

# Theological Principles Governing the Church's Use of its Property

A report to Synod Diocese of Sydney - 1982

*This report was received by the Synod of the Diocese of Sydney in October 1982.*

## 1. The Resolution: 5/80 Theological Principles Governing the Church's Use of its Property

"That a Committee of not more than nine members with power to co-opt be appointed to examine the responses to the report on Theological Principles Governing the Church's Use of its Property (recommended by the 1979 Synod for study) and to continue investigation into these theological principles and the practical application of such principles to resources in parishes, bodies, organisations, councils and committees within the Diocese; and to report to the next ordinary session of Synod. The Committee to consist of -

Bishop D. W. B. Robinson (Chairman)	Rev. M. Hill
Rev. B. A. Ballantine Jones	Rev. R. E. Lamb
Mr. R. W. Baxter	Professor J. Neville
Dr. W. J. Dumbrell	Rev. B. W. Wilson
Rev. M. C. Harcourt-Norton	

Having recommended the careful study of the report to Standing Committee, Parishes and other diocesan organisations and agencies last year, Synod requests that any further responses be lodged with the Standing Committee by 31 March, 1981."

## 2. Formal Matters

The Committee has met on fifteen occasions between 18/11/80 and 8/7/82. The Reverend D. Meadows was co-opted to the Committee on 12/3/81. Professor J. Neville went on leave as from 11/2/82. Bishop Robinson withdrew from the Committee after his election as Archbishop. The Committee received and considered a number of submissions from both Church organisations and individuals. The submissions considered were from -

The Standing Committee	St. Peter's, Cremorne
The Diocesan Board of Education	St. Mark's, Darling Point
The Diocesan Superannuation Fund	The Rural Deanery of East Sydney
Anglican Television	Mr. K. Nichols
The Diocesan Secretariat	Mr. S. Moon
St. Anne's, Ryde	Mr. B. Counsell
St. George's, Paddington	Mr. S. R. Elliott
The Anglican Youth Department	Mr. R. Pacey
	Mr. D. Morgan

A number of papers were prepared by members of the Committee. Bishop Cameron (Chairman of the Glebe Board) addressed the Committee and answered questions.

The Committee addressed itself to the following questions -

- (i) Should the local congregation hold property?
- (ii) How should the local congregation use its property corporately?
- (iii) How should the corporate decision be arrived at?
- (iv) The above three questions asked in relation to the Diocese.
- (v) If the Diocese should own property, how should the stewardship be exercised?
- (vi) How should we spend the money that wise stewardship has generated?

## 3. A Preliminary Review of Historical Change in Diocesan Finances

(1) From 1788, the stipends of the clergy, and church and school buildings, were provided fully by the Government, with minor help from SPG and SPCK. At first, direct grants were made by Government, but in 1826 the Church and School Corporation was established for which large land-holdings were set aside as

## 2 Theological Principles Governing the Church's Use of its Property (1982)

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endowment. This system was abandoned after a few years and, roughly, coinciding with the establishment of the bishopric in 1836, a new system appeared -

- (a) the Church Act of 1836 provided supplementary grants for the erection of churches where £300 was first raised by private subscription, and also for the stipends of ministers, according to the size of their congregations (all churches benefited alike from this Act);
- (b) a number of churches had glebes from the Crown (usually 40 acres) whose trusts were defined by Acts 7 & 8 of William IV. Income was usually not great, but could be used for other churches in the district if it exceeded the defined needs of the original church.

(2) In 1836 Bishop Broughton founded the Diocesan Committee as a local equivalent of the SPG and SPCK to raise money for the increase of churches, stipends and schools. It was the first, and for many years the only, instrument of church development. (Its meagre stump survives in the Sydney Diocesan Educational and Book Society.)

(3) In 1839 Thomas Moore of Liverpool gave by deed of gift, and in 1840 under his will bequeathed, many thousands of acres of property, designed to forward the work of the church as a whole. The purposes included -

- (a) residence and endowment for the bishop;
- (b) supplementing clerical stipends;
- (c) relief of clergy widows and children;
- (d) support of the Diocesan Committee;
- (e) support for erection of cathedral, and its continuing endowment;
- (f) the founding of Moore College.

The history of this estate (whose trustees still report to Synod every year) has never been written. It was the first large private trust endowment for the Diocese (of Australia, but subsequently of Sydney, by ruling of the Equity Court), and although the original acres do not remain, it is an interesting example of how the Diocese can acquire property and what can happen to it.

(4) In 1856 Bishop Barker founded the Church Society (now Home Mission Society) which took over from the Diocesan Committee the role of raising money for churches and stipends in new areas, leaving the Diocesan Committee with the educational side of its charter. Within a short time the Church Society was also involved as treasurer in an appeal for chaplains on the goldfields. These and other chaplaincies supported by the Church Society fore-shadowed a much larger and more complex work of the HMS, but for years the financial structure of the Church Society was merely money received and disbursed. Much of HMS work is still so, though other property is now needed to carry out projects such as Chesalon Homes.

(5) When the Government's supplementary grants ceased in the 1850s, the custom of a weekly offertory in church, hitherto dormant, was revived, in accordance with the Prayer Book rubrics. It was a matter of considerable public debate! Bishop Barker suggested that the first charge on the offertory should be £100 per annum towards the minister's stipend which, he said, should not be less than £400 per annum.

(6) When the first Synod was held in 1866, it was proposed that parishes should be assessed to meet its expenses, and that the bishop's registry should also be assisted by this means. Hitherto the Bishop's Registry had been maintained by fees in connection with its work; e.g. it undertook secretarial work for the Church Society. There was some debate on the propriety of assessing parishes, but the needs were very small, and it was agreed that the parishes should be assessed for them. As the registry became in effect a general Diocesan office, its expenses increased though the financial structure remained very simple. Moreover "Synod and Registry Expenses" remained the title of the ordinance until the 1950s.

Two examples: In 1922, the budget was £3,330. Synod expenses were £25 plus a contribution of £75 for the expenses of the Provincial and General Synods. The Registry spent £1,758 on six salaries. Income from fees and commission was £1,230, leaving £2,100 to be raised by assessment. Incidentally, the same year reveals two other sources of financial support from special appeals. The Diocesan Peace Thankoffering Fund gave considerable disbursement to Moore College, the Board of Education and the Deaconess Institution, while the Centennial Church Extension Fund gave grants for living agents in more than twenty parishes, as well as for religious instructors in some schools.

In 1947, a quarter of a century later, the picture was substantially the same as far as Synod and registry expenses were concerned. (There were diocesan appeals for "More Churches for Greater Sydney" etc. at the same time.) The budget was still only £6,096, of which £2,255 was raised by fees and commission, leaving £3,841 to be raised by assessment. Synod expenses had risen to £30!

(7) However, 1947 saw the introduction of a new assessment "to provide for churches and/or other buildings in new housing areas". It was to be 2½% of assessable income of full parishes. Thus began the concept of

"special assessment", and a new departure in financial structure. Hitherto assessment had been considered appropriate only for such purposes as were essential for the basic machinery of the Diocese itself.

(8) Special Assessment ordinances followed for Moore College, Secondary Schools Religious Instruction (through the Board of Education) and Television. These were consolidated into the Special Purposes Assessment Ordinance in 1958 and subsequent years.

(9) The Synod and Registry Expenses Ordinance continued, but with the words added "and such other purposes as Synod may determine not otherwise provided for", and the title of the ordinance became "General Assessment Authorisation Ordinance". These other purposes began to increase sharply. In 1959 the budget had risen to £35,063, including items towards Coadjutor Bishops' stipends and allowances, Archdeacons' travelling expenses, the Immigration Bureau and the Board of Diocesan Missions. £29,000 of the total amount came from parochial assessments.

(10) It is not easy to briefly chronicle the enormous changes of the last 20 years. One reason for the changes is that 99-year leases and other long leases on old glebes and other lands have fallen in during this period, and this had led to re-valuation and re-development, and a re-examination in some instances of old trusts. Business which a few years ago was not much more than a folder in the Diocesan Secretary's filing cabinet has grown into a financial and property empire. Quite apart from the Glebe Administration Board's work, other "services" have grown. The central administration of the Diocese expects an income in 1982 of \$2,359,530. Of this, \$1,000,000 will come from the development of what were once parochial and other glebes, \$931,787 will come from parochial assessments and the remaining \$427,743 will come from various trust distributions (see page 270 of the 1982 Yearbook).

(The Committee recognises that the above is a preliminary review and the subject would be worthy of further research.)

#### **4. A Systematic Biblical Theology of Wealth**

We believe the following is an outline which should be applied by all diocesan agencies.

An integrated biblical theology reveals that the purpose of God in creation and in the following redemptive history was to establish love (agape) relationships not only between Himself and men but also between all men. The story of the Fall tells of the estrangement of men from God and consequently from one another. Man became distrustful of God and unable to love Him. The Bible outlines God's activity in history both of regulating the fractured relationships and restoring the planned love relationships. This activity began with the Abrahamic covenant and finds its completion in the person and work of Christ. In the Bible it is the function of the Church within history not only to be the congregation of God's faithful and obedient people but also to proclaim and embody the good news of restoration and redemption. It is the function of the government to maintain social order and justice.

The Bible sees the ultimate cause of social evil and injustice as man's broken relationship with God. Poverty, racism, unjust distribution of wealth, are all symptoms of man's fractured relationship with God. Given the principle that is essential to treat the underlying cause of social injustice, the proclamation and embodiment of the Gospel should make first claim on the Church's resources.

The Gospel must not be viewed narrowly as if it applied to individuals only, but must also be lived out and embodied in the Church. Where governments fail to maintain justice, the Church should challenge them to correct the situation. This can only be done with integrity when individual Christians and the Church itself are demonstrating such a concern in their own lives. Wherever there is injustice or suffering in society the Church is obligated to try both to remove its cause and to treat its own symptoms. It does this both by proclaiming and living out the gospel.

(Lengthy discussion ensued on the development of the theological outline beyond this point particularly as two alternative viewpoints began to emerge. Some of the Committee thought it should proceed according to *ALTERNATIVE A* and some thought it should proceed according to *ALTERNATIVE B*. It was decided to include both view points.)

##### *ALTERNATIVE A*

Since it is clear in biblical terms that members of a congregation were called to one another by the proclamation of the Gospel, the maintenance of such a ministry of proclamation would be of first importance. Arising from proclamation congregations met for edification through teaching. It would seem logical that the disbursement of our congregation resources should have as its first aim the perpetuation of these processes of proclamation, teaching and witness.

(1) It follows from this that if the Diocese is *at least* congregations in fellowship, with a co-ordinating bishop, it will have basically the same commitment to ministry as it seeks to serve local congregations. But the Diocese will have additional functions. It will minister in wider ways. For example, evangelising the community at large,

chaplains and ministry in specialist or frontier areas such as industry, health and education, effective use of T.V., radio and other media.

(2) It will facilitate dimensions of ministry which separate parishes cannot encompass alone. Thus it will foster and develop the life of local congregations in both established areas and new centres of population where economic or social needs beyond the resources of a particular parish occur.

(3) There is a further prophetic ministry by the diocese to society at large. This will take the form of *drawing attention to current social inequities* - injustice and suffering in our community and the world. As our biblical theology has indicated above, this is simply the proclamation of God's Lordship over creation. This ministry is a reminder to governments of their function in God's world.

(4) Since proclamation to individuals and governments will not always, in an imperfect world, bring about compassionate change it will be necessary to provide general assistance through people or resources, for unmet human or social needs.

To summarise. Diocesan priorities should be ordered as follows -

- (i) Training for ministry.
- (ii) Fostering growth in parish life.
- (iii) To seek the justice and welfare of all men.
- (iv) General assistance for un-met human or social need.

These four areas would have to be accommodated to the context of the day. While no hard and fast percentages could be offered they do represent a scale or priorities. Structures of the Diocese should be such that priorities can be expressed.

#### ALTERNATIVE B

Turning now to the question of how a congregation should use its resources, we must think first about why a congregation exists. In Biblical terms, it is perfectly clear that a congregation exists for the mutual edification of all its members as each shares the gifts (charismata) which the Holy Spirit has given them. St. Paul makes this quite apparent in the following passage from Ephesians -

"And his gifts were that some should be apostles, some prophets, some evangelists, some pastors and teachers, for the equipment of the saints, for the work of the ministry, for building up the body of Christ, until we all attain to the unity of the faith and of the knowledge of the Son of God, to mature manhood, to the measure of the stature of the fullness of Christ ..." (4:11-12)

We note that the ministry of spiritual gifts is given to each Christian and not just to the ordained clergy. Some of the gifts are obviously intended to be exercised beyond the circle of the congregation, e.g. evangelist.

A church should use its financial resources to aid its members in the exercise of their spiritual gifts. This will mean providing accommodation for worship, fellowship and teaching. It will also mean sharing resources with those whose gifts require them, e.g. evangelists in their work of mission or helpers (1 Cor. 12:28) in providing relief for the needy. As well it will mean making provision for church members to develop their gifts through appropriate training, study or experience. But no amount of training or study can provide what the Holy Spirit has not given, it can only build upon it.

Biblically speaking, the role of the ordained clergy is not clear. From the post-biblical period we see the clergy emerging as those church members who preside at the Lord's Supper, teach and have oversight of the congregation (as the first among equals). Provision for clergy training should be a high priority for the use of congregational resources, but it needs to be a training which helps clergy to help all church members to exercise their own spiritual gifts in and beyond the congregation. Any use of resources which detracts from this central function of the exercise of spiritual gifts in the life of the Church will quench the Holy Spirit.

The question of how a diocese should use its resources depends on why we think a diocese exists. At the very least, a diocese is a fellowship of congregations under the oversight of a bishop. Historically considered, the bishop seems to have taken on many of the functions of the apostolate, especially the general oversight of congregations. One of the bishop's oversight-functions is to preserve the unity, fellowship and mutual upbuilding of faith that occurs between congregations and to preserve the apostolic faith and order in them. He too is a first among equals.

As a fellowship of congregations the diocese ought to provide for the exercise of spiritual gifts in ways where the resource of a single congregation would be inadequate, inefficient or wastefully duplicated. For example, a diocese can assist needy congregations, engage in evangelistic and relief work on a large, community scale and provide training facilities for ministry for members of many congregations. A diocese will seek to foster the exercise of spiritual gifts which the Holy Spirit has given to all Christians within the fellowship of its various congregations. The difference between the work of a parish and that of a diocese should usually be one

of scale only. A diocesan structure should not use its financial resources to become institutionally independent of the parishes or it will destroy the very fellowship of congregations of which it is meant to be the expression.

The role of the bishop and other ordained clergy is not to rule over other Christians or to be authoritarian, but to use their own spiritual gifts to encourage other Christians to use theirs for the mutual upbuilding in unity of the whole body of Christ in faith, hope and love.

As all Christians exercise their spiritual gifts, both within and beyond the congregation and the diocese, God's rule over nature, the social order and individual human hearts will be proclaimed to all. Sometimes this proclamation will involve a direct appeal to governments, trade unions and other social institutions and individuals, to recognise the justice and mercy of God and to put it into practice.

(This is not to say that other alternatives cannot be proposed nor that the above alternatives are not capable of being integrated. The Committee believes all church members would profit from a more detailed study of this section.)

## **5. Some Theological Principles Guiding Christians' Use of Wealth**

(1) In regard to the individual's use of wealth New Testament statements must be fitted into a biblical whole, since in regard to the structures of society Jesus presupposed the attitude of the Old Testament prophets. While on the wider political, social and economic fronts the church must attack abuses as part of its proclamation ministry, the following may be said in regard to the individual's use of wealth, in broadly general terms.

(2) We owe our very existence to God and are accountable to God for our lives.

(3) All property and wealth is God's (Ps. 24.1). It is entrusted to us for our benefit and we are accountable to God for its use. In sharing the resources of the earth, a broad principle of equality applies, e.g. God provided equitably for His people in the desert - a principle quoted by Paul (2 Cor. 8:15) - and likewise divided the inheritance in Canaan.

(4) The supreme guide for our behaviour is that expressed by the two commandments, love for God and love for our neighbour.

(5) Wealth is good and given for our enjoyment. It is the misuse of wealth that we need to guard against. Human sinfulness, i.e. the tendency to self-centredness and self-gratification, constitutes a danger to us in our use of property.

(a) It tempts us to put our trust and find our security in something other than God - "the covetousness which is idolatry" (Col. 3:5).

(b) It tempts us to use our resources (especially if they increase beyond what is necessary to supply our immediate needs) as a means of exploiting other people and nature, thus adversely affecting our relationship with both. Greed and avarice are most serious sins and whether individual or corporate are to be strenuously resisted.

(6) The need to make these basic principles known to all people will always be a major requirement for all Christians and a first priority for the Church.

(7) The grace of God which we as Christians have received in both providence and redemption should motivate us to generous and effective action for others, especially when inequalities of provision do appear, as they inevitably do.

(8) Our acknowledgement of Christ's lordship should mean that we do not make economics and business activity - the practical science of the production and distribution of wealth - a "law unto itself". Service and love should be strong imperatives behind all our economic activity.

(9) Yet the dominant underlying principle of scripture is nevertheless that God means us to have and enjoy life in this world and the world to come.

(10) Fellowship with the Holy Spirit should encourage us to be responsive to his guidance, especially where this may lead us into changing material or physical circumstances. This relationship may be impaired by possessions which tend to bind us to existing circumstances and make us inflexible towards change.

(11) We should use our wealth in ways which contribute positively towards the advancement of the kingdom of God. We must discern how the use of our wealth may affect our witness and our neighbour's well-being.

(12) In Scripture it is revealed that God has a concern for the poor and disadvantaged who cry out to Him and that He upholds their cause against those who may oppress them. This concern ought to be shared by Christians in their corporate and personal use of wealth.

(13) While we do have an obligation towards helping to meet the needs of all people, we should recognise that basic economic needs are relative and vary considerably between individuals and peoples. We should

therefore seek to create opportunities for meeting revealed needs as we become aware of them in whatever way is available to use and which seems an appropriate and practical demonstration of loving Christian concern for our neighbour.

(14) There is a special obligation of hospitality, generosity and sharing material resources among the people of God and this also applies both within and between congregations. Christians also have an obligation to share all good things with those who minister God's word to them and are encouraged to have "fellowship in the Gospel" with those who go out from among them to take God's word to others.

(15) Christians should practise restraint and a modest style of life relative to the community of which they are a part, both to avoid setting their hearts on riches and also so as to have something to give to those in need. This is especially desirable in those whose particular ministry gives prominence to their example (1 Tim. 3).

(16) Christians in business should at all times exercise faithfulness in stewardship, conscious of maintaining a right balance towards those in their employ, those who consume their products and service and those who will benefit through welfare from profits or surplus sustained.

(17) The first priority of the church however needs to be an ongoing proclamation that all people belong to God and are accountable to Him for what they do and how they act in response to living together and sharing the earth's resources. From this will derive a proper balance between maintaining principles and implementing an effective response.

(18) Corporately held wealth, like some other forms of corporate power, can have a special danger because it tends to create a distinct set of working conditions of its own -

- (a) its use tends to become divorced from individual personal responsibility; and
- (b) being separated from face-to-face relationships, it tends to become anonymous.

The link between wealth and power and the sinful propensity to the abuse of power especially when linked to the concentration of wealth in the hands of a few individuals or corporate bodies makes it desirable to encourage or provide restraints on the use and accumulation of property.

(19) Where the Church's corporate wealth may be open to misunderstanding it should seek to follow the scriptural instruction and not give unnecessary offence to those outside the Church. The Church however has specific obligations towards Church property subject to trust, e.g. superannuation funds, which inhibit actions it might otherwise be prepared to take. Nevertheless the Church should always exercise discretion and it may decide not to proceed on a given course of action even though such action might be quite legal or common practice elsewhere.

(20) The Church should only have or own property and use wealth to the extent that this helps not hinders its total mission. It should therefore limit itself to such functions only and any associated wealth which may be considered primary to its worship, training, evangelism, and in the case of a diocese, administration, co-ordination and wider public ministries. By its very nature the Church should never place itself in a position where it may become dependent upon a government or other institution for the continuance of its ministry or the maintenance of its wealth in such a way as to become inhibited from the full exercise of its ministry.

(21) Likewise the Church ought to restrict the creation and continuance of trusts of unlimited tenure, which serve to "bind the future", as being contrary to a Christian's proper view. The injunctions "Lay not up for yourselves treasures upon earth" (Matt. 6:19) or "If riches increase, set not your heart upon them" (Ps. 68:10) would appear to apply just as forcibly to the Church's attitudes towards the accumulation and management of wealth as to individual Christians.

## 6. Ordinances

The Committee examined ordinances which it considered foundational. These were -

- (a) Glebe Administration Ordinance 1930-1977.
- (b) Endowment of the See Ordinance 1977.
- (c) Sydney Diocesan Secretariat Ordinance 1973-1977.
- (d) Church of England Property Trust Diocese of Sydney Ordinance 1965-1981.
- (e) Investment of Church Trust Property Ordinance 1978.

It believes that these represent an *ad hoc* approach to the management of diocesan resources; it saw no real evidence of a conscious integrated biblical theology being applied systematically during a period of radical change in the size and complexity of diocesan structures. It notes that some ordinances have attempted to apply certain basic principles of Christian ethics to the management of property (e.g. restrictive covenants). But it notes that the Secretariat Ordinance makes no provision to ensure that Secretariat members are committed Christians and active Anglicans (contrast Church of England Property Trust Act, clause 3).

## **7. Diocesan Structures**

The Committee gave consideration to the tendency for diocesan structures to act independently of synod and the parishes, and believes this should be resisted and corrected wherever it occurs.

Some felt the Standing Committee does at times make significant policy decisions in such a way as to preempt the deliberative role of Synod.

For example, while the Synod in 1977 passed six amending ordinances, the Diocesan Income and Expenditure Ordinance and two General Synod accepting ordinances, the Standing Committee passed the key Secretariat Ordinance which introduced sweeping changes in diocesan structure. Standing Committee itself thus delegated important "powers authorities duties and functions" to a group neither elected by Synod nor directly responsible and accountable to it. In addition the property development and reinvestment policies followed so successfully by the Glebe Board over the last decade have in effect made certain bodies operationally independent of the parishes.

These tendencies for diocesan bodies to act independently of the Synod are increased by the size of the Diocese and the complexity of its functions. Some members believe this points to the need to establish new and separate dioceses with appropriate division of property to provide adequate endowments. Another view suggests that certain synod-related bodies might be separated and made autonomous. Yet others felt that some careful re-arranging of the present diocesan structures is all that is necessary.

## **8. Recommendations**

The Committee believes that it has extended and deepened the earlier committee's investigation of the theological principles governing the Church's use of its property. Given the complex nature of diocesan and parish life, the Committee considers the specific practical implementation of these principles will require each parish and diocesan organisation to carefully consider its activities in their light. Two possible courses of action are suggested.

We ask that the Archbishop-in-Council consider whether a diocesan committee should be established to set forth aims for the Diocese and outline some overall plan of action which could be conveyed to members of all committees and parishioners in general so that all the resources of people, finance and property may be co-ordinated towards a common goal in accordance with theological principles outlined in this report.

And also we ask that the Archbishop-in-Council consider whether there could be value in the appointment of an expert in Church organisational structures and theology to examine and report on the relationship between the theology set forward in this report and the actual reality of our diocesan and parish life.

## **9. Conclusion**

The Committee believes that the investigations into the Church's use of its property over the last five years have had the effect of increasing awareness within the diocese concerning its financial activities and the principles that should govern them. We welcome this new awareness and hope that this final report will contribute further to it. The Committee recognised that within its membership there was some diversity of opinion in a number of areas but acknowledges the goodwill and desire of all members to appreciate different points of view.

After many meetings and lengthy discussions concern was still felt about the acquisition and ownership of property and the utilisation of church owned resources for ministry in its many forms. For this reason we believe that considerable benefit could be obtained by adopting the recommendations listed earlier.

AUGUST 1982