



#realunitingchurch

Report from **Finance and Property Services**

Context

Until 10 July 2017, the Department of Finance and Property Services (FAPS) was a major service area within the Synod office. In July 2017 the Synod office was restructured. The services provided by FAPS continue to be provided within the new Synod office structure by different teams.

This is the final FAPS report to Synod in Session.

The By-laws specifying the responsibilities and functions of the Department of Finance and Property Services were abolished in July 2017 by decision of Synod Standing Committee.

Until July 2017, FAPS consisted of the following teams:

- Finance
- Property Resources
- Risk and Insurance
- Information Technology
- Raymont Residential College
- Alexandra Park Conference Centre.

Report

Finance

The purpose of Finance is to ensure the effective management of the financial resources for the Synod office and to support the Finance Investment and Property (FIP) Board in its contribution to the total mission of the Uniting Church.

The main responsibilities include:

- Financial accounting/compliance
- Financial analysis
- Treasury management/Uniting Church Investment Service (UCIS).

Achievements

- Presbytery treasurers' forum held in November 2016 for the first time in three years. The majority of presbyteries attended and engaged in discussion across a broad range of financial matters.
- Commenced development of fraud awareness pack to assist congregations in their responsibilities around financial stewardship.
- Commenced rewrite of Treasurers' Manual following a survey of treasurers.
- The FIP Board approved a new Investment Policy which creates a structured and risk-monitored approach to give higher return options to long-term funds held by UCIS. The growth investment strategy adheres to the Synod Ethical Investment Policy.
- UCIS has continued the strategy of providing improved rates to all products. Interest rate settings have been continually reviewed to address the market competitiveness of the rates applied to investor funds, and decrease internal loan rates. All depositors have enjoyed increased rates across all funds held within UCIS. The rates are measured and benchmarked against our external financial services providers.
- The Synod office, UnitingCare and Wesley Mission Queensland combined to tender for external audit services. A common audit provider was selected to provide competitive market pricing and service provision to maintain the high standard of governance over audited financial statements.

Property Resources

Main areas of service provision:

- Maintenance of Synod-wide property records
- Assistance to congregations, presbyteries and schools regarding all things property
- Land tax point of reference
- Evaluation of loan proposals.

Achievements

- Progression of the development application for Alexandra Park Conference Centre through the Sunshine Coast Regional Council processes. A DA is expected to be issued later in 2017.

- Extraction of relevant data from discontinued Proclaim software and input into Sugar CRM property registers.
- Coordination of refurbishment work in the Synod office building.
- Conducted property utilisation survey.
- Assisted in the roll-out of new Synod office Delegations Framework and Matrix.
- Dealt with a number of unusual and complex property transactions on behalf of church bodies.

Insurance

The Group Insurance team assists with and arranges general insurance to protect insurable property and liability exposures of The Uniting Church in Australia Property Trust (Q.) and all of its entities.

Each Synod currently has its own autonomous commercial insurance arrangements. Such arrangements contain independent broker service contracts and separately negotiated insurance programs with differing renewal dates and levels of self-insured retentions. This is now being reviewed nationally (see below).

Achievements

- Periodic insurance building valuations have been undertaken across the Queensland Synod. The currency of insurance building valuations is generally accepted to be a site visit every three to five years in conjunction with desktop reviews and the application of annual indexation where applicable.
- Synods of the Uniting Church in Australia are working together to consider the opportunities for the establishment of a consolidated national insurance program with a single broker appointment. The objective of this approach would be to build upon and review existing general insurance program placements and structures to ensure appropriate and comprehensive insurances are in place to mitigate insurable exposures in the most effective and efficient way, across the following broad general insurance types:
 - Property insurances, including but not limited to Industrial Special Risks and Motor Vehicle Fleet
 - Liability insurances, including but not limited to Professional Lines, and Directors and Officers liability
 - Personal accident and other related/relevant general insurance.

Information Technology

The priority for the Information Technology team is the timely delivery of IT services to the Synod office and providing strategic information systems which enable the Synod office to support its revitalisation journey.

Achievements

- Reduction of physical servers by migrating to a new server virtualisation platform.
- Migration of all mobile phones to new data usage plans, making a considerable cost saving whilst ensuring staff have the necessary data to perform their roles.

- Upgrade of the Wi-Fi network at Raymont Residential College to deliver competitive internet access speeds for students. The feedback from students has been very positive.
- As part of the Synod office restructure, the role of Chief Information Officer (CIO) was introduced as Information Technology continues to work towards enabling the Synod office to be 'Organised for mission'. The CIO will focus the team on delivering strategic information systems that capture and provide timely and accurate information to decision-makers.

Alexandra Park Conference Centre

Alexandra Park continues to be an industry leader in the provision of group accommodation to schools, churches and community groups, predominantly from South East Queensland.

In 2016/2017:

- 67% of our guests were school groups
- 23% were churches or Christian organisations (only 2% of total guests were Uniting Church congregation groups)
- Of the church/Christian groups, 39% were youth groups, 59% were multi-age retreats and conferences
- 181 groups overall
- \$2.483m revenue
- \$138,600 provided to Mission Support Fund and mission discounts to Uniting Church entities
- \$435,000 surplus
- 35 staff on payroll = 14 FTE.

In association with Mary Burnett Presbytery we continue to explore what it is to be the church on the Sunshine Coast and how we connect with and support the wider community.

Usage of Alexandra Park has remained relatively stable for the past three years and we have recognised the need for a change in marketing and promotion. We have recently conducted a marketing review to set our priorities and direction for the future. Through this process we have also reviewed our staffing structure to ensure it is aligned with our strategy.

Raymont Residential College

Located on the Auchenflower campus, Raymont Residential College provides student accommodation for up to 119 tertiary students studying throughout Brisbane. The college seeks to enrich the personal well-being and academic development of our tertiary/university students within a caring community built on Christian values.

Achievements

The college focus since the last Synod has been to return to its historical tradition of providing a comprehensive collegiate experience to all students. This includes:

- Adjustment to the staffing structure and support programs of the college
- Appointment of a principal living on-site to provide support and care during business and after-hours
- Introduction of positions such as adjunct academic advisor, business manager and Dean of Students

- Introduction of an Academic Support Program and a Leadership Certificate Course
- Delivery of improved student training, new support programs and improved services to the students
- Complete upgrade of the student Internet network leading to more reliable service, greater coverage and increased speeds for students to enable them to better complete their academic studies.

Challenges/risks as we progress

Challenges and what we are doing:

- Building the Synod Reserve Fund to cover future emergencies
 - We are five years into a 10-year strategy to rebuild the emergency fund.
- Funding models for ongoing funding of the Synod office
 - Revised and alternative funding sources are to be considered over the next three years.
- The probable impact of sexual abuse civil litigation/redress claims
 - The financial impact is unknown
 - The Interim Redress Scheme has been operating successfully for over a year
 - Civil litigation is being addressed on a case-by-case basis.
- Investment returns in a low-interest rate environment
 - The Investment Policy has been broadened to now include investment in equities and other higher return long-term assets.
- Cybersecurity
 - Regular maintenance window introduced to ensure all systems are checked and maintained.
- The continuing process of determining the future use of the Alexandra Park site
 - Work with the Sunshine Coast Regional Council and obtain the DA. We can then prepare an options analysis for Standing Committee consideration.
- Increase in the number of commercial operators providing student accommodation in Brisbane. Increase expected from 4,643 beds in 2016 to 8,661 beds in 2020. This could impact the occupancy and profitability of Raymont Residential College. We are considering:
 - Increasing offering to students
 - Targeted marketing and awareness of Raymont services.

Proposal

It is proposed that the 33rd Synod receive this report.

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