

Possible move to Mid-Essex Area Meeting - First Interim Report

Brief background

Leigh on Sea Friends in their local meetings for business have raised the possibility of moving from North East Thames Area Quaker Meeting (NETAQM) to Mid-Essex Area meeting (MEAM). The matter was taken to NETAQM on 14.09.2019 which appointed a group to prepare a report for L-o-S LM, NETAQM and MEAM on the issues which need consideration.

Research Group members

- Christine Downes-Grainger, NETAQM and an LQPT trustee
- Jim Grigg, Clerk, Leigh on Sea LM and NETAQM Trustee
- Tim Landsman, NETAQM
- Margaret Smith, Clerk, Maldon LM
- Colin South, MEAM Trustee and Administrator NETQT
- Debbie Taylor, Leigh on Sea LM (convenor).

Terms of Reference

These were proposed by the group and agreed by NETAQM Minute 20.56, dated 20th May 2020.

Name of Committee

Leigh-on-Sea Transferring AM Research Group

This committee was established by minute 19.91 of North East Thames Area Quaker Meeting (NETAQM) on 14th September 2019 to report on the practicalities of transferring Leigh-on-Sea Meeting and Meeting House from NETAQM into Mid Essex Area Meeting (MEAM).

Committee Membership

The committee is to be composed of:

- Two appointees representing Leigh-on-Sea Local Meeting
- An appointee representing NETAQM and London Quaker Property Trust
- An appointee representing NETAQM
- Two appointees representing MEAM

All appointees should be members of the Religious Society of Friends (Quakers) and appointed by NETAQM or MEAM as appropriate.

Objectives of the Committee

To report to all parties that would be affected by the possible transfer on:

- The anticipated impacts, benefits, costs, and risks of the transfer on/to Leigh-on-Sea Local Meeting, NETAQM, MEAM and LQPT.
- The projected financial sustainability of Leigh-on-Sea Local Meeting including the currently committed spend on maintaining the Meeting house and any known outstanding works that would need funding in the foreseeable future.
- How the beneficial ownership of the Meeting House could be transferred into MEAM.
- Any legal or statutory constraints on the transfer.
- The changes required to Leigh on Sea Local Meeting practices as a result of differences in Area Meeting policies and practices.
- The range of views and concerns expressed by members and attenders of Leigh-on-Sea Meeting on the transfer.

The Committee will conduct its business in the manner of Friends.

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Timetable

The Committee has not been set any specific timetable to complete its work but anticipates reporting back with its initial findings by July 2020. If further work is required it is hoped that this could be completed by September 2020.

The group has met on three occasions, via Zoom videoconferencing: on 29th March, 26th April, and 14th June 2020.

The Process

The group was set up by NETAQM to research a possible move. It has been guided by Section 4.12 of Quaker, Faith & Practice and by notes written by Michael Booth¹ at the request of one of the group's members. Michael Booth is the Church Government Adviser in the Recording Clerk's Office at Friends House.

The group has prepared this interim report in the style of a question and answer document addressing the points on the checklist in Michael Booth's notes. The report summarises the information given in the answers, but more detail is available in a separate Supplementary Document.

The question under consideration is whether the Local Meeting should transfer to a different Area Meeting.

The Research Group has found that there are no legal or financial problems with Leigh on Sea transferring if it wished to, subject to LQPT's detailed response.

Whilst it is understood that Local and Area Quaker meetings exist separately from the individuals who attend them, nevertheless the current members and attenders constitute the life of the Meeting. The focus of this report is about the present and future life of Leigh on Sea Meeting and how the change will impact the Meeting and both Area Meetings and London Quakers Property Trust. Both Area Meetings have accepted that Leigh on Sea must discern their decision at a Meeting held for that purpose. Quakers are a guided people.

It is hoped that this report will enable Leigh on Sea Meeting to have enough information to come to unity in their discernment on the way forward.

This report and associated papers will be made available to each of the two AM websites².

¹ See Section 1 of the Supplementary Document

² MEAM's AM website is MidEssexQuakers.org.uk. (All Area Meeting Documents are confidential to Members of RSoF. Friends wishing to see them can contact Mid Essex Quakers at contact@midsexquakers.org.uk.)

NETAQM Documents are publicly available at northeastthamesquakers.org.

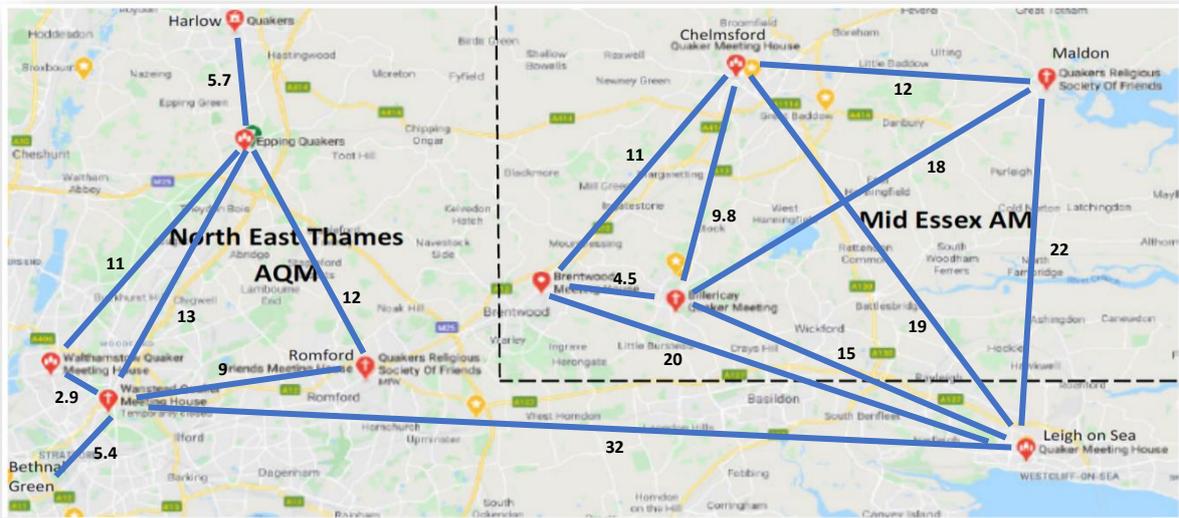
This report has no sensitive material.

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Leigh on Sea in relation to North East Thames and Mid Essex Areas

The Research Group have investigated public transport times and road distances.

The map below shows Leigh on Sea in relation to the other 6 NETAQM LMs and the 4 MEAM LMs, together with some of the road distances in miles between Meetings.



It is clear from this map that Leigh's road distance from NETAQM Meetings compared with MEAM Meetings is significantly more than the distance between LMs in either AQM. Public transport travel times are typically around an hour and a half to NET LMs (with the exception of Harlow at nearly 2 and half hours) whilst being under an hour to MEAM LMs, except Maldon, which would take around 2 hours by bus. Road distances are more relevant, as members attending AMs or committee meetings will offer lifts. More details are provided in the Supplementary Document.

Mid Essex Meeting Houses



Maldon Meeting House



Chelmsford Meeting House



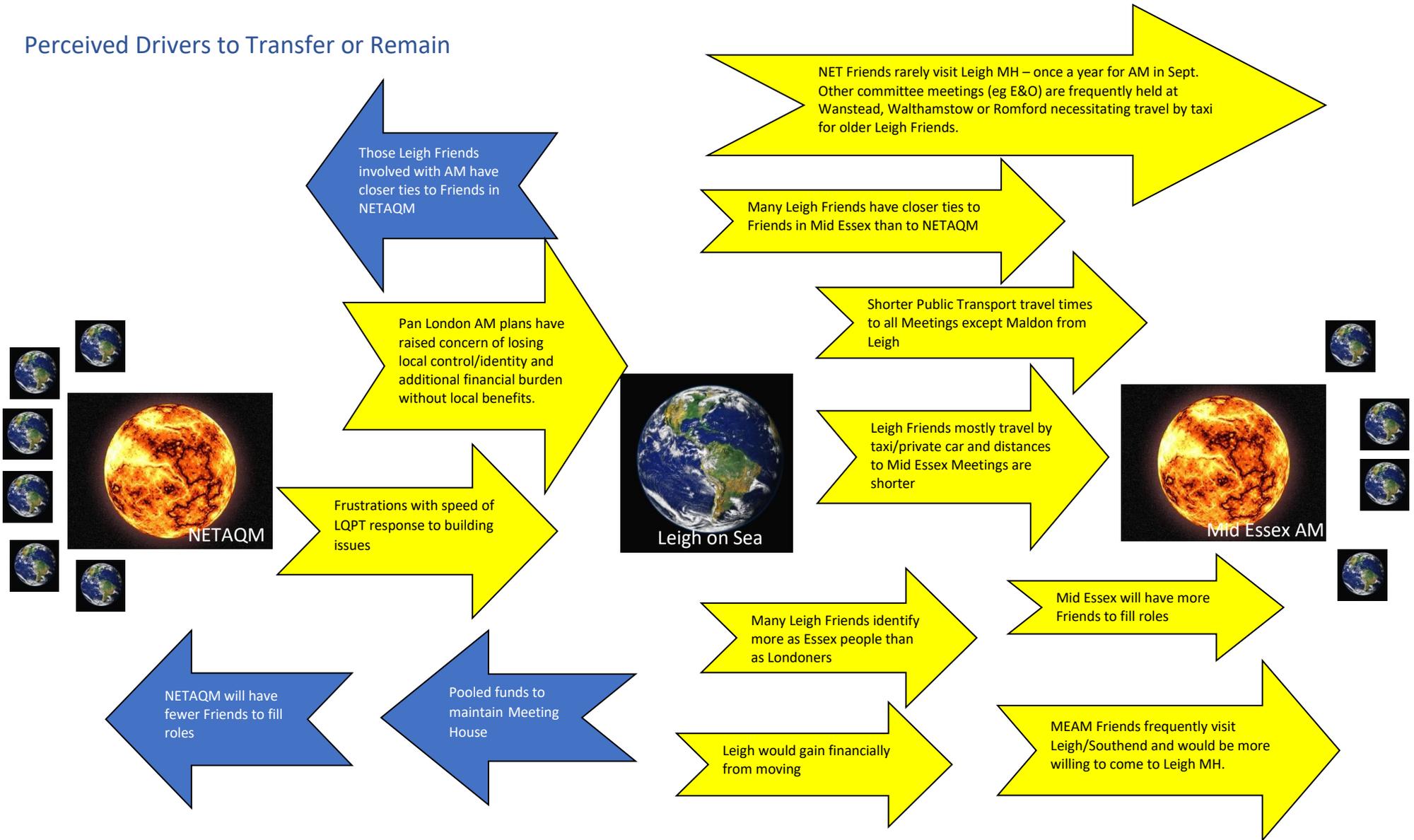
Billericay Meeting House



Brentwood Meeting House

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Perceived Drivers to Transfer or Remain



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Questions and Answers

The following questions and summary answers have been gathered from various meetings and research by the group. More detailed answers are given in the Supplementary Document.

1) What would be the benefits of moving AMs?

L-o-S members were asked to respond to a questionnaire in addition to holding an initial Meeting for Clearness on the 30th May. The main benefits identified from their responses and at the Meeting were:

- Being a key part of a relatively local, Essex-centred AM rather than at the periphery of a London focussed AM.
- Being geographically closer to the MEAM meetings than those of NETAQM (though not necessarily any easier to get to by public transport)
- Opening to new Friends through living adventurously and potentially enriching the spiritual life of the meeting.
- Avoiding the future financial overheads of supporting the pan-London project that is felt unlikely to give much benefit to L-o-S

Not recorded or reported at the meeting, it has subsequently been established that

- Leigh would benefit from greater financial control by moving

The notes and responses from the first Meeting for Clearness held on 30th May are included in the Supplementary Document.

2) As membership lies with an Area meeting, would all members at Leigh on Sea have to move their membership if the meeting decided to transfer?

For clarity, the issue under consideration is whether the Local Meeting should transfer to a different Area Meeting.

Quaker Membership is of an Area Meeting, so if the Meeting determines that it will move and all parties agree, then everyone's membership would transfer.

Regardless of what is determined, no-one is prevented from attending whichever Meetings they choose, and members may transfer from one Area to another using the normal process.

3) What would happen to L-o-S Local Meeting funds?

As a local meeting, L-o-S would continue to pass surplus money to NETAQM to fulfil its obligations up to any date agreed for transfer. At present, L-o-S LM sends on average £5,500 per year in local donations to NETAQM plus £1,835 in individual donations and LQPT over the 2015-2020³ quinquennial cycle paid £1,074 additional net costs over this period to NET for maintenance of the Meeting House.

If Leigh on Sea transferred to Mid Essex it would retain all its income annually, amounting to £17,361 annually, but would become responsible for maintaining the Meeting House. The average annual cost of maintenance over the past 5 years, including quinquennial costs is £11,827. Taking account of small adjustments Leigh generates a surplus of £5,121 currently, which NET pay to LQPT. If Leigh transferred to MEAM, this surplus, which remains the same would initially be used to build up a required reserve under MEAM's policy amounting to one third of annual maintenance costs plus 2% of the insured value of the building. This is estimated at £10,316.

³ Due to the Coronavirus pandemic, the estimates of rental income from 2020 are considerably reduced.

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Individual members may continue to make donations to the LM, AM and BYM under the annual appeal (also known as the schedule). At present, L-o-S also has funds (currently £4,862) donated specifically for L-o-S MH, which technically belong to NETAQM, but the Meeting would ask NETAQM to allow these funds to remain with L-o-S on transfer.

4) What would happen to Area Meeting funds?

There would be no transfer of funds between NETAQM and MEAM. However, L-o-S would hope to retain its historical donations that were made specifically for the benefit of Leigh on Sea Meeting House amounting to £4,862.

If the transfer of Leigh-on-Sea meeting took place, it would need to be self-sufficient in managing the maintenance and letting of Meeting House. Leigh on Sea has been shown to be financially able to meet this obligation and would on present finances would generate a surplus.

It is noted that Mid Essex currently employ a Building Manager and a Lettings Manager at Brentwood. In any move to MEAM in the next twelve months, Leigh would contribute to the discussion in MEAM about the employment of a Property Manager for all our Meeting Houses and other property possibly using the same model as the Brentwood Building Manager. It is probable that each Local Meeting would contribute an agreed portion of the cost of a Property Manager, the cost of whom would also be shared from the AM General Fund for its direct property responsibilities.

Currently NETAQM enjoys a net surplus of £889 from Leigh. If Leigh were to transfer NETAQM would have a reduced income from Leigh members, which would be offset by a reduced liability for the LQPT Quota after the transfer of Leigh Meeting, as the quota is based on membership numbers. The quota per member would rise slightly due to the loss of Leigh members, but the net reduction of the quota for NETAQM has been calculated as a reduction of £5,209 annually. The overall effect for NETAQM has been calculated as a nominal loss of £1,626 annually. However, it should be noted that in the light of ongoing discussions on Pan-London and as a result of the impact of the pandemic on lettings, the basis for the LQPT quota could be revised.

For MEAM, if Leigh members transfer their AM donations to MEAM and MEAM takes up the cost of training for roles, the overall effect is a small increase of income amounting to £1,335 annually.

5) How would the funding of Leigh on Sea and each Area Meeting be affected by the transfer?

In summary, because there would be a significant change in the way the Meeting House would be managed, Leigh on Sea would retain its local donations and net rents (amounting to £17,361 annually) to cover quinquennial (5 year) costs (averaging about £11,827 annually).

For Leigh on Sea, the financial impact would lead to an increase in net income of £5,121 annually, which corresponds approximately to the current annual cost to Leigh of the LQPT Quota (£5,946). This Quota cost is normally offset by direct donations by Leigh members and the transfer of surplus LM donations (amounting to £7,335 on average) to NETAQM.

There is a small impact on NETAQM with the loss of income from Leigh. There is a small gain by MEAM.

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The transfer of Leigh-On-Sea Meeting between AMs, would therefore imply the following impacts, based on past giving and costs⁴, which are:

- An increase in retained income to Leigh on Sea of £17,361 annually, which will enable MH maintenance costs (averaging about £11,827 annually) over the 5-year cycle to be met
- The net effect for Leigh on Sea is an annual surplus of £5,121. Initially this surplus would go towards building up the required reserve under MEAM of £10,316. Subsequently, Leigh would need to decide how best to use this money for the benefit of Quakers.
- A nominal reduction in NETAQM annual net income of approximately £1,626
- An increase in MEAM annual net income of approximately £1,335
- The retention by Leigh on Sea LM of historical funds donated specifically for the Meeting House, currently standing at £4,862

It is assumed that the level of donations to the LM would not change and that those giving direct to NETAQM will transfer their regular donations to MEAM after transfer.

For more detailed information see the financial section of the Supplementary Document.

6) How would the funding of LQPT be affected?

The Leigh-on-Sea Meeting House is currently part of the property portfolio of London Quakers Property Trust (LQPT)⁵ which receives the rental income and pays for premises costs such as utilities, repairs and maintenance, including major works assessed every 5 years. LQPT also levy an annual quota on each of the 7 AMs within the Trust based on membership numbers.

- LQPT would lose the income from the hire of Leigh-on-Sea MH but would not have to cover its costs
- The quota would have to be collected from fewer members across the 7 AMs
- LQPT would need to agree to return the title of Leigh on Sea MH to Friends Trust Ltd in accordance with Charity law

Apart from the transfer of the MH to Friends Trust Ltd, the financial impact on LQPT is minimal (a loss of £114 annually). For more detailed information see the financial section of the Supplementary Document.

7) How do Meetings in MEAM pay for their repairs and maintenance?

MEAM Meeting Houses retain their own rents and donations. Each Local Meeting is asked to show in its balance sheet at the end of the financial (calendar) year that it is holding two sums of money as its cash reserve for the coming year. The first sum is a cash flow reserve comprising one third of an average annual expenditure over the last three years to cover unexpected loss of income not covered by insurance.

The second sum is 2% of the 'insurance' value of its Meeting House to meet any unexpected and unbudgeted expenditure on the building that is not covered by insurance.

If necessary and with the agreement of the AM Finance and Property Committee, any shortfall in this reserve will be covered by MEAM General funds where available. Note: MEAM General Funds arise from rents from two residential properties that the AM owns and from General Donations through the schedule.

⁴ Over the period 2015-2020. For details see the financial section of the Supplementary Document

⁵ The Meeting House ownership was gifted from Friends Trust Ltd to LQPT in Jan 2017

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8) Leigh on Sea Meeting House is currently owned by the London Quakers Property Trust, what will happen to the ownership of the building if the meeting agrees to transfer?

It is understood that the property as a charity asset can be transferred to MEAM and Friends Trusts Ltd. It was gifted to LQPT in 2017, when it was set up. As the Friend, Chris Gregory, who manages Friends Trust Ltd, is on furlough at the moment it has not yet been possible to confirm that the MH could be returned to their ownership. There may be a small administrative cost associated with this.

It is understood that LQPT hold the ownership of all London Meeting Houses as a financial asset at a nominal value for insurance purposes. The transfer of the Leigh on Sea Meeting House may therefore impact LQPT financially in a small way.

The manager of LQPT, John Dash, submitted a paper to the Research Group on 12th June. The paper expresses his personal thoughts and so does not constitute an official response from LQPT. The group discussed his paper, which is included in the Supplementary Document.

John had proposed alternatives to transfer, which the Mid Essex representatives on the group considered unworkable.

On the question of transfer of ownership, John said:

“My sense is that it would not be legally difficult to transfer the ownership of LoS MH from LQPT to MEAM (and FTL). It would require some thought from all concerned about how we deal with value and liabilities both for the agreement and for the annual accounts of all parties.”

9) What about the people who carry out work for L-o-S MH such as the gardener and cleaner whose invoices are paid by LQPT?

The Cleaner and Gardener are self-employed and would continue to do work for the MH paid for from the rental income.

MEAM contracts the services of a Property Manager for Brentwood Meeting House as Brentwood Friends meet as a Worshipping Group. Trustees also contract a Lettings Officer, Cleaner and Gardener to work with the Manager. The Brentwood Manager contract currently costs approximately £7,250 a year. This employment has increased the net rental income even allowing for his employment costs, and the set-up is more commercial though Quaker principles are still followed in agreeing hirers.

MEAM have also contracted the services of a self-employed bookkeeper, Ruth Ryan, as our AM Administrator. Ruth's role is to consolidate the AM accounts and produce a copy of the AM Accounts and Notes to be added to the Area Meeting Annual Report from Trustees for independent examination each year. At this point, everything is under review and they are considering using a Paxton software package to centralise the LM and AM accounts to reduce the load on LM Treasurers. Ruth's role will be central to this. Ruth normally charges about £1,500 a year.

At present, Leigh on Sea MH lettings are managed by a volunteer who has multiple roles in the LM and NETAQM using a spreadsheet system in conjunction with the LM Treasurer. At present, Leigh Nominations are unable to find another Friend to undertake this role.

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10) Would access to Wanstead burial Ground change?

We have received advice from Melvyn Freake, NETAQM Burials officer regarding the possible continued use of the burial ground by Leigh on Sea Friends if they moved AMs. In general people with family members who are buried or who have their ashes buried or scattered at Wanstead Burial ground would have continued use. In addition, Melvyn believes that permission would normally be granted for Quakers outside NETAQM, although there is no or very little room for burials. There does not appear to be a written policy on the use of the burial ground.

MEAM has open burial grounds at Chelmsford and Maldon which are available to MEAM Friends and therefore L-o-S Friends if the transfer took place.

11) What will happen to current beneficiaries of the North East Thames Quaker Trust? What about possible applicants in the future?

The Clerk of the NETQT has confirmed that at the discretion of the Trustees, the Trust can and does make payments to beneficiaries beyond North East Thames AM including to members of MEAM, so that current beneficiaries would not be affected. For new applicants, only the application procedure would differ slightly.

Currently, MEAM members who wish to make an application would complete Form A and Form B as supplied by NETQT, with support from two MEAM Overseers plus an Area Meeting Trustee. The MEAM Treasurer then makes payment from the restricted fund provided by NETQT to MEAM for the relief of hardship.

MEAM reports to NETQT annually or when they need a further sum by stating how many applications received, for how much and for what purpose. MEAM Trustees are committed to using the same criteria as NETQT Trustees for relief of hardship in distribution of funds.

12) Would L-o-S Friends have access to the NETAQM Overseers Educational fund?

If L-o-S members were to leave NETAQM they would no longer have access to the NET Overseers fund, which is provided to assist with educational fees and costs to Friends, who might not otherwise be able to afford it. Examples would be for the Equipping for Ministry 2-year course at Woodbrooke, or the pursuance of higher education.

However, it is noted that the letter sent to the Leigh on Sea Clerk⁶ by the NETQT Clerk, indicates that NETQT Trustees would encourage MEAM to make full use of the fund, which might include establishing a MEAM Overseers fund for this purpose.

In addition, MEAM already have access to the Greenwood Trust, which covers Essex and Suffolk, provides funds for educational assistance for under 25s and this would be available for L-o-S members if they were to move to MEAM.

13) Would L-o-S Friends still be able to attend the High Leigh weekend?

NETAQM has made the High Leigh weekend open to Friends from adjoining AMs before and this practice is likely to continue. MEAM organises an annual residential weekend at the Othona Community in Bradwell Essex to which L-o-S Friends have previously been invited.

⁶ A copy of the letter from the NETQT Clerk is included in the Supplementary Document

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14) What appointments might MEAM need from L-o-S Friends if it were to join?

Appointments needed from MEAM are:

- Representatives to AM
- Nominations for Elders and Overseers from LM
- Nominations for Trustees from LM one representing each LM
- Nominations across the AM for MfS Rep., AM Clerk and Asst. Clerk, AM Treasurer.

At Local Meeting Level, the LM will need a Clerk and Assistant Clerk (or a team of co-clerks), a Nominations Committee, a Premises Committee and Clerk to Premises Committee, a Local Treasurer and possibly a Bookings/Lettings Officer. These roles are all currently filled at L-o-S.

If Leigh decides to transfer to Mid Essex, then it is presumed that current role holders for LM appointments might be confirmed in post. These would be the clerking team, Premises members (including lettings officer), Nominations members, and Treasurer.

It is possible that Mid Essex might also consider confirming post-holders of some AM appointments such as Elders and Overseers (or Elderseers), Nominations reps and Trustees, if they wish to continue to serve in those roles.

The allocation of roles may change as Quakers think through a new administrative structure under the Simpler Meetings initiative.

15) What appointments would NETAQM have to fill if L-o-S LM transferred?

Current appointments of members and regular attenders of Leigh Meeting come under various headings. They are:

- Local Meeting Appointed Roles (29)
 - Clerking team (4)
 - Nominations (4)
 - Outreach (4)
 - Children & Young People (2)
 - Librarian
 - Interfaith
 - Stores
- AM Appointed roles (12)
 - Treasurer
 - Elders (3)
 - Overseers (3)
 - Premises (5)
- Administration of The Area Meeting (4)
- Appointed by the Area Meeting to the Independent Trust (1)
- Representatives of the Area Meeting (2)

The above 48 roles are held by 16 people from Leigh. More details of these roles and when the terms of the current role holders are due to end are in the Supplementary Document.

NETAQM would only need to replace the 7 roles specifically for administration of the AM. The other roles would transfer with Leigh LM to Mid Essex, bearing in mind that there are some differences in the way that Mid Essex roles are appointed or function in the Area Meeting.

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16) What differences are there between NETAQM and MEAM Governing Documents, policies and practices?

The Governing documents, Safeguarding, Data Protection and Health & Safety policies of the 2 AMs they are very similar because they were all prepared using Friends House guidelines. NETAQM also has an Equalities statement and a separate Finance policy.

MEAM has AM Finance and Property Committee which is a sub-committee of Trustees, which usually meets three or four times a year and usually just before a Trustee Meeting (also meeting three or four times a year). Trustees usually meet shortly before an AM, which is six times a year.

NETAQM usually meets eight times a year with Trustees meeting just before these meetings to submit minutes. LMs also usually meet before each AM to submit minutes for AM business.

The Terms of Reference for the Finance and Property Sub Committee for MEAM are spelt out in the Memorandum of Understanding between Trustees and LMs. An extracted list is provided in the Supplementary Document and is currently under review.

17) What happens next?

The committee has received the notes and responses from Leigh Friends about their wishes and hopes as expressed in their first Meeting for Clearness on 30th May.

Further information is still required from LQPT and Friends Trusts Ltd re the Meeting House.

This report will be presented to Leigh on Sea LM, NETAQM and MEAM and any further questions raised by these groups considered.

Leigh on Sea will need to schedule a Meeting for Business to discern its decision, which will be minuted by the Clerk. Leigh on Sea Meeting will hope to achieve unity at this meeting.

If it is unable to do so, then it must determine what is needed for unity to be achieved and report back to NETAQM and the Research Group committee if further facts or guidance are required.

If necessary, Leigh on Sea Meeting will hold further Meetings for Clearness to explore the meaning of unity and discernment. If it is felt that the help of an external facilitator is required, Quaker Life can be approached.

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18) What follows when a discernment is made?

No date has been suggested for the possible transfer but ideally it would be at a clear point in the financial year for the technical side of things, like the start of the financial year. It is believed that all parties do have the same financial year (ending on 31st Dec). The Research Group have not identified any barriers to Leigh on Sea proceeding with its discernment.

The sequence of meetings and agreements would seem to be;

- Leigh on Sea Meeting discerns its way forward.
- If Leigh decides not to transfer, then both Area Meetings need to be informed
- If Leigh LM does decide it wants to transfer as a Meeting to MEAM, it takes its minute to NETAQM to request that NETAQM agrees the transfer is acceptable to it.
- NETAQM asks LQPT if it is willing to transfer the MH to MEAM/Friends Trust Ltd
- If NETAQM and LQPT are both willing, NETAQM asks MEAM if they are willing to accept Leigh LM.
- If MEAM agrees to the transfer, NETAQM will need to make minute to be sent to Meeting for Sufferings for their formal agreement.
- If all interested parties agree, a formal request would be made by NETAQM /MEAM to LQPT to request the transfer the MH or start any other arrangements.
- At an agreed date⁷, the transfer takes place including all the financial adjustments. i.e. the money in the Leigh on Sea LM a/c to cease to be NETAQM's asset.
- Area Meeting specific roles in NETAQM would be laid down and handed over to NET members in an orderly way
- Local Meeting roles, where they are appointed by the Area may need to be formally recognised by Mid Essex
- Memberships would be transferred between NETAQM and MEAM.

This report is submitted for consideration.

Tuesday, 07 July 2020

Debbie Taylor, Leigh on Sea QM (Convener)

Jim Grigg, Leigh on Sea QM Clerk, NETAQM Trustee

Tim Landsman, NETAQM

Christine Downes-Grainger, NETAQM LQPT Representative

Colin South, MEAM Trustee

Margaret Smith, MEAM

⁷ Ideally, this will be at the end of a financial year, which happily is Dec 31st for both AMs and LQPT