



The Presbyterian Church **Property Trustees**

Building up the Presbyterian Church for God's Mission

**DECEMBER
2025**

NEWSLETTER



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PIF On Call Interest Rate Falls

The Interest Rate for the Presbyterian Investment Fund **On Call Fund** reduced from **3.5% p.a. to 3.25% p.a. on 1 December 2025.**

After holding the PIF On Call interest rate steady at 3.50% through the August and October cuts to the Official Cash Rate, the Trustees have reduced the PIF rate to 3.25% from 1 December. This follows the Reserve Bank of NZ's November decision to cut the Official Cash Rate to 2.25%. As an On Call fund, with congregations able to withdraw money on a same day basis (with a few days' notice required for large withdrawals), the PIF On Call interest rate is closely linked to the Official Cash Rate.

The jury is now out as to whether further cuts to the Official Cash Rate will be required. The rate is already much lower than predicted earlier in the year, largely due to the moribund economy. However, we are now starting to see the green shoots of what might just be a return to economic growth. If that happens, this might be the bottom of the interest rate cycle. If not, the Reserve Bank might be forced to cut again, which could see the PIF On Call rate also fall.

The **Long Term Fund** continues to pay regular interest of **3% p.a. plus inflation**. Inflation for the September 2025 quarter was +1.0%, so this was added to balances, along with an extra +3.0% by way of reserve interest income, reflecting strong investment market returns.

You can get in touch with us via email at trustees@presbyterian.org.nz or by calling 04 381 8296.

For Beneficiary Fund enquiries, please contact Melville Jessup Weaver (MJW), the Fund's Administrator, via email at presbyterian@mjlw.co.nz, or calling 0800 266 787.

Property Decisions from General Assembly 2025

General Assembly 2025 made two key decisions affecting property matters.

1. Transaction Approval Thresholds Lifted

The first involves replacing Supplementary Provisions 3.1 to 3.6 under Chapter 16 of the Book of Order (Property and Finance). Of note, the update includes some increases in property transaction approval thresholds as follows:

- **3.4 Renovations/alterations over \$100,000 require Presbytery (and Trustees) approval**

The update lifted the amount congregations can spend on renovations/alterations without seeking approval from \$50,000 to \$100,000 - except, if you want to use Property Capital funds for all or of some of this work.

You must seek the approval of the congregation, Presbytery and Trustees to spend sale proceeds (Property Capital), regardless of the amount involved.

- **3.5 Those involved in projects over \$100,000 must be competent and recognised**

Presbyteries must be satisfied that anyone involved in drawing up plans for buildings (new or existing) costing more than \$100,000 is competent and recognized by an appropriate body (up from the previous limit of \$50,000).

- **3.6 Building proposals over \$500,000 require a CARG report**

Presbyteries must obtain and be satisfied with a report from the Church Architecture Reference Group for all building proposals (whether for new buildings, alterations, or purchase) costing more than \$500,000 (up from the previous limit of \$200,000).

We note that the borrowing approval threshold of \$50,000 (see SP 5.1) remains unchanged.

2. Mission Enterprise Fund Wind Up

GA25 approved that the Mission Enterprise Fund be wound up no later than 31 January 2026 (with all sales settling after 30 June 2025 no longer qualifying for a transfer).

This means that congregations and presbyteries will no longer have, or need to consider whether to approve, a transfer of 10% of eligible sale proceeds to the Mission Enterprise Fund.

The unspent balance of the Aroha Fund (20% of funds transferred to the Mission Enterprise Fund) of approximately \$525,000 will be administered by Te Aka Puahou for the purpose of supporting ministry among people who are vulnerable and socially disadvantaged.

The unspent balance of the Mission Enterprise Fund (approximately \$1.78m) will be distributed to presbyteries early in 2026, with 25% distributed to both Te Aka Puahou and the Pacific Presbytery, 12.5% each to Northern, Kaimai, Central and Alpine Presbyteries for mission projects, seed funding and support of stipend/salary for specific mission projects.



Proposed Changes to Earthquake-Prone Building System

On 29 September 2025, the Government announced a major overhaul of the Earthquake-prone building system.

The proposed changes include:

- Moving away from using %NBS as the primary assessment tool.
- Only certain types of buildings in Medium and High risk zones will be considered earthquake prone.
- Only two types of buildings will qualify: 1) buildings with unreinforced masonry, and 2) buildings of concrete/heavy construction that are 3+ storeys high.
- Only these types of buildings in Medium and High risk areas are included. This means that all buildings in Auckland and Northland are automatically excluded (as Low risk), but these types of buildings in coastal Otago are included (it will be reclassified as Medium Risk).
- The actions required for earthquake prone buildings will vary according to the type of building and whether it is located in an urban centre, or a rural or small town. Actions range from registration only through to a full retrofit.
- The outcome will be that less money will need to be spent on seismic work.



The current law remains in force

The proposed changes will not take effect until legislation is passed. This is not expected until 2027 and until then, the existing legislation remains in force. We also note that, until the legislation is passed, there are a lot of questions that remain unanswered. As always, “the devil is in the detail”.

Strengthening may still be the right thing to do

The proposed regime is focused on life safety. While this is entirely appropriate, there are lots of other factors to consider when assessing building projects. There remain lots of good reasons to strengthen buildings. In our context, these include: ensuring congregations can continue to carry out their mission and ministry after a seismic event; maintaining property values; attracting tenants; minimising insurance costs; reducing losses; and being a place of sanctuary for others after an event.

The Trustees’ position

The Trustees will continue to adopt the current approach. That is, we will not require seismic strengthening work that is not required under legislation. Church Councils remain responsible for the compliance of their buildings with the legislation in force.

However, we will continue our focus on ensuring that any money spent on property contributes to the Church’s mission, as requested by the General Assembly. In practice, this means the Trustees may ask those congregations applying to spend money on buildings (whether seismic-related or not) to ensure their building is expected to be able to contribute to mission for the foreseeable future. This might require strengthening even if the earthquake-prone building regime does not.

In the interim, we suggest you consult your engineer.

Clevedon Redevelopment

The Trustees recently gave final approval for a major redevelopment of the Clevedon church site on behalf of Clevedon Presbyterian Church (the congregation also has sites at Kawakawa Bay and Takanini). The redevelopment will involve the staged construction of three new buildings (front and back views below): an Early Learning Centre; a Family Ministries facility; and a church sanctuary in the centre. We look forward to sharing progress on this exciting project through 2026.



Annual Reports Now Available

The Trustees Annual Report for the year to 30 June 2025 is now available on the PCANZ website [here](#). Also available are the [Presbyterian Investment Fund Annual Report](#) and financial statements and the [Beneficiary Fund Annual Members Report](#) and financial statements. Additional financial statements for trusts administered by the Trustees are available on request.



Christmas Greetings and Office Close

The Trustees and office staff wish you a wonderful Christmas, a relaxing holiday season, and a fantastic 2026!

The Trustees' Office will be closed from 12 midday on Tuesday 23 December 2025 and reopen again at 9am on Wednesday 7 January 2026.