

Shared life, flourishing communities

PROGRESS REPORT



The Uniting Church in Australia
QUEENSLAND SYNOD

Walking together
October 2023

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We are *one* church

We are one church active in every Queensland community, bearers of Christ's offer of life in all its fullness. Through our shared life we are committed to a flourishing future for church and community.



To all friends of the Uniting Church in Queensland,

It is now three years since we stepped into **Project Plenty** together and began our journey towards the ambition of a *shared life and flourishing communities*. Plenty is, at its core, a bold commitment to culture change for the whole Uniting Church in Queensland. It seeks to give us a collective, strategic intent and shared opportunities for new things as we face the future together. Our church is very large and broad, and so the process may at times feel slow, however I am pleased to share some of the wide-ranging achievements and changes accomplished by people across the Synod in the last 18 months and give you insight into them through this progress report.

As you know our ambition is ...*to be one church, active in every Queensland community, bearers of Christ's offer of life in all its fullness. Through our shared life we are committed to a flourishing future for church and community.*

We remain committed to the plentiful program of work, because it provides us with a helpful framework for understanding our collective mission and the contribution that each area of our broad church can make in realising our ambition. It also helps us to focus on the four key **Mission Priority** areas, that we have discerned as a church are the areas that we most need to grow and develop in. Most importantly though, Plenty gives us a mandate and platform from which we can ask the most searching and difficult questions that the Uniting Church in Queensland needs to address, in order to move forward and see the church flourish and be renewed.

I am nearing the end of my personal leadership of this project, and yet I remain more encouraged than ever about the impact and potential change that this work is creating for the future of the Uniting Church in Queensland. As you read the following pages, I hope you are inspired to discern how you can both benefit from, and contribute to, our plentiful ambition of living a shared life in flourishing communities.



Trusting God for what is to come.

Rev Heather den Houting

On behalf of the Plenty Board.

Introduction

In the last progress report, we presented over 115 initiatives and actions that had been described by the 11 working groups. When looking at the work as a whole, we realised that each of the groups had suggested similar types of work that we should step into, and that the majority of the actions fit into six common categories.

Each of the groups realised the need to:

- **Affirm common ground** – shared ethos, policy, position statements
- **Realign responsibilities and resources** – governance groups, committees, staffing
- **Create cross-synod networks** – communities of practice, forums, working groups, key partnerships
- **Build the capacity of our people** – coaching, mentoring, training, educating
- **Develop and deliver enablers** – tools, guidelines, programs, projects, events
- **Share resources and information** – platforms, content, communication, promotion





In this progress report we will present what has been achieved in relation to the categories above and give insight into what the next steps forward might be. We will also share some insightful and inspiring stories, in words spoken by those who have boldly stepped into plentiful work in their own place and context.



Steps Taken



Affirm common ground

A key feature of the Plenty Project has been to take a 'whole of church view' when thinking about these important themes. In almost all the Mission Priority areas, the working groups found that whilst there was already excellent work taking place, it was not always being done in a co-ordinated or aligned way across the different councils and agencies of the church. It became apparent that in many areas we simply did not have the shared clarity, ethos, or position on issues that would allow us to effectively rally together and leverage our efforts.

70 working group members
from presbyteries, agencies, schools and colleges

In response to this challenge, the Plenty working groups have collaborated with, supported and championed people across the Synod to:

- Develop *A Flourishing Creation: Queensland Synod Action and Advocacy Plan* which offers a variety of environmental sustainability pathways and options and gained endorsement at the 36th Synod in Session.
- Deliver the *Governance Research Brief Report* which captures an overview of existing governance models, to support upcoming discussion and decisions around incorporation and restructuring. (This will also assist with Act 2 discussions currently underway at Assembly).
- Adopt a '*Life-long Discipleship Framework*' which provides a common language for how congregations can build a culture of discipleship. This framework outlines 10 key areas that are important in nurturing the faith of people from early childhood all the way through to older adults.
- Draft a church planting and innovation framework to help Presbyteries understand how to foster new initiatives within our existing systems and polity.



- Draft a *Queensland Synod Advocacy Framework* to assist in addressing social justice issues.
- Develop position statements and communication strategies for the following issues – Voluntary Assisted Dying, Raise the Age, Voice to Parliament.
- Host the *Life Together Narrative Workshop* to create contemporary ways to tell the Uniting Church in Queensland history, vision, mission, and values and share them across the life of the church.



Realign responsibilities and resources

One of the important pieces of work over the last 18 months has been to examine whether each of the commitment areas has adequate resourcing and support to do the necessary work. In several cases, it was found that the church council or agency that had the regulated charter to deliver on a particular theme, was in fact limited in their effectiveness due to lack of staff support or duplication of effort across the church.

To address this need:

- The *Queensland Synod Resourcing Review (QSRR)* was initiated to explore potential funding solutions for both Synod and Presbyteries.
- Delivery of the 11 Plenty commitment areas being aligned to existing councils, boards, and committees of the church.
- The Queensland regional leadership council of the Uniting Aboriginal and Islander Christian Congress (UAICC) was re-established.
- Provision was made for an Executive Officer for the Board for Christian Formation (BCF) to progress the upskilling identified by all 11 commitment areas.
- The Environment and Sustainability Project Officer initiated the necessary engagement to implement the Flourishing Creation plan outlined above.
- The pilot of the cross-agency and Uniting Church Wellbeing and Mental Health initiative was supported by the Mental Health and Wellbeing Project Officer.
- Provision was made for a Covenanting/RAP Project Officer to create a 'whole of Synod approach' to reconciliation initiatives.



Steps Taken (cont.)



Create cross-Synod networks

Networking is the foundation of all innovation, and each of the groups has worked hard to develop connections, forums, and communities of practice that people from right across the church can contribute to and benefit from. This connecting activity is at the very heart of the work of the Uniting Church and has been a critical component of our commitment to doing Life Together. We are seeking to provide opportunities where like-minded people from across the church can ‘find their tribe’.

Over the last 18 months our Plenty working groups have collaborated to:

- Host monthly prayer meetings online to pray for ‘Renewal’ within the Uniting Church.
- Facilitate the Discipleship Culture Network (webpage and social media).
- Facilitate an Environmental Sustainability Community of Practice.
- Facilitate an Intergenerational Ministry Network for ministry with children, youth, young adults, and families (CYAF) (webpage and social media).
- Host state-wide covenanting gatherings in Cairns and Townsville.





Build the capacity of our people

We have spent considerable time and effort on providing opportunities for the training and upskilling of our people. We have both initiated opportunities and supported the work of others across the church. In many cases we have been able to use our own internal Uniting Church people for coaching, mentoring, and training however we have also connected people with external training opportunities.

Plentiful Mentoring Leadership Program
40+ new leaders engaged this year
100+ leaders to date

Plenty has engaged with and invested in a wide range activities. It has:

- Facilitated the *Plentiful Mentoring Leadership Program* (PMLP) for a second time.
- Supported *Building a Discipleship Culture* event (Moreton Rivers).
- Supported *Congregation Mission in a Post-Christian Age* workshop (South Moreton).
- Supported *Here2Stay* training in lifelong discipleship (Moreton Rivers).
- Supported *Easter Madness* and Day Camps to assist Presbyteries in developing young leaders and disciples.
- Sponsored Uniting Church delegates to attend CYYAF training through *Amplify*, *InterGenerate* and *Leaders2Go* conferences.
- Sponsored delegates from congregations and the Office of the Synod to attend *Exponential Church Planting* conferences.
- Sponsored Uniting Church participants in the *Mission Leadership Hub* in partnership with NSW Synod.
- Developed *Friendly Spaces* training program in Mental Health First Aid and Domestic Violence support for church-based volunteers.
- Hosted monthly online book clubs in the areas of discipleship and inter-generational ministry.

'Here 2 Stay' training
25 participants
10 congregations

Steps Taken (cont.)



Develop and deliver enablers

Several tools, guidelines, programs, and events have been shared to support work on the ground. In most cases we have tried to use the great resources that already exist in the wider church however, the list below are things that the Plenty working groups believed were important to create specifically for use in our context.

Engaging and collaborating widely we have:

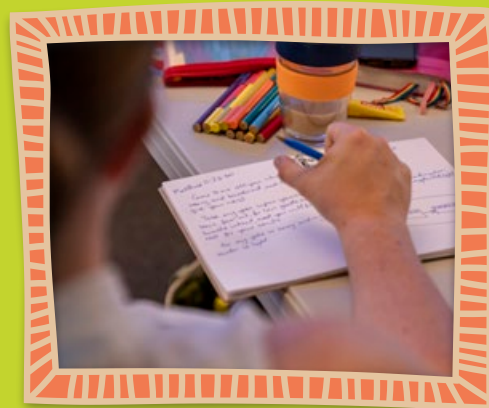
- Developed a *Discipleship Primer and Discipleship Strategy Tools*.
- Initiated 'Friendly Spaces', a Wellbeing and Mental Health pilot on the Gold Coast to explore how local congregation volunteers can better support people experiencing issues of mental health, domestic violence, and social isolation, within the capacity and community of the church, referring onward to professional help as needed.
- Produced *Uniting Church Leadership Practices* modules for use across the Synod which will be incorporated into the next version of the Plentiful Mentoring Leadership Program (PMLP).
- Worked with The Business Committee for the 37th Synod to develop a *Wayfinder Yarning Guide* for including 'yarning circles' into the discernment process at Synod in Session.



+150

participants at Mission & Discipleship events from all Presbyteries





Reimagining Discipleship

Core business and personal journey –
in conversation with Rev Mark Cornford.



“ Discipleship was named as a Project Plenty priority and our Presbytery review as part of that also identified that it was also the central part of our strategic vision. We realized that we needed to focus on encouraging, helping, supporting, and resourcing discipleship.

The whole foundation, the core business of the church is about forming disciples in the mission of God. So that's fundamental. If it's not the clear priority, then we need to help reframe people's understanding of who we are and what we do, how we organise events or run a worship service so that we are intentionally forming people into following Jesus for the sake of the mission of God.

There have been a number of different things that have come from that emphasis. In our reimagine process we've identified the congregations that are likely to face real challenges in the next three to five years, and to

focus our support there. We have run a variety of workshops on discipleship and mission with church council Chairs, individual congregations, as a Presbytery, and reaching out into the wider church, including the Discipleship Day at the beginning of the year and the recent Here2Stay workshop.

We are connecting with people and exploring a common language and common ideas and working to encourage and resource others to walk with us.

At the recent workshop there were over 80 people in the room, and seven online hubs with groups participating across the Synod. That highlights that it was certainly something that people wanted and were passionate about. As we ask ourselves about discipleship culture, I have had feedback from ministers who say – *“We were never really trained in this.”* This work

is transformational rather than just strategic or operational and it gets to the core ethos and purpose of how we understand our roles.

It's also not about adding on another program, not 'doing discipleship' on top of all the other things. It's about fundamentally looking at your understanding of who you are and what you're trying to do. It doesn't mean you'll stop doing worship or pastoral care, but it's an understanding of worship or pastoral care as part of something else, as part of finding the way of Jesus for the sacred mission of God.

As a presbytery, we have been discussing that discipleship involves three things - **experiencing the kingdom of God, living the kingdom of God and inviting other people into the**

kingdom of God. It's not a checklist but a space in which we live. A disciple is someone who experiences and knows the truth of the gospel. A disciple is someone who then seeks to live that out in terms of their actions, and how they interact with others and live in community. And thirdly, a disciple is someone who invites other people into that journey.

It doesn't matter where you start or how you start, right from whenever someone says I'm a follower, this is the journey you're on. As you travel, you'll face challenges and grow in understanding, but the journey is the same.

It was powerful for us that this was named as the number one Plenty priority across the whole church, to know that we see the same thing

and that this is actually the story of the church in Queensland. We're not just off on our own little journey, we're a part of an ongoing journey of the whole church. Plenty was a vision that gave us permission to say, "actually you know what? This is a real priority, and we are going to step into this intentionally. Without the plentiful conversations around us, it is likely we would have just run these workshops for our own Presbytery and worked with our people, in our place. The advantage of being connected to Plenty is we are able to ask the wider questions - how can we turn this into a bigger thing and

are there other things that other people are doing that we can connect into? It's been about collaborating on the journey, sharing and receiving, and agreeing together that discipleship is the core

thing, and it has to be at the center.

Many people from congregations have made that leap - saying, "Yes, we want to do this, we want to be on board." They want to be connected in and empowered. There are church councils who feel challenged by this call to transform, and that has to be the next step for us going forward. This is a real change, a massive journey with many different paths and it's quite messy, but it is a journey that I'm convinced is necessary, that I believe we are called onto.

We are basically empowering people to take responsibility for the mission of God themselves and as they do that, who knows what will happen? "

Plenty was a vision that gave us permission to say, "actually you know what? This is a real priority, and we are going to step into this intentionally."



Changing the shape of the future



The original consultation for Project Plenty sought for the whole church to identify what areas we were doing well and what areas we needed to improve or do more of. This resulted in us settling on the **four Mission Priority Areas of Discipleship, Transforming Communities, Fit for Purpose, and Life Together**. These were then further clarified into 11 commitments which ranged from Youth and Children’s Ministry to Leadership Development, to Governance Reform.

These topics were not new, or unique to the Uniting Church in Queensland, however they *were* deeply true to our mission, and they represented, in a sense, areas of deficiency or ‘gaps’ that the church thought were not as healthy or vibrant as we wanted them to be. It is worth noting that every one of these areas already have a place within the Uniting Church in Queensland, and that there are indeed regulated councils, groups, boards, or agencies that have a charter or mandate to deliver against these Mission Priority Areas. These groups already have responsibility for these areas and

yet only the Synod Standing Committee has had an overall view of how all the pieces fit together. The opportunity of Project Plenty has been that it has allowed us to step back and take a global and integrated view regarding how to address these gaps as **ONE interconciliar church**.

The reality that has become apparent, is that whilst we have had the corporate infrastructure and polity to deliver on all the commitment

areas raised in Plenty, the actual work of each of these areas was not flourishing as we would wish it to be. In several cases this was because the boards and committees themselves had become burdened with issues that were not directly related to their charter and in other cases there has not been sufficient staff provided to support these largely volunteer groups.

Prior to the 36th Synod in Session, the staff working on Project Plenty assembled

working groups for each of the commitment areas with representative membership from across the breadth of the Synod and asked them





to develop a set of initiatives and actions that could guide the way forwards. Since that time, we have been in an implementation phase, where many of these initiatives and actions have been forwarded by the working groups themselves or by staff within the Office of the Synod, in collaboration with others across the Synod.

As this project matures, it becomes clear that we are now in danger of duplicating our efforts by trying to address these Mission Priority areas both through the existing councils, boards and committees, (who have the charter and mandate but relatively few time and people resources), and through Project Plenty (which has time and resources but no real structural mandate to undertake this work on behalf of the church). In some cases, there has been good collaboration between these groups however at other times it has been a source of stagnation and frustration.

All of this is important to understand in terms of the future of this vital Plentiful work within the life of the church. In particular, we need to address how the focus on Discipleship, Transforming Communities, being Fit for Purpose and living a flourishing Life Together can best continue and strengthen.

For the next season, each of the Mission Priority Areas will remain, but the emphasis will be on supporting the existing councils, boards, and committees to better function as the governing and steering groups for these key areas. We will

do this ensuring that the working groups, Office of the Synod staff, and budget support are better aligned to deliver on the initiatives and actions, under the direction and oversight of the relevant boards and councils. In simple terms, over time the boards and councils will govern and shape these areas, the plenty working groups will provide on the ground feedback and advice as active practitioners in each area, and Office of the Synod staff will facilitate the process, provide subject matter expertise, and ensure that progress is being made.

It should be noted that the primary goal remains to assist the whole church to grow in the four key priority areas and that the structural changes above are intended to support and enable each congregation, presbytery, organisation, entity and agency to do the plentiful work that they discern is right for them, as they work with the boards, committees, and councils of the church in Queensland.



The emphasis will be on supporting the existing councils, boards, and committees to better function as the governing and steering groups for these key areas.



Plentiful journeys at The Lakes College

Why not? What if? And a lot of hard work –
in conversation with Principal Nicole Gregory



How it started

Three years ago our Board Chair encouraged the Board to look at how we could engage with what was being offered through Plenty, oriented towards sharing and leveraging community and what community has to offer. We worked strategically, developing understanding, particularly of discipleship and reflecting on how fit for purpose we were. We engaged with these ideas and the Mission Engagement Manager who workshopped with us. As an executive and Board, we did some particularly deep reflection in that discipleship space and that became our

first connection point in terms of Plenty and Flourishing Communities.

We committed to intentionally connecting to the wider church and the other UC schools – this helped me to consider who are my people and what does this organisation called the Uniting Church really look like, and what are some of the areas of the church that we could intersect with? That was the foundational piece of thinking.

We thought, “Why wouldn't we do this? Let's give it a go.”

What resonated for us?

We are dealing with a generation of young people coming through our schools, who have been impacted by the pandemic and all that has meant, who feel that their life is fairly challenging in terms of their view of future. What has become increasingly obvious is that when our students leave here, we need some stable connection points for them as they navigate life outside of school.

Deep in my heart is the thought that if we can develop some partnerships with the wider

church, if the young people know they belong to something bigger and greater than just The Lakes College, that might be the safety net they need. Perhaps they can turn to that at any point in their life - for personal support,

to be part of community, to look for work, and to know that when you leave our gates, there is a world out there and there are people in that world that care for you.

They care about the same things because the value alignment is there. Our values at the Lakes College are the Uniting Church values.

There is also the sense of rationalism when you think about these partnerships and connections too. If there are things already in existence - why would you reinvent the wheel? We don't need to replicate what we are doing in our different contexts, when actually there's already unifying factors that exist.

There are more ideas and opportunities evolving because people have been given the opportunity to engage, the permission to engage.

Discipleship journeys

We understood at The Lakes, that there was a deep need for us to begin to look at formation of both staff and young people. We are working to ensure that formation is a key part of staff commencement and continues throughout their journey in the organisation. It's really important for our staff to understand that when you engage as an educator or a support person in a Uniting Church school, it means something more than just a job.

We have also looked at the way we do faith and values education here, to create a more contemporary view of how we engage with young people and the spiritual connection and understanding of faith and religion as a part of the whole formation piece. That led us into conversation with Trinity Theological College – we are working on the concept of service-learning for young people as part of formation, looking at what service-learning looks like from prep through to year 12 and how we can embed that in our pedagogical culture.

It's also led us into conversations with one of the sister schools, Calvary, around how they do service. There's a shared body of knowledge that is helping us. We are asking what it means to serve, and what are some opportunities where our students and our staff can engage with other entities in the church in a sustainable, tangible way on a regular basis. We have brought in a new Director of Mission and changed the focus from a chaplain to a director of mission which has created a space for partnership building. We're at the point now where we've almost finished our framework for service learning, and we're starting to look at the outpouring of what that will look like. That'll be a bit of a journey for us.



Intergenerational life together opportunities

We have engaged with two of our local congregations. We have connected to the North Lakes UCA community, and we have really enjoyed having some of the congregation members come and participate in events and activities on the college site - simple things like standing at the gate and handing out pancakes. You can see the joy when members of the congregation who are retired get to come and actually engage in that way. It is life together and intergenerational engagement and it is a really intentional piece for us. It seems like a small thing, but it's actually a really big partnership piece.

We're also engaging with Redcliffe Uniting Church to look at ways to set up a youth group. We are part of the Moreton Rivers Presbytery's conversation around youth and youth activities, and offered our space to host a gathering with local congregation members and young people to talk about what a youth group could look like. And the Lakes College has said, "Hey, we've got 1,100 students in our school who all live in this local area. If you want to come and set up a youth group here, we'll just give you the space to help you do that." The aim is to have a functioning youth group here, at least by the commencement of next year which is likely to be run by the church at Redcliffe because they have the resources and expertise. This is part of a bigger conversation about developing youth hubs, connecting smaller youth groups in a broader networking community.

Our Culinary Club has now catered several events for people in the wider church, either traveling to other venues or like the Moreton Rivers Presbytery meeting, which

was held here, and the culinary club catered the event for them. This journey started when the Transforming Communities launch was being organised last year and we were asked "You've got that culinary club at your school, haven't you? Would they be eager to cater an event for us?"

And we thought "Well, why not?" and "What do we need to do so that there are no stumbling blocks for this?"

It is life together engagement with the church and the community beyond the school. For us, it's about the application of Plenty in our North Lakes community.

Fit for Purpose touch points

The Fit for Purpose conversation has helped us reflect on our buildings and how they're used and how they can be leveraged, additionally the Lakes College Board will be reflecting on the Governance Review and offering our perspectives.





We have also been really involved for the last three years in the Plentiful Mentoring Leadership Program with several staff being involved each year. I think this is an excellent opportunity to be present with the church community and to see what we can learn in that space and what we can offer as well.

Transforming our community

An extremely important piece of plentiful work in the college is our Environmental and Sustainability framework which we are finalising and is the work of the last two years. We have been able to come together in this work and seek advice from the UCQ Sustainability team which was such a valuable opportunity to leverage the experience of someone who's part of our organisation with deep knowledge and expertise.

A key area that has been highlighted for us is our commitment to and covenant with First Peoples. We have looked at our scholarships, applying Uniting Church thinking with a focus on those young people who would like an education at The Lakes College, but genuinely can't afford it. This has led to a scholarship program for First Nations young people where each year we have two 100% scholarships available from years 7 to year 12. We are seeking those in the wider church who would like to partner with us in this



to allow us to do more to support First Nations young people in this way.

It has also really ignited in us a desire to meet our community, our First Peoples, where they're at. And so, we engage on an annual basis now with our families in yarnning circles so that we can have time just to converse and consider perspectives and gain feedback. It has impacted the way we do NAIDOC Week and what a multicultural day might look like, and this year we are planning our first Walk on Country. Being intentional about our relationships with our First Peoples has meant that we now have a much larger number of young people and their families who choose to identify as Aboriginal or Torres Strait Islander, because it's okay to do that. That's been an incredible blessing for us.

Final thoughts...

To be honest with you, I think there's probably more ideas and opportunities evolving because people have been given the opportunity to engage, the permission to engage. That's really what it is. Part of the culture here is that we don't have to do it all ourselves. We engage where we have something to offer and where somebody else may have something to offer us. It comes with a real heart of reciprocity.

The real value of these plentiful conversations has been the philosophical underpinning, the theological, philosophical, social justice, values-based position that helped us really understand and frame our thinking about what it means to be a Uniting Church school.

It's given us firm footing. And permission to go - why not?



Moving Forward

Discipleship

The Discipleship journey will continue – we will keep collaborating with people throughout the Synod who are active in making disciples in order to encourage what is working, to build the capacity of others, share the lessons we are learning and celebrate the changes we see. We are committed to growing ongoing networks and connections across the whole church that can continue to build a culture of discipleship, however we are very aware that ultimately disciples are formed one life at a time.

We will be working with congregations and presbyteries to explore how the 'Life-long Discipleship Framework' can be best used and applied at a local level (see page 6, point 3). This

framework outlines 10 key areas that need to be developed as part of an overall disciple-making strategy and we will be supporting people with further tools, training, events and networks. Our focus on empowering those who work in children's, youth and families ministry will continue as we provide inter-generational worship and discipleship resources for the key seasons of the church calendar. These resources will be available from our new website and web-hub in 2024.

*Ultimately
disciples are
formed one life
at a time.*



Discipleship

Refreshed discipleship culture
Church innovation
Engaging young people



What is in focus for the next 12 months?



Transforming Communities

Our call to transform communities remains central to our history, our identity, and our future and we recognise that there are active individuals, groups, and congregations across the state. The Transforming Communities Reference Group will work in collaboration with policy, advocacy, and communication subject matter experts, to finalise and implement an Advocacy Strategy and Framework, develop key government and stakeholder relationships, and engage with Congregations and Presbyteries to connect social justice advocacy and action and build momentum and energy across the Synod.

The three priority areas – Wellbeing and Mental Health, Covenanting with First Peoples, and Environment and Sustainability – will continue to guide our efforts. We will be working to establish the Friendly Spaces program (mental health pilot) in new locations across Queensland and to develop and implement a mental health

Advocacy Strategy. The Voices of our Covenant exhibition launched at Wesley House will be toured to schools and congregations to share the First Peoples stories that have been collected with the widest possible audience in the life of the church. A Reconciliation Action Plan (RAP) team will be established to work in collaboration with the Queensland Regional Uniting Aboriginal and Islander Christian Congress (UAICC). They will explore and implement a First Nations leadership program in the Queensland Synod. An Environment and Sustainability Assessment Tool will be rolled out to enable us, as a Synod, to better measure and improve our strategies and actions in this space.

There are active individuals, groups, and congregations across the state.



Transforming Communities

Wellbeing and mental health support
Covenant with first peoples
Environment and sustainability



Moving Forward (cont.)

Fit for Purpose

The significant work in the Fit for Purpose space will need to continue over the next several years. Any governance resolutions made at 37th Synod will be implemented, and active support will be provided to the Act 2 consideration of governance options. Uniting Church Leadership Practices content will be broadly embedded into leadership programs and

Work in the Fit for Purpose space will continue over the next several years.

induction programs for leaders across the synod. In the areas of Mission Presence, Health, and Vitality there will be a focus on developing frameworks, processes, and guidance to support the work of the Mission Collaboration and Coordination Committee (MC3) and enable collaborative mission-focused property projects.



Fit for Purpose

- Governance reform
- Operational efficiencies
- Mission presence, health and vitality
- Leadership development





Life Together

Life Together is now, more fully than ever, understood and embodied as a way of working and being in relationship across the life of the church in Queensland. It is central to the thinking about governance change and will continue to influence the efforts of all the working groups and the connection and alignment with boards, committees, and commissions.

The Life Together working groups are

Life Together will continue to influence the efforts of all the working groups.

collaborating with the Office of the Synod Communication team to take the thoughts and ideas expressed in the Life Together workshop and use them to weave the story of the UCA identity and ethos into web content, recruitment, and onboarding resources. The third Plentiful Mentoring Leadership Program will be offered in 2024, continuing its focus on mentoring and cross-Synod relationships.



Life Together

Mission partnerships



Voices of our Covenant

Weaving interconnection and story – in conversation with Kym Korbe - Koa, Kuku Yalanji (Waka Waka);
Covenanting Working Group co-chair and Manager
UCQ RAP Program

“ When we started as the Covenanting Working Group in 2019, we were just feeling our way through. As we progressed in who we were as part of Plenty, we started realising that we wanted more knowledge about the experience of First Nations people in our church. We had a feeling that we knew a lot about our First Peoples’ interactions within our church communities, but we wanted to learn more and understand more deeply what it meant for them as faith people in relationship with the church and the theology of the church. We wanted to understand how that intersects with language and culture, and the importance of it intersecting with language and culture.

We chose to slow the process down and be more intentional around being in relationship, and to develop a project to film people and hear

them tell their story, creating a product that will be something that can be built on for future generations. We also hoped to build a framework of First Peoples interacting with the church and telling and sharing story across the Synod.

We were adamant that if we were going to contract someone to lead this piece, it had to be a First Nations person. We worked with Jo-Anne Driessens who is a photographer and researcher and a Koa (Guwa) / Kuku Yalanji woman. She has 25 years of experience as a photographer and a background in a variety of arts and community roles.

My real hope was that we would have an online resource that could also speak to people who are in engagement with the church but not in the congregational sense - maybe connecting through our agencies or receiving care through our agencies. More particularly, we wanted to have something that perhaps speaks to children who were in out-of-home care. That is a challenging space to be for a First Nations young person. It’s also a challenging space to be for those who might care for First Nations kids. We hoped to create a resource for people who might, through the goodness of their heart, offer foster or kinship care to First Nations kids, a resource that lets them listen to elders, know their stories, build understanding. We want them



to know that they're linked to the church and linked to our hope, that we are interconnected.

The Regional Queensland Committee of the UAICC, also came about through this work. It was through the storytelling project that we built trust with all those people that we needed to build trust with. We built the trust so that they could step into the space and say, "Okay, let's reimagine how we can be."

Plenty was the framework for us to see this become something bigger than just the Covenanting Group, to consider how our work fits in with discipleship, our life together, and mental health and wellbeing. We stepped into that space, we put proposals forward, and we were bold. They could see that we were all passionate and also importantly that this work fit with the Synod's strategic vision.

I think the most important thing for individuals, groups or congregations, is to find out about all the plentiful work that is happening. Each of us really need to do the deep work of understanding where our heart is - is it mental health? Is it really understanding what discipleship means to you? Or do you want to be able to work better with your colleagues across the church? I think whatever it is that's speaking to your heart, talk to those around you that might have similar feelings and engage with the parts of Plenty that mean the most to you. Reach out and find out where your ideas can fit. "



Plenty actions - status report

Acronyms in this report:




- **TTO** Transitioned to Operations
- **BCF** Board for Christian Formation
- **FIP** Finance, Investment & Property
- **MPAG** Missional Presence Advisory Group
- **TCRG** Transforming Communities Reference Group
- **UAICC** Uniting Aboriginal and Islander Christian Congress
- **MET** Mission Engagement Team
- **SME** Subject Matter Experts
- **CYYAF** Children, Youth, Young Adults & Families
- **WG** Working Group
- **CPR** Church Planting & Regeneration
- **BDU** Business Development Unit
- **Scope Changed** means the actions have either been combined with similar initiatives, or the agreed approach was changed after further reflection.

Plenty actions - completed

MISSION PRIORITY	COMMITMENTS	INITIATIVE	ACTIONS	STATUS
Discipleship	Discipleship	D1 - Heart Reset - Lent	D1a - Invitation to prayer & fasting	Complete
		T1 - Unified Position Statements	T1a - TCRG will develop agreed Position Statements on a range of issues, aligned with the UC	TTO
			T1b - The TCRG will work with comms to build awareness of a common purpose	TTO
		Transforming Communities	T3 - Advocacy Infrastructure	T3c - Work with comms to explore options regarding spokespeople in the church
	T4 - Build Capacity for Advocacy		T4c - MET will create and manage a "roadshow", visiting 12 locations over 12 months	Scope Changed
	Transforming Communities	T8 - First Peoples Story	T8b - Create a Reconciliation Action Plan groups to connect the Indigenous cohort and share stories	Scope Changed
			T9b - Identify First Nations leaders and emerging leaders and encourage them to grow	Scope Changed
		T9 - Develop First Peoples Leaders	T9c - Explore a mentoring and leadership program with existing First Nations staff and lay people	Scope Changed
			T9f - Ensure that Indigenous candidates and theological students are provided with First Nations mentoring allies	Scope Changed
		Covenant with First Peoples	T10a - Host gatherings with UAICC network in QLD to shape its voice, story, hopes and participation.	Complete
			T10 - Reinvigorate Covenant with UAICC	T10c - Review the existing Covenant relationship between UAICC and the church in order to inform and align
		Environment & Sustainability	T11 - Contribute to First Peoples Flourishing	T10d - Support First Peoples leaders to facilitate safe spaces in which local First Nations can build understanding
T11a - Identify and promote representation from QLD Synod on the NAIDOC Committee to enhance engagement				Scope Changed
T12 - Care for Creation Plan			T11b - Collaborate with the Environmental Sustainability Working Group to include First Peoples' unique perspective	Complete
			T12a - Collaborating with SME's to develop a Care for Creation Position Statement	Complete
Fit for Purpose	Governance Reform	F1 - Upgrade Governance Framework	T12b - Collaborate with SME's to develop the Care for Creation Action Plan 2030 for consideration at the 36th SIS	Complete
			F1a - Review governance models and develop working criteria for good governance	Complete
	Operational Efficiencies	F2 - Improve Procurement Collaboration	F1b - Roundtable event to explore other governance models relevant to the UC	Complete
			F1c - Develop a research brief, based on the outcomes of the above & collate an overview	Complete
		F3 - Culture of Continuous Improvement	F2a - Initiate a 'Strategic Procurement Forum', with formalised and representative involvement	TTO
			F2b - The Forum & SMEs to develop an procurement education module leaders	Scope Changed
	Mission Presence, Health & Vitality	F4 - Missionary Presence Advisory Group	F2c - The Forum will collate and promote existing procurement opportunities	TTO
			F2d - The Forum will list and promote free & paid corporate and professional services	Scope Changed
		F5 - Asset Database & Property Module	F2e - The Forum will promote One Church as a significant purchaser - externally	TTO
			F3b - The Forum will manage the development of a training module on continual improvement	Scope Changed
	Leadership Development	F6 - Consistent Leadership Culture	F3c - The Forum will collaborate with comms to promote good news stories on efficiencies	TTO
			F4a - Collaborate with FIP Board to create the Missional Presence Advisory Group (MPAG)	Scope Changed
Mission Partnerships		L1 - Realignment of UC story	F4b - The MPAG will work with the Presbytery Synod Interface group to explore property and missional health & vitality	Scope Changed
	L2 - Opportunities for Interrelationship		F4c - MPAG will identify the triggers for consultation with MPAG for new projects	Scope Changed
Life Together	Mission Partnerships	L2 - Opportunities for Interrelationship	F4d - MPAG will identify pilot initiatives for true co-located opportunities	Scope Changed
			L1f - Work with BCF to facilitate leadership to tell the story of the church	Scope Changed
			F5a - Develop an asset and maintenance database across One Church	Scope Changed
			F6a - Review the Basis of Union and other UC guidelines to align leadership with mission	Complete
			F6b - Review existing leadership frameworks and create leadership practices to support culture	Complete
			F7a - Identify training, education and leadership programs that contribute to shaping leaders	Complete

Plenty actions - active

MISSION PRIORITY	COMMITMENTS	INITIATIVE	ACTIONS	STATUS
 <p>Discipleship</p>	Discipleship	D2 - Model Culture	D2a - All to lend effort & influence towards discipleship culture	Started
			D2b - All to develop relationship and model discipleship practices	Started
			D2c - Ministry agents annual review of discipleship practices	Upcoming
			D2d - Share discipleship stories in gatherings	Started
		D3 - Reshape Presbytery Resourcing	D3a - Employ support staff to free up Pres Mins to champion discipleship	Upcoming
			D3b - Refocus Pres Mins role towards discipleship & strategic mission	Upcoming
			D3c - Employ CYYAF Leader in each pres to provide resources and create networks	Upcoming
		D4 - Networking and Coaching	D4a - All will identify discipleship coaching and mentoring programs, both internal and external, to support leaders	Upcoming
			D4b - Pres Mins and other key leaders will facilitate the creation of discipleship communities of practice	Started
		D5 - Formation and Training	D5e - BCF oversees the development and delivery of a Discipleship Primer	In Progress
			D5f - Offer the Discipleship Primer to all to help them understand what discipleship means in their unique context	Started
		D6 - Develop Foundational Tool	D6a - MET & Discipleship WG will consolidate and deliver a simple Foundational Discipleship Strategy tool	In Progress
			D6b - Develop and provide options of coaching and mentoring networks to develop capacity with the tool	Upcoming
			D6c - Pilot this tool with both an urban and rural congregation to ensure its efficacy	Started
		D7 - Review Health & Vitality	D6d - Make the tool available, with the Discipleship Primer above, to help congregations with their strategy	Upcoming
D7a - MET will work with pres mins to integrate a simple process for using the tool, to support health and vitality	Upcoming			
D8 - Online Resources	D8a - Create and curate discipleship content for use across the church, accessed from a resourced web space	Started		
	D9a - Create framework to clarify Church Planting and Regeneration processes	Started		
D9 - Planting & Regeneration Strategy	D9b - Develop CPR capacity in presbyteries	Started		
	D9c - Develop CPR capacity for everyone (churches, schools etc...)	Started		
	D9d - Presbyteries to identify people that have a heart and capacity to undertake a CPR	Upcoming		
D10 - Funding Streams	D9e - Presbyteries to review systems and processes to ensure adequate support is offered for CPR projects	Upcoming		
	D10a - Representatives Discipleship WG, FIP Board & BDU will consider new income streams and establish grants for CPR	Started		
D11 - CYYAF Primer and Pilot	D11a - Mission Leaders across all entities will collaborate to adopt a framework for working with CYYAF	Started		
	D11b - BCF & chaplains, practitioners and TCQ will create and deliver a CYYAF Primer for congregations	Upcoming		
D12 - Network of CYYAF Practitioners	D11c - Pilot this CYYAF Primer in two presbyteries	Upcoming		
	D12 - Discipleship WG, MET & Mission leadership identify existing networks of CYYAF practitioners across the Synod	In Progress		
D13 - Central Resourcing for CYYAF	D12b - The Synod Office will invest in coaching and mentoring of these leaders through relevant networks	Upcoming		
	D13a - The Synod Office will develop a resourcing website/hub to make resources available	In Progress		
D14 - CYYAF Policy	D13b - Moreton Rivers Presbytery will take the lead in developing an annual gathering for youth & young adults	Upcoming		
	D14a - The Synod Office will create policy to facilitate participation of those under the age of 35 in church roles	Upcoming		
D15 - CYYAF Mission Partnerships	D15a - Congregations and schools/educational facilities will work together to nurture faith & discipleship for CYYAF	Started		
	D15b - Invite congregations currently connected to these facilities to undertake the Discipleship Primer	Upcoming		
	D15c - CYYAF Practitioners will facilitate opportunities for CYYAF to serve in Shared Life, Flourishing Communities	Upcoming		
	D15d - UCQ Connect 100 Team to identify aligned projects that can connect CYYAF with churches	Started		
	D15e - Empower Chaplains to identify opportunities where CYYAF can have greater participation in service	Upcoming		
			D15f - Presbyteries and congregations will promote the use of the Period of Discernment process by CYYAF	Upcoming

 Transforming Communities	Transforming Communities	T2 - Advocacy Governance Process	T2a - TCRG will be a sustainable and strategic presence within the Synod's governance structure	In Progress			
			T3a - Review existing structures to form streamlined, integrated advocacy infrastructure	In Progress			
			T3 - Advocacy Infrastructure	T3b - Develop an Advocacy Framework which will provides opportunities to maximise influence	In Progress		
				T3d - Explore, determine and use good practice mechanisms for measuring the impacts of advocacy efforts	Upcoming		
			T4 - Build Capacity for Advocacy	T4a - TCRG will explore and resource local networks to build capacity on-the-ground for engagement	Upcoming		
				T4b - TCRG will consolidate, curate and share resources and tools to support advocacy	Upcoming		
			Wellbeing and Mental Health Support	T5a - Develop a "One front door, No wrong door" pilot to improve mental health services and wellbeing	Started		
				T6a - Develop and conduct an advocacy campaign that breaks down the stigma with Mental Health	Upcoming		
			 Covenant with First Peoples	Wellbeing and Mental Health Support	T6 - W & MH Advocacy	T6b - Resources will be collated and shared across all parts of church via an online platform	Upcoming
						T7a - Build networks and communities of practice to come together to share knowledge and resources	Upcoming
T8 - First Peoples Story	T8a - Revisit the Short Book initiative to facilitate conversations with Indigenous people on faith & truth	In Progress					
	T8c - Collate existing Uniting Church Reconciliation Action Plan modules & for cultural appreciation, to be offered across the Synod	Upcoming					
Operational Efficiencies	Operational Efficiencies	T8 - First Peoples Story			T8d - Liaise with TCQ to review ministry learning materials to for culturally relevance for First Nations	Upcoming	
					T8e - Resource Local Indigenous Uniting Church communities to host local Walk on Country experiences	Upcoming	
					T8f - Use Narrative Practice and mobile technology to capture oral history and story, from local First Nations	Upcoming	
					T9a - Develop a leadership development approach for First Nations people which acknowledges local Eldership	Started	
					T9d - The Chaplaincy Commission will recruit and resource and First Nations chaplains	Started	
					T9e - Explore pathways for 12 interns per year, using the Careertrackers program	Started	
			T9g - Explore a learning and delivery for theological and ministry training, similar to the Shalom Certificate 4	Started			
			T9h - Build stronger connections with Nungalinga College, to support and invest in future tertiary level educators	Started			
Environment and Sustainability	Environment and Sustainability	T9 - Develop First Peoples Leaders	T10b - BizCom will collaborate with First Peoples to build yarning circle practice into the process for 36th Synod in Session	In Progress			
			T10 - Reinvigorate Covenant with UAICC	Started			
			T12c - Implementation of the Flourishing Creation Plan (new)	Started			
			T13a - Working Group to reach out to their networks to continue to share experience to enable advocacy and change creation	In Progress			
Mission Presence, Health & Vitality	Mission Presence, Health & Vitality	T13 - E & S Community of Practice	T14a - The Working Group and others involved with the community of practice will collate and curate resources locally	In Progress			
			F3a - Develop a Synod-wide 'extranet' for forms and processes, including feedback	Upcoming			
			F5b - Develop an education module around property held by the Property trust	Started			
			F7b - Address identified gaps and recruitment into a leadership pathway	Started			
Leadership Development	Leadership Development	F7 - Leadership Pathways	F7 - Leadership Pathways	In Progress			
			F8a - BCF will adopt the leadership Framework and provide accountability, governance and strategy	In Progress			
			L1a - Develop narrative of roles and relationships to the Property Trust	Started			
			L1b - Collaborate to develop an integrated story of the UC including new ways of telling the old story	Started			
Mission Partnerships	Mission Partnerships	L1 - Realignment of UC story	L1c - Develop and deliver written and visual resources showcasing this story	Upcoming			
			L1d - Develop and deliver an engagement plan that will embed story	Upcoming			
			L1e - Inclusion of the One Church history, ethos and calling, in onboarding processes	Upcoming			
			L2a - Explore opportunities for gatherings to focus on connection and celebration	Upcoming			
 Life Together	Life Together	L2 - Opportunities for Interrelationship	L2b - Design and deliver the next iteration of the Plentiful Leadership Program	In Progress			
			L2d - Facilitate opportunities to learn about the different parts of the church ie. open days	Upcoming			

Thank you

to all members of the working groups from all of these organisations. We are truly grateful.



- | | | | |
|----------------------------------|----------------------------|-----------------------------|-------------------------------|
| Presbytery of Carpentaria | Presbytery of Mary Burnett | Presbytery of South Moreton | Presbytery of Bremer Brisbane |
| Atherton Uniting Church | BELLS Faith Community | Elanora Uniting Church | Graceville Uniting Church |
| Babinda River of Life Church | Uniting Life | Flagstone Community Centre | Oxley Uniting Church |
| Mornington Island Uniting Church | | Real Life Christian Church | Toowong Uniting Church |
| | | Southside Uniting Church | Sherwood Uniting Church |
| | | Newlife Church Robina | |





Presbytery of The Downs

Presbytery of Central Queensland

Presbytery of Moreton Rivers

Board for Christian Formation

Central Downs Uniting Church

Rural ministry

Albert Street Uniting Church

Finance and Investment Property Board

Dalby/Jandowae Uniting Church

Emmanuel Uniting Church - Enoggera

Remuneration and Nomination Committee

Middle Ridge Uniting Church

Newlife Church Brisbane

Uniting Education Schools and Colleges

St Stephen's Toowoomba City Uniting Church

Redcliffe Uniting Church

Synod Standing Committee

West End Uniting church





The Uniting Church in Australia
QUEENSLAND SYNOD

GOVERNANCE RESEARCH BRIEF REPORT

Project Plenty: Fit-for- Purpose Governance

FOR: Uniting Church in Australia (Queensland Synod)

CONTACT: Elizabeth Jameson, Founder Consultant

Delivered on 17 May 2023



Board
Matters

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**Important Notices*

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1. Executive Summary

1.1 The Queensland Synod (**Synod**) of the Uniting Church in Australia (the Church) has embarked on a body of work under the banner Plenty, dedicated to tackling four ‘Mission Priorities’ and 11 Commitments which form part of the strategic ambition of the Uniting Church. The four Mission Priorities are:

- Discipleship
- Transforming Communities
- Fit-for-Purpose
- Life Together

1.2 In late 2022 Board Matters was engaged to conduct a body of research in relation to the third Mission Priority, Fit-for-Purpose. This research was to enable decisions to be presented to Synod in October 2023 in relation to ‘Governance Reform’ which is an explicit Commitment under the Fit-for-Purpose Mission Priority. Hence, we were charged with the following:

To capture an overview of other existing governance models and apply the criteria as part of an evaluation process, which would result in a short-list of models for more detailed and in-depth exploration to assess application to the Uniting Church in Queensland governance requirements.

1.3 This Report is designed to serve the above stated purpose.

1.4 Over past decades, we observe something of a piecemeal approach to decisions about the way in which any single Body within the bounds of the Synod in Queensland ought to be established and governed. This is *not* to say that such decisions have been taken lightly, thoughtlessly or with ill-intent. Rather, we mean that it would appear that decisions have often been taken about the establishment and/or governance of one Body without regard to the full impacts for the government and polity of the rest of the Church within the bounds. In our view it is commendable that Synod has sought a more comprehensive and wholistic approach in the form of the Plenty project and the ‘fit-for-purpose’ governance sub-project.

1.5 In Chapter 2, we have outlined the nature of the project. This includes explaining the Evaluation Criteria used to analyse whether the current governance model of the Church in Queensland is fit-for-purpose. The criteria are summarised at paragraph 2.14 and set out in full in **Annexure A**. They are later used in Chapter 9 to analyse the current governance model adopted by the Church in Queensland. The same criteria are used to make a series of recommendations about ways in which it could be improved into the future.

1.6 Chapter 3, outlines the ecclesiological context for this review and is contributed by Rev Heather den Houting, General Secretary of the Queensland Synod. In Chapter 4 we describe the polity and government of the Church in Queensland. We conclude that it is an extremely complex and unique model, with some aspects of Church governance being immutable under the UCA Foundational Documents (the Basis of Union and UCA Constitution).

1.7 Chapter 5 describes some of the key ways other Synods in Australia, with the same immutable foundations as the Church in Queensland, have variations in their governance models as they have developed over time. We also look very briefly at aspects of the sister church in Canada, the United Church of Canada that exhibits yet other features again.

- 1.8 In Chapter 6, we identify and describe five different Governance Models seen amongst large complex organisations. Each of them feature some elements that might offer enhancements to the governance of the Church’s presence in Queensland. Those models are:
- (a) The Command and Control Model (Model 1)
 - (b) The Family of Enterprises Model (Model 2)
 - (c) The Government Entities Model (Model 3)
 - (d) The Matrix Governance Model (Model 4)
 - (e) The Hybrid Model (Model 5)
- 1.9 Chapters 7 and 8 are dedicated to the topics of ‘incorporation’ and dealing with Church property respectively. The first of those Chapters provides insights into the considerations when deciding, as part of this exercise, whether Bodies ought to be permitted or even encouraged to be designated as an institution of the Church and, moreover, separately to incorporate. The latter Chapter explores some of the associated, but separate, questions that arise about how the property of the Church ought to be held in such cases.
- 1.10 The Report culminates in the analysis of the current governance model in the Church in Queensland in Chapter 9. As a result, we go on in Chapter 9 to make three Findings about the current governance model in Queensland. They are followed by eight Observations and corresponding Recommendations.
- 1.11 The **Findings** in relation to the existing governance model in Queensland are:
- (a) As explained at paragraph 9.5 - The **relative strengths** of the current governance model, against the Evaluation Criteria, are:
 - (i) Staying true to our purpose and values;
 - (ii) Adapting for context; and
 - (iii) Respecting the immutable polity and government of the Church;
 - (b) As explained at paragraph 9.6 - The **relative weaknesses** of the current governance model against the Evaluation Criteria are:
 - (i) Empowering our people;
 - (ii) Being accountable to ourselves and our stakeholders;
 - (iii) Connecting the parts of the ‘body’ into a cohesive whole;
 - (iv) Protecting and enhancing the assets and resources for Mission;
 - (c) As explained at paragraph 9.7 - the Governance Models identified in Chapter 6 offer a number of potential ways to strengthen the governance model in Queensland.
- 1.12 The concluding observations and recommendations in Chapter 9 are repeated in full below.

Observation 1 - Goodwill, purpose and Mission: The governance model chosen by any organisation or community of interest is only as effective as the will of those charged with implementing it to ensure it achieves the shared purpose, Mission and agreed priorities.

Recommendation 1 - Goodwill, purpose and Mission: In view of Observation 1 and the Evaluation Criteria decide what ‘matters most’ when exercising its proper powers and authority drawn from the UCA Foundational Documents (Basis of Union and UCA Constitution) to limit and distribute decision-making powers and/or devolve assets of the Church, amongst the Councils and Bodies that operate within the bounds of Synod.

Observation 2 - Decide which imperatives matter most: No Governance Model delivers perfectly effectively against all of the Evaluation Criteria. The current polity and government of the Church delivers well against some and poorly against others of the Evaluation Criteria as analysed in Chapter 9. It can be improved, drawing on the learnings from variations within the Church itself as outlined in Chapter 5 and the Governance Models identified in Chapter 6.

Recommendation 2 - Decide which imperatives matter most: Based on the Foundational Documents as they stand today, but noting that they may be impacted over time by decisions of Assembly arising out of the Act2 body of work, depending what Synod determines ‘matters most’ using the Evaluation Criteria, Synod ought to draw on those elements of the Governance Models which might be expected most to help improve that the government of the Church, and governance of the Councils and Bodies within the bounds of Synod, to deliver against Synod’s priorities. Specific ways to improve governance in the Church in Queensland, drawing on other Governance Models, are set out in paragraph 9.7 of this Report.

Observation 3 - Understand the pros and cons of incorporation: Implementation of the chosen governance arrangements for Councils and Bodies in Queensland requires careful consideration of the positive and negative role separate incorporation of entities can play and the means by which Bodies could be incorporated. As explained in Chapter 7, incorporation especially of large, complex, specialist Bodies within the Church offers many advantages. Done correctly it can even strengthen the ability of the Church to hold those Bodies to account for their use of assets and resources that are held “on behalf of” the Church in Queensland.

Recommendation 3 - Set criteria to guide formation and incorporation decisions: Develop a set of criteria and guidelines (see Chapter 7 for some of the matters which should be addressed) for determining:

- (i) Whether and when it is desirable that a Body or other group or body within the bounds be established as an institution under Regulation 3.7.4.7, based on the implications of doing so;
- (ii) Whether and when it is desirable that an institution also be separately incorporated as an entity and if so under what incorporation regime, based on the implications of doing so;
- (iii) Whether and when it is desirable that a Body or other group or body within the bounds be separately incorporated as an entity but not also established as an institution, based on the implications of doing so;
- (iv) In the case of separately incorporated entities, the membership structure which will deliver the most rigour in accountability (see **Recommendation 4**); and
- (v) In the case of Bodies that are not separately incorporated entities, how to optimise rigour of accountability by the Body through enhancing the capability of all of the Councils (including Synod itself) to hold other Councils and Bodies, as appropriate, to account.

Observation 4 - Church Membership of incorporated entities as highest form of accountability: As explored in Chapter 7, if Synod decides to allow incorporation of some Bodies the most suitable form for larger more complex Bodies is the not-for-profit company limited by guarantee under the *Corporations Act 2001*. The strongest accountability mechanism provided by that legislation is company ‘membership’. The ‘member/s’ of a company retain control through what is contained in the company’s constitution, including the purpose and objects of the company and the power of appointment and removal of members of the board of the company. Indeed, in our view this option provides far stronger accountability mechanisms than the current governance model of the Church in Queensland.

Recommendation 4 - Favour UCQ Property Trust as Sole Member of incorporated entities: When permitting incorporation of any Body as a not-for-profit company limited by guarantee, prefer the simplest membership structure creation of the company with the UCAQ Property Trust as the sole member, having the powers of appointment and removal of directors of the company, with provisions entrenched in the constitution of the company ensuring adherence to Mission and that the board of the company is required to serve the interests of the sole member ‘parent’ of the company in accordance with s.187 of the *Corporations Act*.

Observation 5 - Learn from other Synod experiences: As explored in Chapter 5, other Synods in Australia have permitted incorporation of entities within their bounds with some distinct lessons learned.

Recommendation 5 - Set relationship expectations on incorporation: Drawing on the Government Enterprises Model and the NSW/ACT and Vic/Tas Synod experiences in particular, permit establishment of a separately incorporated Bodies, if at all, only on the following bases:

- (a) The membership structure for any permitted companies should be as simple as possible, preferring the UCAQ Property Trust as the sole corporate member (see also Recommendation 4) to hold the board of directors of the company to account through reporting mechanisms;
- (b) Adopt a Model Constitution for all such companies that sets out clearly:
 - (i) required Church Mission-related Objects and any limitations on activities outside Mission; and
 - (ii) the powers of the Church around appointment and removal of a majority of the directors in consultation with the board of the company itself; and
- (c) there should be an additional (model) Relationship Agreement, specifying reporting and accountability requirements between the Church and the incorporated Body, including the requirement to submit annually to the Property Trust, Synod Standing Committee or other designated oversight group, a Mission and Ministry Plan and Strategic Plan for the Body (not for the purposes of approval but as a means of oversight enabling the Property Trust to make appropriate and informed decisions about appointment (and, sparingly, removal) of directors on the board of the Body).

Observation 6 - The importance of UCAQ Property Trust holding Church property: Irrespective of the chosen governance arrangements for holding to account the Councils and Bodies within the bounds of Synod, and the means of establishment and/or incorporation of entities, a material issue which must be considered is the continued ownership of the property of the Church in the UCAQ Property Trust and the circumstances, if any, in which it ought to be devolved into other special purposes trusts or other ownership arrangements.

Recommendation 6 - Set guidelines and Model Trust Deed for making property holding decisions: Drawing on Chapter 8 for some of the relevant considerations, develop a set of Trust Property guidelines for Synod, based on existing work of Synod Office, to guide decisions about the best means of holding of any property which is for the exclusive use of a Body. especially when deciding whether to permit or require incorporation of the Body. Require any special purpose trusts created for property relating to individual Bodies to be governed by a Model Trust Deed drawing on the United Church of Canada example (see paragraph 5.11).

Observation 7 - The importance of Legal Due Diligence: a range of matters must be carefully considered by Synod in relation to any change to the current model operating in Queensland. This includes, for example, the impact on PBI status of Bodies within the Church and whether the legal indemnities under the Act and the Regulations (see paragraphs 4.36 and 4.39) would still be available to the same extent, or could be lost or eroded, for members of boards or governing bodies of Church Bodies that are required or permitted to incorporate separately and/or the property of which is placed into a special trust.

Recommendation 7 - Full Legal Due Diligence: Ensure that all decisions about establishment and/or separate incorporation of institutions and establishment of special trusts in keeping with these Recommendations, includes full legal due diligence as contemplated by Observation 7.

Observation 8 - Synod Standing Committee Governance Oversight Capabilities: Irrespective of whether Synod chooses to retain its current fundamental polity and government or to move towards establishment of some Bodies as institutions with or without separate incorporation, the governance oversight capabilities of SSC should be enhanced to tackle present limitations (see paragraphs 7.21 and 7.22).

Recommendation 8 - Enhance Synod Standing Committee Governance Oversight Capabilities: Draw on the experience of the strengths of the Synod board implemented in NSW/ACT to review the composition of SSC in Queensland. We do not recommend the addition of a separate Synod board, creating yet another decision-making layer, but instead recommend a review of the composition of SSC itself. This would enable Synod to balance perspectives of individuals within SSC coming from existing major Bodies with those of persons bringing greater independence, objectivity and relevant technical expertise, potentially even from outside the Church.

2. Introduction and Overview of the Research Project

2.1 The Queensland Synod (**Synod**) of the Uniting Church in Australia (the Church) has embarked on a body of work under the banner Plenty, dedicated to tackling four ‘Mission Priorities’ and 11 Commitments which form part of the strategic ambition of the Uniting Church. The four Mission Priorities are:

- Discipleship
- Transforming Communities
- Fit-for-Purpose
- Life Together

2.2 In late 2022 Board Matters was engaged to conduct a body of research in relation to the third Mission Priority, Fit-for-Purpose. This research was to enable decisions to be presented to Synod in October 2023 in relation to ‘Governance Reform’ which is an explicit Commitment under the Fit-for-Purpose Mission Priority. Hence, we were charged by the Project Brief with the following objective:

To capture an overview of other existing governance models and apply the criteria as part of an evaluation process, which would result in a short-list of models for more detailed and in-depth exploration to assess application to the Uniting Church in Queensland governance requirements.

2.3 This project requires clarity about several matters, namely:

- (a) what is meant by the expressions “governance” and “governance models” (see this Chapter below)?
- (b) what criteria will be used to analyse the fitness for purpose of the current and other possible models (see this Chapter below)?
- (c) what is the ecclesiological context for this review (see Chapter 1)?
- (d) what is the current “governance model” of the Church in Queensland (see Chapter 4)?
- (e) what other “governance models” might be considered to offer useful features for adoption by the Church as the next stage in the continuous evolution and improvement of the governance of the Church and its activities in Queensland (see Chapter 1)?
- (f) what decisions need to be undertaken in relation to proposals for the establishment of Bodies as institutions and/or their incorporation (see Chapter 7)?
- (g) what factors ought to be considered in relation to the important issue of the way Church property is held in Queensland into the future (see Chapter 8)?
- (h) what aspects of the current governance model of the Church in Queensland can be regarded as fit-for-purpose and what aspects cannot?

Defining “governance” and “governance models”

2.4 Much is written about “governance” - its definition, contemporary ideas about its ‘best practice’ and ‘fitness-for-purpose’ and the resulting implications. This Report assumes the reader has a moderate level of understanding about such concepts. Nonetheless it is worth beginning this overview at the beginning, recognising the kernel of truth at the heart of the word, governance, itself. With its origins in the Greek word *kubernaein* meaning ‘to steer’, it is useful to think of the job of governing an organisation as one of stewardship - steering the organisation safely to its destination, managing all the hurdles and conditions it faces.

- 2.5 When we talk about the governance arrangements or ‘architecture’ of an organisation or ‘community of Mission-driven interest’ like the Church, this generally means how the organisation or community has defined and allocated decision-making authority amongst those with a governance - or stewardship - role. It also refers to the resulting accountabilities for the decisions taken by those stewards in relation to the deployment of the assets and resources of the organisation for the achievement of Mission, goals and/or objectives. This is an internal-facing view focussing on the design of the governance arrangements within the organisation.
- 2.6 By extension of these concepts, for the purposes of this review and in absence of any specific direction on this point, we have interpreted the expression “governance model” more widely. We interpret it to mean the wider view of the whole organisation, combining an understanding of both the overarching legal structure and the internal architecture of governance decision-making authorities and accountabilities within the structure.
- 2.7 Understood in this way, there is an almost limitless number of “governance models” available for the governance of organisations in Australia. Just one example of this diversity of options is found in the Church itself. This is seen in the ways governance models adopted by Synods across Australia (and the World) have diverged starkly over past decades (see Chapter 5). Yet all Synods share the common, prescribed and immutable polity and government of the Church in Australia as described in Chapter 4 of this Report.
- 2.8 There are also many examples of the array of possible governance model variations amongst listed public companies. This is despite all listed companies being subject to the same rigid legal rules about their governance prescribed by the Australian Securities Exchange. For instance, depending on scale, maturity, risk profile, complexity of the company and its business lines and other factors, a listed company may choose to organise itself into one large corporate group with the same unified branding and overarching board and management team (consider Virgin Australia). However, it may also choose to arrange itself through quite separately established, badged and governed subsidiaries (consider Qantas Airways and its wholly-owned but separately operated and badged subsidiary, Jetstar).
- 2.9 Furthermore, the extent to which any company distributes and delegates decision-making authority throughout the organisation can and does vary significantly. A large, complex, well-established company is often highly bureaucratic, holding significant decision-making authority at the top and only carefully delegating to the bottom. A small new start-up company might be expected to delegate powers freely, encouraging innovation and fleetness of foot to help build the business fast. This too should be considered an aspect of governance architecture and so of the governance model chosen.

Choosing the comparator governance models

- 2.10 Given the long list of possible “governance models” for analysis, it was important for the purposes of this project to confine the options considered in some manner.
- 2.11 To be a valid comparator, we therefore considered only governance models found in group enterprises relatively ‘on par’ with Synod. The Church in Queensland comprises a community of worship, witness and service in the name of Jesus Christ. As we will explore in Chapter 4, this community has evolved over the past five decades into a very complex community. Today it includes a range of large and, in some cases, high legal-risk community service activities across health, education, disability, aged care and others. As explained in Chapter 5, other Synods have likewise evolved and yet have chosen different models for the government (and governance) of the Churches within their bounds.

- 2.12 It was therefore important that the “other existing governance models” identified in this Report (see Chapter 6) could bear comparison to the governance of the life of the Church within the bounds of Synod. Little is to be gained from a comparison between Church governance and the governance structures of standalone enterprises, no matter how large, that have only one or a small number of closely allied activities under one banner. We have also preferred governance models adopted for human services or similar enterprises, as opposed, say, to those manufacturing or selling goods, or mining resources.
- 2.13 Chapter 6 explains the resulting five Governance Models identified and used for this review.

Evaluation Criteria

- 2.14 In order to compare and contrast different governance models as required, it is important to be clear about the criteria used to analyse any model’s ‘fitness for purpose’. For example, if ‘group profitability’ were the most important criterion in assessing the fitness of an organisation’s governance, there is little doubt that many public listed company group governance models would provide amongst the strongest comparators. In this review, the Evaluation Criteria were set out in the Project Brief (see **Annexure A** to this Report). With the addition of two criteria (for the reasons stated below) as indicated those criteria are:

Project Plenty Stated Criteria

- I. Staying true to our purpose and values
- II. Empowering our people
- III. Adapting for context
- IV. Being accountable to ourselves and our stakeholders
- V. Connecting the parts of the ‘body’ into a cohesive whole

Recommended Additional Criteria

- VI. Respecting the Immutable Polity and Government of the Church (this was additional to the criteria set out in the project brief, for the reasons set out below)
- VII. Protecting and enhancing the assets and resources available for delivery of Mission (this was additional to the criteria set out in the project brief, for the reasons set out below).

- 2.15 As the first criterion implies, the starting (and finishing) point for the assessment must be the ecclesiology of the matter of governance within the Church. This forms the basis for the ecclesiology in Chapter 3.
- 2.16 As the third criterion implies, it is also critical to understand the context of this body of work. Chapter 4 of this Report is dedicated to describing ‘current state’ polity and government applicable to the Queensland Synod of the Uniting Church as part of the wider Church in Australia. It describes a complex web of interrelationships between a range of constitutionally established Councils and Bodies within the Church.
- 2.17 Importantly in the context of the Church, some matters must be assumed and accepted as immutable, and we have done so in this Report. Those matters include the laws of Australia and its sovereign States and Territories (including the Act that created the UCAQ Property Trust) and the equally legally immutable ‘laws’ of the Uniting Church in Australia. These are found in the UCA Foundational Documents, namely the Basis of Union and the Constitution of the Church. Hence the existence of the UCAQ Property Trust and the five types of “interrelated” Councils as outlined in paragraph 4.6 is regarded as immutable for the purposes of this Report.

- 2.18 Conversely applicable Church Regulations and By-Laws are *not* assumed to be immutable. They are capable of change, if necessary, provided the case for change (or suspension in the case of Regulations) can be properly made to the Assembly (Regulations) and/or Synod (By-Laws). Hence the addition of the sixth criterion to reflect those matters which are immutable and those which are not.
- 2.19 We have also added the seventh criterion as an explicit extension of a point that we assume to be intrinsic to the third and fourth criteria. It would not be a proper discharge of the Synod's accountability for the stewardship of Church resources in Queensland (criterion four) to disregard the importance of protecting and growing those same Church resources into the future (criterion three) for the sustained life of the Church into the future.

Other Definitions and Expressions Used in this Report

- 2.20 Expressions used throughout this Report that are not defined below have the same meaning as set out in the UCA Constitution, the Regulations and/or the By-Laws (as the case requires). The expressions set out below have the meanings shown except to the extent that the context demands otherwise:
- (a) **ACNC** means the Australian Charities and Not-for-Profits Commission;
 - (b) **Act** means the *Uniting Church in Australia Act, 1977 (Qld)*;
 - (c) **Assembly** means the national assembly of the Church referred to in clause 15(e) of the Basis of Union (see also s.5 of the Act);
 - (d) **Associations Incorporation Act** means the *Associations Incorporation Act, 1980 (Qld)*;
 - (e) **Basis of Union** means the document of that name adopted upon formation of the Church and set out in the Schedule to the Act;
 - (f) **Body** and **Bodies** have the meanings set out in the By-Laws, which also incorporate the definitions of those expressions set out in the UCA Constitution;
 - (g) **By-Laws** means the by-laws of the Queensland Synod;
 - (h) **Church** means the Uniting Church in Australia;
 - (i) **Congregation** has the meaning given to it in clause 23 of the constitution;
 - (j) **Corporations Act** means the *Corporations Act, 2001 (Cwlth)* and, when the context requires, predecessor Acts in relevant States and Territories of Australia providing for the incorporation and registration of companies;
 - (k) **Council/s** means, as the context demands, one or more of the interrelated councils referred to in clause 15 of the Basis of Union (see paragraph 4.6 of this paper);
 - (l) **Evaluation Criteria** means the seven criteria set out in paragraph 2.14, being the five criteria prescribed by the Project Brief and the two additional criteria recommended by the author of this Report;
 - (m) **Fiduciary** has the meaning explained in paragraph 7.5;
 - (n) **FIP Board** means the Finance Investment and Property Board formed in Queensland to carry out the duties and responsibilities of the Property Board set out in Regulation 4.2.1 and other functions and responsibilities as delegated to it by Synod;

- (o) **General Secretary** means the General Secretary of the Queensland Synod as established under the UCA Foundational Documents;
- (p) **Governance Models** means the five governance models described in Chapter 6 of this Report;
- (q) **Letters Patent Entities** means organisations incorporated under the *Religious Educational and Charitable Institutions Act, 1878 (Qld)* or equivalent legislation in other States prior to the advent of Associations Incorporations legislation in the various States of Australia in the 1980s;
- (r) **NSW/ACT Synod** means the New South Wales and Australian Capital Territory Synod of the Church formed as a regional Council pursuant to clause 3.4.8 of the UCA Constitution;
- (s) **PBI** means a public benevolent institution for the purposes of Australian charity taxation laws, examples of which are Wesley Mission Queensland and UnitingCare Queensland;
- (t) **Presbytery** is a council of the church and has the meaning given to it under clause 25 of the constitution;
- (u) **Project Brief** means the brief for the provision of this Report, a copy of which is set out in **Annexure A**;
- (v) **property** includes real and personal property and any estate or interest in any property real or personal, and any debt, and anything in action, and any right to receive income, and any other right or interest (s.5 of the Act);
- (w) **Regulations** means the regulations of the Uniting Church in Australia adopted by the Assembly;
- (x) **Queensland Synod** means the synod of the Church formed within the bounds of the Church in Queensland in accordance with clause 15(d) of the Basis of Union;
- (y) **Synod** means the Queensland Synod or other synod of the Church in Australia as the context requires;
- (z) **Synod Standing Committee** or **SSC** means the committee created by By-Law Q2.2 to discharge certain functions on behalf of Synod between its meetings;
- (aa) **UCA Constitution** means the constitution of the Uniting Church in Australia adopted by the Assembly and acknowledged in the Act and the Basis of Union;
- (bb) **UCA Foundational Documents** means the Basis of Union and the UCA Constitution;
- (cc) **UCAQ Property Trust** means the Uniting Church in Australia Property Trust (Q.) constituted by this Act (s.5 of the Act);
- (dd) **UCQ** means UnitingCare Queensland;
- (ee) **Vic/Tas Synod** means the Victoria and Tasmania Synod of the Church formed as a regional Council pursuant to clause 3.4.8 of the UCA Constitution; and
- (ff) **WMQ** means Wesley Mission Queensland.

3. Ecclesiology

We are grateful to Rev Heather den Houting, General Secretary of the Queensland Synod of the Uniting Church for the contribution of this Chapter.

The Uniting Church recognises that responsibility for government in the Church belongs to the people of God by virtue of the gifts and tasks which God has laid upon them. The Uniting Church therefore so organises her life that locally, regionally and nationally government will be entrusted to representatives, men and women, bearing the gifts and graces with which God has endowed them for the building up of his Church. The Uniting Church is governed by a series of interrelated councils, each of which has its tasks and responsibilities in relation both to the Church and the world.

Basis of Union, Clause 15

The Ecclesiology of the UCA

- 3.1 The Basis of Union at Paragraph 15 is a reflection of the fact that when a church organises itself into a movement, it requires a form of government. This reality has seen multiple forms over the last millennia of the Christian Church. To claim one form of church governance is superior to another is to not heed the lessons of multiple forms of church, from the early Christian communities to the Roman Empire to the scattered ecclesial forms of Protestantism that exist today.
- 3.2 However, what is abundantly clear is that there is a justified critique of church government, when the systems and processes of government do not reflect the call of discipleship to Christian witness, and instead become in itself a self-sustaining goal. We too must be prepared to face such critique.
- 3.3 Geoff Thompson describes the Protestant suspicion of ecclesiastical authority as something that is very real in the Uniting Church in Australia. He reflects on the benefits and gifts of belonging to an organised community, where accountability and trust are essential features. But recognises that we must sit lightly with the institutions of our church without denying our need of them¹.
- 3.4 Instead, he reflects on the idea of organised pilgrims² where he suggests that the biblical compulsion toward Christian witness must be served by our structure. We cannot choose the context in which we find ourselves, the ministry to the people we serve, or the way individual people relate to God, but we can recognise that the Basis of Union seeks to hold the “necessity and provisionality” of the church structure in tension with the “cosmic work of reconciliation of Christ”. In this manner, while church government is inevitable, it is not fixed, but must seek to find the way to reflect in its essence the journey to the eschaton.

¹ Geoff Thompson, *Disturbing Much, Disturbing Many: Theology Provoked by the Basis of Union*, UAP, Northcote (2016) at page 261.

² Thompson (2016) at page 259.

- 3.5 This piece of work unashamedly reflects our contemporary context and wonders whether our current form of government truly reflects the Christian compulsion to unity and reconciliation. In essence we question today whether the legal identity of the Church, as conferred by the combination of the Basis of Union, UCA Constitution, the Regulations and By-Laws and the Queensland Act which created the Property Trust (Q.), have stood the test of time to give heed to this continuing call.
- 3.6 The Queensland Synod, under the Fit for Purpose working group under Plenty, offers this discussion paper to remain a church that listens to our environment and review and reimagines itself in a way that way of the Pilgrim people. It is a conversation about the church’s inner structures, but one that better seeks to reflect the world in which we live and move and have our being.
- 3.7 The propositions in this paper are that while we may hold the ecclesial compulsion formed uniquely in the post war era and found in the BOU the regulations and consequent “machinery of government” on which we have built the current organisation are not entirely fit for purpose. As such we ask ourselves what might be open to change - that is, which parts of our church government should be open to constant correction as encouraged by the BOU at para. 18.
- 3.8 What then are the characteristics of a church that understands its context, holds its commitment to church structures lightly, and commits itself again to correcting that which may be no longer in service to the constant call to reconciliation?
- 3.9 Some key clues in UCA theology can be found in the understandings of hope, love and justice. These theological lenses can assist us to assess that things are done in a manner where we recognise that we do not own our property, or our people or our systems, but rather we recognise our stewardship of these resources for the coming of God’s reign.
- 3.10 Does the way we organise ourselves bear witness to these goals? Does what we do engender trust, is it built on hope, does it reflect a just distribution of resources amongst ourselves and with others, are we vulnerable to those we serve, are we imagining in a future for the next generation of church that builds and enhances their capacity to worship, witness and serve?
- 3.11 The ACT2 process in its governance and resourcing stream is asking similar questions. This work is guided and shaped by the bigger questions but must be done as part of our own unique context and circumstances³.

Rev Heather den Houting
 General Secretary
 Queensland Synod
 Uniting Church in Australia

³ ACT2 resources - <https://www.act2uca.com/where-to-from-here>

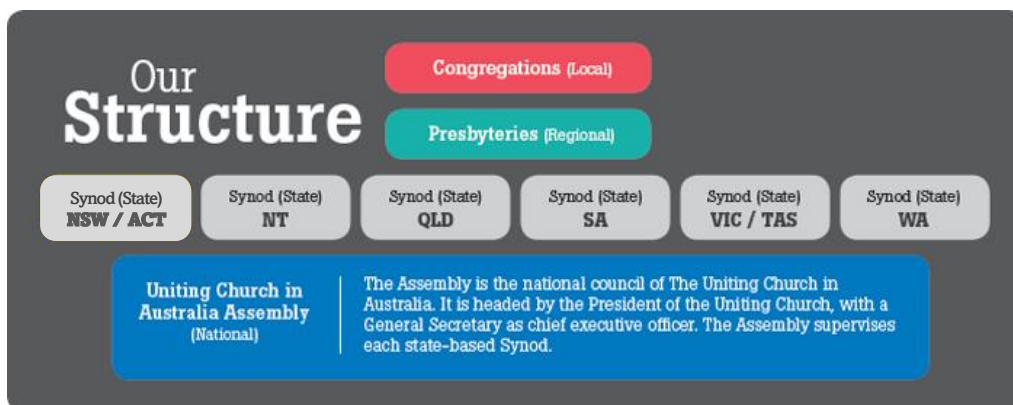
4. Overview of Uniting Church Polity and Government in Queensland

What is Polity and Government?

- 4.1 In this Report, we use the word “government” somewhat interchangeably with “governance”. The reason for this is out of respect for the importance of the Basis of Union in the Uniting Church. The Basis of Union uses the word “government” in a manner and context in which, if this document were being negotiated today, it is possible that the more popular modern-day expression “governance” might have been used.
- 4.2 The word “government” today is more frequently used to reference the group of people elected or otherwise empowered to govern any given community and is generally used in a more civic sense. By contrast “governance” is the term typically used today to describe the act of governing or leading in a more organisational or corporate sense. Arguably, however, the Basis of Union uses the word “government” rather than “governance” quite deliberately. After all the Church comprises a community of people - even a community of communities - serving the same Christian Mission. Along the way some Bodies have emerged from this community and developed some actual or perceived autonomous powers and the intersection between the ‘governance’ of those Bodies and the ‘government’ of the community (and communities) of the Church does not always sit easily together.
- 4.3 In seeking to describe the current ‘polity and government’ of the Church in Queensland, then, we are seeking to describe the structures and the framework adopted for the allocation of decision-making authority, responsibility and accountability within the bounds of the Synod. This requires an understanding of the following elements of the governance architecture of the Church in Queensland:
- (a) **Authority** : To whom decision-making authority has in fact been allocated (and equally important, to whom it has not) relating to the use of the precious resources of the Church in Queensland, including decisions about such matters, amongst others, as employment and deployment of staff, the strategic direction of the Church in Queensland and of the Bodies within the its bounds, and the policies and procedures for the optimisation of resources and protection of people served and/or affected by the activities of the Church;
 - (b) **Responsibility**: The ethical, legal and policy limits or boundaries within which, irrespective of actual and explicit authority, each such decision must be made;
 - (c) **Accountability**: who has ultimate accountability for the impact each decision, to whom they owe their accountabilities and how their accountability is to be expressed; and
 - (d) **Source of Truth**: in respect of each of the above elements, where the ‘source of truth’ about the governance model in the life of the Church can be found to validate the identified allocation of authority, responsibility and accountability.
- 4.4 The extent to which the polity and government of any community of interest can be easily and clearly articulated and understood by those within the community itself, reflects to no small degree the effectiveness of the framework. If it cannot be easily and clearly described, it carries high levels of risk that people taking decisions might exceed their actual decision-making authority and/or fail to be held accountable for them. Conversely it can lead to a tendency for decisions to become bureaucratic and to be sometimes unnecessarily slowed down or impeded due to uncertainty, confusion or sheer complexity of decision-making layers. After almost 50 years since formation of the Church, the framework for the polity and government of the Church in Queensland (and elsewhere) cannot be easily articulated and is commonly misunderstood by many within and without the Church (and hence this body of work).

UCA Foundations: Basis of Union and UCA Constitution

- 4.5 The principal ‘source of truth’ concerning the “government” of the Church and its various agencies, bodies and institutions is indeed the Basis of Union, as adopted upon formation of the Church in Australia in 1977. Alongside the Basis of Union sits the UCA Constitution. Together these documents set out the theological underpinnings and rules surrounding the ‘government’ of the Church in Australia. They are both referenced, and the Basis of Union is set forth in the Schedule to, the Act in Queensland which created the UCAQ Property Trust.
- 4.6 The Act in s.9 (see **Annexure B**) and the Basis of Union both recognise that the Church is also to be governed in accordance with the UCA Constitution and with any Regulations made by Assembly to further supplement (but not supplant) those core documents. Likewise, the Synod may issue, and has issued, By-Laws in relation to the government of the Church in Queensland. These By-Laws must not be inconsistent with the Basis of Union, the UCA Constitution, the Regulations or the Act.
- 4.7 The starting point for Church polity and government then is clause 15 of the Basis of Union. It prescribes the matter of “Government in the Church” (although notably the headings have been added for ease of interpretation subsequent to the adoption of the Basis of Union as it is contained in the Act). Clause 15 gives us the first important signpost for the purposes of our analysis, when it declares that the Church is “governed by a series of interrelated councils each of which has its tasks and responsibilities in relation to both the Church and the world”. Those Councils set out in clause 15 are:
 - (a) The Congregations - as the heart of witness, worship and service within the Church;
 - (b) The Elders’ or Leaders’ Meeting (now regulated as the Church Council) being the council within the congregation or group of congregations;
 - (c) The Presbytery as the district council;
 - (d) The Synod as the regional council;
 - (e) The Assembly as the national council.



Source: NSW and ACT Synod web page at <https://nswact.uca.org.au/about-us/our-structure/>

- 4.8 Within the bounds of the Queensland Synod today there are also a great many other distinct Bodies operating in the name of the Church. In **Annexure D** we have included a Queensland Synod Galaxy Chart provided by the Synod Office which shows visually the complexity of the relationships between interrelated Councils listed above and many external-facing Bodies of the Church.
- 4.9 The enforceability of the Basis of Union in the secular legal system is recognised and reinforced in each State and Territory of Australia by enabling Acts of State Parliaments. In the late 1970s, at the request of the Church, the Parliament of each State and Territory created incorporated vehicles, known as Property Trusts, to hold the Church’s property on trust for the Church in each respective State and/or Territory. This is also reflected in Division 5 of the UCA Constitution and Regulation 4.
- 4.10 The entity created in Queensland for this purpose is The Uniting Church in Australia Property Trust (Q.) (the **UCAQ Property Trust**).

The Property Trust and Dealings with Church Property

- 4.11 Misleadingly, the UCAQ Property Trust is not, in law, a trust at all. It is a separately incorporated legal entity, created by the Act, to be the trustee for all property vested in it. It holds the property on behalf of the Church in Queensland. In other words, legally UCAQ Property Trust is the trustee, not the trust. The distinction is of critical importance to the government and polity of the Church.
- 4.12 The Property Trust holds “on behalf of” the Church all property (with a small number of exceptions carved out by the Act) which is used by the Councils and Bodies within the bounds. As a trustee at law, the designated members of the Property Trust⁴ have strict legal and fiduciary duties to make decisions in relation to the property held on trust for the Church (see also Chapter 8). These are the same legal obligations as for any trustee under the *Trusts Act, 1972 (Qld)* and the general law and demand that the members of the Property Trust ensure all dealings with the property held by the Property Trust are in keeping with these obligations and the trust on which the property is held.
- 4.13 Regulation 4.2 requires each Synod to establish a “Property Board”. This is styled as the Finance and Property Board in Queensland. It is required to take a Synod-wide perspective of the use and application of the property and financial resources available to the Synod. This body is not mentioned in the Act and so its advisory relationship to the Property Trust has evolved through development of the By-Laws, and an element of custom and practice rather than being prescribed by the core Foundational Documents of the Church.
- 4.14 A range of important questions and issues surrounding the continued ownership of property within the UCAQ Property Trust arise in the context of considering the Church governance model for Queensland Synod into the future. Some of those questions and issues are outlined and addressed separately in Chapter 8 of this Report.

⁴ Under clause 13 of the Act, the UCAQ Property Trust comprises the Moderator, the General Secretary and the Property Officer as well as five others nominated by Synod from time to time. By-Law 3.1 supplements this today with the rules relating to the selection and appointment of the members of the UCAQ Property Trust.

Intra Synod Governance

4.15 As outlined above, the Basis of Union establishes the polity of the Church in Queensland (and elsewhere), revolving around a series of “interrelated councils” (see paragraph 4.6 above). To understand the more detailed working and governance of these interrelated Councils, it is necessary to look to the UCA Foundational Documents, as well as the Regulations and, in Queensland, the Queensland Synod By-Laws. It is through the interaction of these various documents that a range of decision-making bodies within and associated with each of the listed Councils are established.

4.16 In summary, each of the relevant Councils operates under the stewardship of one or more decision-making groups, namely:

- (a) The **Congregations**, each of which operates under the stewardship of a Church Council as designated by clause 22 of the UCA Constitution;
- (b) The **Church Council** (being one and the same as the Elders’ or Leaders’ Meeting as designated by the Basis of Union and restyled by the Regulations) to act as the Council within the congregation or group of congregations;
- (c) The **Presbytery**, which acts as Council at the district level, and which is delineated by the relevant Synod in terms of the geography, and so the congregations, within its bounds in order to “have such oversight as is necessary to the life and mission of the Church in the area committed to it” (see UCA Constitution clauses 25 and 26);
- (d) The **Synod** - in this case the Queensland Synod - as the regional Council which in turn is designated by the Assembly to have “general oversight, direction and administration of the Church’s worship, witness and service within its bounds” (see clauses 31 and 32 UCA Constitution); and
- (e) The **Assembly** as the national council with the following broad decision-making power vested in it by clause 38(a) of the UCA Constitution:

The Assembly shall have determining responsibility in matters of doctrine, worship, government and discipline, including the promotion of the Church’s mission, the establishment of standards for theological education and the reception of Ministers from other denominations, and is empowered to make final decisions on all matters committed to it by this Constitution.

4.17 Clause 32 of the UCA Constitution sets out the responsibilities of Synod. This clause includes the responsibility “to establish and maintain such boards, institutions, committees and agencies as are appropriate to the furtherance of its responsibilities”.

4.18 Clause 38(b) of the UCA Constitution sets out a non-exhaustive list of specific matters falling within the authority of the Assembly. Clause 38(b) is set out in full in **Annexure C**. Of relevance to this analysis, we highlight three particular provisions:

- (a) Clause 38(b)(i) which makes clear that Assembly’s authority includes the power and responsibility to make “guiding decisions on the tasks and authority to be exercised by the other councils of the Church”;
- (b) Clause 38(b)(viii) which empowers Assembly “to act in all matters in respect of which exclusive authority is not vested in any other council by this Constitution.” - which combined with the prior mentioned clause, gives Assembly a national role within the Church somewhat analogous (but not perfectly so) to the Federal Parliament of the Commonwealth of Australia; and

- (c) Clause 38(b)(vi) which specifies that Assembly has power to “provide for the control and management of the property and funds vested in the Church” - which in a strict legal sense, based on these words, does not appear to extend the power to providing for control and management of property “vested in” the various State and Territory Property Trusts rather than the Church, which is purely the beneficiary of the trusts created by the Act and its equivalents in other States and Territories.
- 4.19 The Regulations promulgated by Assembly and the By-Laws of the Queensland Synod set out in more detail the operation of each of the interrelated Councils and create of a range of other Bodies, officers and decision-making groups having stewardship oversight over various activities of the Church. In terms of the Bodies created within the bounds of the Synod, we will examine some of the governance matters relating to them in more detail in the next section of this paper (see paragraphs 4.27 to 4.31 below).
- 4.20 In terms of the relevant officers and decision-making groups created within the bounds of the Synod, the structure is observably complex and quite specific to the Uniting Church in Australia. It has evolved considerably over the decades since establishment of the Church in the 1970s as the Church has endeavoured to adapt its bespoke legal form to successive contemporary ideas, models and ‘fashions’ in the practice and discipline of governance.
- 4.21 Some of the provisions relevant to the authority and responsibilities of key officers (and offices) and decision-making bodies within the bounds of the Synod include:
- (a) By-Law Q2.1 - setting out provisions relating to the composition, operation and powers of the Synod (with its overarching operation, powers and responsibilities drawn from the Basis of Union, the UCA Constitution and the Regulations of the Assembly), and requiring it to meets every 18 months;
 - (b) By-Law Q2.2 - setting out the composition, operation and powers of Synod Standing Committee, which exercises such of the powers of Synod as it permits between regular meetings of Synod;
 - (c) By-Law Q2.3 -setting out the provisions with respect to the role of the Moderator (in addition to those set out in the Regulations);
 - (d) By-Law Q2.4 - setting out the provisions with respect to the role of the General Secretary as Secretary of the Synod and CEO of the Queensland Synod Office;
 - (e) By-Law Q2.5 - acknowledging the role of Queensland Property Officer created pursuant to the Regulations of the Assembly and the Act;
 - (f) By-Law Q2.6 - recognising the Office of the Synod created “to support the Moderator, General Secretary and the functioning of the Church”;
 - (g) By-Laws Q2.7 and 3 dealing at length with the rules applicable to the governance roles and responsibilities of a range of bodies and boards and committees formed in Queensland; and
 - (h) By-Law Q4 dealing at length with the “institutions” of the Church in Queensland, with only UnitingCare Queensland referenced in this section of the By-Laws.
- 4.22 Of note, the language associated with the polity and government of the Church causes a high degree of confusion for many. This is particularly evident as people from outside the Church join “boards” and “committees” related to Bodies with expectations that these types of expressions have the same meanings as they do in non-Church legal entities and contexts. A proper reading of the UCA Foundational Documents and the Regulations and By-Laws reveals that such an assumption is flawed.

4.23 An example is the very specific way the Church uses the expression “institution”. Regulation 3.7.4.7 occupies two and half pages, 9 clauses and 18 sub-clauses (not to mention sub-sub-clauses) and defines the term as follows:

Institution means any body whether incorporated or unincorporated established by or on behalf of the Church or any of the uniting churches or in which the Church participates for a religious, educational, charitable, commercial or other purpose;

4.24 This meaning is not the same, for example, as the way the expression is used for the purposes of taxation laws applicable to charitable institutions in Australia. It is therefore conceivable that a Uniting Church “institution” may not automatically fulfil the requirements of an “institution” for the purposes of Australian taxation laws.

4.25 Regulation 3.7.4.7 empowers Synod to create institutions, subject to certain directions of Assembly, and requires those institutions to submit Synod’s authority in several respects:

- Synod:
 - determines the existence of institutions (Reg 3.7.4.7(b))
 - may authorise an institution’s “separate incorporation” (Reg 3.7.4.7.(c))
 - may determine how the property of the institution is to be held on trust (Reg 3.7.4.7(d))
 - may oversee the institution, appoint an official visitor and “intervene in such manner as it is able and as it considers necessary or proper in the interests of the Church” (Reg 3.7.4.7(e))
 - authorises the institution’s constitution and any changes to it (3.7.4.7(i)(ii))
- the institution is:
 - responsible and accountable to Synod - and reports to it - and exercises the powers and functions “delegated to it by Synod” (3.7.4.7(f))
 - required to include “effective representation” of Synod or other relevant Councils of the Church

4.26 Subjecting Church institutions to important accountabilities and responsibilities to Synod on behalf of the Church results in a sometimes uneasy intersection between the governance of Church Bodies that are institutions and the broader government of the whole community of the Church. This tension is not unlike that experienced in many wholly-owned or majority-owned subsidiaries operating in a Command and Control Model group (see paragraph 6.6) or a Government Entities Model (see paragraph 6.11).

External Facing Bodies of the Church

4.27 As mentioned earlier, it is evident that few people, within or without the Church, have any real understanding of the whole of the polity and government of the Church, and its complexity, as described above.

4.28 Most persons outside the Uniting Church, and many within it, would be unaware of the existence, nature or working of the Queensland Synod or of its role and function. It is likely that even most people within Bodies operating under the Uniting Church banner in Queensland would struggle to understand and explain the nature of the Synod and the UCAQ Property Trust. This is because it is an extremely unusual structure in today’s world. We are aware,

anecdotally, that this often causes great difficulty for those Bodies dealing with regulators, joint venture partners and a range of other third parties who simply do not understand the unusual, bespoke structure of the Church.

4.29 To the outside world, the Uniting Church in Queensland might simply appear to be comprised of a number of separate ‘organisations’, with a range of different legal structures and governance arrangements. Many people, no doubt, would expect that these are simply ‘subsidiaries’ of some overarching parent legal entity that ultimately controls their existence. As described under the prior heading this is not an accurate way to describe the polity of the Church in Queensland.

4.30 The legal reality is quite different from what many might expect. By contrast with the structures of the more “vanilla” charities and not-for-profits commonly contemplated by laws and regulations, the Uniting Church comprises its own unique blend of legal structures and realities. In legal terms, the Bodies in Queensland can be loosely categorised (but imperfectly given the number of variations within each category listed below) as:

- (a) **unincorporated associations** - this category includes the Church, the Assembly and Queensland Synod itself and the vast majority of what might appear to those outside the Church who are dealing with them to be separately run Bodies, including for example:
 - each separate Congregation and/or its Church Council;
 - each individual UCAQ School or College;
 - each of the large and well-known public-facing Bodies like UnitingCare Queensland and Wesley Mission Queensland;
- (b) **separately incorporated organisations** - there are a small number of separately incorporated entities which are *associated* with the Church in Queensland in a range of ways, but are legally *separate from it*, with further sub-categorised here being:
 - (i) **Letters Patent Entities** - being organisations such as:
 - the Presbyterian and Methodist Schools Association (**PMSA**) and
 - the Uniting Church residential colleges at the University of Queensland, all of which are incorporated by Letters Patent under the *Religious Charitable and Educational Institutions Act, 1861 (Qld)*, having their governance and decision-making authority prescribed by their own separate rules or constitution; and
 - (ii) **Bespoke Statutory Incorporated Entity** - being the UCAQ Property Trust which was established by its own Act of Parliament in Queensland in 1977 as part of the establishment of the Church across Australia;
 - (iii) **General Incorporations Acts bodies** - being a small handful of Church activities established under the same generic incorporation regime as tens of thousands of other companies (under the *Corporations Act*) and associations (under the *Associations Incorporation Act*) in Queensland such as:
 - Australian Remote and Regional Community Services (**ARRCS**) incorporated as a company limited by guarantee under the *Corporations Act* with, we understand, the Property Trust as the sole member; and
 - Newlife Community Care Inc. (being a Qld incorporated association) established we understand by one of the Presbyteries (although a search of the website public corporate and charity records in Australia does not disclose any such association).

- 4.31 Also distinguishing the Church’s Bodies from most other common or ‘vanilla’ non-church legal structures used by charities in Australia is the matter of ownership and occupation of property. In most (but not all) cases the property used by these Church Bodies is generally not legally owned or leased directly by the relevant Body. Rather it is held on trust by the UCAQ Property Trust as explained in paragraphs 4.10 and Chapter 8.
- 4.32 Legally and practically the appearance to the outside world of the Church as an organisational ‘parent’ of a number of quite separately formed and governed ‘subsidiary’ organisations has arguably become only more pronounced by regulatory regimes that apply to charities in relevant sectors, such as aged care, disability and schools. However, this parent/subsidiary classification is not an accurate way to understand the relationship between the Church and its Bodies. Nonetheless, Synod is empowered to lay down rules relating to their operation.
- 4.33 Typically, regulatory regimes such as those applying to charities, aged care, disability and schools make a range of assumptions that do not fit neatly with the polity of the Uniting Church in Queensland (or within the bounds of its other Synods). The same is true for many other churches and faith-based groups in Australia. Two key assumptions seem impliedly to underpin the legislation for these types of regulatory regimes, neither of which is correct for the Uniting Church (and many other churches), namely that:
- (a) all legal structures used for those carrying on operations in these sectors are standard or ‘vanilla’ structures, such as companies formed under generic State or Federal incorporation legislation and carrying on one or more services within that entity or its similarly generically incorporated and controlled subsidiaries; and
 - (b) property used by the relevant legal entity is generally owned by them or under their direct legal control through standard or ‘vanilla’ arrangements, such as an arms-length lease or licence arrangement.
- 4.34 An example of these types of regulatory assumptions not fitting the polity and government of the Church was the requirement, with the advent of the ACNC and the expectation that a range of matters, such as charitable purpose, would be easily identified by the “governing documents” of the entity. For most “vanilla” not-for-profit organisations incorporated under the *Corporations Act, 2001* or as Letters Patent Entities, this was easily enough satisfied through producing the ‘constitution’ or ‘rules’ of the entity. The various Councils and Bodies of the Uniting Church, and other churches, frequently did not have any such integrated governing document. Suffice to say that producing the Basis of Union, UCA Constitution, Regulations and By-Laws of the Church was an inadequate alternative for Queensland Synod Bodies, when dealing with Regulators, outside agencies and third parties trying to establish the powers, authorities and responsibilities of those with whom they dealt.
- 4.35 As was common practice amongst a great many organisations associated with churches, the discrete Bodies in Queensland over the past decade have therefore undertaken the time-consuming and costly exercise of creating “constitutions” drawing together principles and provisions taken from the formal constituent documents of the Church (Basis of Union, UCA Constitution, Regulations and By-Laws). This was purely to alleviate the challenges of contracting and otherwise dealing with Regulators and third parties generally. Ironically these documents add little or nothing to the existing reality laid down in the UCA Foundational Documents, Regulations and By-Laws and yet were needed to satisfy outside parties of the powers and authorities of Church Bodies.

Indemnification for Certain Persons

- 4.36 Tucked at the end of the Act that created the UCAQ Property Trust and legally recognised the polity and government of the Church prescribed by the UCA Foundational Documents is an important “indemnification clause”. This is found in s.36 of the Act (see **Annexure B**). It provides “indemnification” - a legal concept meaning an agreement to cover the financial cost of personal liabilities of a person - to certain individuals. Specifically, s.36 it indemnifies the members of the Property Trust itself and “...any other person, exercising a power or performing a duty in relation to trust property pursuant to this Act or pursuant to any resolution or direction of the assembly...”.
- 4.37 This indemnity is a critical piece of the puzzle for those agreeing to join the boards or governing bodies of Bodies in the Church. It ensures that, except in the case for instance of deliberate or knowing breaches of duty by a person, they are not exposed to personal liability for their decisions “in relation to trust property”. Notably the wording of this indemnity is narrower than might be expected to have been included if the Act were being passed today. The wording leaves room to argue legally over whether the indemnity extends to liability for all of the decisions of all Bodies where they do not strictly “relate to trust property”. For instance, failures of the kind addressed through redress for harm to those in the care of Church Bodies. Although we are not aware of an instance where this indemnity has been legally tested in Queensland, It could be argued that the Property Trust *may not* be used to indemnify board members of Bodies in the Church if they were to be held personally liable for such matters.
- 4.38 It is also not entirely clear whether this indemnification would extend to providing and indemnity for decisions of persons within Church Bodies in relation to property held on a special trust, apart from the general trust created by the Act.
- 4.39 A seemingly wider indemnity is also provided by Regulation 4.11.2, which is set out in full in **Annexure C**. It provides that “a member of a Church Council or other body responsible for the management and administration of property” is indemnified out of the Property Trust for their actions, “except in the case of fraud, criminal act, gross negligence or wilful misconduct”.

Key Takeouts from Existing Polity and Government

- 4.40 The extent to which the polity and government of any community of interest can be easily and clearly articulated and understood by those within the community itself, reflects to no small degree the effectiveness of the framework. If it cannot be easily and clearly described, it carries high levels of risk that people taking decisions might exceed their actual decision-making authority and/or fail to be held accountable for them. Conversely it can lead to a tendency for decisions to become bureaucratic and to be sometimes unnecessarily slowed down or impeded due to uncertainty, confusion or sheer complexity of decision-making layers. After almost 50 years since formation of the Church, the framework for the polity and government of the Church in Queensland (and elsewhere) cannot be easily articulated and is commonly misunderstood by many within and without the Church (and hence this body of work).
- 4.41 A review of the UCA Foundational Documents as they are outline above leads us to the following takeouts and assumptions for the purposes of this review:
- (a) The Basis of Union, the UC constitution and the Act (and thus existence of the five inter-related Councils and the UCAQ Property Trust) ought to be regarded as immutable, or not capable of being avoided or changed, for the purposes of our assessment of options; and

- (b) The Church Regulations and By-Laws ought not to be regarded as immutable as they are capable of change if necessary, provided the case for change (or suspension in the case of relevant Regulations) can be properly made to the Assembly (Regulations) and/or Synod (By-Laws) as the case may be;
- (c) All models considered for the future organisation of the work of the Church in Queensland must be capable of being operated consistent with the Basis of Union, the UCA Constitution and the Act and any necessary suspension (of Regulations) or amendments (to By-Laws) must be taken into account;
- (d) The Church may appear wrongly to many outside its community to be a ‘parent entity’ with a host of ‘subsidiary entities’ when the reality is much more complex; and
- (e) The UCA Foundational Documents establish the Church in a way that does not easily ‘fit the mould’ of most ‘vanilla’ charities operating today under complex laws that are designed for those more vanilla entities, presenting difficulty for Bodies within the Church dealing with Regulators and other third parties; and
- (f) The UCA Foundational Documents nonetheless provide great flexibility (as we will see in the next Chapter) to design the structure of “institutions” and other Bodies in the Church in ways which do meet the Evaluation Criteria for this review.

5. Uniting Church Government: Some Variations

- 5.1 Notwithstanding the shared and immutable remit of the Basis of Union, there are several fundamental differences between the expressions of governance within the bounds of Queensland Synod and of the other Synods within Australia. During this review, we also became aware of the significantly different expression of polity and government, and the holding of property in the Canadian sister Church the United Church of Canada. Some aspects of each of these other expressions of polity and government within the Church in Australia and its sister church in Canada are instructive.
- 5.2 The project did not require a full review of the government of the Church in the other Synods, or the equivalent church in Canada, and so a full review is not within scope. The brief summary of some of the differences in this Chapter does not purport to be anything more. It is incomplete and is provided purely for the purposes of demonstrating just some of the experience and potential options available to the Church in Queensland when considering the next steps in the continuing evolution of the government of the Church.
- 5.3 We are grateful to NSW/ACT and Vic/Tas Synod Offices in particular, as well as the Act2 project team, for making available relevant people and publicly available information to assist us with gathering information required for this part of the Report.
- 5.4 We will first describe one aspect of the United Church of Canada that may be instructive and then provide an overview and some observations about some of the key divergences between Queensland Synod and other Synods, but particularly the two largest Synods in Australia, namely NSW/ACT and Vic/Tas.

United Church of Canada

- 5.5 The United Church of Canada has over very recent years gone through a material revision of its internal structure, government and polity. Their Basis of Union was adopted 1925 upon formation of the church in that country. Interestingly, unlike in Australia, Canada's Basis of Union uses the word "polity" to describe the internal structures and government of that church.
- 5.6 A key difference between the United Church of Canada and the Uniting Church in Australia is the quite distinct ways the two churches were established legally. The enabling Act for the United Church of Canada incorporated the church itself (see Chapter 7 for an explanation of the effects of incorporation of an entity) making it a separate legal person. The incorporated Church was able to hold property and do a range of things itself as a separate legal person. A number of trusts were effectively created by its enabling legislation, with some property held by different councils and parts of the church in Canada on separate special purpose trusts.
- 5.7 This is contrasted with the Church in Australia. As explained in Chapter 4 of this Report, the enabling Acts in each separate State and Territory did not incorporate the Church nor its Synods. Rather each Synod is an 'unincorporated association' for secular legal purposes.
- 5.8 This made it necessary in the Australian Church to create the separately incorporated Property Trusts. They were able to hold property, employ staff and enter into contracts with others in keeping with the laws of the land. The enabling Act in Queensland contains very little detail about the terms and requirements of the trust, simply relying on the declaration that the Property Trust hold the property "on behalf of" the Church and leaving the rest to the general laws relating to trusts and duties of trustees in Queensland and Australia.

- 5.9 The model of incorporation and property ownership within the United Church of Canada is thus quite different from that within the Church in Australia. This makes close comparison difficult. However, at least one aspect is potentially instructive. Through recent legislative changes in Canada (e.g. in Ontario under the *United Church of Canada Act, 2019*), the property of the church in Canada is vested in a series of different special purpose trusts right down to the level of the congregations. Each congregation therefore has not only a governing board (equivalent of the Church Council) but also a 'Board of Trustees' to hold church property on the trust.
- 5.10 The Canadian approach would seemingly make it easier for bodies within the church to deal with third parties outside it. From the internal perspective of the church itself, however, the Canadian model creates perhaps an even more complex and high risk model in some respects. This is because of the need to establish so many different trusts and to populate with appropriate skills so many boards of trustees, in addition to church councils. The use of property, however, held within each such trust is strictly regulated by a 'Model Trust Deed' set out in the legislation. This removes at least the need to negotiate the terms of the trust in relation to each such trust.

Key takeouts from United Church of Canada Example

- 5.11 **Model Trust Deeds** - If Queensland Synod pursues the notion of separate special-purpose trusts for declared institutions that are permitted to incorporate (see Recommendation 6 in Chapter 9 of this Report), consideration should be given to the establishment of a 'Model Trust Deed' as was done in Canada setting out very clearly the terms of the trusts so created. This would also require separate legal advice to ensure that the creation of separate special purpose trusts complies with all applicable trust and taxation (and other) laws and the existing trusts on which the affected property is held by the UCAQ Property Trust.
- 5.12 **Changing the enabling Act** - For completeness, we also mention that albeit very difficult to achieve and so not a process we recommend pursuing, it is possible to persuade Parliaments to make changes to enabling legislation that created the Property Trusts in Australia, as the church in Canada did. However, this is a process that takes many years to achieve, only after securing clarity and agreement at the whole of Church level to do so, as well needing an appetite for the Parliament(s) of Queensland (and other States and Territories) to legislate for the benefit of an independent Church.

Other Synods of the Uniting Church in Australia

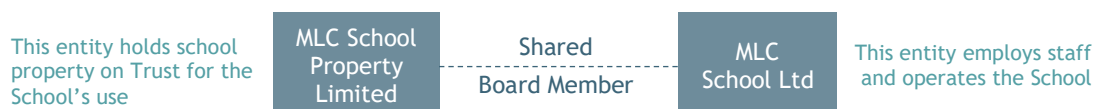
- 5.13 As mentioned, the polity and government of the Church within the bounds of all Synods share all the same immutable fundamentals as the Queensland Synod as described in Chapter 4.
- 5.14 However, the life of the Church has evolved quite separately and differently across Synods over the decades since formation in 1977. Different Synods have, within their bounds, a variety of quite different activities and other expressions of Church Mission. A simple demonstration of this is shown on the website for the UnitingCare network in Australia (<https://unitingcare.org.au>). Under the 'Our Network' tab are the logos of 19 different 'organisations' operating under the network umbrella, but only one of which - UnitingCare Qld - uses the same logo as UnitingCare Australia. Within this network there are:
- (a) two shown as operating in Queensland, namely UnitingCare Queensland (UCQ) and Wesley Mission Queensland (WMQ), neither of which is separately incorporated and only one of which (UCQ) has been declared to be an institution of the Church, whilst WMQ is a 'parish mission' subject to its own Regulations and By-Laws;

- (b) three in NSW/ACT, being Wesley Mission and Parramatta Mission and Uniting NSW/ACT - one of which (Wesley Mission) is separately incorporated as Wesley community Services Ltd but with its property still held in the general Property Trust and one of which (Uniting) is an institution of the Church that shares its core name (Uniting) and logo with Bodies operating in Vic/Tas and WA but, unlike Uniting in Vic/Tas and WA is not separately legally incorporated;
 - (c) two in Vic/Tas, one of which provides services in the aged care space under the name Uniting AgeWell, with its own unique logo and the other being Uniting Vic/Tas, and BOTH of which are separately legally incorporated as companies limited by guarantee (see Chapter 7 for the effects of incorporation);
 - (d) eight which operate in SA, being:
 - (i) UnitingSA - which shares the Uniting name, but not the logo, used in three other States and, like Uniting NSW/ACT and unlike Uniting Vic/Tas, is not separately legally incorporated; and
 - (ii) seven other Bodies with separate individual names and logos and which do not appear to be separately incorporated (although we have not verified this point given the limited purpose and scope of this aspect of the review); and
 - (e) three which operate in WA, including Uniting WA (although this entity is registered with ACNC under both this name and its formal name, UnitingCare West), which shares the Uniting name and logo with NSW/ACT and Vic/Tas and, like Uniting in Vic/Tas is separately legally incorporated but under quite different legislation from Vic/Tas as explained at paragraph 5.20 below.
- 5.15 A simple review of the Annual Reports of the 19 Bodies operating under the UnitingCare banner (but not logo) alone show the variety of very different activities undertaken within this network across Australia, even amongst Bodies that share the name and logo but adopt their own Strategic Plans. This is perfectly permissible but may appear confusing to external stakeholders - Regulators, clients, donors, joint-venture partners, suppliers and others.
- 5.16 There are also a range of very different approaches taken, for instance, to the formation and structure of Uniting Church schools (see <https://assembly.uca.org.au/fed/schools-a-tertiary>) across different States and Territories. Several Uniting Church ‘badged’ schools have over recent years been separately incorporated in NSW/ACT and Vic/Tas in particular but most schools across Australia, including in Queensland, are not separately incorporated (other than the four schools in Queensland operating under the banner of the separately incorporated Letters Patent Entity, the Presbyterian and Methodist Schools Association or PMSA). Some schools moreover are affiliated with the Church but also with another church or churches and so are owned in a variety of Joint Venture structures.
- 5.17 On any view, these differences are confusing. They also show clearly that the Church has quite a different “risk profile” within the bounds of each Synod. The simplest example of this for the purposes of this review is the high concentration of exposure to the risks associated with hospitals in Queensland compared to other Synods. In spite of different risk profiles, there is no clear and intentional difference apparent between how governance accountability mechanisms have been established across Synods to more rigorously govern and/or closely monitor high risk activities and operations vis-à-vis lower risk ones.
- 5.18 Below are some of the interesting ways in which Church government has evolved in other Synods with particular focus on the two largest Synods in Australia.

Some Instructive Examples of Variations in Church Government in Other Synods

- 5.19 The Western Australian Synod provides perhaps the most different of the governance models within the Church in Australia. This is because of a series of special provisions in the 1976 Act that established the WA Property Trust. Unlike the Queensland or other Synods, the Western Australian *Uniting Church in Australia Act, 1976*, conferred an additional power on the Synod under s.28 to separately incorporate bodies within its bounds. The effect of s.33 of the WA Act is that the Synod controls the provisions of the constitutions of all entities incorporated in this way, in the same way as it authorises the passage of By-Laws. This effectively gives Synod the same powers as the member/s of a company limited by guarantee formed under the *Corporations Act, 2001* (see paragraph 7.29).
- 5.20 This power has, we understand, been used to incorporate a number of entities in WA, including Uniting WA (established as UnitingCare West).
- 5.21 Whilst the WA model provides the advantage of ease, with the Synod being able simply to resolve that an entity is incorporated, this would require significant change to the Act in Queensland to achieve. For the reasons mentioned in paragraph 5.12, this is not in our opinion a viable option for Queensland Synod.
- 5.22 More importantly, the *Corporations Act* provides a well-established and widely accepted way to incorporate in Australia, with the highest possible levels of board accountability. It also makes dealing with Regulators and third parties easy as they are invariably familiar with the operation of companies under that Act, unlike incorporation under the special power conferred by the WA Act. In other words, in our view nothing would be gained from pursuing such an option when the well-trod path of incorporation exists under the *Corporations Act*.
- 5.23 In NSW/ACT, one of the three major community services Bodies, Wesley Mission is incorporated as a company limited by guarantee with its property held in trust for the Church by the relevant Property Trust in that State. Uniting, by contrast, is a declared institution in NSW/ACT but is not separately incorporated. Synod Standing Committee in NSW/ACT appoints the members of the board of Uniting and has a range of other controls not dissimilar to the way the Synod in Queensland has oversight of UCQ.
- 5.24 Unlike any other Synod to our knowledge, a separate ‘Synod Board’ was formed in NSW by a specific By-Law in 2021. It is a smaller group than SSC, which meets more frequently. Whilst SSC focuses more on strategic matters for NSW/ACT, the Synod Board has more of a compliance oversight focus, and so comprises persons, selected by SSC, with appropriate technical skills.
- 5.25 We understand that some five schools in NSW/ACT, and more in Vic/Tas, have been separately incorporated as companies limited by guarantee over the course of the past decade. Typically, in the case of NSW/ACT Synod, the schools have a strong ongoing relationship with the Church through one or both Property Trusts (given that there are two Property Trusts associated with NSW/ACT Synod) being a legal member of the company and Synod (or SSC) appointing two members of the school’s board.
- 5.26 The approach to the membership structure of the respective companies running each school has not been entirely uniform. In the case of several of the NSW/ACT schools, the legal ‘members’ of the company operating the school, to whom the board of the company accounts at the AGM for instance, comprises one of the relevant Property Trusts PLUS a member nominated by the School Council itself. This presents a curious accountability challenge as the School Council accounts to the ‘members’ that comprises their own nominee as to 50% (and the Property Trust for the other 50%) of the votes.

5.27 Without examining each school in detail, one example in NSW/ACT is the well-established and well-known MLC school in Sydney. According to its 2021 Annual Report MLC school was restructured that year so that the ownership and operation of the school itself was transferred from the NSW Property Trust to a new company limited by guarantee, known as MLC School. The property on which the school stood was then transferred from the NSW Property Trust to a special purpose trust, the trustee of which is a company limited by guarantee, known as MLC School Property Limited, of which the Property Trust is the sole member. The property is held on trust for the exclusive use by MLC School. The board of the trustee company (MLC School Property Limited) are persons who also form part of MLC School Council. MLC School Property Trust is consolidated with the operations of the school for financial purposes.



5.28 The relationship between the Church and each school in the case of NSW/ACT is considered by that Synod Office to be strong and productive. We heard that at least one well-established school was asked in the process of incorporation if and why they wished to continue the connection with the Church after incorporation. Their School Council responded with not only willingness but a strong positive desire to do so. Hence agreements were entered between the Church and the schools in question in NSW/ACT upon incorporation, to supplement and reflect the strength of the continuing close connection with the Church through:

- (a) The constitution of the Company Limited by Guarantee for each school, setting out clearly the Mission as part of the Objects of the company and the powers of the Church around appointment and removal of the directors of the Company in each case;
- (b) An additional Relationship Agreement regulating reporting and accountability requirements of the Church and the school in question;
- (c) A requirement to submit annual plans (like all Church Councils), namely:
 - (i) The Mission and Ministry Plan for the school;
 - (ii) The Strategic Plan for the school.

5.29 This set of documents setting out the mutual expectations is not unlike the requirements that Governments effect through statutory bodies and others in the Government Enterprises Model (Model 3: see Chapter 5), to ensure that the entities deliver against explicit Government priorities and requirements.

5.30 The Vic/Tas Synod has also permitted, and even facilitated, the incorporation of even more schools over the past decade. The experience in Vic/Tas, we heard, has been that it is advisable to put significant time and energy into the right membership structure for incorporated Bodies, and putting in place a clear constitution and/or 'Relationship Agreement' (or equivalent) that assures appropriate accountabilities back to the Church. Once the incorporation has occurred it is difficult to renegotiate such agreements and so it pays to negotiate such matters upfront if and when permitting separate incorporation of a school or any other type of Body.

- 5.31 The other point of departure between NSW/ACT and Vic/Tas when it comes to schools, is that the Vic/Tas Property Trusts appear to have generally transferred property outright to several of the schools. This potentially further weakens the relationship and accountability mechanisms back to the Church.
- 5.32 Finally, we also note that Vic/Tas has incorporated a number of other Bodies to a greater extent than any other Synod to our knowledge. As mentioned earlier, this includes their community service provider institution, Uniting Vic/Tas, and their aged care provider institution, Uniting AgeWell. In each case, we understand, the two Property Trusts (Vic and Tas) are the voting members of the entities and the property is also held by the Property Trusts but on special trusts.

Key takeouts from Other Australian Synod Examples

- 5.33 **Setting relationship expectations on incorporation** - Drawing on the Government Enterprises Model and the NSW/ACT and Vic/Tas experiences, it is advisable to ensure that when permitting or requiring the establishment of a separately incorporated institution or other Body this should include requirements that:
- (a) The membership structure for the company is as simple as possible, preferring the Property Trust as the sole member of the company to hold the board of the company to account through corporate reporting mechanisms (we explore this point further in Chapter 7);
 - (b) The constitution of permitted companies limited by guarantee should be prepared taking careful legal advice to ensure, for instance, compliance with all PBI and other applicable requirements, and to the extent possible should set out clearly:
 - (i) required Church Mission-related Objects and any limitations on activities outside Mission; and
 - (ii) powers for Synod to appoint and remove a majority of the directors of the company in consultation with its board of directors; and
 - (c) there be an additional (model) Relationship Agreement regulating any reporting lines and accountability requirements between the Church and the Body in question, including the requirement to submit annually to the Property Trust, Synod Standing Committee or other designated oversight group, a Mission and Ministry Plan and Strategic Plan for the Body (not for the purposes of approval but as a means of oversight enabling the Property Trust to make appropriate and informed decisions about appointment and removal of directors for the Body).
- 5.34 On the assumption that the relationship with the Church is to remain in place irrespective of the incorporation of a Body, prefer models whereby all property of incorporated Bodies is to continue to be held by the Property Trust, questions also arise whether this should be within the existing general trust or on a special trust (using a Synod-approved Model Trust Deed as referenced above in relation to the United Church of Canada example) to ensure the strong relationship to the Church remains in place. We will address this further in Chapter 8.

6. Comparator Governance Models

6.1 For the purposes of this analysis, we identified a number of alternative potential governance models that might be instructive. The alternative models considered were selected because they relate to organisations that bear comparison with the Queensland Synod and the Councils and Bodies within its bounds. In particular:

- (a) We chose models based on organisations that were reasonably comparative based on scale and complexity, having regard to such matters of scale as staff establishment, customers/stakeholders served, balance sheet and other financial measures, and in terms of complexity, preferring organisations with multiple activities and service lines;
- (b) A preference was given to inclusion of models used by organisations that provide human or other services as opposed to, say, manufacturing and/or selling goods;
- (c) We also sought models where there is a common thread of a clearly articulated ‘mission’ that underpins and is required to be served in all of the activities of the group;
- (d) Not all models chosen apply to Christian or faith-based organisations, with a view to taking a wider view than purely within the Church or other faith-based organisations; and
- (e) It was nonetheless identified as important for our analysis to include comparison with the two largest of the Church’s Synods in Australia, NSW/ACT and Vic/Tas Synods, given that they operate within the same immutable limits of the polity and government of the Church in Australia and yet key components of the governance of each of Queensland, NSW/ACT and Vic/Tas Synods have diverged in some important respects.

6.2 Initially, we sought to compare the Queensland Synod model described in Chapter 4 with the governance models and arrangements of a range of other types of organisations having most or all of the above characteristics. This included:

- (a) NSW/ACT and Vic/Tas Synods of the Uniting Church in Australia, given that each of these Synods has taken materially different paths from each other and from Queensland Synod over the recently past decades in order to tackle some of the same issues confronting Queensland Synod (see **Annexure E**), and yet have, of course, remained true to the overall immutable polity and government of the Church;
- (b) Education and community and human services groups or conglomerates operated by other Christian churches or faith-based groups in Australia which have evolved from similar origins to the Uniting Church for self-evident reasons;
- (c) Not-for-profit charitable groups from church and non-church or -faith-based backgrounds;
- (d) Government Owned Corporations (or GOCs) in Queensland and their equivalents, such as Statutory Owned Enterprises (or SOEs), in other States and Territories of Australia, in which the board of the GOC or SOE is empowered to undertake some decisions without prior consent of shareholding Ministers but accountability to the government on behalf of the community that elects it is seen as paramount;
- (e) Superannuation Funds and other member-mutual financial service houses in Australia, given the prudential regulation requiring separation of ownership and control of fund assets, wherein they are legally held by a ‘custodian’ separately

from the superannuation fund trustee that operates the fund and the day to day ‘manager’ of the Fund; and

- (f) Mutuals and co-operatives operating agricultural or other common businesses and services for and on behalf of their members, albeit most of these operated one or a small number of closely related activities in a regulatory sense.

6.3 There are almost limitless variations of governance models within each of the categories listed in the prior paragraph. Hence, we concluded that a more useful way to consider the governance models available to Synod was to draw on the above types of organisations and consider the combination of legal structural and governance design features that are typically open to variation within and between different types of organisations. We have as a result identified five comparator Governance Models and describe them below.

The Five Comparator Models Described

6.4 Our description of five Governance Models below requires some understanding of the concept of “incorporation”. The key relevant concepts relating to incorporation are explored in detail in Chapter 7. Briefly however, for the purpose of understanding the models described below, incorporation is conferred strictly by the laws of the land, and not by the internal laws of the Church. Incorporated entities are of several kinds. They include (but are not limited to):

- (a) Companies - being the most common type of incorporated entity in Australia, formed under the *Corporations Act*;
- (b) incorporated associations - being the second most common type of incorporated entity in Australia, used for grassroots non-trading community organisations, formed under the *Associations Incorporation Act*;
- (c) corporations - formed under the *Government Owned Corporations Act, 1993* (Qld) for the delivery on behalf of Government of critical community utilities and services;
- (d) statutory bodies and statutory authorities - formed under their own bespoke Acts of Parliament and having close affiliation with Government by virtue of one or more Ministers of the Crown having power to appoint and remove most or all board members; and
- (e) statutory corporations - like UCAQ Property Trust formed under their own specific legislation, but with no other relationship to Government.

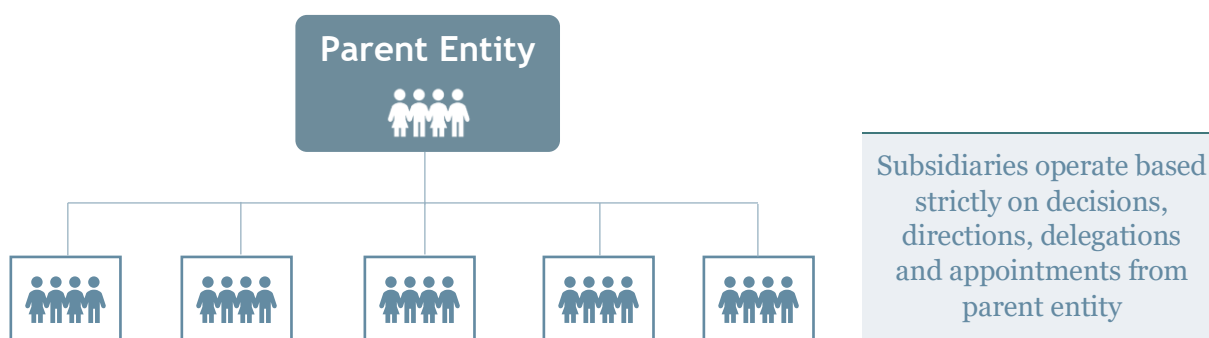
6.5 All incorporated entities share two critical features, namely separate ‘legal personality’ and limited liability (see paragraph 7.11). Separate legal personality enables them to operate in the eyes of the law like a natural person. An incorporated entity can buy, own and sell land, employ people, enter into contracts and sue or be sued by others, just like natural persons. None of these features apply to Bodies within the Church in Queensland.

Model 1: The Command and Control Model

6.6 We have adopted this description for a model commonly adopted by complex not-for-profit and for-profit group enterprises having the following features:

- (a) there is a recognised parent entity, usually separately incorporated;
- (b) in the case of an incorporated parent entity, there is one or more shareholders or members electing some or all of its board and holding the board to account;
- (c) there are a range of business units within the entity and/or incorporated subsidiary entities that are either wholly or majority owned by the parent entity, and usually

- featuring all or a majority of subsidiary directors who are also directors or executives of the parent entity;
- (d) the parent entity is regarded externally, and regards itself, as having ultimate responsibility for the performance and actions of the overall enterprise, and so also as having ultimate liability for the actions and inactions of all business units and subsidiaries;
- (e) the parent entity devolves decision-making authority only carefully and sparingly, if at all, and always subject to strict controls to the business units or subsidiaries;
- (f) the subsidiaries and their directors and officers enjoy full indemnity for their actions from the parent entity.

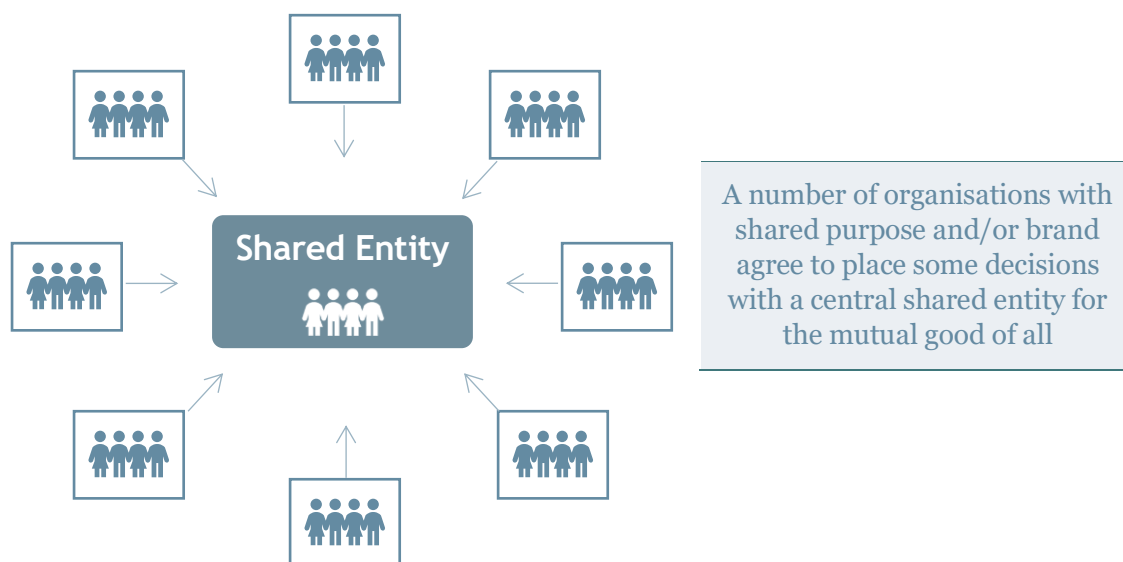


6.7 **Model 1 Examples:** The Command and Control Model is frequently seen in large complex national - or even international - enterprises like Red Cross Australia, Mission Australia and in for-profit and not-for-profit providers within high-risk and heavily regulated industries like aged care or the disability sector. Typically, there is a clear hierarchy, topped by an entity, usually incorporated (whether a for-profit company or a not-for-profit charitable company), which is clearly the ‘parent’. The parent entity keeps strict control over the activities of the enterprise throughout its geographic territory, no matter how vast. The higher risk the activities of the enterprise (e.g. aged care and disability with high levels of legal duty of care) the more likely the controls are heavily centralised and decisions are made only by the central decision-making authority and not by individual facilities or locations, even if they have separately incorporated subsidiaries or licenced entities in each location.

Model 2: The Family of Enterprises Model

- 6.8 We have adopted this description for a model sometimes adopted by group enterprises, most often found in industry peak bodies, having the following features:
- (a) there is a recognised single, usually incorporated, central entity, although it generally is not be considered the ‘parent’ and in fact may be formed to serve or support the interests of others in the family of enterprises;
 - (b) the incorporated central entity generally has one or more shareholders or members (frequently being the other entities in the family of entities) electing some or all of its board and holding the board to account;
 - (c) there are a range of associated incorporated entities as the members/shareholders of the central entity that might themselves be owned or structured in a range of different ways;
 - (d) the separate entities are regarded as separate enterprises with responsibility and liability for their own performance, actions and inactions even if there is common or shared joint ownership, brand, purpose or mission amongst some or all of them;

- (e) the central entity is not regarded by itself or others as responsible for decision-making authority of the other entities in the family of entities, although may seek to negotiate some agreed group policies and limits for the use of common brand etc;
- (f) any form of guarantee to third-party financiers or general financial indemnity is provided on a case-by-case basis by the parent entity and only if warranted.

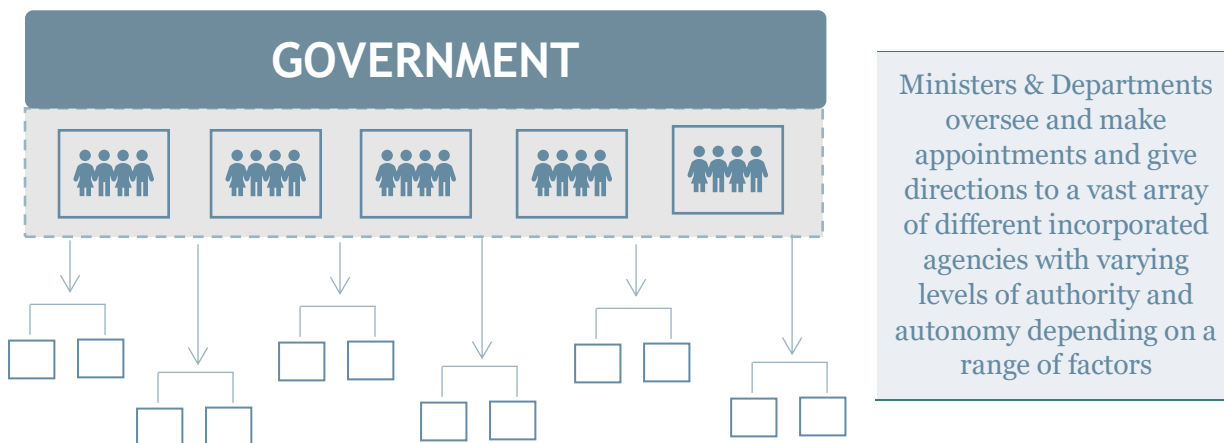


6.9 **Model 2 Examples:** The Family of Enterprises Model is frequently seen within federated State and Territory peak industry bodies like those formed by medical practitioners or other professional groups or cause-related advocacy bodies like Heart Foundation or Cancer Council. Often such groups may have formed over time in each State or Territory, and at some point have agreed to form a central entity to act as the national advocate and/or support body for them. The State or Territory bodies are frequently still autonomous and, unless they reach agreement on such matters, may run their own activities, adopt their own policies and use their own resources. Challenges arise over the use of logos and brands which may or may not reside in the central entity.

Model 3: The Government Enterprises Model

6.10 We have adopted this description for the model found in groups of enterprises in the public sector, with the following features:

- (a) Federal or State government establishes different entities over time to deliver a disparate range of services across sectors as diverse as health, arts, energy, water and more;
- (b) the ultimate ‘shareholder/s’ of the entities is one or more Ministers of the Crown;
- (c) the entities are incorporated, whether under generic government-owned incorporation legislation or special purpose legislation; and
- (d) decision-making power is delegated to differing degrees, depending on scale, complexity, risk and political factors, to the entities subject to specified strategic and policy parameters and directions from the ‘shareholding minister/s’ whose ultimate influence over decisions comes through publishing Reports in Parliament and extensive powers to appoint and remove all members of the governing body.



6.11 **Model 3 Examples:** As the name implies, this Government Enterprises Model is used by Federal and State and Territory Governments in Australia to incorporate bodies that carry out service provision (as opposed to regulation which is retained internally by the bureaucratic arm of the Government in question). In Queensland, for instance, the State Government has over many decades established a range of different types of incorporated entities, with different accountability and reporting obligations applying to them depending on their level of risk, complexity and nature, predominantly comprising:

- (a) Government-Owned-Corporations (or GOCs) for core services once provided by Government to its citizens, like power and water, and to which high standards are imposed for directors' duties, accountabilities and reporting obligations analogous to those found in private companies listed on the Australian Securities Exchange;
- (b) Statutory bodies established under special purpose legislation for groups of entities delivering the same types of critical services in (e.g. *Hospital and Health Boards Act, 2011 (Qld)*) or one-off special purpose legislation for smaller one-off entities (e.g. *Queensland Performing Arts Trust Act, 1977 (Qld)*); and
- (c) Statutory authorities (meaning, unlike statutory bodies, they do not have control over their own funds) under special purpose legislation (e.g. *Stadiums Queensland established under the Major Sports Facilities Act, 2001*).

Model 4: The Matrix Governance Model

6.12 We have adopted this description, drawing on the concept of the recognised 'Matrix Management' model, for a model commonly adopted by faith-based or other mission- or purpose-driven collective enterprises with the following features:

- (a) there is a recognised 'brand' for a community of interest, which is generally a church or faith-based community or otherwise founded in a set of shared common goals, values, beliefs or experiences;
- (b) there is no single overarching 'parent' entity or shareholder in the same easily discernible way as for Models 1-3;
- (c) nonetheless, decisions pertaining to the use and protection of the shared community 'brand' or the protection of the shared assets are the subject of explicit and enforceable prescribed rules in a set of interacting governing documents;
- (d) different activities and services under the umbrella are organised into a range of different groupings that cannot properly be described as 'subsidiaries' in the secular legal sense because there is no discrete 'parent' entity;

- (e) there are multiple ‘governance masters’ for the separate activities within the community due to the array and complexity of the activities of the collective, and the specialist groups within it, as well as the specialist nature of decisions to be taken within the smaller groups and across the community as a whole.
- 6.13 This model is difficult to represent in diagrammatic form because its nature varies from one organisation to another. It generally involves a series of different hard accountability and dotted reporting lines between a number of different entities in the community of organisations.
- 6.14 **Model 4 Examples:** The Church itself exhibits features of this Model in many respects (see **Annexure D** for the Queensland Synod Galaxy Chart). This Model is commonly observed amongst church and faith-based groups, political parties and other groups sharing significant life experiences and/or values (such as returned servicemen). Such groups are perhaps described more accurately as a community of interest than an enterprise at all. Such communities hold dear concepts of ‘grass-roots’ self-determination and distributed decision-making for members of the group and so have designed their own form of government that respects these rights whilst attempting to centralise or corral some key governance decisions that might affect the shared ‘logo’ or ‘brand’ or might put the assets of the whole group at risk if not carefully managed.

Model 5: The Hybrid Model

- 6.15 We have adopted this description for group enterprises exhibiting a combination of attributes found in Models 1-4. We have not represented it in diagrammatic form because, by definition, it can involve a range of different combinations and permutations of aspects of other Models.
- 6.16 **Model 5 Examples:** In our view the Vic/Tas and NSW/ACT Synod models fall more into this category than in Queensland because of decisions of those other Synods to permit or facilitate incorporation of certain Bodies and devolve property for that purpose. A non-Church example is the member mutual auto clubs in Australia (RACQ in Queensland). When owning heavily regulated high-risk activities, such as insurance, they often do so in joint venture with specialist insurers that provide significant expertise through appointments to the subsidiary board and technical support. The parent club, that otherwise generally operates a Command and Control Model (Model 1) for its other activities, may mimic aspects of the Government Enterprises Model (Model 3). The parent club may permit such a group subsidiary to enjoy almost full decision-making autonomy because of the specialist technical, and highly regulated, nature of the activities of the subsidiary and the greater technical expertise of the subsidiary board over the parent board. However it may also impose specified strategic and policy parameters and directions (like Government does to its various enterprises) to protect a shared brand, and retain power to appoint and remove some or all board members.

Key Takeouts from Comparator Governance Models

- 6.17 Different Governance Models are appropriate for different types of organisations or communities of interest depending on a range of factors, such as the disparate nature of the activities of the group and the risk profile within each entity forming part of the group and across the whole community. It is therefore useful to consider which aspects of each Governance Model offers high levels of governance accountability and effectiveness in context. What works well in one context may not always works in all other contexts.
- 6.18 Adoption of any of the outlined Governance Models does not automatically determine several matters that also need to be addressed before applying the Evaluation Criteria to each of the possible Identified Governance Models, namely:

- (a) **Forming entities:** How the ‘subsidiaries’ (Models 1 or 2) or ‘entities’ (Model 4) should be formed - see Chapter 7;
- (b) **Accountability mechanisms:** who or what will comprise the controlling member, or body of voting members or shareholders (for an incorporated entity) or will otherwise be the group designated to hold its board of directors or other governing body to account for the actions and inactions of the entity (for an unincorporated entity) - see also Chapter 7; and
- (c) **Property ownership:** How the property used by or for a subsidiary or entity is to be owned, held or accessed - see Chapter 8.

7. Formation v Incorporation of Entities

7.1 As noted in the previous Chapter, to understand fully the variations amongst identified comparator Governance Models it is important to understand the concept of incorporation and the associated accountability mechanisms for holding boards of incorporated entities to account.

Understanding incorporation

7.2 When interpreting the Governance Models described in the previous Chapter, it should be appreciated that the way a ‘subsidiary’ or ‘entity’ is formed can vary between enterprises even in the same sector. Two broad alternatives are possible:

- (a) An entity can be formed as an unincorporated body, which is simply a group of usually like-minded people coming together for a share purpose but without creating a separate new entity in the eyes of the law (which is the case for the Councils and Bodies within the bounds of the Synod, including institutions like UnitingCare Queensland); or
- (b) An incorporated entity can be formed under the general laws of Australia such as:
 - (i) A company under the *Corporations Act, 2001* (which is the case for a range of entities within the bounds of NSW/ACT and Vic/Tas as described in Chapter 5);
 - (ii) An incorporated entity under special purpose legislation (which is the case for the UCAQ Property Trust incorporated under the Act); or
 - (iii) An incorporated association under the Associations Incorporation Act, used for non-commercial community-oriented activities.

7.3 Companies or incorporated associations can be formed freely by all citizens who fulfil the requirements of the legislation in question. By contrast, special purpose incorporated entities, like the UCAQ Property Trust, require the cooperation to Parliament to create and pass special legislation to create the entity. It is unlikely that such a vehicle as the Property Trust could even be created today by the Parliament without great difficulty for a range of political reasons.

7.4 If forming a company under the *Corporations Act*, this may be formed as either:

- (a) A not-for-profit company limited by guarantee for those enterprises carrying out charitable purposes; or
- (b) A proprietary company limited by shares (a ‘Pty Ltd’ company) for enterprises carrying out more commercial purposes.

7.5 In either case, each company has its own board of directors, who owe the company strict legal duties as “Fiduciaries” to oversee the operations of the company so formed in the interests of the company as a whole (as distinct from the interests of the parent of the company.⁵ These duties are described at law as “Fiduciary” due to the “Fiduciary relationship” which arises, meaning the relationship of “fidelity and trust” between company directors who control the assets of the company and the members or shareholders who

⁵ In the case of wholly-owned subsidiary companies it is possible under s.187 of the *Corporations Act, 2001* to establish them in such a way that the directors of the company be required by the constitution of the company to act in the interests not only of the company but also of its wholly-owned parent company and the group of companies under the umbrella of the parent company.

entrust them with significant powers to do so. Such companies can be thought of as “Fiduciary” companies for these purposes as the directors of them are fully accountable, and sometimes personally liable, for the way they govern the company. This is not quite so clear-cut for entities, including Bodies within the Church, that are not separately incorporated in this way.

Pros and Cons of Incorporation v Unincorporated Associations

- 7.6 Incorporation is a concept of the general laws of Australia. It is not conferred by the internal laws of the Church.
- 7.7 Even those Bodies declared to be institutions under Regulation 3.7.4.7 are not incorporated purely by virtue of being established as institutions. However, as outlined earlier (see paragraphs 4.23 to 4.26), the power to create institutions under this Regulation also includes power to authorise it to become “separately incorporated”. This power has indeed been used by the other Synods in Australian as demonstrated in Chapter 5. In other words, it is possible to form an institution of the Church that *is* or *is not* separately incorporated under the laws of Australia.
- 7.8 Specifically, incorporation is a process of the general law that confers continuous ‘legal personality’ on a group of people under its umbrella, even when that group of people changes constantly over time. The incorporated entity becomes a ‘legal person’ and, in the eyes of the law at least, operates like a natural person. It can buy, own and sell land, employ people, enter into contracts and sue or be sued by others.
- 7.9 This is generally considered a distinct advantage over an unincorporated association. As a collective of like-minded people with a shared purpose, an unincorporated association cannot contract in its own name. Rather one or more of its members must sign contracts in their own personal names when buying land, signing leases, employing people or entering into contracts.
- 7.10 Given the prevalence of unincorporated associations within the Church upon formation⁶, the Church founders secured the establishment of a Property Trust associated with each Synod. This enabled the Councils and Bodies within the bounds of each Synod to enter into legal contracts (e.g. employment of staff) and otherwise deal with the world outside the Church, through the Property Trust, without legal impediment⁷. Without the Property Trust, individual members of the Church Council in each Congregation or other Body would have to enter into contracts in their own name, exposing themselves and their assets to personal liabilities.
- 7.11 Conversely, third parties entering into contracts with ‘the Church’, whether for the supply of goods or services or the provision of funding or for any other reason, would be highly unlikely to wish to contract with individuals. The UCAQ Property Trust provided a ready solution for this concern for third parties, but today adds a layer of complexity for people unaware of the polity and government of the Church.

⁶ Unincorporated associations were very common in 1977 when the Church was created. The *Associations Incorporation Act*, permitting community groups to incorporate as associations was only passed in Queensland in 1980. Prior to that time the only viable way for many smaller community groups to incorporate was by Letters Patent which was difficult to achieve or by incorporation as a Company Limited by Guarantee in a corporate regime that was more predominantly developed for for-profit enterprises and so was seen as too costly and complex involving significant compliance obligations.

⁷ This is contrasted with the United Church of Canada, where the church itself was incorporated upon formation (see paragraph 5.6).

- 7.12 Importantly, companies and other incorporated entities also enjoy the distinct additional advantage of “limited liability” over unincorporated associations.
- 7.13 Limited liability means that, with some exceptions, the shareholders or members of an incorporated body are legally immune from having to pay the debts and liabilities of the enterprise. Only the resources of the incorporated entity itself can be called upon on for this purpose. Further, with some exceptions, the liabilities of the incorporated body do not extend to the assets and resources of those who govern it (its directors) or comprise it (its members or shareholders) or other related bodies (other subsidiaries in the group). The important exception to this is if those others are found in some way also to be culpable for the harm, loss or failure caused by the company that caused it to be sued.
- 7.14 In contrast with the UCAQ Property Trust, the Councils and Bodies of the Church in Queensland are, at law, unincorporated associations. The only real advantage today of these types of bodies is the flexibility they enjoy. Their rules can be freely written and rewritten, provided the group that comprises them, agree.
- 7.15 In the past it was also often cited as an advantage that unincorporated associations are lower cost to establish and maintain (no incorporation or registration fees and only the cost of the creating the Rules of the Association) and have lower compliance obligations than companies under the *Corporations Act* or the *Associations Incorporation Act*. Today, those arguments cannot be sustained because:
- (a) In relation to the cost argument, the Church has expended a great deal of its precious resources over past decades to establish, re-establish and rewrite the ‘Rules’ (in the form of various versions of Regulations and By-Laws) which is now harder for a bespoke governance model like the Church than those operating in more conventional structures using standardised constitutions and other tools; and
 - (b) In relation to the compliance issue, we assume that community and internal Church expectations mean that the Church would in any case seek to hold itself to the highest levels of accountability (as indicated by the Plenty priorities and the Evaluation Criteria) and so is unlikely to ‘drop its standards’ because a lighter-touch legal structure is chosen.

Key Takeouts on Incorporation v Unincorporated Structures

- 7.16 **Incorporation preferred for some Bodies** - In conclusion on this aspect, the considerable disadvantages of unincorporated associations in dealing with third parties outside the Church as explained above, make it a difficult form to sustain for large operating entities today. By contrast the ability to hold those in governance roles of incorporated entities to account for their oversight of the enterprise is a considerable advantage today. Indeed, it is for this reason that a number of churches (including the Catholic Church, a range of protestant churches and the NSW/ACT and Vic/Tas Synods) have moved to a blend of incorporated and unincorporated bodies over recent years.
- 7.17 **Company Limited by Guarantee preferred** - For PBI and other charitable non-trading activities, the most suitable form of incorporation is generally the company limited by guarantee under the *Corporations Act*. Even if such a model is chosen, a further decision is required about what membership structure will deliver optimal accountability.

‘Members’ as accountability mechanisms

- 7.18 Within any entity today, incorporated or not, it is widely accepted that the job of the board or other designated governing body is to hold to account the management team of the entity. In turn management hold to account those in the chain below them on the expectation of the replication of this notion right throughout the organisation.
- 7.19 The key question, then, is who holds the board or governing body to account.
- 7.20 To date, the accountability obligations of the Councils and other Bodies within the bounds have been somewhat dispersed. Bodies are required to seek approval from some other discrete Bodies (e.g. the Finance and Property Board and the Property Trust) within the bounds and to report to others (e.g. Synod and Synod Standing Committee) depending on the matter in question. It has, over time, become difficult and in some ways unrealistic for the large and infrequent nature of Synod, to genuinely to hold to account some of the larger and more specialist Bodies.
- 7.21 The creation of Synod Standing Committee (SSC) has gone some way to assisting with this challenge. SSC is a much smaller group than Synod, selected for relevant experience and skills. It meets regularly throughout the period between gatherings of Synod. It is without doubt the most suitable existing group within the current structures of the Church in Queensland to carry out oversight of the large, complex and specialist Bodies within the bounds.
- 7.22 The main inhibiting factor for SSC in overseeing the largest and most specialist Bodies within the bounds is the strong representation on SSC of persons having board or executive roles with those same Bodies. Naturally this raises important ‘conflict of interest’ challenges. In some cases, the only individuals on SSC with relevant experience and expertise for the purposes of SSC monitoring the most high-risk Bodies, also hold governance or management roles withing those same Bodies.
- 7.23 From a ‘fit-for-purpose’ perspective, we respectfully suggest that these accountability mechanisms are no longer meeting appropriate standards for the Church. We have therefore made a recommendation in this respect in Chapter 9 (see Recommendation 7).
- 7.24 Amongst incorporated entities a range of (also imperfect but in our view stronger and more well-tested) accountability mechanisms exist. The most fundamental accountability mechanism is “membership” of the company or incorporated association. In companies that are commercial enterprises these members are known as shareholders, because they share in the profits of the enterprise.
- 7.25 Members of charitable not-for-profits and shareholders of commercial companies are typically extremely vocal - often quite literally at the Annual General Meeting of the company - in holding the board to account for its actions. One important way they express their views about director accountability is through voting directors on and off the board and, in the case of shareholders of for-profit enterprises, buying more shares or selling their parcel of shares.
- 7.26 There are many variations possible for the structure of the ‘membership’ of a not-for-profit company but the most viable (but not only) options to ensure that incorporated Bodies remain accountable to the Church from which they have evolved would appear to be the use of a not-for-profit company limited by guarantee structure with:
 - (a) a sole member, being either the UCAQ Property Trust or a bespoke entity, itself an incorporated entity with the Property Trust as its member, formed to hold incorporated entities within the bounds to account; or
 - (b) a group of individual ‘members’ identified by Synod, such as the current members of SSC for the time being.

Key Takeouts on Members as Accountability Mechanism

- 7.27 **Governance Model and incorporation** - Deciding which elements of the identified Governance Models may be appropriate for the Church is separate from the question of whether or not to permit Bodies to incorporate. Decisions about incorporation should be made irrespective of which Governance Model/s is/are chosen.
- 7.28 **Institutions and incorporation** - A range of considerations apply to a decision whether to permit an institution of the Church to separately incorporate:
- (a) **Why (and why not) incorporate** - Done the right way, incorporation of Synod Bodies would bring a great many advantages, and no appreciable disadvantages as explained in paragraphs 7.6 to 7.15 particularly for larger and more complex activities of the Church.
 - (b) **Some or all Bodies incorporate** - it is important for Synod to ask the question whether the advantages of incorporation apply equally to all Bodies. In our view they do not. It is important, if moving down the path of incorporation for one or more Bodies in Queensland, to determine criteria for separate incorporation based on a range of pre-determined factors, such as:
 - (i) Closeness and criticality to Mission;
 - (ii) Regulatory and compliance considerations;
 - (iii) The need to contract and otherwise deal with external parties;
 - (iv) Potential liability and asset protection considerations;
 - (v) Size, complexity and the specialist nature of Bodies warranting more specialist governance and swiftness of decision-making;
 - (vi) Due diligence confirming no negative legal, taxation or other impacts; and
- 7.29 **Preferred accountability mechanism/s through ‘sole member’ companies** - The simplest option when permitting incorporation, which delivers the strongest accountability, is the creation of a sole member company limited by guarantee under the *Corporations Act, 2001* with the UCAQ Property Trust as the sole member. First, the ‘group of members’ option would offer no greater integrity and would arguably be more confusing because the group of members would be constantly in a state of flux as individuals in roles change over time. Moreover, the prescribed composition of the Property Trust means it is comprised of people with a range of appropriate skills and capabilities.
- 7.30 **Constitution of sole member companies** - The sole member option would enable the Church to prescribe a range of things in the constitution of the entity so that the company is required to act in the interests of the ‘parent’ entity (the UCAQ Property Trust) and the associated ‘group’ of entities (such a provision is only possible for the Church as sole member option based on s.187 of the *Corporations Act*).

8. Ownership and Use of Property

- 8.1 As we have stated in the prior Chapters, the decision which Governance Model best delivers to the priorities of Synod, or meets the Evaluation Criteria, cannot be taken in isolation of the separate decision about how to hold the property of the Church into the future.
- 8.2 We will not repeat in full the nature of the UCAQ Property Trust which is explained at paragraphs 4.10 and 4.11. As explained in those paragraphs the law imposes strict obligations on those who are specified as comprising the UCAQ Property Trust to ensure it holds the property on trust for the Church and to discharge important duties in relation to the oversight and use of the property.
- 8.3 The effect of the *Trusts Act, 1973* is that property vested in any trust, including that created by the Act, cannot be used for purposes other than the purposes designated by the declaration of trust without some contrary court or legislated authorisation. In the case of the UCAQ Property Trust, the Act makes clear that the property is held on trust “for the church” and must be used in accordance with the Regulations and directions of the Assembly (see s23 set out in **Annexure B**).
- 8.4 Relevantly, we note that Synod has previously confirmed that the allocation of property to the Balance Sheet of a Church PBI for taxation purposes has the consequence that the property cannot, at least without dire consequences for the PBI status of the entity, be used for any other purpose.
- 8.5 Separate from the decision of how, if at all, to modify the governance framework within the Church in Queensland and whether or not to incorporate some of its Bodies, is the decision how property used by each Body should be owned and applied. Some insights on this point can be taken from the NSW/ACT and Vic/Tas Synods (see Chapter 5).
- 8.6 Certainly, if Bodies in Queensland were to separately incorporate, conferring on their directors and officers unarguable statutory and fiduciary duties, it would be essential to ensure that each such Body, and the Church, have clarity and certainty about legal title to and use of property. Just some of the options on this score include (subject to appropriate legal and taxation advice):
- (a) **Status quo** - Continue to hold all Church property presently held in the UCAQ Property Trust on the general trust for the Church and applied to the uses to which it has already been allocated based on the PBI or other charitable tax status of each Body;
 - (b) **Usage charges** - Move towards more commercial terms (e.g. lease or licence) for such use of property by Bodies where possible depending on the size, nature and level of independence of the income of the Body, giving the Body certainty of title, access and use;
 - (c) **Divest and hold property on special trusts** - transfer the property for each Body or some Bodies into special purpose trusts created for the purpose in each case, as is the case for a number of Uniting Church schools and other agencies within the bounds of the Vic/Tas Synod as outlined in the previous paragraph;
 - (d) **Divest and transfer property to Bodies** - Divest relevant property out of the UCAQ Property Trust and transfer it outright to relevant Bodies, again with possible variations being for this to occur for anywhere between ‘peppercorn’ consideration and full value.

Indemnification out of Property Trust

- 8.7 In paragraphs 4.36 to 4.39 of this Report we outlined the important consideration of the limited indemnities that are available to apply to certain person within the Church out of property held by the UCAQ Property Trust. The issue of the continuing availability of those indemnities ought to be taken into account in any decision about the establishment of institutions and/or their separate incorporation.
- 8.8 Typically, a separately incorporated Body would be expected to take out Directors and Officers Liability insurance to provide a level of indemnity through insurance for all but wilful or deliberate failures. This protects the entities assets (in this case the assets held in the Property Trust) from such risks, to the extent that they are insurable.

Key Takeouts on Church Property

- 8.9 **Trust Property is still Church Property** - Even where property in the UCAQ Property Trust has been allocated in the balance sheet of a particular PBI or charitable Body and it can be used only for that specific purpose, this does not alter the central legal fact that it is still held "on behalf of" the Church in Queensland. This raises the question of how the property is to be applied by any given Body "on behalf of" the Church. It is also why it is appropriate that the Church impose rules on a Body that has the use of property held in a charitable trust on behalf of the Church.
- 8.10 **Fiduciary duties of members of Property Trust** - The Fiduciary duties of the UCAQ Property Trust (which are analogous to those of directors of companies in Australia - see paragraph 7.5) mean that it would not be appropriate simply to transfer property of the Church to separately incorporated Bodies without regard to the legal consideration (or payment) that ought to flow to the Property Trust in return for that transfer. The legal duties of the members of the UCAQ Property Trust, to protect the assets and Mission of the Church would demand no less in the interests of the wider Church. In this regard the Vic/Tas and NSW/ACT Synods provide useful precedents for the ways in which this can be achieved, albeit even they do not represent the only way to achieve such an outcome.
- 8.11 **Whole of Church benefits** - It should be recognised that the exposure of the assets and resources of the Church to liabilities arising out of the actions or failures of one Body can and do severely impact the exposure of the assets and resources of other Bodies within the bounds. This was seen starkly in the redress process over recent years. This legal reality should be taken into account. In other words, the protection of Church assets by placing them in special trusts for the use of identified Bodies may offer a degree of overall benefit to the ongoing life and sustainability of the Church by not exposing assets used by other Bodies to the risks associated with activities totally beyond their control whilst holding the directors of incorporated Bodies to a higher level of account personally. All Bodies and institutions should also be covered by adequate insurances, including Directors and Officers liability insurance.

9. Findings, Observations and Recommendations

- 9.1 In Chapter 4, we attempted to describe the polity and government of the Church in Queensland.
- 9.2 As explained in Chapter 2 of this paper, we were engaged to assist Synod to consider that question against some clearly identified criteria and two additional criteria that we have added (see paragraph 2.14 above), namely:
- (a) Staying true to our purpose and values
 - (b) Empowering our people
 - (c) Adapting for context
 - (d) Being accountable to ourselves and our stakeholders
 - (e) Connecting the parts of the ‘body’ into a cohesive whole
 - (f) Respecting the Immutable Polity and Government of the Church
 - (g) Protecting and enhancing the assets and resources available for delivery of Mission.

Analysing the efficacy of status quo against the criteria

- 9.3 One of the great strengths of the polity and government of the Church, as we have described it in Chapter 4 of this Report, is the flexibility to arrange the Church’s activities in a range of different ways and entities whilst still pooling the resources of the Church to apply them for the advancement of the Mission. This strength has however been observably eroded over time by several factors. Just four examples of how it has been eroded are as follows:
- (a) The boards of the largest Bodies have over time rightly become more ‘professionalised’. This has brought stronger skills-based board composition over time, with board members from careers as executives and non-executives of large listed, private, public and other non-Church businesses. This has to no small degree diluted the ability of the extremely large and only periodically convened Synod (and even of the smaller Synod Standing Committee on its behalf) to oversee such complex Bodies with their own sophisticated governing bodies and governance arrangements.
 - (b) The present composition of Synod Standing Committee (see By-Law Q2.2) has resulted in a concentration of influence within Synod Standing Committee coming from two of the more significant Bodies within the bounds, namely UCQ and WMQ. This leads to the question whether there is a sufficient degree of rigour and independence in the SSC oversight role in respect of those major Bodies when the relevant skills at SSC are drawn from those having key roles with the very Bodies being overseen.
 - (c) The Church rightly regards itself at least as ethically responsible (and in many instances has thus assumed legal liability out of the assets and resources held in the Property Trust) for the actions of employees and officers within Bodies bearing the name of the Church. This led to the need for the Property Trust and/or the Synod Office to promulgate Synod-wide policies, practices, monitoring and reporting for the appropriate protection of the interests of the Church and its associated communities of interest. Such policies are not always regarded by boards or management of some Bodies as most desirable or suitable to that Body.

- (d) As the taxation and associated regulatory environment for PBIs has evolved, property which is allocated to the Balance Sheet of a PBI can no longer be regarded as usable by the Church (or the Property Trust on its behalf) for other purposes of the Church. This significantly hampers the ability the Church once had in the current model to grow its assets and income for wider Church purposes once they are allocated to specific uses.

9.4 Specifically analysing the current model described in Chapter 4 against the criteria for this review (see paragraph 2.14):

- (a) **Staying true to our purpose and values** - There are no impediments in the existing structure of the Church’s polity and government to the delivery of the purpose and adherence to values. This, we suggest, is predominantly dependent on the will of individuals, irrespective of structure, to stay true to purpose and values. Having said that, the status quo keeps the overarching authority of Synod and ultimately Assembly to determine “responsibility in matters of doctrine, worship, government and discipline, including the promotion of the Church’s mission” throughout the Church including through its Bodies.
- (b) **Empowering our people** - This criterion is perhaps the hardest to satisfy with the current polity and government of the Church as it operates in Queensland. It comprises observably complex and cumbersome structures, as a result of the foundations laid upon formation of the Church in the 1970s. Whilst large corporate groups of any kind are invariably complex and cumbersome, there is an added complexity in the case of the Church because of:
 - (i) the very specific and unusual language and concepts surrounding the polity and government of the Church that many unsurprisingly struggle to understand within and without the Church;
 - (ii) there is confusion, for instance, about the nature of the Property Trust acting as it does as the trustee of the property it holds on behalf of the Church and in respect of which it has certain fiduciary obligations, as trustee, at law;
 - (iii) as mentioned above this has become further confused by the overlay of taxation laws that result in property allocated to the Balance Sheet of a PBI entity no longer being capable of use for any other purpose;
 - (iv) the multiple decision-making layers, given the role and responsibilities of the Synod Standing Committee and Synod and the Property Trust, is frustrating and confusing to many, seemingly resulting in double-handling (or more) of so many key decisions, including by decision-making bodies or groups who cannot realistically be expected to understand the depth and complexity of issues involved;
 - (v) there is often frustration, especially for those with ample experience of boards outside the Church to assume, in error, that the ‘boards’ that govern Bodies within the bounds of the Synod have the same unfettered powers as boards of separately incorporated companies, with legal responsibility to act in the interests of the Body alone - without regard to the wider interests of the community associated with the Church - in keeping with statutory and fiduciary duties applicable in separately incorporated entities.

The need to govern and manage the Bodies within the bounds of the Synod in the more complex environment of the Church requires ultimate adherence to the overall Mission of the Church and the directions and decisions of Assembly and

Synod within the framework of the complex rules applicable. Naturally people within Bodies of the Church, and even within the interrelated Councils established by the Basis of Union (see paragraph 4.6) can feel - and be - quite disempowered in such a structure as decisions must pass through multiple layers of decision-makers sometimes without clarity about where the power to make decisions ultimately lies. This research did not extend to testing this assumption with individuals, but has been observed by the consultant over many years and many consultations to various employees, officers and Bodies within the Synod.

- (c) **Adapting for context** - By definition, the existing polity and government of the Church in Queensland is certainly ‘adapted for context’ in the sense that it is a bespoke, and in some respects even unique, model of governance developed specifically by and for the Church as described in this Chapter 4. However, in terms of adaptation to the context of today’s world, this model now struggles to deliver an effective and efficient form of governance as it requires multiple layers of decision-making, sometimes creating evident tensions between:
- (i) Synod (particularly through its Synod Office and relevant officers who are charged with carrying a range of the delegated responsibilities and protecting the interests of Synod between its formal sessions); and
 - (ii) Some of the Bodies that have, in some cases, evolved quite considerably in size and complexity over time and experience difficulty dealing with external stakeholders (including regulators) who have very poor understanding of the multiple complex decision-making layers within the Church.

It is also observable that it has become unrealistic for a body as large as Synod, composed in a purely ‘representational’ (rather than skills-based) manner, and meeting as infrequently as it does, be in a position to provide a layer of oversight of the activities of these Bodies. Moreover, Synod Standing Committee (see paragraph 4.21(b)) serves to act in place of Synod in most respects between sessions of Synod, but is itself comprised of an unwieldy maximum of 17 people, including prescribed seats for the Chairperson of each of the two largest Bodies - WMQ and UCQ - which it ‘oversees’ on behalf of Synod. It is arguable whether SSC as designed today is able to provide the accountability checks and balances it was no doubt intended to provide and could do if differently composed.

- (d) **Being accountable to ourselves and our stakeholders** - Like the first criterion, accountability is a posture or mindset that can thrive or fail in any structure or environment. People must choose to embrace (or not) such a posture or mindset within any structure. Nonetheless, it is our assessment that accountability to self and to others, especially in the stewardship roles of those governing or managing the resources of the Church, is made more difficult in a complex and confusing structure. It becomes easier for those feeling disempowered by the structure and confused by the layers of decision-making and the logic applying to them, to lose respect for other decision-makers within the structure. This can lead to individuals regarding themselves as accountable only to their immediate peers and not to other stakeholders within the Church, including Synod and Assembly.
- (e) **Connecting the parts of the ‘body’ into a cohesive whole** - For the same reasons of the confusion and disempowerment caused by the current model and the resulting lack of accountability to others, this is one of the most difficult criterion to satisfy with the current structure. There is arguably a positive sense of disconnection between many of the Councils and Bodies within the Church under the current model as a result.

- (f) **Respecting the Immutable Polity and Government of the Church** - The current structure has resulted from the evolution of Church polity and government and so this criterion is satisfied. Nonetheless, as an analysis of the NSW/ACT and Vic/Tas models of polity and government reveal (see Chapter 5), this is not to say that the structure in Queensland is the only way to deliver against this criterion.
- (g) **Protecting and enhancing the assets and resources available for delivery of Mission** - The events of recent years have taken a toll on the assets of the Church in ways that have demonstrated the need for the stewards of the Church - those in governance roles - to think more deeply about how they can achieve this imperative. The current governance arrangements of the Church no longer serve to clearly identify and separate the responsibilities and accountabilities of those who expose the people and assets within the Church to harm of any kind. As a result, the assets of the Church across the board have been needed to fulfil responsibilities to those suffering harm, irrespective of where responsibility or accountability lay. This aspect demands greater separation of assets and greater rigour in the Church's ability to hold to account those with responsibility for the deployment of those assets and the care of people in relation to their use.

Finding 1: Strengths of the Current Model in Queensland

- 9.5 Considering the analysis set out in paragraph 9.4, the strengths of the current model in Queensland, in the context of fitness for purpose against the Evaluation Criteria are:
- (a) **Staying true to our purpose and values** - albeit we note that *all* of the Governance Models enable those in governance stewardship roles in an organisation with the appropriate mindset to achieve this criterion;
 - (b) **Adapting for context** - the ability for the Church, and in this case the Synod, to write and rewrite its own internal rules of government, constantly refining how governance works in the Church, gives it great flexibility to adapt to the context of the times (noting that this is what gives Synod the ability to consider the range of steps not yet taken that are contained in the Recommendations following); and
 - (c) **Respecting the Immutable Polity and Government of the Church** - the current status quo for governance within the bounds of Synod reflects the elements of the formation of the Church as described in Chapter 4.

Finding 2: Weaknesses of the Current Model in Queensland

- 9.6 Considering the analysis set out in paragraph 9.4, the weaknesses of the current model in Queensland, in the context of fitness for purpose against the Evaluation Criteria:
- (a) **Empowering our people** - the complex, unusual and confusing nature of the organisational structures and governance arrangements within the Church create a level of bureaucracy and frustration that risks disempowering people (and its flipside around accountability as addressed below);
 - (b) **Being accountable to ourselves and our stakeholders** - the same complexity has over time led to a considerably lower level of holding to account for decisions and actions within the Church than is observed in many of non-Church Governance Models, demonstrated by the difficulty of Synod or Synod Standing Committee being able to hold to account today the large technical/specialist Bodies that have grown up within the Church over the decades; and

- (c) **Connecting the parts of the ‘body’ into a cohesive whole** - with disempowerment of people and failures of internal accountability mechanisms come a corresponding disconnection between the Councils and Bodies within the Church in Queensland, observable in the ways in which Bodies in the Church approach decisions and requests of Synod, Synod Office, the Property Trust or other officers and Bodies within the Church as if pursuing an independent Mission rather than delivering against the Mission of the Church together; and
- (d) **Protecting and enhancing the assets and resources available for delivery of Mission** - the events of recent years have taken a material toll on the assets and resources of the Church, demonstrating that the current arrangements are not enabling the Church to hold individuals to account in a meaningful way for their safe stewardship of people and resources within the Church, and thus exposing the assets and resources of the Church to material depletion, undermining its future sustainability as a Mission-driven community.

Finding 3: Strengthening the Current Model drawing on the Governance Models in Chapter 6

9.7 Against the Evaluation Criteria, and drawing on the identified Governance Models set out in Chapter 6, there are several ways in which the current polity and government of the Church in Queensland could be strengthened:

Project Plenty Stated Criteria

- (a) **Staying true to our purpose and values** - We are of the view that no Governance Model delivers a superior ability to do this which comes down to the good will of those in governance stewardship roles in the Church to foster this intent.
- (b) **Empowering our people** - draw on Model 3 (Hybrid) to take the best of Model 1 (Command and Control) and Model 2 (Family of Enterprises), namely the ability to set very clear expectations, delegate real decision-making power and hold people to account for it.
- (c) **Adapting for context** - In today’s world, and reflecting on Model 3 (Government Enterprises) draw on the ability to incorporate Bodies within the Church, just as State and Federal Parliaments have done, by creating separately incorporated entities and holding them rigorously to account as a shareholder/member that appoints and removes their boards and sets clear expectations of operating for the overall benefit of the Church (or the wider community in the case of State and Federal Parliaments).
- (d) **Being accountable to ourselves and our stakeholders** - This criterion even more strongly suggests that incorporation of some of Bodies within the Church, akin to Model 3 (Government Enterprises) should be considered, where separate incorporation would enable Synod to place more stewardship responsibility on the shoulders of the ‘boards’ of incorporated entities and hold them more rigorously to account for the careful use and deployment of Church assets (ownership of which ought to be considered separately as addressed below).
- (e) **Connecting the parts of the ‘body’ into a cohesive whole** - Drawing on Model 2 (Family of Enterprises), empowering some of the Bodies within the community of the Church within the bounds of Synod to have greater autonomy might be expected to result in a greater sense of responsibility and accountability for delivery of Mission and so connection to the whole.

Recommended Additional Criteria

- (f) **Respecting the Immutable Polity and Government of the Church** (noting this was additional to the criteria set out in the Project Brief) - the creation of institutions and permitting their incorporation can be done in ways that even more clearly entrench the immutable polity and government of the Church. Incorporation of entities with the Church as ‘sole member’ (see paragraph 7.30) and a constitution requiring the entity to deliver Mission and act in the interests of the ‘parent’ entity (see paragraph 7.5) consistent with s.187 of the *Corporations Act* offers higher accountability controls than currently apply. For Bodies that continue as unincorporated entities within the Bounds, similar provisions can of course be contained in the referable By-Laws.

- (g) **Protecting and enhancing the assets and resources available for delivery of Mission** (this was also additional to the criteria set out in the Project Brief) - the property of the Church within the bounds of Synod sits predominantly in the trust of which the UCAQ Property Trust is the trustee. Given that all such property, even where allocated to a particular Body (even one which is a PBI), is vested in the UCAQ Property Trust to hold “on behalf of” the Church, it ought to continue to be so held. Decisions should also be taken, drawing on the experience of NSW/ACT and Vic/Tas and appropriate legal due diligence, about the desirability on a case by case basis of creating special trusts, still held by the UCAQ Property Trust, for the property used by PBI Bodies within the bounds.

Concluding Observations and Recommendations

9.8 Taking into account the above Findings and the matters detailed in the prior Chapters of this Report, our concluding observations and recommendations are as follows:

Observation 1 - Goodwill, purpose and Mission: The governance model chosen by any organisation or community of interest is only as effective as the will of those charged with implementing it to ensure it achieves the shared purpose, Mission and agreed priorities.

Recommendation-1 - Goodwill, purpose and Mission: In view of Observation 1 and the Evaluation Criteria decide what ‘matters most’ when exercising its proper powers and authority drawn from the UCA Foundational Documents (Basis of Union and UCA Constitution) to limit and distribute decision-making powers and/or devolve assets of the Church, amongst the Councils and Bodies that operate within the bounds of Synod.

Observation 2 - Decide which imperatives matter most: No Governance Model delivers perfectly effectively against all of the Evaluation Criteria. The current polity and government of the Church delivers well against some and poorly against others of the Evaluation Criteria as analysed in Chapter 9. It can be improved, drawing on the learnings from variations within the Church itself as outlined in Chapter 5 and the Governance Models identified in Chapter 6.

Recommendation 2 - Decide which imperatives matter most: Based on the Foundational Documents as they stand today, but noting that they may be impacted over time by decisions of Assembly arising out of the Act2 body of work, depending what Synod determines ‘matters most’ using the Evaluation Criteria, Synod ought to draw on those elements of the Governance Models which might be expected most to help improve that the government of the Church, and governance of the Councils and Bodies within the bounds of Synod, to deliver against Synod’s priorities. Specific ways to improve governance in the Church in Queensland, drawing on other Governance Models, are set out in Chapter 9 of this Report.

Observation 3 - Understand the pros and cons of incorporation: Implementation of the chosen governance arrangements for Councils and Bodies in Queensland requires careful consideration of the positive and negative role separate incorporation of entities can play and the means by which Bodies could be incorporated. As explained in Chapter 7, incorporation especially of large, complex, specialist Bodies within the Church offers many advantages. Done correctly it can even strengthen the ability of the Church to hold those Bodies to account for their use of assets and resources that are held “on behalf of” the Church in Queensland.

Recommendation 3 - Set criteria to guide formation and incorporation decisions: Develop a set of criteria and guidelines (see Chapter 7 for some of the matters which should be addressed) for determining:

- (i) Whether and when it is desirable that a Body or other group or body within the bounds be established as an institution under Regulation 3.7.4.7, based on the implications of doing so;
- (ii) Whether and when it is desirable that an institution also be separately incorporated as an entity and if so under what incorporation regime, based on the implications of doing so;
- (iii) Whether and when it is desirable that a Body or other group or body within the bounds be separately incorporated as an entity but not also established as an institution, based on the implications of doing so;
- (iv) In the case of separately incorporated entities, the membership structure which will deliver the most rigour in accountability (see **Recommendation 4**); and
- (v) In the case of Bodies that are not separately incorporated entities, how to optimise rigour of accountability by the Body through enhancing the capability of all of the Councils (including Synod itself) to hold other Councils and Bodies, as appropriate, to account.

Observation 4 - Church Membership of incorporated entities as highest form of accountability: As explored in Chapter 7, if Synod decides to allow incorporation of some Bodies as the most suitable form for larger more complex Bodies is the not-for-profit company limited by guarantee under the *Corporations Act*, 2001. The strongest accountability mechanism provided by that legislation is company ‘membership’. The ‘member/s’ of a company retain control through what is contained in the company’s constitution, including the purpose and objects of the company and the power of appointment and removal of members of the board of the company. Indeed, in our view this option provides far stronger accountability mechanisms than the current governance model of the Church in Queensland.

Recommendation 4 - Favour UCQ Property Trust as Sole Member of incorporated entities: When permitting incorporation of any Body as a not-for-profit company limited by guarantee, prefer the simplest membership structure by creation of the company with the UCAQ Property Trust as the sole member, having the powers of appointment and removal of directors of the company with provisions entrenched in the constitution of the company ensuring adherence to Mission and that the board of the company is required to serve the interests of the sole member ‘parent’ of the company in accordance with s.187 of the *Corporations Act*.

Observation 5 - Learn from other Synod experiences: As explored in Chapter 5, other Synods in Australia have permitted incorporation of entities within their bounds with some distinct lessons learned.

Recommendation 5 - Set relationship expectations on incorporation: Drawing on the Government Enterprises Model and the NSW/ACT and Vic/Tas Synod experiences in particular, permit establishment of a separately incorporated Bodies, if at all, only on the following bases:

- (a) The membership structure for any permitted companies should be as simple as possible, preferring only the Property Trust as the sole corporate member (see also Recommendation 4) to hold the board of directors of the company to account through reporting mechanisms;
- (b) Adopt a Model Constitutions fir all such companies that sets out clearly:
 - (i) required Church Mission-related Objects and any limitations on activities outside Mission; and
 - (ii) the powers of the Church around appointment and removal of a majority of the directors in consultation with the board of the company itself; and
- (c) there should be an additional (model) Relationship Agreement, specifying reporting and accountability requirements between the Church and the incorporated Body , including the requirement to submit annually to the Property Trust, Synod Standing Committee or other designated oversight group, a Mission and Ministry Plan and Strategic Plan for the Body (not for the purposes of approval but as a means of oversight enabling the Property Trust to make appropriate and informed decisions about appointment (and, sparingly, removal) of directors on the board of the Body).

Observation 6 - The importance of UCAQ Property Trust holding Church property: Irrespective of the chosen governance arrangements for holding to account the Councils and Bodies within the bounds of Synod, and the means of establishment and/or incorporation of entities, a material issue which must be considered is the continued ownership of the property of the Church in the UCAQ Property Trust and the circumstances, if any, in which it ought to be devolved into other special purposes trusts or other ownership arrangements.

Recommendation 6 - Set guidelines and Model Trust Deed for making property holding decisions: Drawing on Chapter 8 for some of the relevant considerations, develop a set of Trust Property Guidelines for Synod, drawing on existing work of Synod Office, to guide decisions about the best means of holding of property to be used exclusively by a Body especially when deciding whether to permit or require incorporation of the Body. Require any special purpose trusts created for property relating to individual Bodies to be governed by a Model Trust Deed drawing on the United Church of Canada example (see paragraph 5.11).

Observation 7 - The importance of Legal Due Diligence: a range of matters must be carefully considered by Synod in relation to any change to the current model operating in Queensland. This includes, for example, the impact on PBI status of Bodies within the Church and whether the legal indemnities under the Act and the Regulations (see paragraphs 4.36 and 4.39) would still be available to the same extent, or could be lost or eroded, for members of boards or governing bodies of Church Bodies that are required or permitted to incorporate separately and/or the property of which is placed into a special trust.

Recommendation 7 - Full Legal Due Diligence: Ensure that all decisions about establishment and/or separate incorporation of institutions and establishment of special trusts in keeping with these Recommendations, includes full legal due diligence as contemplated by Observation 7.

Observation 8 - Synod Standing Committee Governance Oversight Capabilities: Irrespective of whether Synod chooses to retain its current fundamental polity and government or to move towards establishment of some Bodies as institutions with or without separate incorporation, the governance oversight capabilities of SSC should be enhanced to tackle present limitations (see paragraphs 7.21 and 7.22).

Recommendation 8 - Enhance Synod Standing Committee Governance Oversight Capabilities: Draw on the experience of the strengths of the Synod board implemented in NSW/ACT to review the composition of SSC in Queensland. We do not recommend the addition of a separate Synod board, creating yet another decision-making layer, but instead recommend a review of the composition of SSC itself. This would enable Synod to balance perspectives of individuals within SSC coming from existing major Bodies with those of persons bringing greater independence, objectivity and relevant technical expertise, potentially even from outside the Church.

Report delivered 17 May 2023.



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Uniting Church (Queensland) Governance Reform Brief

1. Overview

(Further background content is provided as part of Appendix I)

The Uniting Church in Queensland is committed to conducting a governance review as part of its recently developed strategic directions (2021-2025).

The existing governance structures and processes of the Uniting Church in Queensland was established at its union of the Methodist, Congregational and Presbyterian churches in 1977, with no significant review or reform since this time.

The external and internal landscape in which the Church operates has substantially changed over the last 44 years, and it is considered necessary to review its governance model in the context of a more contemporary and agile operating environment.

Some of these risk, compliance, regulatory, funding and governance changes include –

1. Blue card system introduced in 2001
2. ASX corporate governance principles first came in during 2003
3. ACNC established in 2012 – and ongoing reforms in the NFP/charity sector
4. NDIS began in 2013
5. Royal Commissions which have had regulatory, compliance and governance implications:
 - a. Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability
 - b. Royal Commission into Aged Care Quality and Safety
 - c. Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry
 - d. Royal Commission into Institutional Responses to Child Sexual Abuse.
6. Increased and developing community and regulatory expectations in the Environmental, Social and Governance (ESG) space.

2. Purpose of research brief

It is proposed to identify other relevant governance models from a variety of organisations (not-for-profit included) to assess all elements of what is “best practice” governance that may inform a revised/reformed Uniting Church Queensland governance model.

It is acknowledged that there is a lack of literature in the governance space in relation to the not-for-profit sector, particularly with respect to larger and church-run organisations. Direct research and investigations with other organisations may be required.

Recommendations are sought as to which model or models represent best practice and are most fit for purpose in the context of the Uniting Church in Queensland as set out below.

3. Criteria for evaluation

Staying true to our purpose and values

- Clear and understood purpose which mirrors the mission of the Uniting Church
- Aligning activities to purpose
- Values-based and value creating
- Stopping activities that are not aligned to purpose

Empowering our people

- Clear roles and responsibilities
- Delineate between governance and management
- Decision-making as close as possible to activity
- Fostering innovation

Adapting for context

- Contemporary structures and processes
- Adapting processes and structures for local context
- Monitoring to optimise effectiveness and efficiency in fulfilling purpose according to our values

Being accountable to ourselves and our stakeholders

- Financial viability
- Sustainability
- Stewardship
- Well-being of our people
- Ethical
- Comply with regulations
- Holding people to account

Connecting the parts of the 'body' into a cohesive whole

- Identifying and communicating with relevant stakeholders
- Defining inter-relationships
- Minimising overlaps and duplication

4. Context

The Uniting Church Queensland Synod has embarked on a mission renewal process that responds to the many internal and external influences that have impacted the Church for some time. Some of these are identified in Section 1 (Overview) above. Other examples of these impacts include the changing demographic of congregations, a changing theological position and relation within the broader community, evolving digital landscape, and of course, more recently, a global pandemic.

The Church is committed to its work and ministry as one Church. Following an eighteen-month discernment process across the breadth of the Church, a five-year strategic direction document entitled *Shared life. Flourishing communities.* has evolved which outlines the Church's strategic ambition, four mission priorities and 11 commitments – outlined below.

The final document was endorsed with the mandate to complete a scoping phase which will produce a proposed roadmap to move the church closer to its strategic intent.

5. Theological considerations

It should be noted that any governance review is guided and informed by the Church's foundational document – The Basis of Union (BOU). The BOU sets out some matters clearly in relation to the purpose, mission and organisation of the Church however it also anticipates that in the areas of governance and internal law, there will need to be constant revision in order to ensure that the Church remains 'Fit for purpose'. This is specifically referred to in the following excerpt (cl17) –

“The Uniting Church acknowledges that the demand of the Gospel, the response of the Church to the Gospel, and the discipline which it requires are partly expressed in the formulation by the Church of its law. The aim of such law is to confess God's will for the life of the Church; but since law is received by human beings and framed by them, it is always subject to revision in order that it may better serve the Gospel. The Uniting Church will keep its law under constant review so that its life may increasingly be directed to the service of God and humanity, and its worship to a true and faithful setting forth of, and response to, the Gospel of Christ.”

6. Strategic ambition

The four mission priorities and 11 commitments which form part of the strategic ambition of the Uniting Church are –

Discipleship

- Culture
- Innovation
- Children, young people and families

Transforming communities

- Mental Health and Wellbeing
- Environment and Sustainability
- Covenanting with First Peoples

Fit-for-purpose

- Governance reform
- Leadership development
- Operational efficiencies
- Missional presence and resourcing

Life together

- Mission partnerships

This research brief relates to the governance reform commitment within the Fit-for-Purpose mission priority.

7. Current strengths and advantages

- We are a democratic organisation with major decisions made by representative members from across the organisation. While this can appear slower in the decision-making process, it is likely more efficient and effective long term in decisions holding and being implemented
- Our governance mechanisms enable representatives involved in the front line of our services (congregations, hospital staff etc) to have a say in the operation of the Church as a whole, in addition to those in formal governance roles, such as our CEOs and board chairs. For our size, our ability to “move with the times” relative to other organisations of our size and/or purpose, might be attributed to this diverse involvement in decision-making
- We have decision-making processes at Synod in Session that have been refined over a process of 45 years. They are somewhat unique but give voice to dissenters, provide mechanisms for quiet to be heard, and strategies to resolve conflict. These processes are well accepted
- For our size, complexity and risk, we have (mostly) avoided major catastrophes and crises relative to peers, and when we have been impacted, have responded in ways that (for the most part) have retained or restored public confidence

8. Current challenges and risks

- Lack of clarity in purpose across the charters
- Feedback across the Church that governance is not fit-for-purpose and is constraining the missional activity of the Church (putting it in the top 4 areas to address in Project Plenty)
- Resources across the whole are not leveraged well
- Services are disaggregated
- Single legal entity with multiple “brands” and unincorporated entities with separate ABNs which is difficult to categorise or understand for affiliated service entities, regulators, employees, volunteers, and funding providers
- Large number of governance forums with inconsistent charters, sizes, compositions and naming
- Compliance requirements not devolved to point of accountability
- Risk of non-compliance and increased cost of compliance with increased regulatory and compliance requirements
- Difficulty finding the appropriate resources for boards and committees
- Lack of clarity, and aligned governance, on who bears what residual risk
- How do we enable Synod to exercise risk/other oversight several layers up (eg. WMQ Council → WMQ Board → SSC)?
- Failure to comply with relevant standards or the imposition of sanctions on either UCQ or WMQ can jeopardise the other
- Sole use tests of assets and income applies to all charities, then PBI’s have additional rules around FBT
- Legal liability does not always sit in the same place as operational accountability
- Human services funding models have radically altered in an environment where underlying operating costs are increasing e.g.:
 - Governments are transitioning away from block funding in areas such as aged care and disability services, and focussing more on individual needs assessments and greater accountability and transparency of administrative costs,
 - Private hospitals are increasingly squeezed by the decrease in premium revenue of health insurers impacting health insurers’ willingness and ability to fund services and patient’s willingness and ability to fund gap payments.
- Increasingly prescriptive governance requirements on providers of human services (that do not always contemplate Church-run structures)

9. Stakeholders

It is not anticipated to engage with any internal or external stakeholders at this point, other than those necessary from the nominated and agreed organisations, specifically for the purposes of conducting the work outlined in this brief.

10. Research Requirements

In order to explore other relevant governance model concepts that could meet the above outlined criteria and respond to the inter-conciliary operating model of the Uniting Church (Queensland) in a modern context, the following has been agreed –

To capture an overview of other existing governance models and apply the criteria as part of an evaluation process, which would result in a short-list of models for more detailed and in-depth exploration to assess application to the Uniting Church in Queensland governance requirements.

(a) Other governance models to be considered include –

Other Uniting Church Synods.

- NSW/ACT, Vic/Tas, SA
- Wesley Community Services Limited (NSW)
- Uniting NSW.ACT
- Uniting (Victoria and Tasmania) Limited
- Uniting Communities Incorporated trading as Uniting Communities
- NSW school which has separately incorporated and taken land with them and put in a separate trust

Other NGOs

- St Vinnies

Other denominations

Government

- Queensland Health
- Government Owned Corporations (e.g. Annual Statement of Corporate Intent, shareholding ministers)

ACNC

- Governance Standards

(b) Governance models

When the reference is made to “governance models”, the following elements should be included -

- Purpose & not-for-profit nature
- Ownership/organisation type
- Organisational structure
- Governance structures
- Main funding source
- Accountability to members (if appropriate)
- Compliance with Australian Laws
- Suitability of Responsible Persons
- Duties of Responsible Persons
- Maintaining and enhancing public trust & confidence in the Australian not-for-profit sector.

(c) Specific responses to the following questions from each of the organisations/entities consulted

- What are the benefits and challenges you have with your governance model?
- What would you change about your governance model if you could?
- Who do you think is doing a good job of governance in organisations of this type?

Formation documents

There are several documents which constitute the Uniting Church in Queensland and its various parts. The following documents bind the Synod and the manner in which it operates:

- *The Uniting Church in Australia Act 1977* (Qld)
- The Basis of Union
- The Uniting Church in Australia Constitution and Regulations (2018 edition)
- Queensland Synod By-laws (last revised June 2020)
- UnitingCare Queensland Constitution (and constitutions of Blue Care, UnitingCare Community and UnitingCare Health)
- ARRCs constitution

11. Reference documents

Uniting Church Queensland Synod
Mission priorities and directions 2021-2025
Shared life. Flourishing communities. Governance Reform (p.37)

Proposed Project Scope regarding amendments to the UCA Act
Emeritus Professor Myles Macgregor-Lowndes reflections, 2021

Review of By-laws and Governance Structure of The Uniting Church in Australia, Queensland Synod
Warren Tapp, April 2017

Life and Mission Consultation, Queensland Synod Presbyteries
Carolyn Kitto, 2017

The future of the Uniting Church in Australia
The application of scenario planning to the creation of four futures for the Uniting Church in Australia
Keith Suter, 2013

A Review of Religious and Certain Other Community Organisation Acts
Queensland Law Reform Commission, 2013

ACNC Governance Standards

The Aged Care Quality Standard - Standard 8 – Organisational Governance -
<https://www.agedcarequality.gov.au/providers/standards/standard-8>

The National Safety and Quality Health Service (NSQHS) Standards – Standard 1 Clinical Governance Standard - <https://www.safetyandquality.gov.au/our-work/clinical-governance/clinical-governance-standard>

NDIS Practice Standards and Quality Indicators – Provider Governance and Operational Management
- <https://www.ndiscommission.gov.au/sites/default/files/documents/2021-11/ndis-practice-standards-and-quality-indicatorsfinal1.pdf>

Childcare National Quality Framework – Quality Area 7 Governance and Leadership -
<https://www.acecqa.gov.au/nqf/national-quality-standard/quality-area-7-governance-and-leadership>

12. **Contact**

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Appendix I - Additional background notes

Formation

The Uniting Church was formed on 22 June 1977, by the union of the Congregational, Methodist and Presbyterian churches after the approval of the Basis of Union. The church was created by an Act of Parliament: *The Uniting Church in Australia Act 1977* (Qld) (the Act). The Property Trust is constituted under section 11 of the Act as a body corporate to hold property in trust for the church.

Units of church governance

- The constitution vests the powers and responsibilities of government and administration in the church in the congregation, the presbytery, the synod and the assembly as set out in Division 3 (clauses 22 to 48). The congregation is the primary expression of the corporate life of the church (clause 22) The synod is the council for the whole of Queensland and has the general oversight, direction and administration of the church's worship, witness and service within the State (clause 32)
- Separate to the basic church governance units constituted by the church's constitution are other entities able to be created by synod under the regulations, including:
 - institutions (being a body whether incorporated or unincorporated established by or on behalf of the church or in which the church participates for a religious, educational, charitable, commercial or other purposes) under regulation 3.7.4.7
 - alternative local church structures (parish missions, faith communities and church councils in small congregations) under regulation 3.9
- The regulations make more detailed provision for the government and administration of the church (regulation 3 (Government and Administration))

Church funds and property

- Division 5 of the constitution deals with the Funds and Property of the church. The beneficial ownership of all property whether real or personal is vested in the church (clause 50). The Uniting Church in Australia Property Trust (Q.) holds legal title to all the church's property (clause 51).
- The Uniting Church in Australia is an unincorporated association with membership and activities determined by its constitution.
- Section 12 of the Act constitutes the Uniting Church in Australia Property Trust (Q.) as a body corporate with perpetual succession and a common seal, capable of doing what 'bodies corporate' may do at law (i.e. sue, be sued).
- The Church (and its various entities) as an unincorporated association uses the property held by the Property Trust for its various charitable purposes. The Church (and its various entities) do not hold any legal or equitable interest in the Church's property.
- The regulations make more detailed provision for church funds and property (regulation 4 (Property)) including the constitution of the Finance Investment and Property Board as a synod property board for the purposes of regulation 4.2.1 with broad authority to deal with property matters within the synod.

- The Property Trust holds all legal title to property and is anticipated in the Constitution but is created by state-based Acts of Parliament.
- A Standing Committee (Church Board) is appointed by the Synod.
- The Synod is the overarching body formed to manage the activities of the church in the state.

Entities as part of the Uniting Church, Queensland

There are several institutions and parish missions which form part of the Uniting Church in Queensland.

The Property Trust **church enterprises** include:

- Trinity College Queensland
- Raymont Residential College
- Alexandra Park Conference Centre
- Uniting Education Early Learning

The Property Trust **institutions** include:

- UnitingCare Queensland
- Dostana
- Barnabas Council Durack

The Property Trust **schools** include:

- The Lakes College (Mango Hill)
- Calvary Christian College (Springwood and Carbrook)
- The Scots PGC College (Warwick)

Separately **incorporated organisations** for which the church holds some governance connection or responsibility are:

- Moreton Bay College (Manly West)
- Moreton Bay Boys College (Manly)
- Grace College (University of Queensland)
- Emmanuel College (University of Queensland)
- Kings College (University of Queensland)
- Cromwell College (University of Queensland)
- The John Flynn College (James Cook University, Townsville)
- Presbyterian and Methodist Schools Association (which includes Somerville House (South Brisbane), Brisbane Boys College (Toowong), Sunshine Coast Grammar School (Forest Glen) and Clayfield College (Clayfield))
- Australian Regional & Remote Community Services
- Leap in!
- Frederick Marsden Youth Centre
- Wesley Medical Research Limited
- New Life Care
- UCA Redress Limited

Ecumenical relationships are held with:

- Unity College (Caloundra)
- Emmaus College (Jimboomba)
- Jubilee Primary School (Gaven)
- Queensland Churches Together
- Wontulp Bi-Buya College
- Religious Instruction Alliance

The **sole parish** mission of the Church is Wesley Mission Queensland.

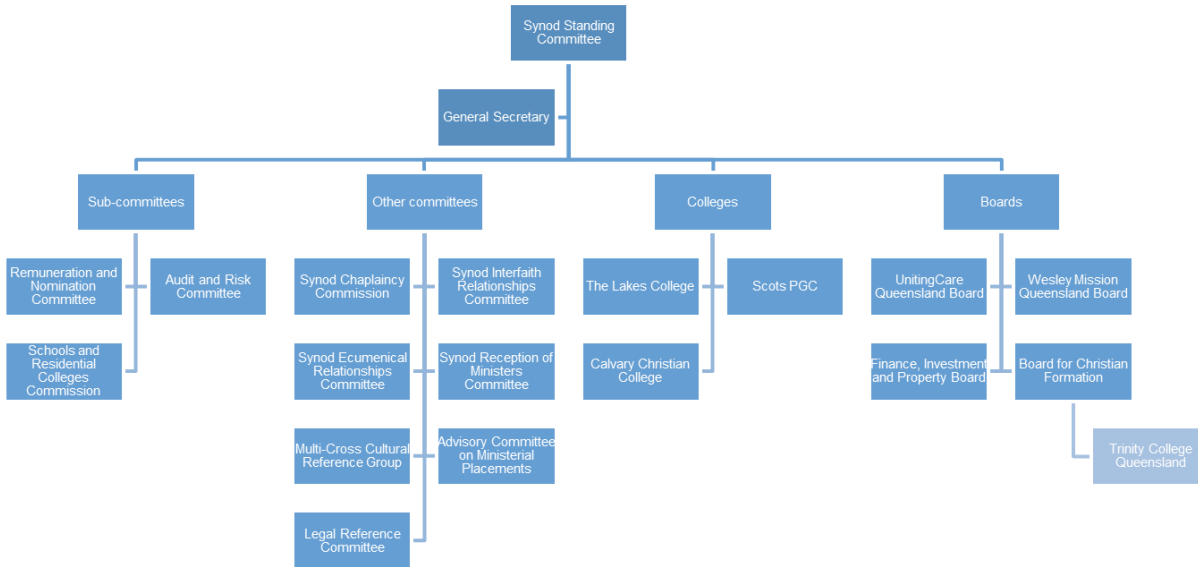
UnitingCare Queensland (UCQ)

UnitingCare Queensland is an institution constituted by the synod pursuant to regulation 3.7.4.7. The governance of UnitingCare Queensland is vested by the Synod By-laws in the UCQ board and is subject to the provisions of the Synod By-laws (section Q4.1) and the UCQ constitution. The UCQ board is accountable to Synod for the discharge of its responsibilities to Synod in accordance with the Synod By-laws.

Wesley Mission Queensland (WMQ)

The Albert Street Uniting Church Congregation is a Parish Mission of the Church under the name of Wesley Mission Queensland as designed by synod under regulation 3.9.1. The Congregation made a Constitution for its better governance as a Parish Mission. WMQ has all the powers of a Congregation designated as a Parish Mission by the Synod under the Uniting Church Regulations. The Church Council must delegate its responsibilities for managing and directing WMQ’s community services to the WMQ Board, a skills-based board constituted as a permanent committee of the Church Council with members approved by Synod on the recommendation of the church council.

Overview of Governance Committees (2021) Note: The Legal Reference Committee does not exist.



Inter-conciliary responsibilities

Congregations

The purpose and responsibilities of a congregation are outlined in paragraph 23 of the UCA constitution and within the Regulations, mainly Regulation 3.1.1. The responsibilities of a church council are outlined in paragraph 24 of the UCA constitution and within the Regulations, mainly Regulation 3.1.2.

Presbyteries

The responsibilities of a presbytery are outlined in paragraph 26 of the UCA constitution and within the Regulations, mainly Regulation 3.1.3.

Synod

The responsibilities of a synod are outlined in paragraph 32 of the UCA constitution and within the Regulations, mainly Regulation 3.1.5.

Assembly

The responsibilities of assembly are outlined in paragraph 38 and 39 of the UCA constitution and within the Regulations, mainly Regulation 3.1.6.

The Uniting Church in Queensland financial model

As previously mentioned, the Property Trust is constituted as the only legal entity for the Uniting Church in Queensland. As a result of this, our finances have been organised in a particular manner which allows funds to flow between different operations within the Church via internal transactions. A few examples of this type of model are:

- a centralised treasury body called Uniting Church Investment Services
- insurance premium reflected at the legal entity level
- central coordination of all payments and recovery associated with sexual abuse claims
- UnitingCare Queensland oversees fleet arrangements.

These arrangements operate within the context that some operations of the Church are registered as public benevolent institutions (PBI), and others are not and transfers from PBIs to non-PBIs within the Church as transfers for value in accordance with the tax requirements for PBIs.

Further considerations – challenges and risks

- Is delivery of human services through incorporated bodies a desirable governance reform, bearing in mind that exposure of governing bodies to the rigours of exposure to criminal prosecution and personal liability for failings acts as a powerful risk mitigant? If separate incorporation is seen as a desirable governance reform for delivery of the church's human services, what form should this take – for example, incorporation as a company limited by guarantee under the *Corporations Act 2001* or for synod to have the power to create and control a separate legal corporation under the Act (this will require amendment of the *Uniting Church in Australia Act 1977*) – see Emeritus Professor Myles McGregor-Lowndes' reflections. Will one size fit all; for example, should schools be incorporated?
- Some parts of the church are self-sufficient while the smaller congregations and most schools require administrative and system support. The degree of synod's general oversight, direction and administration can be risk assessed and directed where most needed. There are some similarities to health reforms where hospital and health services are separately incorporated and responsible and accountable for the delivery of services while the State departments of health act as system managers responsible for the overall management and strategic direction of the health system, ensuring the delivery of high quality, safe and timely health services. This model has system wide

support services such as payroll and ICT delivered by a separately incorporated health support services. The centre promulgates policy frameworks for hospital and health services to ensure service coordination and integration, and efficiency and effectiveness in the provision of health services across the system. The reforms enabled greater accountability and decision-making closer to service delivery and patient care.

Annexure B: Extracts of Relevant Provisions from the Act in Qld

9 Church constitution

- (1) The assembly may adopt a constitution for the church.
- (2) The constitution shall be consistent with the provisions of the basis of union.
- (3) Notwithstanding subsection (2) and notwithstanding any other provision contained in this Act or in the basis of union, the assembly may amend, alter, repeal or replace the constitution adopted by the assembly from time to time in accordance with provisions contained in the constitution in that regard.

12 Trust to be a body corporate

The trust shall—

- (a) be a body corporate with perpetual succession and a common seal;
- (b) be capable in law of—
 - (i) suing and being sued; and
 - (ii) acquiring, holding, dealing with and disposing of real and personal property; and
 - (iii) doing and suffering all such acts and things as bodies corporate may by law do and suffer.

13 Membership of the trust

- (1) The trust shall consist of—
 - (a) the moderator of the synod, the secretary of the synod and the property officer of the synod who shall be members ex officio; and
 - (b) 5 other persons appointed by the synod.
- (2) If—
 - (a) an appointment has not been made to 1 or more of the offices referred to in subsection (1)(a); or
 - (b) fewer than 3 persons have been appointed to hold all of those offices;the trust, notwithstanding the provisions of subsection (1), shall consist of—
 - (c) each person who is the holder of 1 or more of the said offices, who shall be a member whilst the person continues to hold at least 1 such office; and
 - (d) 6 other persons appointed by the synod.

23 Functions of the property trust

Subject to this Act and without derogating from any other provision of this Act with respect to any power, function or duty of the property trust:

- (a) property trust property held by the property trust shall be held in trust for the church and upon any other trust affecting such property;
- (b) the property trust shall hold, manage, administer and otherwise deal with property trust property in accordance with the regulations, directions and resolutions of the assembly.

27 Certain rights enforceable by the property trust

Where any property is vested in the property trust pursuant to this Act, the property trust shall, in relation to that property, have and be subject to all the rights, powers, remedies, liabilities and obligations and may exercise and discharge, in relation to that property, all or any of the rights, powers and remedies that the person in whom the property was theretofore vested or by whom it was theretofore held would have had and been subject to and might have exercised and discharged in relation to that property if the property had not been divested from the person and vested in the property trust.

33 Regulations etc.

- (1) The assembly may make regulations, give directions and pass resolutions, not inconsistent with this Act, for the control, management and administration of, and dealings with, property trust property.

36 Indemnification of certain persons

A member of the trust, and any other person, exercising a power or performing a duty in relation to trust property pursuant to this Act or pursuant to any resolution or direction of the assembly, and his or her executors and administrators, shall be entitled to be indemnified out of trust property against all expenses or liabilities incurred by the member or other person in connection with the exercise by the member or other person of the power and the performance by the person or other member of the duty unless incurred in the course of fraudulent or negligent breach of trust.

Annexure C: Extracts of Relevant Provisions from the UC Constitution & Regulations

Clause 38: Assembly

RESPONSIBILITIES OF THE ASSEMBLY

38. (a) The Assembly shall have determining responsibility in matters of doctrine, worship, government and discipline, including the promotion of the Church's mission, the establishment of standards for theological education and the reception of Ministers from other denominations, and is empowered to make final decisions on all matters committed to it by this Constitution.
- (b) Without limiting the generality of the preceding clause, the Assembly shall have the power:
- (i) to make guiding decisions on the tasks and authority to be exercised by the other councils of the Church;
 - (ii) to create to create or dissolve Synods, to determine the bounds of the Synods, to divide or alter the number or bounds of Synods;
 - (iii) to make provisions for and in respect of calls and appointments of Ministers;
 - (iv) to make provision for the transfer of Ministers between Synods and/or Presbyteries;
 - (v) to disallow any by-law, rule or decision of a Synod or Presbytery or any other body which contravenes this Constitution or Regulations of the Assembly;
 - (vi) subject to the provisions of this Constitution to provide for the control and management of the property and funds vested in the Church;
 - (vii) generally to provide for the control, management and discipline of the Church;
 - (viii) to act in all matters in respect of which exclusive authority is not vested in any other council by this Constitution;
 - (ix) to delegate to any other council any of the authorities vested in the Assembly for such period and on such terms as the Assembly shall think fit;
 - (x) to affiliate with ecumenical and other bodies;
 - (xi) to prescribe for the association of the Church or any council or other part of the Church with any other churches, activities of other churches, or congregations of other churches;
 - (xii) to receive into union any other denomination or any congregation or activity of any other church which in each case adheres to the Basis of Union;
 - (xiii) to negotiate and to unite with any other denomination of the Christian Church.

Regulation 4.11.2

- (a) Any person acting under the express or implied authority of the Church and who is not an independent contractor shall be indemnified out of trust property against all liability for any matter or thing done or liability incurred except in the case of fraud, criminal act, gross negligence or wilful misconduct.

- (b) Without detracting from the generality of paragraph (a), a member of a Church Council or other body responsible for the management and administration of property shall be indemnified out of trust property against liability for any matter or thing done or liability incurred in the performance of functions as a member thereof except in the case of fraud, criminal act, gross negligence or wilful misconduct.

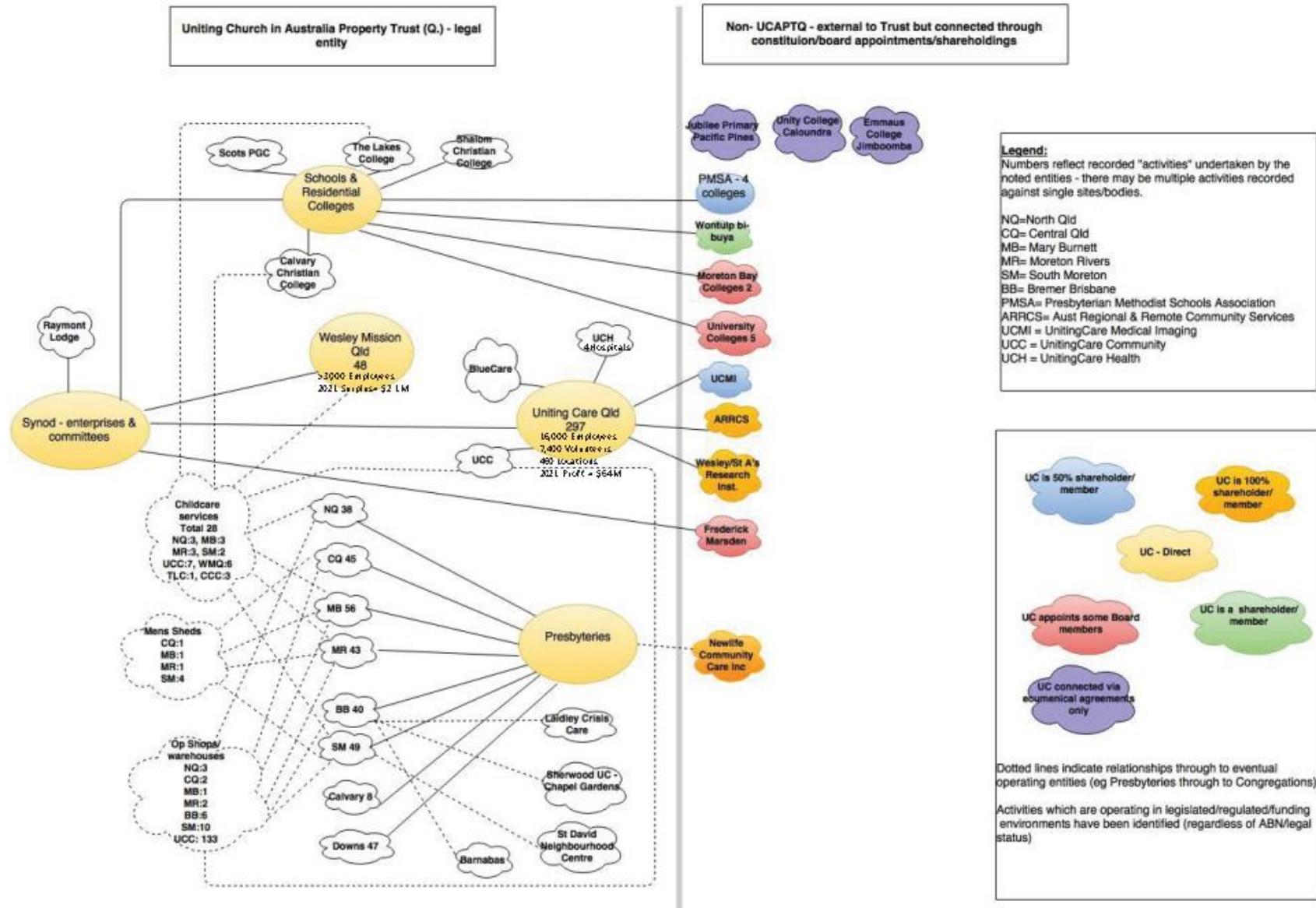
Annexure D: Galaxy Chart



Uniting Church in Australia Property Trust (Q.) – galaxy chart (correct as at 11/01/2017)

Data extracted from CARIS:Relationships – UC QldSynod database & UC Risk & Insurance Activity Surveys.

CARIS:Relationships data is regularly updated/amended, so care is required in interpreting the actual relationships which may exist between entities and activities within the Church.





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Act2: In Response to God's Call

June 2023



ACT2

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A note about the title of this report

The title of this report is drawn from the final sentence of Paragraph 13 of the Basis of Union,
“The Uniting Church will thereafter provide for the exercise by men and women of the gifts God bestows upon them, and will order its life in response to God’s call to enter more fully into mission.”

It is a reminder that the ordering of our life is in response to God’s call. This report seeks to both reflect and respond to what we have heard as God’s call on our life through engagement with the Church, our history, our context and the experiences of so many people shared with us across the length and breadth of the country.

A note about terminology

Throughout the document we have sought to use broad language and limit our use of language which carries contextual or historical baggage.

We have used the convention of ‘Church’ when we are referring to the Uniting Church in Australia and ‘church’ when referring to the universal church.

We have used ‘Congress’ when referring to the Uniting Aboriginal and Islander Christian Congress.

We have used the language of ‘local communities of faith’ to describe the diversity of communities that gather for worship, witness, service and the making and growing of disciples. These may be variously Congregations, Faith Communities and other groups of disciples. We have used ‘Congregation’ when it is referring directly to Congregations as described in the Basis of Union, Constitution or Regulations.

When describing the current state of our Church, particularly in Section 1 and Section 2, we have tended to use the current names of the councils of the Church: Congregation¹, Church Council, Presbytery, Synod and Assembly.

When describing the potential directions and options, particularly in Section 6, we have tended to use language other than the current names of the councils of the Church. The names proposed seek to reflect the type of council we are describing while inviting people to be free of pre-existing assumptions about particular councils.

Executive Summary

This report is the third report of the Act2 Project, following on from [Considering Afresh Our Life Together](#) (October 2021) and [Act2: On The Way](#) (May 2022). It is the first report since the decisions of the [16th Assembly](#) and the creation of the Act2 Project Unit and Steering Committee.

This report includes:

- A summary of the activities and findings of the Exploration Phase (November 2022 to May 2023).
- A theological reflection on Exploration Phase.
- An introduction to Collection Discernment Phase (June 2023 to November 2023).
- A set of directions for Workstream 1: Local Communities of Faith and Discipleship.
- A set of four different options for Workstream 3: Governance and Resourcing.

Work continues on all four workstreams. Further opportunities to engage in *Workstream 2: National Identity* and *Workstream 4: Theological Culture and Education* will be forthcoming throughout 2023.

Summary of Activities

Our engagement across the Church has included:

- Direct communication with 1,672 local communities of faith, 190 Church Council Conversation responses received and 10 focus groups held.
- Direct engagement with all 33 Presbyteries including online meetings or face-to-face visits with 22 Presbyteries.
- Engagement with Synods, agencies and theological college leaders through visits to every Synod including over 45 meetings with over 100 people.
- Observing and sharing with the National Conference of the Uniting Aboriginal and Islander Christian Congress (Congress).
- 46 written submissions from individuals, agencies and councils.
- Data consolidated from across the Uniting Church, other churches and the wider society.

Altogether we have directly engaged over 400 people in conversations about Act2 and received feedback from an estimated 1,500 people across the Church.

Summary of Findings

Find more detail in [Section 2](#) of the Report.

Workstream 1: Local Communities of Faith

- We have approximately 1,672 local communities with a typical weekly attendance of 28 people and an average age of 68.
- Worship and pastoral care remain at the heart of local communities of faith. People believe their communities provide a strong sense of belonging and are inclusive
- Communities of faith are also committed to connecting with their local community.
- Discipleship is both a source of life and a place for further work. There is a deep heart to be a Church that is more able to invite people into life-giving communities of faith and grow them in the way of Jesus.

- Capacity and capability have declined while ethical, legal and social obligations have increased.
- The wider Church is generally seen as a source of support; Presbyteries in the context of general pastoral support particularly in times of transition and Synods in the area of administration.
- Local communities of faith expression frustration and confusion at times about the support they receive from the wider Church.
- Local communities see that their primary contributions to the wider Church are financial giving and appointing people to councils and committees.
- Property is now both a significant source of revenue and a burden to maintain for most communities.
- There is an appetite for church planting, fresh expressions and experimentation. Beyond some notable exceptions, this has tended to be relatively small communities. They are neither seeking nor should be expected to replace existing communities.
- Clustering of communities for shared ministry is widespread.
- Closure or amalgamation of communities of faith and property sale has and will continue to be core part of the work of most presbyteries and synods.

Workstream 2: National Identity

Note that the insights on the role of the National Council have fed into the options in Workstream 3.

- There is deep love for the Uniting Church and what it represents.
- The Basis of Union continues to have value as a foundational document for our life.
- Our commitments to the Covenant, being a multicultural church and seeking justice are also foundational.
- However, in general there is a disjointed view of the public face of the Uniting Church through our physical and digital presence.
- People also appreciate that the Uniting Church is an inclusive church, that despite its difference does seek to hold together a very broad range of beliefs and practices.
- People appreciate the principles that shape how we make decisions - in community with all people, lay and ordained, regardless of gender, gathering to seek consensus.
- There is also an instinctive commitment to the wider community. This is reflected in an ongoing pride in the Uniting Church's extensive network of community services.
- Some lament the decisions of the National Assembly meetings and the impact that has had on local communities of faith.
- Some lament the decline in the capacity of the National Assembly as an institution to undertake activities such as advocacy and international partnerships.

Workstream 3: Governance and Resourcing

- People generally consider the underlying principles which shape our governance are sound.
- There is a widespread view that the system is no longer working as designed.
- The reliance on a high number of participants in unpaid roles (office bearers, council members, board members, committee members) is no longer viable.
- The assumption of a high level of collaboration between councils is leading to confusion of responsibilities, inefficiency and slow decision making.
- The intersection of concepts such as oversight, corporate governance, conciliar decision making and individual decision making are causing widespread frustration.
- There is a mismatch between the scope of council responsibilities and the resourcing available.
- Property is a critical issue as an asset rich, cash poor Church where there is significant contest within the Church about the merits of property sales and the distribution of sales proceeds.
- There are significant pastoral, theological and ethical issues at stake in our use of our property resources.

Workstream 4: Theological Culture and Education

Note this workstream is proceeding at a different pace to the other workstreams.

- There is broad agreement about the need to focus on our theological culture.
- The diversity of theological perspectives needs to shape our discussions of theological culture and theological education.
- Theological education shapes our theological culture and needs to support the diverse ministry, mission and discipleship contexts of our life.

Core Commitments

The Church has affirmed that the three core commitments – our Covenant with Congress, being a multicultural Church and fulfilling our legal, ethical and social obligations – are essential and need to be attended to in all of the workstreams.

Next steps

We have now entered Phase 2: Collective Discernment. Between June and November 2023 we are inviting the Church into an intentional period of discernment. To begin this time the whole Church has been invited into a time of intentional prayer – [Uniting in Prayer](#). In this phase we are looking intentionally at specific ideas to address our challenges and take up opportunities.

In particular, we are inviting the councils of the Church to participate in intentional discernment about the directions and options, including by setting aside time within their meetings for this discernment.

Outlined in [Section 4](#) as part of *Workstream 1: Local Communities of Faith and Discipleship* is an integrated set of directions designed create a more flexible toolkit to support the effective governance and oversight of local communities of faith to enable them to better fulfill their calling to discipleship and mission.

Outlined in [Section 5](#) as part of *Workstream 3: Governance and Resourcing* are four different options for discernment about the best way forward in governance and resourcing to support healthy, sustainable and effective councils of the Church.

Opportunity to share discernment and feedback about the directions will be available from the conclusion of Uniting in Prayer on 22 June 2023. Please provide your submissions and feedback to the Act2 Project as soon as you can and no later than 30 November 2023.

This next phase is an opportunity to invite everyone who calls the Uniting Church home into an intentional period of prayer and deliberation to consider afresh the ordering of our life so we can live out the vision to which God is call us.

In Phase 3: Recommendations for Action we will be looking to develop an integrated set of recommendations across all workstreams for the 17th Assembly in July 2024.

Not everything in this report is easy reading. It is offered in a spirit of deep love for our Church, hope for our future and faith that in his own strange way Christ constitutes, rules and renews his Church.

Section 1: Exploration Phase: What have we done?

Throughout the Exploration Phase the Act2 Project has sought to build on the previous work of the Project² by broadening and deepening our engagement across the life of the Church. This has involved an intensive period of engagement throughout the first half of 2023, including:

Direct communication with 2,113 local contacts across 1,672 local communities of faith.

- Online Focus groups with 10 groups of leaders in our diverse communities of faith.
- Direct engagement with all 33 Presbyteries including online meetings or face-to-face visits with 22 Presbyteries.
- Engagement with Synods, agencies and theological college leaders through visits to every Synod including over 45 meetings with over 100 people.
- Observing and sharing with the National Conference of the Uniting Aboriginal and Islander Christian Congress (Congress).
- Regular fortnightly drop-ins since last November.

We have received the following written contributions:

- 187 Church Council Conversations representing over 254 communities of faith.
- 46 written submissions from individuals, councils and agencies.

We have also worked to consolidate data from across the Church including:

- National Church Life Survey from 2021 (representing 15,606 attenders, 684 churches).
- Australian Bureau of Statistics (ABS) Census data from 1976 to 2021.
- Data from the Australian Charities and Not for Profits Commission (ACNC).
- Previous papers, research and papers available from the Assembly archives.
- Strategic planning and change projects from across the Synods.
- Academic research on the theology, identity, ordering and history of the Church.
- Engagement with leaders and material from other Christian traditions including the United Church of Canada, Equmeniakyrkan (Uniting Church in Sweden), Methodist Church in Great Britain, Church of England, Methodist Church in Fiji and Rotuma and The Salvation Army Australia.

Consistent with the findings prior to the 16th Assembly, this Exploration Phase has deepened our understanding of the shape of our Church, the challenges we are facing, the things that matter to people across the Church and the imperative for change. Below is a detailed synthesis of the findings of the Exploration Phase organised by the four Workstreams and the Core Commitments³.

Section 2: Exploration Phase: What have we heard?

“...meetings that encourage community, and listening to one another in a spirit of openness and humility, are more likely to discern the will of God.”

Introduction, Manual for Meetings

Workstream 1: Local communities of faith and discipleship

Local communities of faith are the beating heart of the Uniting Church, “the embodiment in one place of the One Holy Catholic and Apostolic Church, worshiping, witnessing and serving as a fellowship of the Spirit in Christ” (Basis of Union paragraph 15). In these places of belonging the Word is preached, the bread of life broken and shared, disciples made and true community formed in love and care. They are a visible presence of the church in the local community. We recognise that flourishing local communities of faith is essential for our future. While affirming their significant role in the life of our Church, we seek to reflect the current state, life and significant challenges of our local communities.

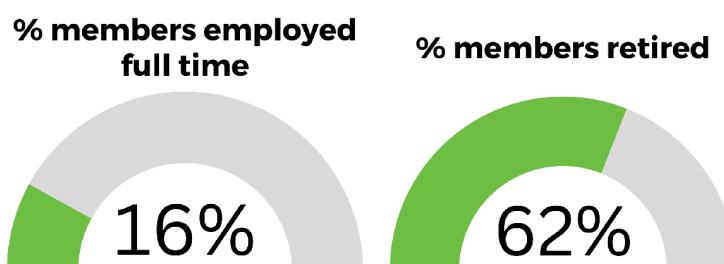
At the time of the 2013 NCLS census of the Uniting Church there were 2,078 Congregations. As part of the Act2 Project, we have contacted every Presbytery and attempted to contact every Congregation. Currently our records indicate approximately 1,672 communities of faith (Congregations, faith communities, communities within clusters). We estimate approximately 380 of these communities belong to clusters.

The commitment of our members to Christ and to one another, many of us living out a life-long commitment.

- Church Council Conversations

In the responses from local communities of faith, most reported an ageing membership and shrinking numbers.

The NCLS bears this out, indicating the average age of Uniting Church attenders is 68 years and 57% of attenders are over the age of 70. A decade ago the typical median weekly attendance of a Uniting Church was 35 people. Today the median is 28.

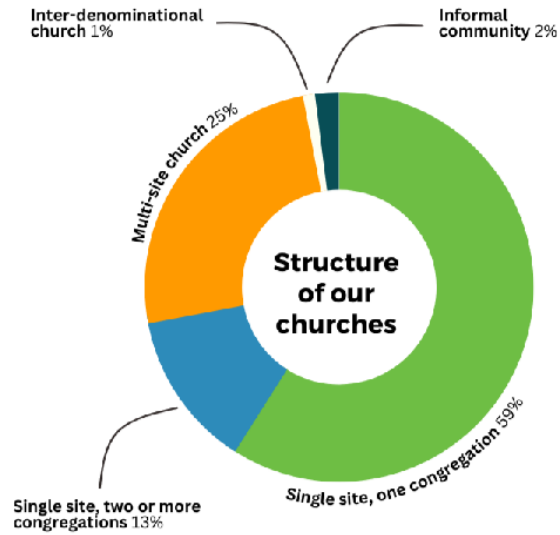


Alongside our worshipping communities is our vast network of community services that are serving local communities. Our services agencies are one of the largest networks of services in the country comprising over 50,000 staff, 1,700 volunteers and 1,634 service locations around the country with government funding the largest source of revenue.

Responses indicate we have few Congregations left which fit into the simple formula of: one Congregation, one minister, one Church Council, funded by the giving of members.

Property income is now a significant source of revenue for local congregations. While this has relieved some pressures it has created others.

The ability of congregations to meet the local costs of their life - ministry, administration, insurance, property maintenance - limit their ability to contribute to the wider ministry, mission or administration of the Church.



Life-giving local communities of faith

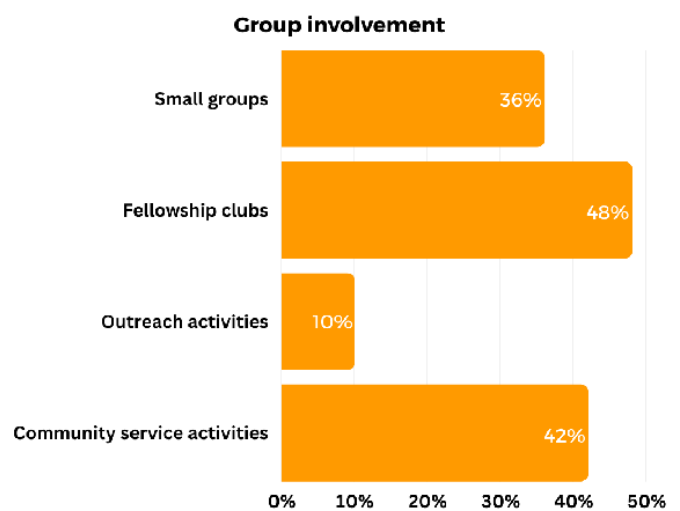
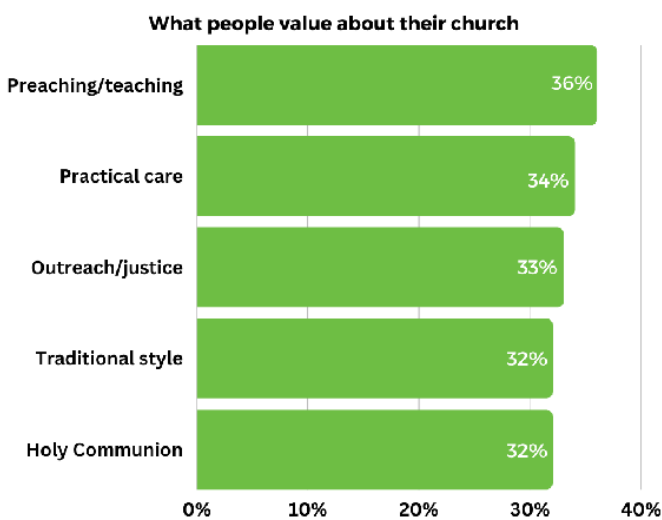
Worship and pastoral care remain at the heart of our local communities of faith. This is reflected in both the Church Council conversations and the NCLS results with preaching and teaching (36%) and practical care in times of need (34%) as the highest responses in what people value about their church.

People also highlight engagement with the wider community as a high priority both in Church Council conversations and in the NCLS results (33%). However, there is also a sense that people are struggling with how to engage with their wider community due to decline in capacity. There is a mismatch between the demographics of many of our communities of faith and the demographics of the wider community.

Discipleship is also both a source of life for our communities and a place for further work. Many identified faith practices such as personal prayer and devotion as a way they express their discipleship along with communal activities such as prayer or bible study groups.

NCLS reports 36% of people are involved in a prayer, discussion or bible study group. This is lower than fellowship groups (48%) or community service activities (42%).

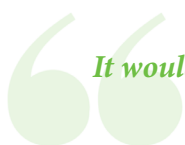
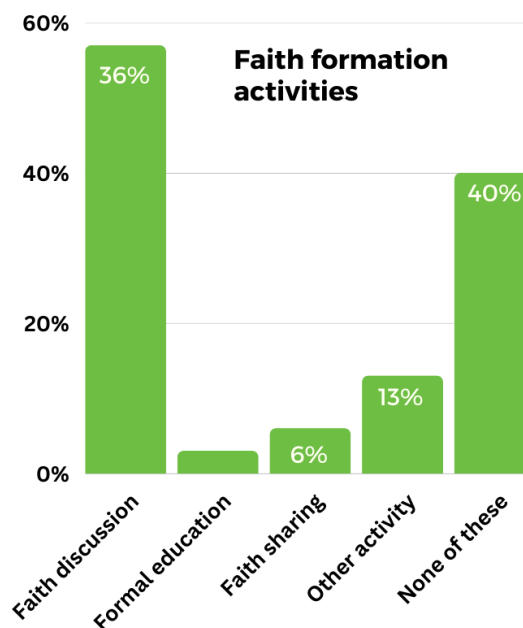
Unfortunately the responses indicate that many local communities of faith see new attenders as potential sources of volunteers to relieve faithful but tired existing volunteers rather than disciples in search of a life-giving community.



Others we have engaged express some concern about the discipleship formation practice within the Church.

Some express concern about what they perceive as a lack of structured and consistent discipleship formation, and some express concern about the nature of the Christian faith we are cultivating. People lament the decline of distinctively Uniting Church discipleship and formation materials that are consistent with our theological culture.

There is an appetite for more work on the issues of discipleship, evangelism and mission however there is a diverse range of perspectives on the relationship between these different concepts.



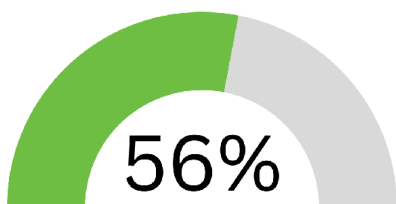
It would help us to have more resources for discipleship development.

- Church Council Conversations

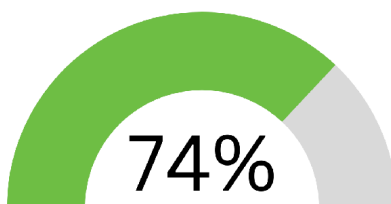
People also put a high value on being a community of faith that is open to diversity and being inclusive. Some point to specific groups they are open to welcoming while others express it as general value of inclusion. This aligns with the NCLS results which put a strong sense of belonging at 93% and an inclusive church at 90%.

Many also identified their Church as welcoming. While NCLS reports that 88% say their church is friendly, only 58% said they would welcome new arrivals and even less were likely to follow up someone drifting away from church (52%).

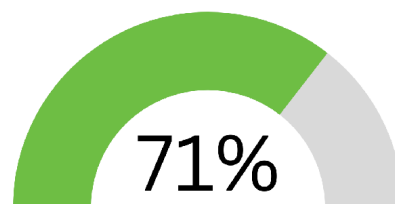
% have run an event to intentionally engage the community in the last 12 months



% provided or run social services or social action activities in the last 12 months



% Agree that their local church is always ready to try something new



Being part of a church family, being supported with love and prayer.

- Church Council Conversations

Church planting, fresh expressions and experimentation has also become more widespread. These have tended to remain relatively small but carry signs of life and hope for the communities which support them, many of which named them as life-giving. As we talked to Presbyteries we found they were eager to support new ministry initiatives however there continue to be challenges in how these communities fit within the existing order of our life.

Communities of faith and the wider Church

Most local communities of faith recognised there is support from the wider Church which does enable them to be life-giving communities of faith.

They describe the Presbyteries as a source of support and encouragement - there in times of crisis, conflict or transition. Some point to the support their minister receives from the Presbytery and the role of the Presbytery in the absence of paid ministry leadership.

They also see the Presbytery as playing a role as an intermediary in areas of administration and compliance and acting as a buffer, bridge or translator for compliance requirements. However, the experience of the value of the Presbytery is very mixed. This may in part be due to how the capacity and resourcing of different Presbyteries across the country varies so significantly.

There needs to be more strategy development between congregations in close proximity, facilitated and encouraged by Presbyteries.

- Church Council Conversations

The Presbytery does appear to be the council where there is the greatest gap between the significant responsibilities they have and the resourcing they have available to fulfill those responsibilities. We heard from some Presbytery leaders challenges in balancing the priority of supporting growing communities, such as our culturally and linguistically diverse (CALD) communities, with the reality of the time investment to deal pastorally with communities coming towards the end of their shared life.

Most communities of faith see the Synod as an administrative hub for the Church in areas of property, finance, legal, insurance, regulation, compliance, and communication. While the expertise of the Synod is appreciated by many, people find engaging with Synod processes opaque, cumbersome and convoluted. There is some acknowledgement of personnel and other mission and ministry resources, however this is perceived as secondary to its administration and compliance role.

Agencies and schools registered little mention in the responses other than appreciation for the work they do and a desire that this be better known in the wider community. Some expressed anxiety about their relationship to the Congregations and councils of the Church and the visible connection of agency brands to the Church.

It often feels like the wider church considers local congregations to be of little worth.

- Church Council Conversations

For more details on what local communities of faith value about the Assembly see *Workstream 2: National Identity*.

Local communities of faith identify two main ways they contribute to the wider life of the Church. The first is through their contributions to what most Synods call the “Mission and Service Fund”, the contribution Congregational budgets make to the wider administration, mission and ministry of the Church. The second is through the participation of volunteers in the wider councils and committees of the Church. Some also identify the way they fundraise for agencies of the Church, mainly through inviting members to make direct contributions rather than out of Congregational budgets.

We're challenged by diminishing resources: decline in numbers, participation and finances. Key lay people are aging and are tired. Many have been doing roles for decades, but there is a limited pool of people to draw on to raise up new leaders.

- Church Council Conversations

Challenges for local communities of faith

Communities of faith identified seven key areas that were hard, frustrating or hindering ministry and mission:

- Ageing and declining community of faith.
- Administration and compliance work.
- Decline in volunteer capacity and skills.
- Convolved, time consuming wider church processes.
- Tired and burnt out leaders and volunteers.
- Effort and cost in maintaining buildings.
- Decline in finances.

Responses from local communities expressed many general concerns about the 'regulations' of the Church. Two specific areas emerged for most criticism: the placements process and property processes. Both were seen as complex, time-consuming, opaque and confusing. Both deserve thorough review and change.

However, they are also symptoms of deeper problems about the patterns of ministry, the reliance on property income, contests over the proceeds of sales and broader issues of limitations on capacity and disconnection.

A current frustration for the Church Council is the lack of progress in calling a new minister resulting in a sense of not knowing where we are heading.

- Church Council Conversations

For example, the challenges in the placement process are symptoms of underlying issues including limited availability of ministers, limitations in ministers' movement to different places, anxiety about the ability to afford paid ministry or the difficulty in negotiating the implications of part-time placements.

Property is often a proxy for missional choices. How a community of faith uses its property says a lot about their missional priorities. It also highlights the different sets of assumptions about the legal arrangements of the Church. The sale of property also leads to contested space around the use of proceeds of sale. This issue is addressed in more detail in Workstream 3: Governance and Resourcing.

These issues also speak to more ingrained systemic and cultural norms across the Church. Some of these are not directly due to 'the regulations' but are about how they are implemented by councils of the Church. Some norms, customs and practices have become equivalent to formal regulations. Many made sense in the context they were created, but now simply seem bizarre or unworkable in a different time and place.

When systems are working effectively the detailed mechanics are less important, however when things are not working well everyone is looking under the hood at how the engine works.

There is a further broader point about Uniting Church processes. Most processes assume a high level of collaboration between the councils of the Church. This assumes each council has the capacity, capability and expertise to fulfill those responsibilities and there are effective working relationships across the councils. Our conversations indicate that we can no longer safely make these assumptions.

Problems navigating a very complicated church administrative structure involving the congregation, Presbytery and Synod resulting sometimes in less than satisfactory outcomes. This can have a very negative impact on morale and hope.

- Church Council Conversations

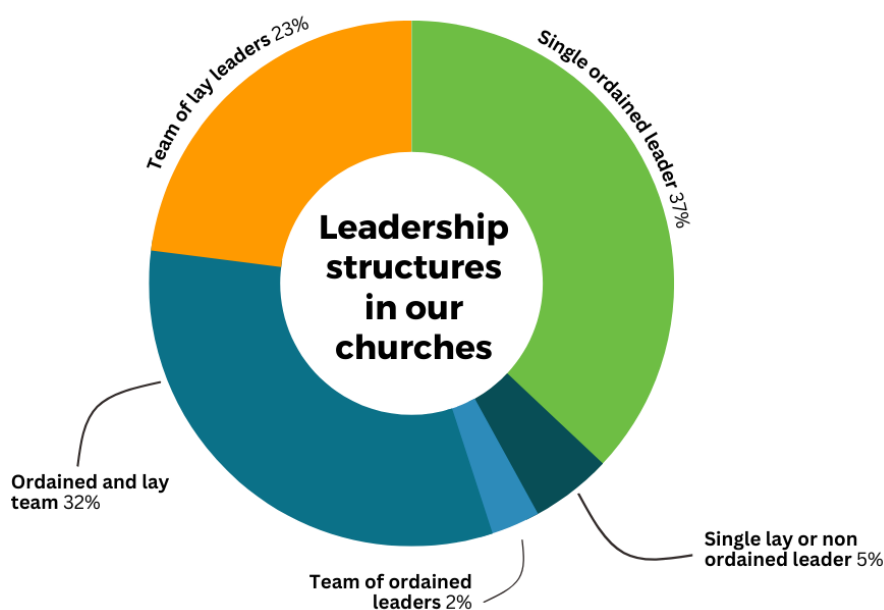
As we have explored what the wider Church can do about the challenges faced by local communities of faith, we are struck by the difficulty many face in imagining what could be different. Clear practical asks include:

- Simplification, streamlining and flexibility in processes and compliance requirements.
- Greater access to information - people, processes and forms.
- Leadership, support and encouragement.
- A greater focus on ministry and mission.
- Contribution of financial support from the wider Church.

These practical suggestions sit alongside a general acceptance that the system as currently designed is not working. Some see places for efficiency in the consolidation of administration. Some are simply looking for the expectations of the wider Church to reduce, however most acknowledge this is often a function of expectations of external legal, regulatory or compliance obligations.

So many smaller congregations like ours are without ministers and that puts too much pressure on lay leaders (who try and do things as if there was a minister) and they burn out.

- Church Council Conversations



A significant number of our communities of faith are shrinking, aging and tired. Property is now a significant source of revenue so despite the burden it presents it is also an economic lifeline. This impacts on the ability of local communities of faith to fulfill the significant responsibilities of being communities of faith.

Capacity and capability has declined at the same time ethical, legal and social obligations have increased. The wider church works to scaffold and manage the risk of this mismatch.

The ability of Congregations to meet the local costs of their life - ministry, administration, insurance, property maintenance - limit the ability to contribute to the wider ministry, mission or administration of the Church. It is both a pastoral imperative and a matter of good stewardship that we address this range of challenges.



We need help with how to handle the grief of what we have lost.

- Church Council Conversations

As the beating heart of our Church, life-giving communities of faith are at the heart of the Act2 Project. However, the way we conceive of, govern and resource them is changing and will need to continue to change.

There will be significantly fewer local communities of faith in our Church in the next five to ten years. How we pastorally and effectively manage that transition along with how we support and encourage those communities of faith that remain will have a significant impact on our collective health as a Church.



*We believe the congregation is fundamental to the success of the Uniting Church.
This is strongly supported in the Basis of Union.*

- Church Council Conversations



Workstream 2: National Identity

The Basis of Union continues to guide our life and is a document which inspires so many in our Church⁴. Many lament the lack of familiarity that people in the Uniting Church have of the Basis, however our experience is that it remains a source of inspiration to so many of our leaders and members. Even those unfamiliar with the document and its contents nevertheless live in a Basis-shaped Church. The images of the Church and words about the Church expressed in the Basis continue to ring down through the ages.

The Basis of Union remains our precious document.

- Church Council Conversations

There are documents to which people have constantly referred throughout our exploration. It is clear these have taken on a significant status in our life which continue to shape our life and our reading of the Basis. They include the [Statement to the Nation](#) 1977; [The Uniting Church Is a Multicultural Church](#) (1985); the [Covenanting Statement](#) (1994); [Revised Preamble to the Constitution](#) (2009).

Throughout our engagement we have heard again and again the same core themes about what people appreciate about the Uniting Church. These are the ones we have heard through the Exploration phase⁵:

- We are in a Covenant relationship with the Congress.
- We are a multicultural Church and seek to be an intercultural Church.
- We are committed to gender equality in leadership.
- We affirm the ministry of every member of the Church, both lay and ordained.
- We are deeply committed to the promotion of justice.
- We value scholarly enquiry and an informed faith, learning from a breadth of theological perspectives and contemporary thought.
- We are called to be a safe Church, providing safe environments for all people including children and young people, so that they may live life in all its fullness.
- We are called to make and grow disciples in local communities of faith and discipleship.
- We are called to serve the world through practical expressions of God's love.
- We engage with our ecumenical partners in seeking unity with other Churches.
- We seek friendship and understanding with people of other faiths.

The wider church reminds us that we are not alone but part of a network of worship, witness and service

- Church Council Conversations

For most of our Church's history, we have proudly declared we are the third-largest denomination in Australia. This is based on the religious affiliation results of the Australian Census which bears little relationship to the health and vitality of our life as a Church. NCLS data would indicate in terms of regular church attendance we rank as fifth largest. Irrespective of the data source, the decline in affiliation or attendance is unmistakable, borne out by the feedback from every part of the Church.

As a whole Church we have struggled with our identity as we have sought to hold together a broad range of contexts, beliefs and practices. There is a beauty in our diversity but it has not been without its challenges. While many people project their own theological outlook onto the whole Church (i.e., "most people in the Church believe something similar to what I believe"), the reality is we are still a very theologically diverse Church.

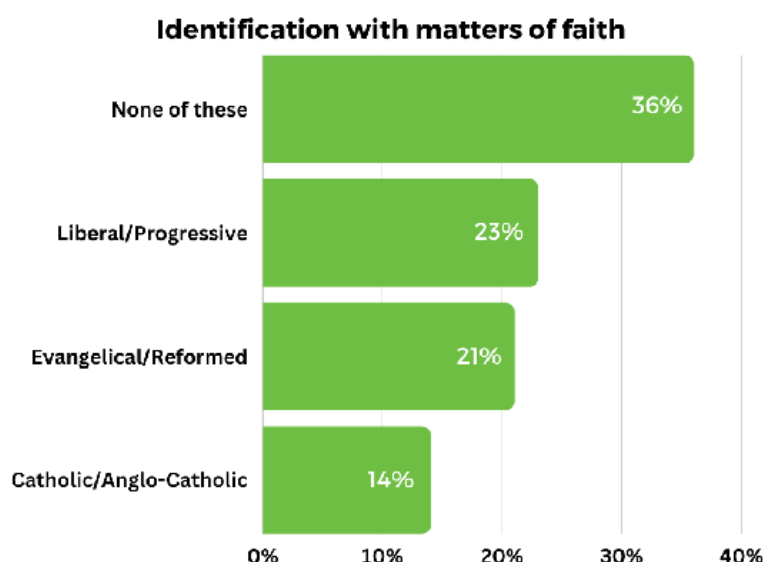
Our identity as a whole Uniting Church informs and shapes the way so many people think about our national identity and national work. The two most prominent themes reflected across all our engagement is the role of the national Church, particularly the role of the National Assembly, in casting an inclusive vision of the Church and being a voice for social justice in the Australian society.

We especially value the UCA commitment to unity in diversity, while recognising how difficult this can be (and always will be). We realise this can be targeted as a weakness by some, however sometimes our points of vulnerability are also our greatest strengths – that is the way of the Gospel!

- Church Council Conversations

Alongside these shared markers of faith and identity, there are very practical barriers to how we shape our collective life together. The public expression of the Church is disjointed. People lament the lack of identification of some parts of the Church with the “Uniting Church”. The review of the web presence of our local communities of faith indicates a very small minority present an accurate and up-to-date picture. Many of our “Find a Church” pages on wider Church websites are of little use to a faith seeker.

Some lament the decline in the Church’s voice in Australian society. This is partly about the way the Church has shifted from the centre of society to the margins in a post-Christendom era. Some also attribute this to a decline in focus and resourcing for this area of national work. There is a sense of disagreement about how and where this voice should be used.



The Assembly is perceived as primarily responsible for the Covenant with the Congress. In the responses from local communities this was a highly valued part of our national life and work. The work of the agencies is also still a highly valued part of the work of the Assembly. Many respondents specifically reference the work of UnitingWorld, Frontier Services and the work of UnitingCare agencies which is perceived to be a national effort across the country. The responses affirmed the Assembly's role in relating to the CALD communities within the Uniting Church, including through the National Conferences, and in promoting our multicultural and intercultural identity and commitments.

It is an inclusive, justice seeking, life empowering example of Christ at work in the world.

- Church Council Conversations

While the responses from local communities reflected significant support for the inclusive vision the Assembly has cast for the Uniting Church, there is a dissenting view that the Assembly has pursued priorities they believe are remote from and out of touch with the lived reality of local communities of faith. There is no doubt our deep theological disagreements cast a long shadow over our Church and the work of the Assembly.

Overall, the Assembly is considered institutionally small and remote from many local communities of faith, particularly with the declining financial resource base for the work of the Assembly staff and agencies. However, it does have important responsibilities in relation to matters of faith and our identity as a Church.

Pockets of the Uniting Church remain deeply upset with the decisions of the Assembly in relation to human sexuality and marriage. However, they tend to be getting on with ministry and mission in their own local context. A small number hold the view that much of the wider Church, including the Assembly, is of little value to local communities of faith.

The insights from the work in Workstream 2: National Identity have shaped the thinking about the place of the National Council within the options offered as part of Workstream 3: Governance and Resourcing.

Irrespective of the options within Workstream 3, there remain wider opportunities to strengthen the national identity of the Church both in our sense of ourselves and the way we are perceived within the wider Australian society. Further work is required in how best to achieve this.

Churches have traditionally been a voice to government and the community on social justice issues, with agencies well placed to be active participants and thought leaders in this space.

- Church Council Conversations

Workstream 3: Governance and Resourcing

Governance

Our engagement across the Church indicates that people generally consider the underlying principles which shape our governance to be sound. There are some who question the need for an inter-conciliar structure, however most accept that it is a core part of our identity and can work effectively.

People also appreciate the principles that shape how we make decisions – in community with all people, lay and ordained and regardless of gender, gathering to seek consensus. While people are sometimes frustrated by the practice of our decision-making – with some wishing people could exercise more personal authority and others suspicious of individual authority – they acknowledge the principles are worthwhile, if not always outworked well.

Although there is strong commitment to these foundations, there is also a widespread view that the system is no longer working as intended. Most say the current set of councils was designed for a time and a Church that no longer exists. Now they encounter too many layers, inefficiency in decision making and overly complicated processes.

The increased use of mechanisms which had previously been considered for use in exceptional circumstances, points again to a system under stress⁶. Councils which have been established under the same regulations look vastly different from one another in size and scale. Many of the smaller or more geographically remote councils have simply found it impossible to implement the detailed requirements of the regulations in relation to committees and other structures.

As a Church we have attempted to expand the range of voices and perspectives in our decision making, however this has not always been successful. While the ideals of our inter-conciliar and consensus decision making are an equal voice for all, the reality is some voices still hold a more prominent place than others. We heard this is particularly the case for CALD communities, younger people and people from new communities.

Our councils of the Church... do they all look the same?

We currently have six Synods and 33 Presbyteries. Some Synods have a handful of staff whereas other Synods stretch to an array of staffing Boards, committees, and functions. Synods have between about 50 communities of faith and over 400 communities of faith. Some have a deeply integrated large community service agencies while others have a diverse collection of smaller community service agencies. Some of our Synods cover multiple jurisdictions with multiple legal and policy environments whereas others are contained to a single jurisdiction.

Some Presbyteries have personnel of more than ten while others run entirely on the contribution of people in other ministry roles. Some cover thousands of kilometers across metropolitan, provincial, rural and remote contexts while others are contained within one part of a metropolitan centre. Some have more than 100 communities of faith while others have less than 20. Some have accumulated substantial financial reserves while others live on an annual budget with limited financial buffer.

As outlined in Workstream 1: Local Communities of Faith and Discipleship, there is a high level of assumed collaboration across the councils. This is most acute between Presbyteries and Synods where the interplay of ‘oversight’ and ‘general oversight’ is significant.

Some are eager to drive a dualistic distinction between ‘ministry and mission’ on the one hand and ‘administration and compliance’ on the other.

Some are eager to drive a dualistic distinction between ‘ministry and mission’ on the one hand and ‘administration and compliance’ on the other. Generally, the sense is ministry and mission decisions should be made ‘close to the ground’, while administration and compliance can be ‘centralised’. However, we have also seen how inter-dependent these concepts are and that separating them can often exacerbate already complex and disconnected decision making.

‘Oversight’ has been a fascinating concept to explore with people. While there are some who think it is completely unnecessary, most believe that within the Church a measure of oversight and accountability is necessary. However, most would observe that it is currently not well exercised.

Some perceive ‘oversight’ as controlling and overly driven by compliance, lacking a focus on encouragement and support. Others experience a lack of oversight in their day to day life and only engaging when there is a conflict or a crisis.

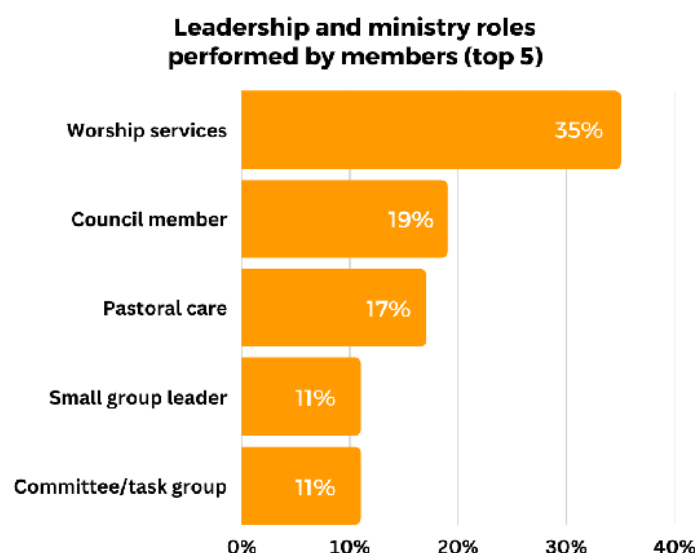
Some experience ‘oversight’ as imposing a hierarchy on what they consider to be a ‘non-hierarchical’ structure. However, others point out that an inter-conciliar Church while not strictly hierarchical does create relationships of accountability and authority in the interests of the wellbeing of people, communities of faith and the whole Church.

A recognition that Presbyteries, Synods, and the Assembly are not there to compete with each other or the Congregation, but are there, each with a part to play, in providing an appropriate framework for the work of the Congregation to be successful.

- Church Council Conversations

Make the focus of the whole church on the congregation, supporting its ministry and mission. We are becoming more top down focused, rather than congregation focused with interrelated councils in support.

- Church Council Conversations



An inter-conciliar approach to decision-making has created cultural norms around collective decision making over individual decision making. This has meant the use of committees as a ubiquitous tool in our decision making rather than empowering individuals to make decisions. Even individuals who have authority feel reluctant to exercise it without reference to a wider group. Some call for much greater empowerment of individuals to exercise authority including through longer terms for some positions and greater delegation. However even those that advocate such an approach believe it should be attached to effective accountability mechanisms.

In many parts of the Church, corporate governance principles are in widespread use. To some, this feels at odds with the objectives and values of the Church. This leads to frustration about the councils of the Church whose membership can stretch into the hundreds. The Church has also prioritised diversity and representation, while some others are looking to prioritise skills and expertise. Finding ways to value all of this in one governance system has proved challenging and complex.

We look for a willingness by those beneficiaries of the current arrangements to challenge the status quo in search of a better outcome for the UCA.

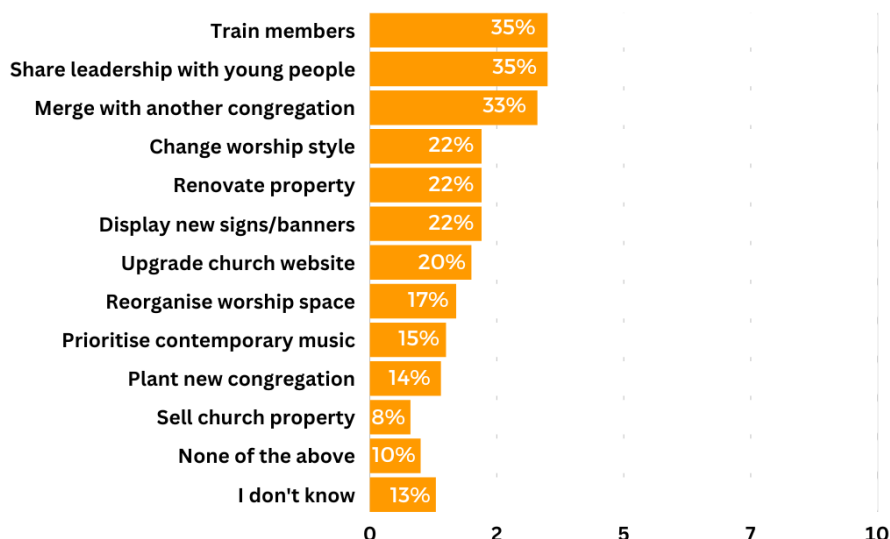
- Church Council Conversations

Agencies across the Church experience frustration with how the governance of the Church functions. As they have transitioned to skills-based boards (in some instances remunerated) they struggle with the conciliar and legal structures of the Church. In most cases agencies are searching for healthy and effective ways to be better connected to both the Congregational and conciliar life of the Church. There is a sense that the health and growth of the agencies may be a benefit which can be shared with the whole Church in ways that extend beyond finances, including a greater role in the conciliar decision making of the Church.

The organisational model entrenched in the Regulations and Constitution is one of a different era... The concept that any business can hold the same structure over a 45-year period and be successful and remain relevant needs to be challenged.

- Church Council Conversations

Would you support any of these significant actions in the denomination?



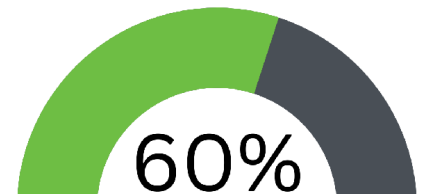
Resourcing

Many of these governance challenges are associated with the overall decline in the life of local communities of faith. We can no longer assume there is a ready pool of volunteers to sustain our governance. Many would say we are wearing out the willing. Alongside this the overlap in membership of so many parts of our Church leads to concentration of decision-making in a few. The Church prides itself on the principle of being 'lay led'. However, in local communities with a minister in placement communities of faith look to them as the "go to" on almost all matters. Those without a minister in placement simply struggle to distribute the responsibilities across already overloaded volunteers. This reality cascades into the wider councils of Church.

There is much work on the shoulders of a few. Our Ministers, other leaders and our one administration staff member. Like many congregations, we are highly committed but as a group we are ageing. Those who are available and able to work are tired from overwork.

- Church Council Conversations

% members who perform at least one leadership or ministry role



It has become increasingly difficult to fill Boards of agencies and schools with suitably qualified members of the Church. It has also become difficult to fill voluntary office bearer roles within Presbytery or synod committees. This has led to remunerated leaders and staff finding themselves filling the gaps that arise. This leads to tensions between personal and corporate leadership, and between those we employ for their professional skills and those within our Church with a deep sense of our ministry and mission.

Even in Synods with larger staffing structures, there is very little economies of scale with most staff being individual specialists. Many observe significant duplication in roles across Synods and believe this is a place where efficiency could be achieved through consolidation. However, attempts at collaboration in the past have not been all that successful.

Most Presbyteries would have at least one person in a role similar to 'Presbytery minister' and some more than one. Some observe that the responsibilities of a Presbytery extend beyond those typically within the skill set of a minister. Others have observed that Presbytery minister roles are drawing high-quality ministers out of local communities of faith.

While the focus of many conversations about 'resourcing' in the Church has tended to revolve around property and finance, the reality is that both our greatest asset and our greatest crisis in resourcing is in our people. Just as life-giving communities of faith are sustained by faithful and passionate disciples, so too are healthy, sustainable and effective governing councils sustained by people with capacity and capability.

I travel far and wide across our Church, and without our faithful, capable and diligent congregational leaders (both lay and ordained), we would be nowhere as a Church. Yet, we don't properly value our local leaders.

- Written Submission

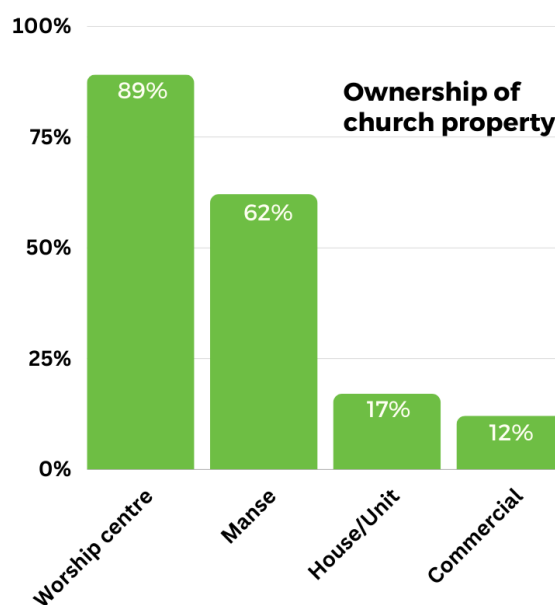
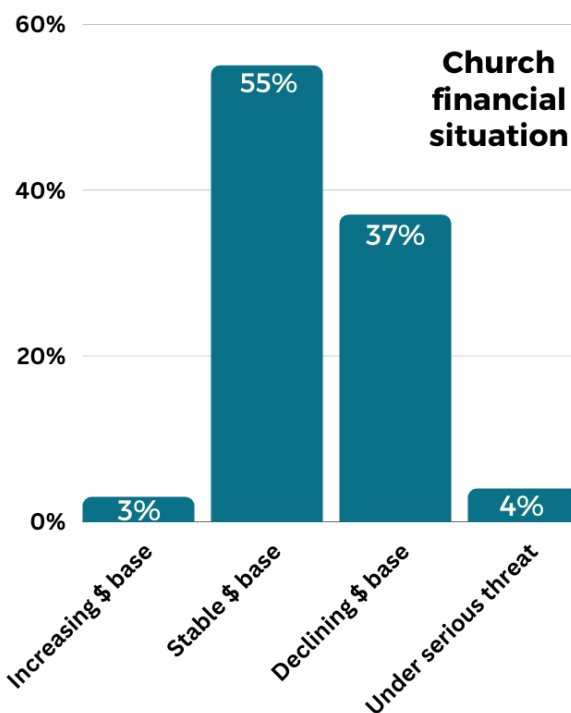
While the focus of many conversations about ‘resourcing’ in the Church has tended to revolve around property and finance, the reality is that both our greatest asset and our greatest crisis in resourcing is in our people. Just as life-giving communities of faith are sustained by faithful and passionate disciples, so too are healthy, sustainable and effective governing councils sustained by people with capacity and capability.

Financial resourcing remains a significant challenge across the life of the Church. It has become a truism to say we are asset rich and cash poor. This has meant the wider life of the Church has gone in search of new revenue streams.

Agencies are largely self-funding, either through government income or fundraising. Synods have different financial models however the common feature is a significant decline in reliance on giving from local communities of faith. Some have entered into support arrangements from agencies, schools and other institutions. All have some kind of income from investments as a core revenue stream. Presbyteries have tended to have a mix of funding from Congregations and the wider Church. Some are building significant reserves from proceeds of property sales to sustain and grow the work of the Presbytery.

In the context of declining financial resources, property has become a significant issue within the whole Church. Our covenant with the Congress acknowledges the dispossession of land at the heart of colonisation. Our weekly prayer for the offering often acknowledges that everything we have comes from God, our creator. The economics of the Australian property market has exacerbated the unjust distribution of wealth in the Church. Even within our Church property is the responsibility of communities of faith formed generations ago, irrespective of their current size.

However, when it comes to the real property assets of the Church and what to do with them we tend to live out of different values and assumptions.



We are cash poor and asset rich - it is ok to use the assets, particularly the property assets, that we do have rather than just sitting on them.

- Written submission

For many local communities of faith property is an asset, an economic life-blood and a burden all at once. The suitability and maintenance of many buildings is an acute issue in many places. This is borne out by regular discussions of insurance, building regulations, property leasing arrangements and heritage listings. This is absorbing significant effort across many Church Councils, most Presbyteries and all Synods.

Alongside this, emerging new communities, including CALD communities and church plants, are looking for a place to call home as they grow.

According to the NCLS 8% of Church attenders support selling church property. However, throughout the Exploration Phase we encountered people who constantly pointed to sale of property assets as essential to the ongoing financial sustainability of the Church and future ministry and mission opportunities.

Be serious about the redistribution of resources across the life of the Church. Something is clearly broken with our system. There is very little understanding that we are jointly involved in the mission of God together. Instead, dollars speak, and we patch protect to the detriment of our future.
- Church Council Conversations

Different parts of the Church have responded to this challenge in different ways. However, there are common themes in this challenge and the contested space this represents. First, property matters involve three councils of the Church, each with different responsibilities and imperatives which creates significant confusion and takes significant time. Property transactions generally involve a peculiar entity – a statutory property trust. Different parts of the Church understand this mechanism in different ways and its implications for who gets to make decisions and how the councils constituted under the Constitution and the boards, committees or other governing entities interact with the property trusts.

Second, different people within that system believe they have a role in the use of any underutilised property or proceeds of sale. Various contested imperatives include:

- Meeting current and historical obligations.
- Fulfilling our responsibilities to Congress.
- Funding our institutional infrastructure.
- Funding mission resourcing.
- Utilising for ministry and mission.
- Providing a physical home or funding new missional opportunities or community services.
- Providing a physical home for communities of faith without a building, such as growing CALD communities and church plants.
- Financially maintaining a local community's ministry and mission.

Our congregation has very modest funds, and our property only provides a modest income, however we are a church with potential. In an ideal world the income from assets across the Synod would go to congregations who have growth potential and can provide mission to the community.

- Church Council Conversations

There are deep pastoral and practical considerations at play. Many communities of faith with declining people and finances are sustaining their community through property income. Church leaders across the country are struggling with how to faithfully honour communities whose life is coming to an end, while investing in new and emerging communities. The place of property in this conversation is significant. A collective imagination is required for this to become a life-giving conversation for our Church.

Workstream 4: Theological culture and education

This workstream is proceeding at a slower pace than the others in recognition of both the limitations on resourcing and the specialised nature of some of this work. Therefore, this report provides a brief summary of what we have done and what we have heard. However further work is required to move forward to the final outcomes envisaged by this workstream.

We have proposed a working definition of theological culture as:

“The theological culture of the Uniting Church is that network of practices, institutions and texts which resource, sustain and extend the Uniting Church’s particular conversations, doctrinal decisions and prophetic speech about God, Christ and the world.”⁷

We are [inviting papers](#) from theologians and others across the Uniting Church and offered a series of questions to encourage reflection. We are inviting this through until September 2023 and have approached all of the Church’s theological colleges to contribute.

Alongside this we have met with each of the leaders involved in theological education across our Synods and colleges to discuss the workstream and to hear their insights and feedback.

Across the breadth and diversity of our colleges, the following themes emerged:

- There is broad agreement that theological culture is the right frame for this workstream.
- Theology across the Uniting Church is very diverse and a national framework for the provision of theological education should not seek theological conformity.
- There is recognition of the role theological colleges play in shaping the theological culture within their own contexts.
- Theological education needs to support ministerial and lay leadership along with discipleship formation, especially for growing, new communities where leadership emerges from within the community.
- Theological education needs to be closely linked with contexts of ministry to provide for effective integration into ministry practice.
- Any change in the structure for the provision of theological education needs to maintain and enhance the diverse context of ministry across the Uniting Church.
- Investment in theological education is a resourcing choice. The sustainability of theological education is not the same as ‘self-funding’.
- Living out our commitments as a Church, particularly the Covenant with Congress and being a multicultural Church need to be deeply embedded across theological education.

We have not one but many theological cultures. We need to celebrate this. We are very diverse, but there is in that diversity, a range of depth of allegiance to the UCA ‘brand’. We need to be careful of pushing this one too hard if we are to be open to diversity..

- Church Council Conversations

Core Commitments

Our Covenant with Congress

Throughout the Act2 Project, as with our whole life as Church, we are called to walk together as First Peoples and Second Peoples from many lands. As we shape the ordering of our life, the Covenant with Congress is essential. As Congress continues to explore its own life, we have worked to identify those things which continue to need to guide us in light of the Covenant and the Preamble.

The history of this land we now call Australia, a small part of which is contained in the Covenant and Preamble, continue to have implications for our life as a nation and the Church.

We recognise that Congress continues to seek self-determination over its own life and ministry with First Peoples. Alongside this it is a partner and participant in the decision-making of the councils of the Church.

Congress has different expressions of its life in response to the different contexts of its ministry around the country. While historically there has been a tendency for Church and Congress structures to mirror one another, this need not be the case as we both seek the best way to order our lives in response to our ministry and mission needs.

While the Covenant began between the Congress and the National Assembly, covenanting needs to remain an ongoing process throughout the Church's life. This is our collective responsibility as a whole Uniting Church and should not be seen as the province of only the Assembly and Congress.

All of this has implications how we live out our mutual relationship and mutual accountability with one another, including identity, governance and resourcing. As Congress and the Uniting Church both continue to reflect on the shape and ordering of our respective lives we will need to continue to keep open the space for exploring together the best way to live out our Covenant. This open space for conversation will be important as we consider the directions and options, particularly for *Workstream 3: Governance and Resourcing*.

Our Multicultural Church

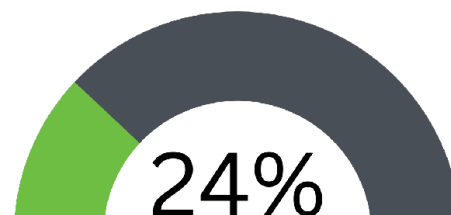
We declared in 1985 that we are a multicultural Church⁸. Time and again we have both reaffirmed and built on that commitment as we aspire to be an inter-cultural Church. How this multicultural nature manifests itself continues to change. It includes monocultural CALD communities worshipping in language, multicultural communities participating in cross-cultural ministry and mission together, new communities of migrants forming communities and seeking recognition within the Uniting Church and various cultural groups sharing the one property in a variety of arrangements amongst so many other expressions.

At various times the Church has tried to find better ways of recognising, supporting and resourcing CALD communities but we have struggled with this task. Parallel networks, structures and ways of relating such as National Conferences, multicultural committees, staffing and experiments with culturally-based structures are all expressions of those attempts. Property has been a contested space, demonstrated through the various attempts to broker property sharing arrangements with varying degrees of success.

Some of our structures and practices have been slow to adapt. As CALD communities of faith are bucking the trend in terms of size, growth and vitality, we have found Presbyteries have tended to focus on the normative experience of aging declining communities.

Ministry pathways whether through the ordained ministries, Ministry of Pastor or Reception of Ministers process have continued to be source of frustration. Pathways into leadership in different parts of the Church have been challenging for many CALD leaders, balancing the responsibility to their communities with offering leadership to the wider Church.

% attenders born overseas



Both of these commitments remain absolute touchstones for our identity as the Uniting Church in Australia and need to shape us as we seek to respond to God's call to enter more fully into mission.

Legal, ethical and social obligations

The fulfillment of our legal, ethical and social obligations is both a 'given' and one of the most vexing issues facing our Church. As we have listened across the Church we have found the accountability for many of these obligations largely rests with Synods but the wresponsibility for implementation rests with local communities of faith.

There is a perception that agencies, institutions and schools tend to be doing this well due to staffing and skills-based boards. However local communities of faith with volunteers are struggling with the way we are currently seeking to fulfill these obligations.

Synods describe seeking to fulfill these obligations through resourcing and encouragement, believing they lack the levers to ensure compliance. Local communities of faith describe feeling overwhelmed by paperwork and frustrated by what they perceive as inefficient and unnecessary processes.

At this point in the project, we consider the following areas to be the most pressing:

- Safeguarding requirements for children and vulnerable adults.
- Building safety and property insurance.
- Workplace health and safety.
- Working conditions including remuneration, employment/placement conditions, onboarding and other people and culture practices.
- Management of finances.
- The role of the property trust and its relationship to other governance and legal entities.
- Directors' duties, fiduciary obligations and obligations under the Charities Act.
- Relationship of responsibilities between the councils .
- Relationship of ministry agents to the Church, including matters of discipline.

While many of these derive from external legal, regulatory or compliance obligations, how we choose to fulfill these obligations is an expression of what we value (our ethical obligations) and how we are perceived by the wider society. This core commitment is at heart a matter of faith - it is about how we bear witness to Christ.

As we work through directions and options, particularly in Workstream 1: Local Communities of Faith and Discipleship and Workstream 3: Governance and Resourcing, we need to both continue fulfilling our obligations in those ways that are effective, and consider better ways where this is creating a burden or drawing energy and focus away from our ministry and mission.

We have therefore developed a draft set of principles to guide us in thinking about how the Church could better fulfill our calling as a Church to our ethical, legal and social obligations:

1. Enable healthy and safe ministry and mission: Fulfilling our obligations in a way that enables the kind of ministry and mission to which we believe we are called.
2. A Consistent standard: Applying common standards across the Church and only varying where absolutely necessary.
3. Efficient administration: Administration which is focused on the simplest, lightest, most streamlined processes possible.
4. Proportionate to the risk: Approach with a risk-based approach to standards and administration, focusing effort and resources where there is the greatest risk.
5. Alignment of accountability, responsibility and capability: Assigning responsibilities and resources to maintain consistent alignment between accountability, responsibility and capability.

Conclusion

Across Australia there is deep love for the Uniting Church. There is still a compelling vision for why the Uniting Church in Australia exists and its role within the Church and the society in Australia. At its heart the Uniting Church is an inclusive church, that despite its differences does seek to hold together a very broad range of beliefs and practices. The description of the Church in the Basis of Union continues to resonate along with the centrality of the Covenant, our commitment to be a multicultural church and our pursuit of justice. The way we govern and make decisions is also a hallmark.

However, the shape of our Church is not as so many imagined it would be when we formed in 1977. We have struggled to come to terms with the decline in the size of our local communities of faith alongside the significant growth in our agencies. Deep in our hearts we know we are not the Church we began nor are we the Church we hoped we would be. We have struggled to collectively imagine a life-giving future for ourselves.

The reality of our local communities is clear from the data, the lived testimony of Church Councils and the descriptions of the wider Church. The people and financial resources invested in maintaining communities and fulfilling the obligations is crowding out energy and effort being invested in discipleship and mission. Communities of faith coming to the end of their life will be a part of our future. This trend will continue in many places for the foreseeable future. It needs to be done thoughtfully and carefully however it cannot be avoided.

Clustering, linking and sharing amongst communities of faith will also be part of our future. This should and will continue to be a part of establishing structures and ways of working that creates life-giving and healthy ministry and mission. It needs to be done in a way that aligns governance, resourcing, ministry and mission. However it is not a substitute for hard conversations about communities of faith, particularly in close geographical proximity where their life as a community is coming to an end.

Conversations about communities at the end of their life should not marginalise investing in and supporting church planting, fresh expressions and experimentation. These new expressions of communities of faith need to be supported and encouraged by the wider Church. In most instances, these communities are relatively small and this will impact on the models of governance, resourcing and ministry adopted. We must both ensure communities are life-giving, healthy and effective while not expecting them to simply function as a replacement to existing communities of faith.

Meanwhile, many of our agencies and schools have continued to thrive and grow, fueled by government funding but also responding to ever changing policy and regulatory environments. Ensuring that the agencies for which we are responsible are well governed while fulfilling our shared mission remains a priority. However, the strains and tensions within our communities of faith and councils mean we need to rethink how we do this.

The current capacity and capability of our local communities has an impact on a wider church conciliar and committee structure which has relied on the contribution of people in unpaid roles and financial contributions from local communities of faith.

It is no longer possible within the financial and personnel resources of the Church to sustain the structure of the wider Church that we currently have. Across the breadth of the Church, we believe there are a significant number of councils which can no longer fulfill the responsibilities assigned to them. Even parts of the Church which feel relatively secure are reliant on a shrinking base of resources.

Each of these councils in their own way are seeking to find contextual solutions. However, the widespread evidence of this problem points to fundamental systemic issues which we need to address collectively. The risk of not doing this is further resources drawn into managing crises, heightened conflict and further burnout of our people.

Choosing not to address these issues systemically will not maintain the status quo. Significant structural change in our life is inevitable. Choosing to address these issues together gives us an opportunity to continue to be a truly national Church, shaped by our theological culture and in service of shared ministry and mission.

The situation in we find ourselves has been coming for many years. We may struggle to engage in conversations about the viability and sustainability of our Church however collectively ignoring these problems will not make them go away. This report seeks to take a long loving look at the reality of our life. It does not seek to shy away from the hard truths but nor does it believe there is no hope. Rather than be hostage to this reality, the truth can set us free, if we face it and respond with courage.

The affirmation of the 16th Assembly's decision that this work was both urgent and important is borne out by the lived experience that people from across the breadth of the Church have shared with us. The opportunity to seize this moment of importance and urgency rests with us all collectively as a Uniting Church so we may better live out the ministry and mission to which Christ has called us and nurture health and vitality for the inheritance of the next generation of the Uniting Church.

Section 3: Theological Reflection

The Uniting Church will...order its life in response to God's call to enter more fully into mission..
Paragraph 13, Basis of Union

As we move to think about the future shape of the Church it is important to ground our thinking. This project is grounded in prayer and attentiveness to the leading of the Holy Spirit. We are guided by the faith and unity of the one, holy, catholic and apostolic church as described in the Basis of Union. We are also shaped by our core identity markers as the Uniting Church, expressed in the Basis of Union and in the foundational commitments that have defined and shaped our life together over many decades.

As a Uniting Church, we do not claim to be the whole church, simply one part of the church, in one part of the world. This is most clear within the Basis of Union through our commitment to the World Council of Churches, to a special relationship with Asia and Pacific (Paragraph 2, Basis of Union). We know we are incomplete, and we celebrate that. Our baptism is into the church of God not the Uniting Church.

As the Uniting Church, we have struggled with what holds us together. Is it simply an accident of history and our interconnected legal arrangements or is it something more? Through history, the Protestant tradition of which we are a part, has divided over differences of belief and practice. The unifying force for most has been common beliefs and practices. Yet we sit within a uniting church which has sought to overcome differences in beliefs and practices to bear visible witness to the person and work of Jesus Christ.

So, what is it that holds us together? Jesus Christ, the risen crucified One who we confess as Lord. This is not an easy unity, our differences of belief, practice, culture, history have all challenged that unity. Therefore, it is only through Christ we can and will find the source of our unity.

We are, however, also located within a particular time and place. We acknowledge that history brings change (Paragraph 4, Basis of Union) and in fact we look forward to our end! We have continued to grapple with our own time and place through responding to the invitation to enter a Covenant relationship with the First Peoples in this land⁹. We recognised that we could not truly be a Church in these lands we now call Australia without acknowledging the reality of the history of a relationship to First Peoples.

We have continued to build on this, changing the Preamble to our Constitution, writing into our law the history of our country, our Church and the relationship of First Peoples and Second Peoples from many lands¹⁰. We acknowledged Second Peoples did not have a monopoly on truth, rather we could learn from the wisdom of First Peoples. We have acknowledged First Peoples as sovereign.

We have also recognised that we are a multicultural Church. This has led us to recognise that our commitment to transcending cultural and economic, national and racial boundaries (Basis of Union, Paragraph 2) does not mean the elimination of difference. The diversity of cultural and linguistic communities reflected in the Church is a gift of God enriching us all. We have continued to grapple with what it means to be a truly inter-cultural community. We have grown to recognise the colonial roots of our missionary activity not only in Australia but across the world, including with our partners in Asia Pacific¹¹.

As we shape our life, we are deeply informed by the principles outlined within paragraph 15 of the Basis of Union. We make decisions in community, not just on our own. We make decisions through listening to God and one another.

We recognise we may not possess all the wisdom and that others in other councils may have wisdom for us¹². This has shaped us in our embrace of consensus decision-making; a means by which we may more deeply listen for God's call to us in the voice of one another, as we build community together, be shaped by prayer and the Word and listen, learn and discern together. It is almost as if God's gift of consensus decision-making was essential for an inter-conciliar Church in this land.

The Basis of Union offers us rich images of the Church. Three are of greatest relevance to the Act2 Project.

A pilgrim people

[T]he Church is a pilgrim people, always on the way towards a promised goal; here the Church does not have a continuing city but seeks one to come.

Paragraph 3, Basis of Union

No image has been invoked by more songs, meeting themes or strategic planning documents than this. Yet it appears our life has become far too weighed down by baggage for us to be truly pilgrims. Travelling communities around the world travel light. If we want to live out this image, we will need to find ways of living as a community which equip us to be people of the journey. Courageously leaving behind that which burdens us so that we might travel more lightly.¹³

Most obviously this relates to our physical property. In our search for a space and place in which we can grow and sustain communities of disciples, we have allowed property to become a burden. As we discuss the implications of releasing ourselves from that burden, we squabble over the economic spoils. We continue to grapple with the colonial history of the land on which our buildings now sit.

How might we be shaped by the wisdom of the First Peoples about land as the ground of our being and source of life? How might we learn from the experience of so many of our CALD communities that have migrated to this land from homelands and found a new place in which to shape life together?

It may also be our law which has become a burden and the custom and practice we elevate to law. We are now burdened by the customs and practices which arose from the wisdom of our predecessors to order a Church we no longer are. As we seek to fulfill the law, might we need to find less legislative language and more stories of wisdom? Can we lean into our practices of making decisions together, informed by our faith and identity, rather than trying to legislate and regulate?

Travelling communities also find themselves often on the margins of the society. Despite our founding as a Church in 1977, post the peak of Christendom in Australia, we have adapted slowly to the post-Christendom age and the implications for our role within the broader Australian society. We have struggled with our marginalisation which we often confuse for persecution. Rather than embrace this location as closer to Jesus' location in society, we have too often clung to the last relics of our Christendom influence.

As we lament the loss of our voice at the centre of our society, could we instead embrace our presence on the margins as a more significant source of legitimacy in our voice in our national life?

The Holy Spirit

The Church as the fellowship of the Holy Spirit confesses Jesus as Lord over its own life; it also confesses that Jesus is Head over all things, the beginning of a new creation, of a new humanity.

Paragraph 3, Basis of Union

In this image we recall the very earliest community in the church. This community formed through the outpouring of the Holy Spirit, that gathered, broke bread, prayed, held everything in common and gave to those in need. This early community need not be viewed as a utopian ideal. The Epistles make it very clear that the early life of the church was not easy. The Council of Jerusalem demonstrates deep divisions in the community.

However, we are probably spending more time in rooms with our doors closed, than around the table breaking bread together. We have allowed the parochial culture of our wider society, entrenched in stereotypes and fueled by politics, to define how we relate across the geography of this vast continent. It takes courage to step over the boundaries of safety and familiarity we have created for ourselves.

We have certainly struggled with the vision of a 'common wealth'. The contests we have over access to property and financial resources suggests we have not fully grappled with the implications of the sources of our wealth or the radical call of Jesus in relation to earthly possessions. Yet the gift of the Holy Spirit is at the heart of our consensus decision-making which provides a process by which we seek to collectively discern the Spirit's leading.

How do we unlock the doors on our lives and our treasure to better participate in our collective ministry and mission together?

The Body of Christ

[A] body within which the diverse gifts of its members are used for the building up of the whole...

Paragraph 3, Basis of Union

Recalling again images from the New Testament, particularly 1 Corinthians 12, we are given a rich image which speaks to our respective gifts and role within our life together. However, in contrast to the image in 1 Corinthians, we seem to spend time seeking the place of honour - defining our role as the most important within the body.

Some of us think we are part of the 'beating heart' of the Church or the 'hands and feet'. Too often in our life we have felt the fragility of our part of the Church. Much like the skin we have felt wounds resulting from pain, sometimes healing, many times scarring.

Rather than embrace this fragility we have tended to assert our own significance, often at the expense of other parts of the body. We also seem all too eager to amputate other parts of the body we do not value as highly as ourselves. We seem reluctant to enter into the sufferings of others. It takes courage to enter into the sufferings of others within the community of the Church.

When one part of the body hurts, do we all hurt? The image of the body is fragile, inter-connected, and inter-dependent. As we think about the shape of our life together, how do we embrace our inter-connected fragility?

We look forward with hope to what God may be doing in our midst, and we enter into a period of collective discernment about our life together. As we consider the directions and options laid before us:

- How do we find ways to lay down burdens we have been carrying for too long?
- How do we find ways of more deeply entering into fellowship with one another?
- How do we find ways to be a more inter-connected and inter-dependent body?

As we embrace the reality of our fragility and marginality within the life of the Australian society, we can imagine our life differently. So many within our Church feel a deep sense of grief for a Church that no longer exists. However we have always anticipated our end as a Church, knowing that we did not have a continuing city.

As people of the way of Jesus, disciples of the risen crucified One we need not change simply to avoid death. Were the Uniting Church to die as an institution, God would do a new thing. Our calling and opportunity is to do a new thing now which lies before us; to enter more fully into the vision to which God has called us as a Uniting Church in Australia.

Section 4: Introduction to Phase 2: Collective Discernment

June - November 2023

We have now concluded [Phase 1: Exploration](#) which has stretched through the first half of 2023 and builds on the work undertaken prior to the 16th Assembly. We have listened for the voices of the Church across the length and breadth of the country – to our diverse contexts, for our joys and sorrows, and our hopes and fears for the future.

A new phase

We have now entered into the [Phase 2: Collective Discernment](#). Between June and November 2023 we are inviting the Church into an intentional period of discernment. To begin this time the whole Church has been invited into a time of intentional prayer, [Uniting in Prayer](#). This is shaped by our patterns of discernment, which encourage prayer, worship and community building as part of any collective discernment process.

This new phase is a time for imagination. We have heard through the Exploration Phase the challenges we face and the opportunities that lie before us. In this phase we are looking intentionally at specific ideas to address our challenges and take up opportunities. Work is continuing across all workstreams.

How can I engage?

We are inviting the councils of the Church to participate in intentional discernment about the directions outlined in Section 5 as part of Workstream 1: Local Communities of Faith and Discipleship and the options outlined in Section 6 as part of Workstream 3: Governance and Resourcing. We are specifically asking councils of the Church, Church Councils, Presbyteries and Synods, to set aside time within their meetings for this discernment.

For the directions and options, we are asking you to think about:

- How might this make a difference in our context within the Church?
- How might this make a difference to our life together as a Church?
- What are the opportunities this might offer us?
- What are the risks we need to think about?
- What things would we need to think about if we implement this?

You may find there are directions and options that you are warm to and find resonate with your experience. You may also find directions and options that you are cool to or raise significant concerns. This is important and we want to hear both. You may also find that these directions and options spark other ideas for you, adaptations of existing directions or options, or totally new ideas. We want to hear this also.

How can I give feedback?

Opportunity to share discernment and feedback about the directions and options will be available from the conclusion of Uniting in Prayer on 22 June 2023. Following this, all details for engaging in Phase 2 will be found on the [Act2 website](#). Please provide your submissions and feedback to the Act2 Project as soon as you can after that and no later than 30 November 2023.

What comes next?

At the conclusion of Phase 2: Collective Discernment we will move into [Phase 3: Recommendations for Action](#) (November 2023 - July 2024). Once we have heard from the breadth of the Uniting Church about the directions and options we will be looking to develop a way forward. The goal of Phase 3 is to have an integrated set of recommendations across all workstreams for the 17th Assembly in July 2024.

This may involve undertaking more detailed investigation of some directions and options, including expert advice, and the development of a possible implementation roadmap. Depending on the specific recommendations will depend on what further engagement or decisions are required of the wider Church.

All of this is open to the Spirit's leading and the way that emerges through the collective discernment of the Church.

Section 5: Directions for Workstream 1: Local Communities of Faith and Discipleship

Its members meet regularly to hear God's Word, to celebrate the sacraments, to build one another up in love, to share in the wider responsibilities of the Church, and to serve the world.

Paragraph 15, Basis of Union

Our insight from our exploration and listening is that the structures and practices which cultivate life-giving communities of faith are:

- Communities orient their life towards discipleship and mission.
- A ministry and local governance arrangement which is healthy, sustainable and effective.
- Area councils¹⁴ having the capacity and capability to work with local communities of faith on being lifegiving.

We recognise that how this is done varies from place to place, however there are some systemic ways we could better support this. Considering this, we have sought to identify directions we could take as a whole Church that would better enable local communities of faith. The focus of these directions is primarily on local structures and practices. The question of oversight and wider Church support is picked up in *Workstream 3: Governance and Resourcing*.

Communities of faith need different governance, ministry and resourcing arrangements depending where they are on their journey. Currently we have relatively rigid structures which do not account for the degree of variation in our communities of faith. Significant adaptation and innovation has occurred in parts of our Church.

This set of directions seeks to recognise the need for that adaptation and innovation, and create a more flexible toolkit for local communities of faith and Area Councils to use in shaping the right arrangements for the context and to best enable ministry and mission.

Direction 1: Encourage local communities of discipleship and mission

This direction is the anchor and imperative for all the other directions. Reimagining local church governance structures must be attached to refocusing the work of local communities on ministry and mission, and away from being overwhelmed by administration and compliance.

If the directions outlined only lead to more efficiently run communities and not to more life-giving communities of faith, mission and discipleship, then we will not have fulfilled our purpose.

- (a) Cultivate a structured and consistent approach to local communities of faith making and growing disciples through a vibrant theological culture.

Local communities of faith and discipleship are the heart of making and growing disciples. However, the set of institutions, texts and practices that the wider Church provides and cultivates can support that work. This direction is closely connected to Workstream 4: Theological Culture. Core to this is the recognition of the diverse forms of community which the Uniting Church has within its midst.

Reliance on training people for the ordained ministry as the primary mechanism of wider Church support for discipleship formation, is not consistent with the Church we now are. Therefore, our theological culture is going to need to be more dynamic and responsive to the Church we are.

Imagine...

Imagine throughout the season of Lent and Easter each year communities of faith across the Uniting Church engaging in periods of discernment through intentional shared prayer, bible study, mission in their communities and engagement with issues of justice for our world. Where communities of faith where baptisms – of children and adults – are a point of community celebration on Easter morning. Where people new to communities learn about the life and way of Jesus. Where people who have worshiped all their life discover new things about the faith. Where integrational conversations are fostered. Where people of all ages and abilities find ways to witness and serve in their communities. Where the love of God is so visibly present in a community of faith that it overflows into the wider world.

- (b) Encourage structures and practices which enable all expressions of the Uniting Church within a local community to participate in shared ministry and mission.

In many communities across Australia there are diverse expressions of the Uniting Church through various communities of faith, agencies, schools and other expressions of our corporate life. However, in many instances this is disconnected without a shared sense of ministry and mission. If we are saying we want to cultivate life-giving communities both within the Church and the wider community, then a shared approach ministry and mission will better enable that goal.

While historically many of the service agencies arose out of local communities of faith, there are now a diverse range of governance arrangements to ensure healthy and safe ministry and mission. Fresh approaches to partnership could enable both shared mission and a more unified witness to the wider community.

Imagine...

Imagine a shared ministry and mission location in a vibrant hub at the centre of a local community. There is a worshipping community and a community service run out of the same location. The upstairs space is used for worship, training and shared community events. Downstairs is a community services hub with offices and meeting rooms used to run services during the day and for Local Council meetings, bible studies and discipleship courses in the evening. The local leaders of the Church and the community service meet together quarterly along with the Principal and Chaplain of the local school to discuss and plan shared ministry and mission priorities.

Direction 2: Align with the vision of congregations in the Basis of Union

- (a) Align our regulatory arrangements for all communities of faith with the vision of Congregations as described in the Basis of Union

The Basis of Union describes Congregations as:

“the embodiment in one place of the One Holy Catholic and Apostolic Church, worshipping, witnessing and serving as a fellowship of the Spirit in Christ.”

It describes the responsibilities in the following ways:

"Its members meet regularly to hear God's Word, to celebrate the sacraments, to build one another up in love, to share in the wider responsibilities of the Church, and to serve the world."

This is a compelling and life-giving vision. These are the communities into which people are called and grown as disciples. Significantly it does not say much about many of the normative assumptions we have about what a Congregation looks like.

It describes a wide variety of expressions of the Church which are currently not designated as 'Congregations' by Presbyteries under the regulations. The most obvious example is faith communities. The definition of faith community expressed in the regulations (Reg. 3.9.2) and as observed practically in the life of the Church would meet the Basis of Union description of a 'Congregation'.

- (b) Develop guidance for recognising communities of faith that focuses on the responsibilities of Congregations as described in the Basis of Union

There are many groups of people recognised as 'Congregations' by a Presbytery which it would be difficult to conclude that they fulfill the definition and responsibilities as described in the Basis. Many for instance are no longer able to share in the wider responsibilities of the Church due to size, capacity or capability. Some report the only activity they undertake is worship. This need not mean that the Church ceases to take pastoral responsibility for communities. However it does mean we need to find other ways to recognise, support and connect people and communities within our Church in a way that lives out the vision of a 'Congregation' as described in the Basis of Union.

For much of our life, we have talked about different forms and patterns of life for local communities of faith. There are many examples of this - new church plants, online communities, CALD communities. However, it has often happened in spite of rather than because of our institutional structures and practices. In many cases these pioneers have felt either stymied by our systems or that they simply go around the systems.

These directions seek to provide a description of how we could shift the focus of our structures and practices to help more, and hinder less, the transformation that needs to and is in fact already happening in our local communities of faith.

Imagine...

Imagine one larger regional community of faith, three smaller communities of faith and two church plants, one in a local school and another of new migrants have all joined together under a shared Local Council. Each community elects two members to participate in the shared Local Council. They have been able to call three ministers with diverse skill in placement who work in a team across the diverse communities. Along with an administrator who works to manage all the administration compliance requirements across all the communities. All the communities gather quarterly for worship and sharing. Once a year they spend a whole day together exploring their shared ministry and mission priorities. Each community has some delegated responsibility for decisions that only affect their community.

Direction 3: Support fit-for-purpose governance arrangements

- (a) Establish a regulatory and guidance framework for fit for purpose local governance arrangements for communities of faith

The Basis of Union describes the local governing council as having the following responsibilities, *“building up the Congregation in faith and love, sustaining its members in hope, and leading them into a fuller participation in Christ’s mission in the world.”*

It was always envisioned that this local governing body would be for a Congregation or group of Congregations. However, the drafting of the Regulations create the impression that the normative structure is one Congregation with one Church Council.

Alongside this, the responsibilities of Church Councils are vast. Local responsibility for property, finance and administration now include a wide range of compliance functions in relation to people, property and finance.

Despite the assumption of this normative structure, shared governance arrangements are widespread. The Area Council of the Church responsible for recognising communities of faith and approving local governance arrangements needs greater flexibility, guidance and support to establish fit for purpose governance arrangements.

Currently the leading driver of clustering arrangements appears to be to pool sufficient funds to afford ministry. However there needs to be greater scope for Area Councils to work with local communities of faith to make determinations about the appropriate local governance arrangements, in line with the capacity and capability of various communities. This should encourage and support shared ministry and mission.

- (b) Provide for an Area Council, subject to consultation, to vary the scope of responsibilities of a Local Council

The current arrangements mean that when a Presbytery recognises a Congregation, a significant amount of responsibilities flow from that recognition to the Congregation and its Church Council. There is currently a mechanism under Clause 70 of the Constitution for Congregations and Church Councils to ‘refer powers and responsibilities’ to a Presbytery (or another body).

However, when a Congregation or its Church Council is no longer able to fulfill some responsibilities, there is limited scope for a Presbytery to determine that another body is better able to fulfill those responsibilities. Current arrangements encourage action only in response to a crisis or conflict situation. Often greater flexibility and earlier intervention may avoid the need for more drastic action.

Alongside this there are some communities which have grown to be significantly larger than the typical size of a Congregation. However, the scope of responsibilities and the amount of flexibility and autonomy provided to Local Councils tends to be based on some normative assumptions. There should be an imperative to align ministry arrangements (whether an individual ministry agent or a ministry team) with a Local Council and to avoid a ministry agent being expected to work across multiple Local Councils.

This should not occur through replacing one set of prescriptive regulations with another. Regulations should change to enable this. Greater flexibility on the means of appointing a Local Council to oversee a group of communities of faith should be recognised, while retaining the principle of communities of faith appoint their own leaders. There are a variety of mechanisms available beyond the regulations to support imaginative ways of arranging local governance.

This direction is designed to allow an Area Council, subject to consultation, to vary the responsibilities of a Local Council. This could mean that if a Local Council can demonstrate capability or capacity and a need to have additional responsibilities (e.g., financial, property or personnel matters) an Area Council could provide that flexibility. Conversely if an Area Council determined a Local Council could no longer fulfill one or more of the responsibilities, it could refer those responsibilities to the Area Council or another body either temporarily or on an ongoing basis.

- (c) Provide for the appointment of people from an Area Council to a Local Council

Currently there are certain circumstances in which people from the wider church can be appointed to a Local Council (e.g., during a ministerial vacancy, when designated a Parish Mission). There may be other circumstances in which this is an appropriate mechanism to assist a local community, particularly during a time of crisis or change. Limits ought to be placed on such a mechanism, with careful thought about safeguards and time limits.

Except in exceptional circumstances, such an approach should only be for a season. The goal should be to move towards a situation where local governance arrangements can be managed without the ongoing involvement of members of a Regional Council.

Direction 4: Recognise there is a time for everything

- (a) Simplify the pathways for new and emerging communities of faith to be recognised and participate in the life of the Uniting Church

Currently, people planting new communities or seeking recognition of communities of faith by the Uniting Church describe a lot of challenges in doing so. Creating pathways that allow communities of faith to be welcomed, recognised and invited to participate in our shared life is essential for the season we are in as a Church.

Efforts have already been made to establish mechanisms for property sharing such as for CALD communities. However, these pathways could be simplified so that new and growing communities can retain their focus on ministry and mission. There is a sense often that we are anxious to ensure communities are 'Uniting Church' enough, which has tended to mean 'our' experience of the Uniting Church. This limits both our vision of the diversity of what the Uniting Church already is, and the diversity of what the Uniting Church could become through encouraging new expressions of the Church.

Such simplification would include areas such as recognition of communities and ministry leaders by Area Councils, accessing property and other resourcing and participating in the responsibilities and decisions of the wider life of the Uniting Church.

Imagine...

Imagine a new community forms in a local café, exploring faith together on a Wednesday evening. They are made up of a diverse range of people from a variety of ages, mostly under the age of 50. They are looking for a place to belong and connect to the wider Church. The approach the local Uniting Church that welcomes them and introduces them to the New Communities Minister of their Area Council. Over a period of a few months, they discuss together their community's hopes and dreams with the Area Council. The Area Council recognises them as a community of faith. As the community grows and new children arrive in their midst, the café no longer fits them. A community of faith that is closing welcomes them to use the church building which is more suitable for the growing community. Some in their community have extensive experience in child safe practices so the Area Council welcomes their expertise in overhauling the entire Area Council's policies and practices which becomes a model for other Area Councils. Some other people in the community are capable musicians who write modern, authentic worship songs which become favourites across the Uniting Church through their new website – Sing A New Song.

- (b) Ensure Area Councils are equipped to pastorally and effectively fulfil their responsibilities regarding the dissolution and amalgamation of local communities of faith

No part of the Church has an inherent right to exist in perpetuity. There are times when it is no longer healthy for a community of faith to continue. Some communities will reach this conclusion on their own or with the support of their Area Councils. Others will not wish their community to come to end or to amalgamate with another community. Others will resist any such change.

Ultimately the responsibility for these decisions does rest with the Area Council.

It should be carried out with care and pastoral sensitivity, however it should not be avoided simply because it may be difficult or give rise to conflict. Failure to make these decisions in a timely way rarely leads to them not needing to be made at all. However, Area Councils need to be equipped with sufficient resources to fulfill this responsibility effectively.

Section 6: Options for Workstream 3: Governance and Resourcing

...will order its life in response to God's call to enter more fully into mission.

Paragraph 13, Basis of Union

In considering Workstream 3: Governance and Resourcing, the Act2 Project has listened to the various context, imperatives and ideas from across the life of the Church. In the Collective Discernment Phase this workstream outlines various options arising from that work, and the consideration of other models and approaches from other Churches.

Our goal is healthy, sustainable and effective councils able to fulfill the responsibilities entrusted to them.

This includes the fundamental imperative articulated by the 16th Assembly decision to:

“identify ways to strengthen and develop the local expressions of worship, witness, service, and the making and forming of disciples, in the various forms of communities of faith.”¹⁵

Various options were considered. Those that have been chosen for further consideration by the Church met the following criteria:

- Consistent with the feedback from across the Church from diverse contexts.
- Consistent with the scope and mandate of the 16th Assembly.
- Consistent with our foundational principles about governance in the Uniting Church.
- Represented a credible option for addressing the challenges identified.

Each option proposes changes to the conciliar arrangement of our Church's life within the continuing inter-conciliar model described in the Basis of Union. It does not assume changes to the agencies and institutions within those councils. Changes to the conciliar structure may bring opportunities for changes to those institutions and agencies but it is not assumed.

We also affirm that Congress is free to develop their own structures which may not mirror those of the Uniting Church. As an expression of the Covenant we will need to work together with Congress on how it will relate to each council of the Church.

It is also clear that councils have been an important means of creating shared identity, culture and mutual support and encouragement. The important role the wider Church plays in those aspects of our shared life can continue. However, it may be that these are achieved, for example, through networks of common interest or shared context which are not linked to a specific council.

Each of the models assumes some key changes are required within the councils of the Church:

1. Council responsibilities

- (a) respective responsibilities of the councils need to be sharpened and clarified. Although the description of our inter-conciliar structure found in the Basis assumes each council has a set of responsibilities allocated to its oversight, the regulations assume significant collaboration in some core areas (e.g., property, placements).

While we need to encourage a more connected Church where we communicate, listen, consult and share this should not lead to confusion and ambiguity about where responsibilities lie.

- (b) Councils are encouraged to take greater accountability for the exercise of the responsibilities allocated to them. Many councils and officers within councils are currently reluctant to exercise responsibilities or unsure about the scope of their responsibilities. This includes cases of conflict, ministry transition, property or when a community or council was struggling to fulfill its responsibilities. Hard conversations are avoided due to concern about conflict or confusion. This has tended to delay the inevitable.
- (c) Councils need the resources, capacity and capability to fulfill their responsibilities. There are considerable differences in the resources and capacity of councils with the same set of responsibilities. Paradoxically this is leading to more work for those councils as the struggle to fulfill their responsibilities and find themselves only responding to the most urgent issues. There is currently not sufficient resources for many Presbyteries and some Synods to fulfill their responsibilities. Any change in the governance model must address this mismatch.
- (d) Councils should be given the freedom to establish structures (e.g., committees) and processes within their council which enable them to fulfill their responsibilities. Many councils have exercised a degree of discretion in how they organise the life of their councils. This should be encouraged and the prescription currently laid down in the regulations should be removed (e.g., Pastoral Relations Committee, Presbytery Property Committee, Assembly Finance, Audit and Risk Committee).
- (e) Councils should utilise the delegation of responsibilities to groups or individuals to exercise those responsibilities on behalf of the council with appropriate safeguards and accountabilities. Conciliar decision making does not remove the need for personal decision-making authority, rather the authority is exercised within the parameters laid down by the council. There is reluctance from individuals to exercise authority leading to both frustration by individual office bearers and personnel and councils feeling like they are spending too much time endorsing decisions made by individuals. Every council needs to ensure they are providing clear scope for officer bearers and personnel to exercise their responsibilities.

2. Council arrangements

- (a) Councils need not be organised on a geographical basis. ‘The Church: Its Nature, Function and Ordering’, when describing the shape of the councils, says clearly: “the present geographical basis must not be considered sacrosanct.”¹⁶ Non-geographical council arrangements may be a life-giving way of ordering the life of the Church that can maintain the inter-connectedness of the councils.
- (b) Personnel (Ministers and staff) for councils need not be centralised and when covering vast and diverse contexts should be strategically dispersed to support those contexts. One common concern about any change to the existing council arrangements is the loss of local personnel through geographic consolidation. This should be discouraged. Fewer councils need not mean centralization of personnel resources.

3. Resourcing

Resource sharing (both personnel and finances) across councils should be considered necessary and desirable.

Shared services across the Church should be encouraged to achieve efficiencies. Personnel should be able to easily work across multiple councils using flexible approaches to placement and appointment. There is a greater need for sharing financial resources to enable ministry and mission where there is need, responsibility and opportunity. In this we will need to consider as careful stewards how we deal with the proceeds of property sales as one significant source of resources for our Church. It is essential to fulfilling our current and historical obligations, maintaining a truly national Church, addressing the economic inequities within Australia and fulfilling our calling to a common life together.

4. Subject to review and change

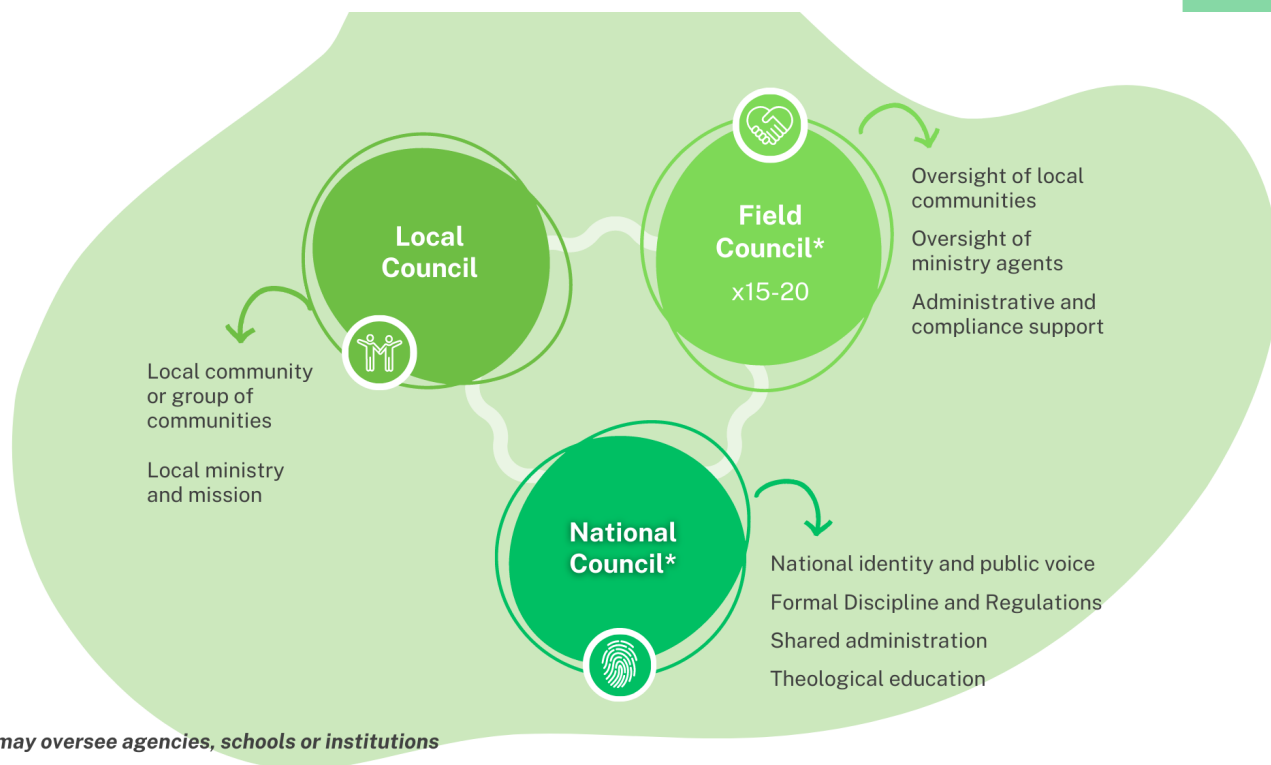
Structures should be thought of as for a time only, and open to regular review and change to respond to changing circumstances. The Basis of Union is very clear that the 'law' of the Church is not fixed and unchangeable but open to constant review. This is both our written law, and the way law is expressed through our structures and practices. Any model we adopt needs to be the best model we can currently identify for responding to God's call and entering into mission in this particular time and place. But whatever the Church determines, it needs to be flexible to better enable healthy ministry and mission.

Implementation considerations

All four options include significant implementation considerations for existing councils' responsibilities, resourcing and ways of working. We know this can cause concern for those already working within existing councils, fulfilling important roles on behalf of the Church. Disruption and change are also likely even within our current governance and resourcing arrangements. We have not sought to map every responsibility or function of every council within the options, rather we provide overall descriptions of role and responsibilities.

We have undertaken some initial analysis and exploration of the implications of the various options, including consultation with some other churches and institutions that have pursued similar changes. It is likely that implementation will involve tradeoffs between the effort required (including the investment of financial resources) and the impact that can be achieved. Further detailed work will be required in *Phase 3: Recommendations for Action*.

These options are offered to encourage the whole Church to imagine how our life could be different. Each in their own way seeks to address the various challenges and opportunities identified throughout the Act2 Project. No option is perfect, each one involves choices and trade-offs. We are seeking to discern the way forward to which God is calling us.



Option 1

This model envisages three councils¹⁷. A Local Council with oversight of one or a group of local communities of faith. This is the assumed Local Council model for all four options. The Field Council is a council focused on both ministry and mission and supporting Local Councils to fulfill their obligations. The National Council would have responsibilities for both matters of identity and administration.

Local Council

This council will be responsible for the day-to-day governance and oversight of a community of faith or a group of communities of faith. It would be responsible for:

“building up the Congregation in faith and love, sustaining its members in hope, and leading them into a fuller participation in Christ’s mission in the world.”

Basis of Union, paragraph 15b

It would be responsible for the day-to-day life of communities of faith including worship, the sacraments, pastoral care, local mission and administration. It would also be responsible for areas of property, finance and compliance depending on the capacity and capability of the Local Council.

It is anticipated most Local Councils would align with a ministry position or team of ministry positions. It is also anticipated that each Local Council would have resourcing for at least one administration position. Creating a Local Council for multiple communities of faith would be encouraged.

Field Council

This council would be responsible for:

- Oversight of local communities of faith.
- Oversight of those called to the specified ministries.
- Support Local Councils to fulfill administration, such as property, finance and compliance which is directly related to their local ministry and mission.
- This council would also be responsible for matters which were beyond the capacity and capability of Local Councils¹⁸.

- Oversight of some schools, colleges, agencies and other institutions depending on the scale and scope of their operations. (*see also: National Council*)

It is anticipated there would be about 15-20 Field Councils.

National Council

This council would be responsible for:

- Matters of core identity.
- Public voice and advocacy.
- Amending regulations subject to the Constitution.
- Oversight of national agencies.
- Shared administration where context is less relevant and efficiencies could be achieved.
- Standards and oversight of theological education including the governance of theological colleges.
- Formal discipline procedures.
- Oversight of some schools, colleges, agencies and other institutions and other institutions based on the scale and scope of their operations. (*see also: Field Council*)

Rationale

This is the most ambitious option proposed. It seeks to address most fundamentally the overlapping layers within our current governance structure. This option replaces both the Synod and the Presbytery with a new Field Council with an integrated set of responsibilities. It also seeks to consolidate to the National Council many of those administrative and compliance functions which are currently fulfilled by most Synods. It seeks to honour the Basis of Union's description that we are governed locally, regionally and nationally.

Opportunities

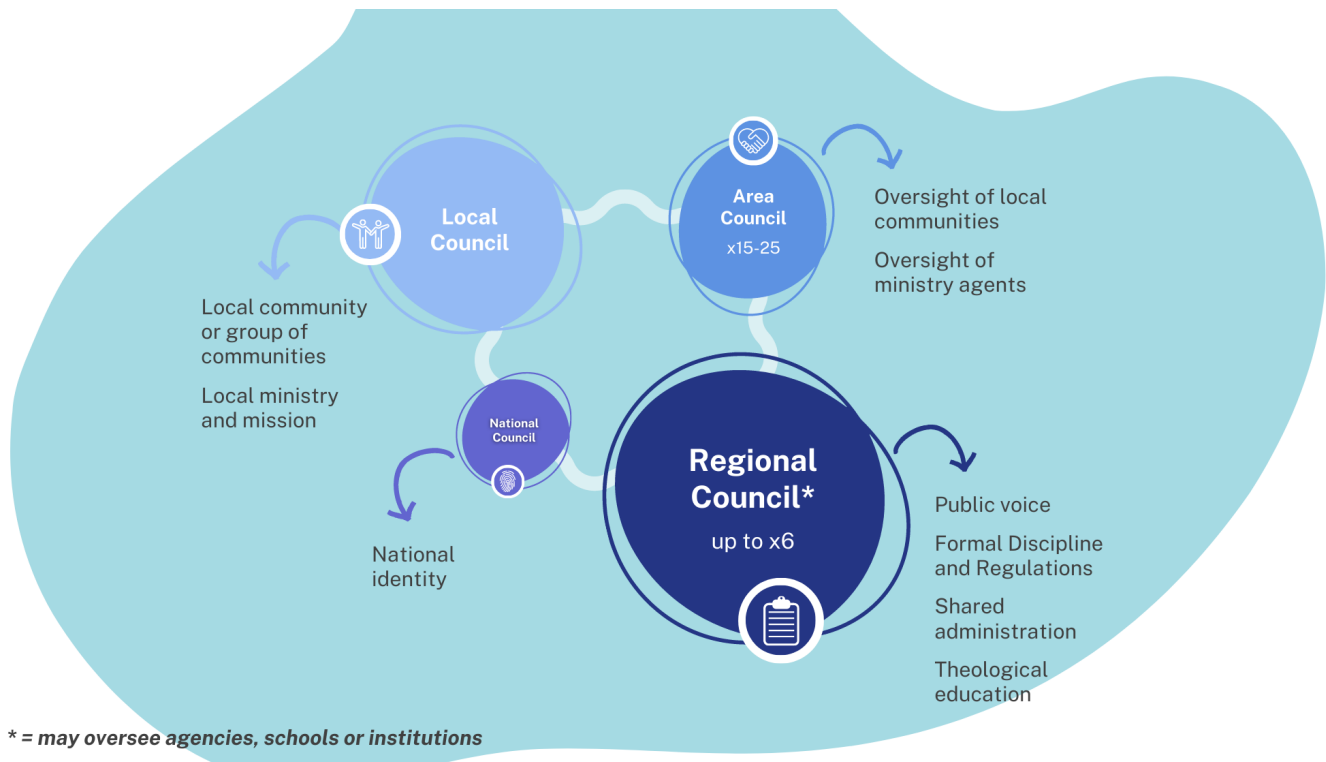
This option seeks to provide a significantly simpler and lighter model. It anticipates resourcing through Field Councils which would be both closer to the ground than most Synods and greater than most Presbyteries. It also presents the potential for significant efficiencies through the creation of a national administrative function, reducing duplication. It would also strengthen our national identity and the relationships we hold nationally with Congress and our international partners. It would represent a decisive break from the existing governance structure and invite a complete reimagining of the shape of all our councils in response to our significantly changed context.

Risks

This presents the most significant change management task. It would involve significant work to establish the new legal and operational arrangements of this model. While an approximation of this model may be able to be achieved under the existing Constitution, full implementation would likely involve constitutional change and significant legal work to manage the Property Trusts or move to a new legal structure. Alongside this the change management required to integrate people, processes and systems would also be significant. While there are potentially significant benefits in the final state, the transition costs would likely be substantial.

Implementation Considerations

- This option is likely to take the longest in terms of implementation with a period of transition over at least six years.
- The size and shape of Field Councils needs to ensure they are close enough to have effective oversight while also having the resources to fulfill their responsibilities.
- It would require a collective commitment across the councils of the Church to work through complexity and find workable solutions.
- Achieving efficiencies in administration is a goal of this option however it requires effort to align systems and processes well.
- This option would involve the greatest impact on personnel. To manage the transition functions and responsibilities would be consolidated over time.
- This option would have the greatest implications for the oversight of agencies and schools which currently relate to the existing Synod structures.



Option 2

This model envisages a very small National Council with strong Regional Councils focused on administration, with Area Councils focused on the oversight of local ministry and mission.

Local Council - as described in Option 1 (see page 49).

Area Council

This council would be responsible for:

- Oversight of local communities of faith.
- Oversight of those called to the specified ministries.

It would not be responsible for any matters of administration such as property, finance and compliance. This would be handled by the Regional Council directly with Local Councils. It is anticipated there would be about 15-25 Area Councils.

Regional Council

This council would be responsible for the administration of the Church, including:

- All matters of property, finance and compliance.
- Amending regulations subject to the Constitution.
- Public voice and advocacy.
- Standards and oversight of theological education including the governance of theological colleges.
- Formal discipline procedures.
- This council would also be responsible for matters which were beyond the capacity and capability of Local Councils¹⁹.
- Oversight of schools, colleges, agencies and other institutions.

Regional Councils would be responsible for their own financial sustainability and for collaboration with other Regions in areas such as theological education and formal discipline procedures.

It is anticipated there would be up to six Regional Councils, however there could be a reduction in those councils through bilateral arrangements between Regional Councils, endorsed by the National Council.

National Council

This council would be very small with a small staff secretariat. The National Council would only respond to requests from other councils to address matters of core identity or constitutional in nature. It would delegate its responsibilities under the regulations to Regional Councils. All existing national agencies would shift their oversight to one of the Regional Councils or become self-funding national collaborations.

Rationale

This option seeks to leverage the most significant existing source of institutional strength in the Church, particularly the Synods. Aligning regulatory and administrative responsibility within Regional Councils and relieving the Area Council of administrative functions reduces overlap and creates efficiencies. The most significant role the National Council plays is in its three-yearly meetings in session and therefore little resourcing is required nationally outside of those meetings.

Opportunities

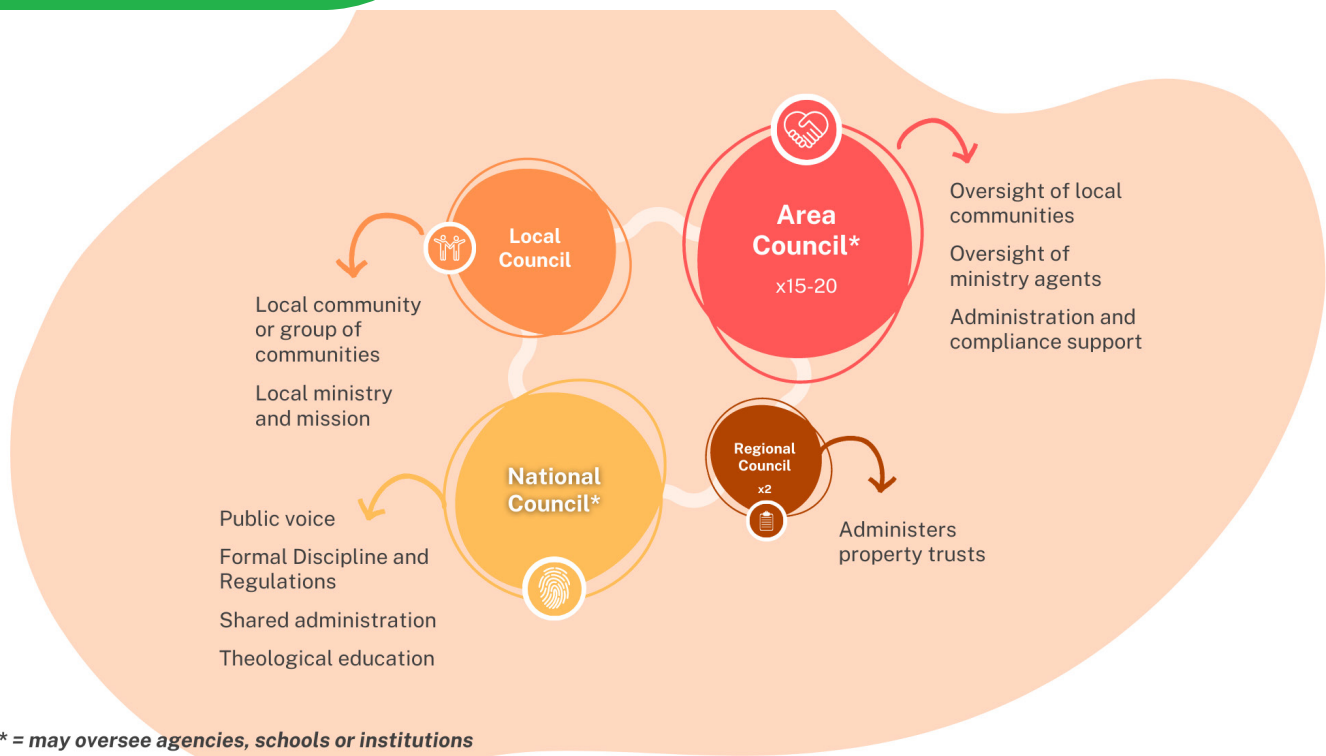
Area Councils are relieved of many of their administrative functions allowing them to focus on supporting local communities of faith and ministry agents. Regional Councils developing contextually relevant regulations provides flexibility and innovation without seeking national consensus. Voice on national issues could occur on behalf of any part of the Church in response to local issues, led by the Regional Council. The savings from a smaller National Council could be invested in local ministry and mission or in strengthening the administrative support to local communities of faith.

Risks

The national voice of the Church may be diminished. The National Council is already relatively small and so the savings may be relatively limited allowing for limited re-investment. Duplication across the councils of the Church continues. State-based culture becomes more entrenched making collaboration more difficult, and our Church more fragmented. Regional Councils which cannot find a sustainable funding model may struggle to find alternative arrangements. Divergence in regulation creates confusion and limits coherence across the Church. Relationships held by the National Council such as with Congress and international partners become harder to maintain.

Implementation Considerations

- This would likely take the shortest time to implement and could be achieved within three years.
- Determining how many Regional Councils could be sustained under this model is a foundational consideration.
- While not needing constitutional change, it would need significant negotiation between councils.
- The process of delegating regulatory and other responsibilities from the National to Regional Councils would need to occur through a phased transition.
- Negotiation would be required about which administrative responsibilities currently undertaken by Area Councils would be assumed by Regional Councils.
- Transfer of oversight of national agencies would involve finding willing Regional Councils which also maintained the national scope of the agencies.
- Depending on the appetite for national collaboration, there would be negotiation about establishing and resourcing national collaboration mechanisms.



Option 3

This model envisages four councils, a strong Area Council with a combination of ministry and mission responsibilities and some administrative and compliance responsibilities. It envisages two relatively small Regional Councils covering significant geographical areas. The focus of these of the Regional Council would be on the core functions associated with administering State and Territory Property Trusts. The National Council with responsibilities for both matters of identity and administration.

Local Council - as described in Option 1 (see page 49).

Area Council

This council would be responsible for:

- Oversight of local communities of faith.
- Oversight of those called to the specified ministries.
- Support Local Councils to fulfill administration, such as property, finance and compliance (directly related to their local ministry and mission).
- This council would also be responsible for matters which were beyond the capacity and capability of Local Councils²⁰.
- Oversight of some schools, colleges, agencies and other institutions depending on the scale and scope of their operations (see also: National Council)
- It is anticipated there would be about 15-20 Area Councils.

Regional Council

This council would be responsible primarily for:

- Administering the Property Trusts.
- Distribution of resources across the Area and National Councils so they can fulfill responsibilities.

It is anticipated there would be two Regional councils with boundaries determined in a way that ensured there was equality in the distribution of resources between the two.

National Council

This council would be responsible for:

- Matters of core identity
- Public voice and advocacy
- Amending regulations subject to the Constitution.
- Oversight of national agencies.
- Shared administration where context is less relevant and efficiencies could be achieved.
- Standards and oversight of theological education including the governance of colleges.
- Formal discipline procedures.
- Oversight of some schools, colleges, agencies and other institutions and other institutions based on the scale and scope of their operations. (*see also: Area Council*)

Rationale

While retaining the four councils, this option seeks to achieve the benefits of a strong Area Council with direct oversight of local communities of faith and the benefits of consolidating national functions. This seeks to achieve many the benefits envisaged by Option 1, without the disruption of shifting to a three-council model. The two Regional Councils could each include a significant economic hub on the Australian eastern seaboard to allow for redistribution across the Region. Through limiting the scope of the responsibilities of a Regional Council, the vastness of the geography and context covered by the Regional Council can be managed.

Opportunities

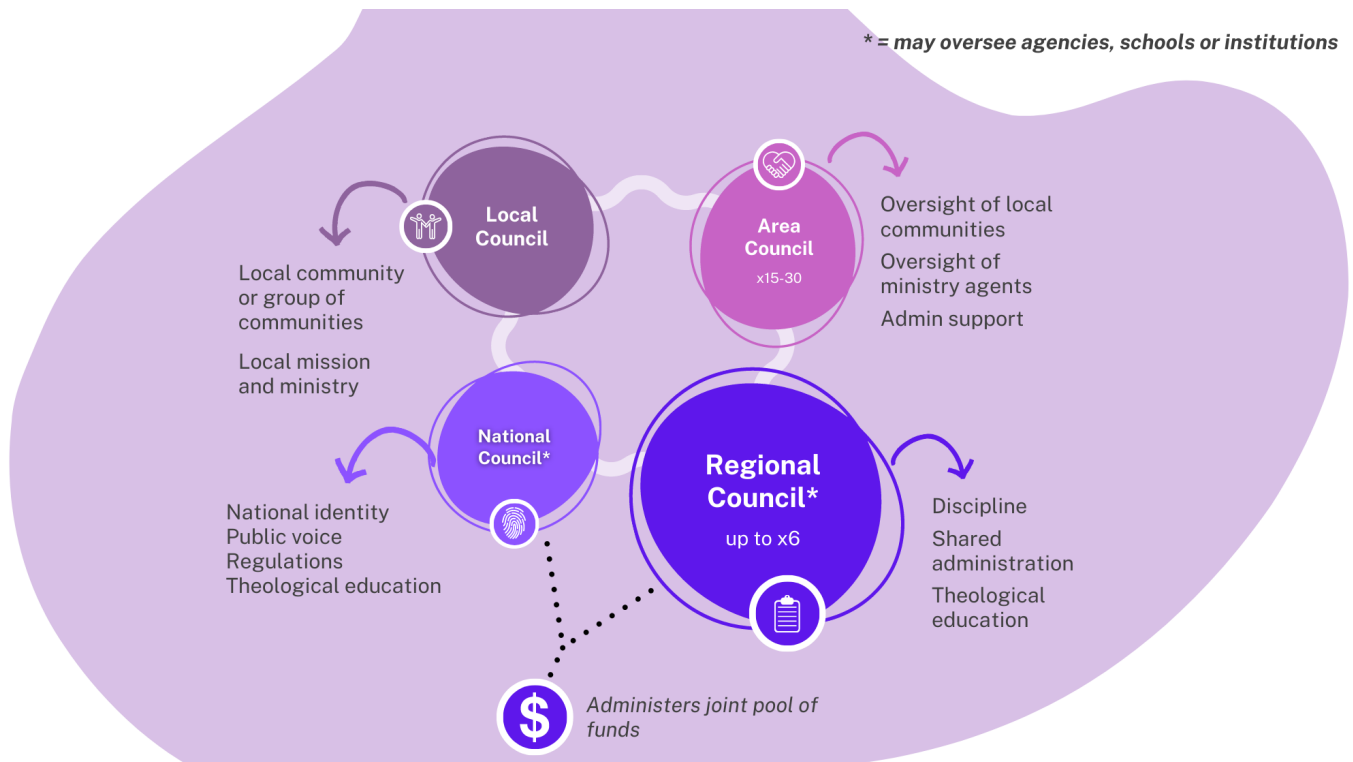
It anticipates resourcing through Area Councils both closer to the ground than most Synods and greater than most Presbyteries. This presents the potential for significant efficiencies through the creation of a national administrative function, reducing duplication. It would also strengthen our national identity and the relationships we hold nationally with Congress and international partners. It could likely be implemented within the existing Constitution.

Risks

Without careful management there is a risk of Regional Councils exercising cultural influence across vast and diverse parts of the country remote from the local context. There is also the possibility of entrenching the cultural distinction between the two regions. It may also not resolve the overlap of responsibilities between existing councils, particularly in areas of property.

Implementation Considerations

- This option is likely to take between three to six years to fully implement.
- This option would involve significant negotiation between the councils.
- The size and shape of Area Councils needs to ensure they are close enough to have effective oversight while also having the resources to fulfill their responsibilities.
- Establishing the right shape of Regional Councils would be important for economic equality.
- Negotiation would be required about which responsibilities remain with Regional Councils to fulfill obligations to the Property Trusts and which could move to Area/National Councils.
- Achieving efficiencies in administration is a goal of this option however this requires effort to align systems and process to not replicate current duplication.
- This option would have implications for the oversight of agencies and schools which currently relate to the existing Synod structures.



Option 4

This model envisages four councils in fundamentally the same form as they are now. Its key feature is the creation of an effective national resource redistribution mechanism. All Regional Councils would contribute to a national pool of funds. Potentially other councils and institutions of the Church may also be asked to contribute. This would be administered by a joint National-Regional Forum. This Forum would be responsible for agreeing the contribution of resources from various parts the Church and the distribution resources to Councils to the fulfill their responsibilities.

Local Council - This council would be as described in Option 1 (*see page 49*).

Area Council

- Oversight of local communities of faith.
- Oversight of those called to the specified ministries.
- Support Local Councils (shared with the Regional Council) to fulfill administration, such as property, finance and compliance directly relate to their local ministry and mission.
- This council would also be responsible for matters which were beyond the capacity and capability of Local Councils²¹.
- It is anticipated there would be about 15-30 Area Councils.

Regional Council

This council would be responsible for the administration of the Church including:

- Matters of property, finance and compliance (shared with Area Councils).
- Governance of theological colleges.
- Formal discipline procedures.
- Oversight of schools, colleges, agencies and other institutions.

Regional Councils would collaborate with other Regions in areas such as theological education, formal discipline procedures. It is anticipated there would be six Regional councils.

National Council

This council would be responsible for:

- Matters of core identity.
 - Public voice and advocacy.
 - Amending regulations subject to the Constitution.
 - Oversight of national agencies.
 - Standards for theological education.
-

Rationale

This option seeks to sustain the current structural arrangements based on the vast and diverse geographical context of the Australian continent. It seeks to address the inequitable distribution of resources without the disruption of significant structural change. The pooling of resources is to enable redistribution to support those parts of the Church ministry and mission needs more resources than can be generated locally. The new joint National-Regional decision-making forum is designed to be a new institution within the Church to cultivate a more whole of Church approach to resourcing. There would still be scope for some consolidation of functions via shared services arrangements, through greater collaboration across the existing conciliar structure.

Opportunities

This model would minimise disruption to the existing structures of the Church by focusing on the redistribution of resources to sustain the various councils. It would harness the existing working relationships and retain the councils and leaders which have developed a deep understanding of their contexts. It will minimise the disruption of significant structural change on an already stretched Church.

Risks

This model is unlikely to achieve a significant resource (financial and personnel) dividend for ministry and mission. There may not be sufficient funds to provide adequate funds for all councils. It also does not address the current overlap of responsibilities between the councils. While all models assume some clarification of responsibilities, the lack of structural changes limits the levers to enable those conversations. This model also would continue to entrench existing cultural divisions across our diverse geography.

Implementation Considerations

- This option could be implemented within the three years.
- The most significant issue with this option is the creation of the joint National-Regional Forum and pool of funds for resource redistribution.
- It would include deciding who from across the Church is expected to contribute to the mechanism and how contributions are to be determined.
- It would also include the basis for determining distributions from the national pool of funds.
- It is designed to be a cooperative mechanism however, there may need to be consideration if disputes arise.
- While this assumes six Regional Councils it is possible the pool of financial resources may not be able to support this number. This may also impact on the number of Area Councils with this model.

Endnotes

- 1 There is debate about whether the Congregation is a council. This report takes no view on that question.
- 2 Considering Afresh Our Life Together (October 2021) and Act2: On The Way (May 2022)
- 3 For more on the Workstreams and Core Commitments [see here](#).
- 4 For more reflections on the Basis of Union as it relates to the Act2 Project see Rev Dr Geoff Thompson's, Our Life Together: Reflections on the Basis of Union, November 2021.
- 5 Many of these are reflected in the Act2: On The Way Report to the 16th Assembly.
- 6 For example, Clause 70, Constitution (Transfer and Delegation of authorities and responsibilities); Reg. 3.6.2(d) (Moderator appointing Presbytery Chairperson); Reg. 3.10.1. (Exemption and Alternative Regulations)
- 7 [See here](#).
- 8 We Are A Multicultural Church, 4th Assembly, 1985.
- 9 Covenanting Statement, 7th Assembly, 1994.
- 10 Revised Preamble to the Constitution, 12th Assembly, July 2009.
- 11 For more on both Covenanting and Multicultural Church see Michelle Cook, "The Ecclesiology of a Covenanting and Multicultural Church" in Uniting Church Studies Vol. 24 No. 2, December 2022.
- 12 Manual for Meetings, approved by the Assembly Standing Committee, November 2014.
- 13 For a vivid image of the lightening burden of travellers see Rev Prof Andrew Dutney's blog 'A fellowship of reconciliation,' 'A pilgrim people.' 16 April 2013. He recounts the story of German backpackers tearing out pages from their guide book once they had left a place to which they did not plan to return.
- 14 At the moment the Area Council role is fulfilled by the Presbytery. Note that in the Options under Workstream 3: Governance and Resourcing outlined below in Option 1 the council responsible for direct oversight of local communities of faith is called the 'Field Council'. In all other options it is called the 'Area Council'. For simplicity we have used 'Area Council' for all of the Directions in Workstream 1.
- 15 [See here](#).
- 16 p. 149, Robert Bos and Geoff Thompson (eds), "The Church: Its Nature, Function and Ordering". In Theology for Pilgrims: Selected Theological Documents of the Uniting Church in Australia, Uniting Church Press, Sydney, 2008.
- 17 There is debate about whether the Congregation is a council.. For the purposes of these options the Congregation is not counted as a council.
- 18 See Direction 3(b) for a description of how this may happen in an individual Local Council.
- 19 See Direction 3(b) for a description of how this may happen in an individual Local Council.
- 20 See Direction 3(b) for a description of how this may happen in an individual Local Council.
- 21 See Direction 3(b) for a description of how this may happen in an individual Local Council.