

Description

This policy outlines the standard to form rates to use within User Agreements; and also reflects the guidelines set out by the Synod for property use.

Applicability

This policy relates to Congregations who are using property for a financial return and any property within the Presbytery's stewardship.

The policy aims to ensure a transparent system is in place to help ensure good financial stewardship practices exist.

Upon receiving an application for property use, the Property representative must look to understand the basis for setting a rental agreement level.

In relation to property use and what activities can be undertaken, the selected category must be justified by the applicant in their submission to the Presbytery Property Committee.

At all times, the Presbytery's mission statement of 'Leading the Church to Life' must be considered when reviewing potential applications.

Policy

1. Rental agreement level are to be set using the following allocations:

1. Pure Commercial – 100% of a commercial assessment
2. Mission Rate – 70-80% of a commercial assessment
3. Gift Rate – a rate from 0-69% of a commercial assessment

Definitions and a worked example are included at the end of this policy.

All applications require first determining a Commercial rate for property and making applications to the Presbytery Property Committee, using this research as a reference point.

2. Adhere to using the 'Current User Agreement template of the Presbytery or Synod to form the basis of any agreements.

Breach of Policy

Should a breach of policy be reported or found, the appropriate body will seek to reconcile the breach through either verbal or written communication.

The Chair of the Presbytery Property Committee shall record any known breach within Committee minutes.

Definitions and Worked Example

Situation:

A Congregation is responsible for a large hall.

The Church Council has determined via reference to other halls rented by the Local Council that \$100 is a fair commercial rate for that area, demographic and facility offered.

A Karate Club applies to the Congregation to use the hall to run classes after school. The Club has no link to the Church or Congregation.

Pure Commercial

- As there is no link to the Church or Congregation the determined market rate is appropriate.

A User Agreement should be formed with the rate of \$100 per hour.

Mission Rate

This is a rate set at a discount to 70-80% of the Commercial rate as decided by the Church Council.

This can be applied if there is a direct link of the User Activity to the mission of the Congregation. For example:

- a not for profit wants a space and they align with our values; or
- a yoga teacher giving free lessons to the elderly
- The Karate Club above offers a reduced rate to the Youth Group of the Congregation.

In this example a rate would be \$70-\$80 per hour would be appropriate.

It is not appropriate to say “they are a charity” or “they are a community group” as this does not demonstrate a missional alignment. Further thought should also be given to the appropriateness of a mission rate if the User is charging people to attend, particularly if their rates are commercial.

Gift rate

This is a rate set at a discount to 0% to 69% of the Commercial rate, as decided by the Church Council. For example:

- A local choir may practice in the hall and offer to sing semi regularly at a service (\$20/hour)
- A bible study is held (\$0)

In all these examples a User Agreement is required.

Document Control

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Edits from prior version	Additional paragraph within Missional Rate Reference to the new committee's name (B&P is now the PPC)
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