



## The Presbyterian Church Property Trustees

### !!! IMPORTANT UPDATES !!!

#### The Trustees have recently updated two of their key policies - Earthquake Prone Buildings Policy & Section 3 of the Property Handbook

**The Earthquake Prone Buildings Policy** has been reviewed and updated to take account of legislative changes and the request from the 2014 Assembly to consider requests from Congregations to strengthen to 34% in certain circumstances.

The fundamental legal and moral obligations of the Trustees as building owners of all Church property north of the Waitaki River, and of Congregations as managers of their buildings remain unchanged. Under the Book of Order and the Presbyterian Church Property Act 1885, the leadership of each Congregation has the primary responsibility for ensuring that its public buildings are safe and up to current earthquake standard. This is clearly expressed in the Council of Assembly's statement on the issue:

*Our Council of Assembly, after consulting with our Doctrine Core Group, has reached the conclusion that Church owned buildings that are unsafe should not be used for church or community activities. This conclusion is not just a matter of risk management, but one that the Council believes affirms the integrity and nature of our Church and its Christian witness and mission; none of us wishes to knowingly place anyone at risk by worshipping or working in an unsafe environment.*

#### **So, what has changed?**

Firstly, we have divided the country according to the Government's recently published high, medium and low risk areas and extended the reporting and strengthening timeframes as appropriate for each area.

Secondly, the Trustees remain convinced that 67% NBS is the minimum standard required to ensure both the safety of our Congregations and other building users and to provide reasonable certainty that our buildings will survive to be part of the Church's mission into the future. 67% NBS is also recommended by the New Zealand Society for Earthquake Engineering as being the minimum to provide an acceptable level of protection in a moderate to severe earthquake.

However, as requested by the 2014 General Assembly, the Trustees may permit Congregations to upgrade to the lower 34% NBS when the cost of strengthening to 67% is excessive, or when the facility is not one that is critical for the functioning of the Congregation and/or has very low levels of use.

The full Earthquake Prone Buildings Policy can be viewed and downloaded from:  
[http://presbyterian.org.nz/sites/public\\_files/15-09-09\\_Earthquake\\_Prone\\_Building\\_Policy\\_with\\_AES\\_endorsement.doc.pdf](http://presbyterian.org.nz/sites/public_files/15-09-09_Earthquake_Prone_Building_Policy_with_AES_endorsement.doc.pdf)

**Remember: The Congregations of the future will inherit our choices**

**The Property Handbook (Section 3)** covers renovations, alterations, extensions & new buildings and has also been recently updated to provide Congregations with more detailed information to guide them through the building and renovations process.

Building projects have become increasingly complex and expensive and some of the key points covered in the new Section 3 are:

- Thinking about the use of buildings and what options might best fit the mission of the Church. You should also talk to your Presbytery about your plans;
- Becoming familiar with Local Authority rules and regulations early in the planning process to avoid expensive surprises later;
- The Church's approval process - Parish Council, Congregation, Presbytery and the Trustees.
- Approval and management of major projects over \$500,000 to ensure the Congregation is getting good value for money and is assisted by professionally qualified advisers to keep the project on track.

**Over the next few months, we will be revising the whole Property Handbook and reformatting it as an online document that can be readily updated to provide the best assistance we can in relation to the wide range of property matters that Congregations, Presbyteries and the Trustees deal with on a day to day basis.**

#### **PIF Interest Rate & Parish Budgets**

In our April newsletter we suggested that parish treasurers use 4.00% pa for budgeting purposes for the year ending 30<sup>th</sup> June 2016.

While the current interest rate of 4.00% pa will be held until the end of November, the Trustees have no option in view of the continuing decrease in market rates, other than to reduce the interest paid on PIF deposits to 3.75% pa from 1<sup>st</sup> December 2015. Treasurers may wish to revise their budgets accordingly.

As usual, we can't give any guarantees as to future movements and provide this as guidance only.

#### **Correspondence from Local Authorities and Heritage NZ**

Just a reminder to please ensure that any correspondence relating to a Heritage or Historic places designation is forwarded to both your Presbytery and to the Trustees' Office without delay. This is important, as often there is a time frame within which a response needs to be made.

Copies of letters concerning overdue rates, overdue Building Warrants of Fitness, Section 124 Notices and other similar matters should be forwarded to your Presbytery and to the Trustees, with a note indicating what action has or is being taken. Importantly, if you receive incorrectly addressed mail not relating to your parish, please forward it to the Trustees' office as in some cases, the consequences could be significant.