be included in processes requiring a connexional body to give approval, but there are no recent examples of its application. For such legal transactions under the new consents process, it is recommended that the District give consent to the project having considered the mission and funding and technical issues, and it then become the responsibility of managing trustees to work with the designated connexional legal officers to implement the appropriate legal process. The procedures will ensure that the managing trustees are clearly told about the steps that must be taken and warned that if they ignore essential steps, such as obtaining a qualified surveyor's report, the legal officer will not allow the transaction to proceed until any defects in the process are corrected

7. Paragraph 16(h) of the Model Trusts concerns the disposal of property for a development project where it is intended that the managing trustees have a continuing interest in that project. Again, it has historically been expected that such matters would be included in processes requiring a connexional body to give approval. Under the new consents process it is recommended that the same process be adopted as set out about mineral and forestry rights in paragraph 6 above.
8. The version of S.O. 931(1)(v) in the 2008 CPD concerns the obtaining of grants. The question has been raised

as to whether a connexional body needs to give consent if conditions are being set by any body outside of the Methodist Church upon the payment of grant funding. It has been concluded that whenever trustees are accepting grant aid from a non-Methodist source, that will invariably be one element of a project designed to further the mission of the Church, rather than be an action for its own sake. Under the new consents process it is recommended that the District give consent to the project and managing trustees then implement it correctly. The Help and Guidance material available for that process stresses most strongly that trustees must be aware of potentially damaging clauses or conditions set by external bodies, and that they should seek guidance from an appropriate legal officer.

9. The version of S.O. 931(1)(vi) in the 2008 C.P.D. protects the Church from onerous conditions or charges that may be placed on trustees when obtaining a mortgage or interest-bearing loan on all or part of a property. Since approximately 95% of such agreements are made with Methodist Chapel Aid Ltd., this Standing Order will require projects to be referred to the appropriate connexional authorities only where the finance company is not Chapel Aid.
10. The version of SO 931(1)(ix) in the 2008 CPD concerns the decision to demolish buildings on Methodist property. There is no reason why the

connexion would be better placed to grant consent for this than the district. As with all projects, such a decision would be taken within the context of the mission policy of the Circuit.

11. It is therefore recommended that the items listed in paragraphs 4, 6 to 8 and 10 above should no longer

require consent from a connexional body, and that the proposal concerning mortgages and interest-bearing loans outlined in paragraph 10 be adopted. Resolutions to effect this are set out below. [nb The Standing Orders to be found in the Law and Polity Report that follows have been drafted to reflect those recommendations.]