

Past issues are available at www.baptist.org.uk/transform

Coronavirus

Resources for churches

We continue to support churches by maintaining a dedicated section of our website, www.baptist.org.uk/corona which has all of our resources relating to Coronavirus.

Please do check the website regularly to ensure that you are using the most recent version of any guidance documents. Where appropriate we have included a change log in the documents so that you can see what amendments have been made. Please contact us at supportservices@baptist.org.uk if you have any queries not covered in the guidance or feedback on the content.

HR and Safeguarding Matters

Contributed by the HR and Safeguarding Team at Baptist House (safeguarding@baptist.org.uk)

HR matters – end of the furlough scheme is approaching fast

The Government's furlough scheme has been of great benefit to many churches over the last 16 months. The scheme will close at the end of September, and churches need to be thinking ahead about how

this will affect their staffing levels going forward. The furlough grant contributions are reducing to 60% for August and September so you may need to adjust the calculations for your final claims. Please see www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme for more information.

Please note that if you are bringing staff off the furlough scheme you will need to write to each employee to let them know when they will return to normal working arrangements, and you should keep a copy of this in case you are subject to HMRC audit of your furlough grant claim.

BUGB safeguarding training

All of our BUGB safeguarding trainers are attending refresher training over the next three months, and most associations will be resuming face to face safeguarding training courses at Level 2 and Level 3 either at the end of 2021 or early in 2022. For more information, please look out for updates from your association team. In the meantime, the 90 minute 'Safeguarding Update' film, which covers the key messages from Level 2 and Level 3 training, will continue to be available to churches free of charge through your association team until the end of March 2022.

Pay and conditions survey for those working in children, youth and family roles in Baptist churches

During August and September a survey is being distributed to those in paid roles with specific responsibilities for children, youth and families in Baptist churches in England and Wales. If you employ a staff member or have appointed a minister in this important area of church life, they should also have received an invitation in August to complete the survey. The survey is anonymous, and the information gathered will be valuable for churches, as well as for our regional and national teams, as we seek to encourage and support these workers. The key themes will be published later in the autumn.

Ministry Matters

Contributed by the Ministries Team at Baptist House (ministries@baptist.org.uk)

Supporting Continuing Ministerial Development (CMD)

We launched a framework for CMD in autumn 2020 that encouraged all ministers to practise five 'CMD habits' to help sustain their capability and well-being. Ministers assess and plan their CMD in an annual 'CMD audit' – a conversation with a fellow minister that takes place each October/November.

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Ministers should now be choosing whom they will work with and arranging a date for 2021's CMD audit. Churches can help by encouraging their minister to engage with CMD and by agreeing with the minister both the time and finance necessary for them to pursue their development. For more detail, please see www.baptist.org.uk/cmd

Legal and Operations News

Contributed by the Legal and Operations team at Baptist House (legal.ops@baptist.org.uk)

Data protection

Transfers of personal data between the UK and the EU/EEA may continue without any additional safeguards, following the European Commission's adequacy decisions on data protection in the UK. This means that Baptist churches do not need to make any new arrangements for transfers of personal data between the UK and the EU/EEA. Note that transfers of personal data to countries outside the UK/EU/EEA must continue to be assessed for appropriate safeguards such as Standard Contractual Clauses (SCCs). You can find out more about this on the ICO website <https://bit.ly/3ibfalx>.

Any church receiving a Data Subject Access Request may contact the Legal and Operations Team for advice. Reviewing and redacting documents is not always straightforward, and churches should ensure they use appropriate tools for redacting, so that the personal data of third parties is kept confidential. We have recently heard of a situation where 'pdfFiller' software was used for redaction but it was possible to recover the original content.

All data protection resources for churches are available at www.baptist.org.uk/gdpr and you can contact the data protection team using dataprotection@baptist.org.uk.

Amending BUGB Approved Governing Documents to provide for virtual church meetings

In November and December 2020 our Legal and Operations updates included detailed information about some optional new and amended clauses that had been written by our solicitors to provide for online and hybrid church meetings. At the time we explained that these clauses needed to be approved by the Charity Commission before they could be included in our Approved Governing Documents. That approval was

received on 21 June 2021. The Charity Commission agreed the wording that we published at the end of last year without amending it.

Further information can be found in the July 2021 update at www.baptist.org.uk/legalandops

Online CIO training event

The BUGB Legal and Operations Team and Anthony Collins LLP are hosting another online training session on Charitable Incorporated Organisations (CIOs) on Zoom. The training is open to all BUGB member churches, with a maximum of two delegates per church. The training will run from 10:00 until 13:00 on Wednesday 20 October. Further information and an online booking facility are available at www.baptist.org.uk/ciotraining

Registered charities - new limits to Charity Commission filing extensions

Churches that are registered with the Charity Commission usually have ten months from the end of their financial year in which to file their annual return and accounts. During the pandemic the Commission has offered extensions to these filing deadlines when required for Covid related reasons.



Baptists Together Loan Fund

Baptist Union member churches can apply to our Loan Fund for help with a variety of projects.

We are able to help churches who are looking to enlarge, improve or redevelop their existing church premises - or who are wanting to buy new premises. We can also help churches to buy a new manse or other residential property for a church worker. The Loan Fund is also able to help churches faced with paying off debt to the Baptist Pension Scheme. In addition we can offer bridging finance which is at a higher rate of interest.

We are here to help Baptist churches with their mission and we also understand the way Baptist churches work. Having been around for many years we have helped hundreds of our churches in this way.

The BUC is only able to enter into a loan that is a relevant credit agreement (as defined by the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005) as lender for the purposes of the business of a church (or if the church is unincorporated, the business of the church trustees) and not for any other purpose.

CURRENT TERMS:

Loans available above £25,000

Variable Interest Rate
currently 3% above base rate

Loan repayments between 10 and 20 years
available depending on loan amount and type

Fee free
subject to certain conditions

For more information visit

www.baptist.org.uk/loans

The Charity Commission now say:

'Wherever possible, we would ask you to file your annual return, report and accounts on time. However, where the situation impacts on your ability to do this, we have given a filing extension to any otherwise compliant charity that has applied to us for one.'

'As restrictions are gradually eased, we have reviewed our approach to filing extensions and we will be contacting all charities with a filing extension that was in place by 30 June 2021. These charities will need to meet their filing commitments by 30 September 2021.'

'From 1 July 2021 to 30 September 2021, if you have an imminent filing date and you are unable to meet your filing obligation for a Covid-19 related reason, you can still apply for a new filing extension. We will allow a fixed 3-month extension from the date of your application.'

'Please include your charity name and charity registration number when you email us: filingextension@charitycommission.gov.uk'

Anti-money laundering and fraud webinar

Over the last few years, we have seen criminals become increasingly sophisticated in targeting organisations, including churches, for criminal gain. We have a webinar planned for 13:00 on Friday 1 October covering issues relating to Fraud and Money Laundering for churches. This webinar in partnership with Anthony Collins will provide practical advice for churches on how to avoid becoming a victim of crime. Details of how to participate will be published at www.baptist.org.uk/webinars.

Church property – towards a zero carbon future

With the climate and environmental crisis rising up the public agenda, churches are beginning to ask how they might adapt their buildings towards a zero-carbon future that will mitigate dangerous climate change. A group of people from BUEN - the Baptist Union Environment Network - together with members of the Support Services

Team, are preparing to develop guidance material as to the issues and practical possibilities that will help churches adapt



their buildings, manses and land use to reduce their carbon footprint as part of their mission to care for creation. If you have expertise or experience in these areas and would like to explore being part of the team developing this material, please contact Dave Gregory, convener of BUEN, at BUEnvNet@outlook.com

Support for Listed Buildings

Contributed by our Church Historic Buildings Support Team (listedbuildings@baptist.org.uk) funded through a partnership with Historic England. Please email us if you would like to be added to the listed buildings mailing list.



Historic England

Quinquennial inspections grants

We strongly recommend that churches, and especially those that are listed buildings, have a survey inspection by a suitable professional every five-years. This is often referred to as a 'quinquennial inspection'. The resulting report enables churches to identify any issues and plan maintenance in good time, reducing the likelihood of more serious issues arising. As part of the Heritage Property Initiative, we have been offering grants to part-fund these inspections and we are delighted that in our survey 100% of grant recipients have found their building condition survey useful and good value for money. Respondents have said that the reports are easy to understand, make clear what works need doing and will help them to budget and plan. You can find out more about quinquennial inspections and apply for grant funding at www.baptist.org.uk/heritagepropertyinitiative

Listed building information gathering

We are continuing to gather information about our churches with listed buildings. This year we have been invited to participate in large grant opportunities to fund historic building repairs on behalf of our churches, but this is only possible where we hold the necessary information. If you haven't done so already, please send us your Quinquennial Inspection Reports to listedbuildings@baptist.org.uk, and answer our short questionnaires at www.baptist.org.uk/heritagepropertyinitiative

Finance Matters

Contributed by the Finance Team at Baptist House
(financeoffice@baptist.org.uk)

2021 Subscriptions

Baptists Together subscriptions for 2021 are now due at the rate of £4.75 per member. Churches should have received the subscription request either by email or letter, so if you have not received yours, please do let us know at subscriptions@baptist.org.uk. Thank you to all the churches who have already sent us their subscription. The most cost-effective way for us to collect your subscription is by Direct Debit but we can also accept bank transfer and cheques.

Utility bill audits

Several churches have had a telephone call from Utility Aid recently talking about overpayment of bills. To confirm, Baptists Together is working in partnership with Utility Aid to provide a free energy bill audit for churches. See <https://www.utility-aid.co.uk/baptist/> for more details.

Gift Aid webinar

Gift Aid is a key source of income for many churches. We are planning a new webinar at 13:00 on 17 September which will review the basics of Gift Aid and help churches to maximise their Gift Aid income to support their ministry without falling foul of HMRC. Details will be published at www.baptist.org.uk/webinars.

Taxation Topics

Contributed by Philip Cooke FCA, our Honorary Taxation Adviser
(philipjcooke@aol.com).

Gift Aid relief on waived loans

HMRC has agreed that Gift Aid relief may be claimed if repayment of a loan made by an individual to a church (or to the Baptist Union or any other charity) is subsequently waived by the individual making the original loan. Gift Aid relief is normally available only in relation to an actual payment to a charity, but HMRC has agreed that provided the waiving of repayment of a loan is evidenced at the time of waiver by a suitably prepared document, it will be construed as a payment. Assistance in drafting the necessary waiver document can be made available.

Gift Aid relief for small cash gifts

The limit in respect of total small cash gifts (not exceeding £30 each) attracting Gift Aid relief remains at £8,000 per year but is nonetheless still a valuable resource. During 'lockdown' some churches have encouraged members to set up bank standing orders to replace cash giving. However, these attract Gift Aid only if there is a valid Gift Aid declaration. Now that there has been a return to 'live' services it may be worth ensuring that full advantage is being taken of the relief for small cash gifts by asking donors without a declaration in place to give into the cash offering.

Terminating a minister's appointment

The Union's Recommended Terms of Appointment for a minister provide for the giving, by a church, of six months' notice of termination of the appointment, and three months' notice by a minister, although different notice periods may have been agreed in a particular case. In some situations, it may be in the best interests of church and minister to terminate the appointment sooner and to make payment of stipend in lieu of notice – what is known as a PILON. Payment of this sum (whether paid separately or included with any additional ex gratia payment referred to below) will always be treated as taxable and NIC chargeable remuneration under the PAYE system.

A church may also wish to make an additional ex gratia payment by way of compensation for the earlier than intended termination of an appointment and as an expression of the esteem in which the minister has been held by the church and congregation. Provided there is no prior agreement for such a

payment, and the amount does not exceed £30,000(!), it should be exempt from tax and NICs. However in such circumstances, please do get in touch to discuss the particular situation.

Manse accommodation provided for a minister

Just occasionally a minister seeks to establish a protective 'moat' around a manse by announcing that all church activities (including study and meetings etc) will henceforth be undertaken using the facilities available at the church. This is perhaps a situation which comes under the maxim 'be careful what you wish for', since the extremely valuable tax exemption which comes with the provision of manse accommodation might well come to be regarded by HMRC as no longer justified. There will, of course, always be some duties which need to be performed on the church premises - but without necessarily calling into question the age-old concept that the manse is the base from which all ministerial duties are performed.

College fees and expenses of ministers in training

It is appropriate to remind churches that fees and expenses of MiTs in attending theological college are regarded as work-related training expenses and their payment or reimbursement by the church will not give rise to a taxable benefit. There is not, however, any relief for such expenses borne personally by the MiT.

Ministers' tax returns

Ministers are reminded of the existence of the guidance notes relating to the submission of tax returns - and the Minister of Religion pages in particular – contained in Guidance Leaflet X02:

Self-Assessment and the Minister (www.baptist.org.uk/resources/X02). Paper returns are required to be submitted by 31 October whilst the deadline for online returns is 31 January following the end of the tax year.

Computers and other office equipment

Where a minister purchases a computer or other office equipment for church business use, the cost continues to be tax deductible and should be included in box 21 of the Minister of Religion pages of the minister's tax return. If the cost of such equipment is borne by the church, and the equipment remains in the ownership of the church, it will not give rise to a taxable benefit.

ATED: an acronym which you may not have come across!

ATED stands for Annual Tax on Enveloped Dwellings – a fairly recent tax imposed on companies holding residential properties which have usually been placed in a company for fiscal reasons. A church-owned manse is usually held by a custodian trustee company (like the Baptist Union Corporation Limited). Although charities are specifically exempted from this tax, there have recently been instances where HMRC have issued notices of intended charge to tax in respect of a recently acquired manse property. If a church receives such a notice, we suggest that an early response be made pointing out that the property is beneficially owned by the church (a charity) for the purpose of accommodating its minister, and that HMRC has previously acknowledged that such properties are exempted from this tax.

These notes are offered to provide general information for Baptist churches. We hope they will be helpful in highlighting new guidance and providing reminders about other important matters relating to the life of a local Baptist church. Although every effort is made to ensure that the information is correct at the time of publication, we make no representations, warranties or guarantees (whether express or implied) that the information is accurate, complete or up-to-date. Further, these summary notes are not intended to amount to advice on which you should rely and cannot be a substitute for formal professional or specialist advice. We do not assume and will not be liable to any party (who has either taken or refrained from taking action in reliance on these notes) for any loss or damage caused by errors or omissions, whether resulting from negligence or any other cause. If you want to ask detailed follow-up questions, please contact us through the Baptist Union website.

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BUGB is operating as a Charitable Incorporated Organisation (CIO) with Registered Charity Number: 1181392