

Bringing people closer to Jesus Christ through His Church  
Catholic Diocese of Portsmouth



## Terms of Reference for Parish Finance Committees

*"The way of the fool is right in his own eyes,  
But a wise man is he who listens to counsel."*

Proverbs 12:15

Issued by:

The Bishop of Portsmouth and the Catholic Diocese of Portsmouth  
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England Registered Charity No. 1199568  
Jersey Registered Charity No. 457  
Guernsey Registered Charity No. CH263



<b>Operative date:</b>	01 January 2023
<b>Owner:</b>	Trust Development Manager
<b>Review date:</b>	November 2025
<b>For action by:</b>	All trustees, departments, parishes, clergy, employees and volunteers of the Catholic Diocese of Portsmouth
<b>Policy statement:</b>	This policy applies to all trustees, committees and parish finance Committees. It covers conflicts of interest and payments to trustees.
<b>Responsibility for dissemination to new Parish Priests</b>	Department for Clergy
<b>Responsibility for dissemination to new parish Committee members</b>	Parish Priests and Chairpersons of Parish Finance Committees
<b>Mechanisms for dissemination:</b>	The policy will be published on the Diocese of Portsmouth Intranet.
<b>Training implications:</b>	This policy will be highlighted through the induction process.
<b>Resource implications:</b>	There are no resource implications.

## FOREWORD

God's Church here in the Diocese of Portsmouth is formed of many and varied communities, held together in the same Truth of Christ both in doctrine life and worship. We need common operating procedures across the Diocese to ensure compliance with the needs of both canon and civil law. In addition, and especially in the light of the Church's call to the work of new evangelisation, we need to ensure harmonised collaboration. We have a responsibility to ensure that people, buildings, and money are treated carefully allowing us to perform our duties "with the diligence of a good householder" (Canon 1284§1).

The aim of our policies is to provide a framework of guidance for all who work within the Diocese: guidance to support and encourage us all in our work, to enable a working environment that is based on co-operation, respect for each other's gifts, tolerance and support for each other's limitations and above all, fairness and justice in our dealings with each other.

So, I present to you our Terms of Reference for Parish Finance Committees. This has the status of particular law for the Diocese of Portsmouth. Policies must be understood and followed in the broad areas of human resource, schools, buildings, and finance.

I am very grateful to all those who have compiled these procedures and ensure their regular review and updating.

In Corde Iesu

A handwritten signature in blue ink that reads "+ Philip". The plus sign is a simple cross, and the name "Philip" is written in a cursive, flowing script.

Rt Rev Philip A. Egan

**Bishop of Portsmouth**

November 2022

## TERMINOLOGY

For the purposes of these Terms of Reference, The **Diocese** refers to the Catholic Diocese of Portsmouth, registered charity number 1199568 and any of its trading subsidiaries or any special trusts of which it is trustee.

The term **Trustee Board** refers to the trustees of the Catholic Diocese of Portsmouth, registered charity number 1199568.

The term **temporal goods** refers to all moveable and immovable property, for example land, buildings, financial assets, furniture and valuables.

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## INTRODUCTION

The Catholic Diocese of Portsmouth is a Charitable Incorporated Organisation which operates across three legal jurisdictions, England, and the Bailiwicks of Jersey and Guernsey. As such, it must adhere to the law of each jurisdiction and is overseen by the Charity Commission for England and Wales, the Office of the Jersey Charity Commissioner and the Guernsey Registry.

The Diocese is formed of its parishes. Parishes do not have an independent legal identity; they operate as an integral part of the Catholic Diocese of Portsmouth.

Each parish is led by a parish priest who, in Canon Law, in all juridic affairs represents the parish according to the norm of law. He is to take care that the goods of the parish are administered according to the norm of can. 1281-1288. (Canon 532)

Under Canon Law, each parish is to have a finance Committee which is "governed, in addition to universal law, by norms issued by the diocesan bishop and in which the Christian faithful, selected according to these same norms, are to assist the pastor in the administration of the goods of the parish, without prejudice to the prescript of can. 532" (Canon 537).

The purpose of these Terms of Reference is to provide a framework for Parish Finance Committees to carry out their canonical role and responsibilities. They should be read and understood in conjunction with the Scheme of Delegation.

### 1. MEMBERSHIP

- 1.1. Each parish must have a Parish Finance Committee.
- 1.2. Parish Finance Committees must have no fewer than four and no more than 10 members.
- 1.3. The Parish Priest is not a member of the Parish Finance Committee. However, he does preside over the meetings of the Parish Finance Committee.
- 1.4. The Parish Priest is responsible for appointing members. Members must be appointed in writing.
- 1.5. To be considered for appointment, the candidate must:
  - 1.5.1. Be a practicing Catholic of good standing who participates in the ongoing life of the parish.
  - 1.5.2. Have relevant skills and experience in accounting, finance, property management, personnel management, business, or governance.
  - 1.5.3. Live in the territorial boundaries of the parish, be a part-time resident in the territorial boundaries of the parish or be registered in the parish.
  - 1.5.4. Be considered a "fit and proper" person for the purposes of HMRC, the Jersey Controller of Income Tax, or the Guernsey Revenue Service.
- 1.6. To be considered for appointment the candidate must not:
  - 1.6.1. Be related to the Parish Priest.
  - 1.6.2. Have an unspent conviction for an offence involving dishonesty or deception, terrorism, money-laundering, bribery, contravention of a Charity Commission Order or Direction, misconduct in public office, perjury, or

perverting the course of justice or aiding or abetting any of the aforementioned offences.

- 1.6.3. Have an IVA, debt relief order and/or bankruptcy order.
  - 1.6.4. Be removed or disqualified as a charity trustee.
  - 1.6.5. Be disqualified as a company director.
  - 1.6.6. Be disqualified by the FCA, JFSC, or GFSC.
  - 1.6.7. Be a designated person for the purposes of anti-terrorism legislation.
  - 1.6.8. Be on the sex-offenders' register.
  - 1.6.9. Have been found in contempt of court for making (or causing to be made) a false statement.
- 1.7. Parish Finance Committee members should complete a sign a self-declaration confirming they meet the above requirements for appointment on an annual basis.
  - 1.8. Existing members of the Parish Finance Committee should assist the Parish Priest in identifying potential candidates and providing induction for new members.

## 2. ROLES

- 2.1. In addition to ordinary members, the Parish Finance Committee must include the following roles:
  - 2.1.1. A **Chairperson**, who is responsible for preparing agendas in consultation with the Parish Priest and chairing Parish Finance Committee meetings.
  - 2.1.2. A **Secretary** who is responsible for keeping records of attendance, taking accurate minutes of all Parish Finance Committee meetings and ensuring the secure record of minutes and other papers in the parish.
  - 2.1.3. A **Treasurer** who is responsible for overseeing the parish accounts and setting a proposed parish annual budget, in consultation with the Parish Priest.
- 2.2. Role-holders should be elected by Parish Finance Committee members or be appointed by the Parish Priest.
- 2.3. Role-holders should be appointed for a fixed term of office.
- 2.4. Role-holders must not be related to each other.

## 3. TERMS OF OFFICE

- 3.1. All Parish Finance Committee members are appointed for a three-year term of office.
- 3.2. Terms of office may be renewed up to three times.
- 3.3. When a new Parish Priest takes office, if current Parish Finance Committee members have less than one-year remaining on their term of office, the Parish Priest may extend their membership for an additional year to help with transition.

- 3.4. A Parish Finance Committee member may be removed from office prior to the end of their term due to
  - 3.4.1. Resignation.
  - 3.4.2. Breach of confidentiality.
  - 3.4.3. Abandonment of duties.
  - 3.4.4. Death.
  - 3.4.5. Change in domicile to one outside of the parish territorial boundaries, unless the member continues to be a registered member of the parish.
  - 3.4.6. No longer being in good standing. This includes no longer fulfilling the criteria for appointment or may be due to a breach of trust (for example, arising from an unmanaged conflict of interest).

#### **4. MEETINGS AND RECORD-KEEPING**

- 4.1. The Parish Priest or Chairperson of the Parish Finance Committee may call a meeting.
- 4.2. Parish Finance Committee meetings must be held at least once a year.
- 4.3. Meetings may be held in person or by suitable electronic means which allow each participant to communicate with all the other participants.
- 4.4. The Chair of the Parish Finance Committee should chair the meeting or, if absent, may nominate another member to chair in their stead.
- 4.5. Meetings must be quorate. For a meeting to be quorate more than half of the Parish Finance Committee members must be present, as well as the Parish Priest or another priest he has delegated to attend in his stead.
- 4.6. Accurate minutes of the meeting must be taken and kept for a minimum of 6 years. Copies of meeting minutes should also be lodged with the Curia.
- 4.7. Meeting papers and other documents should be kept for a minimum of 6 years.

#### **5. VOTING AND DECISION MAKING**

- 5.1. For a decision relating to the Parish Finance Committee's areas of responsibility to be valid, the Parish Priest must seek the Parish Finance Committee's view.
- 5.2. Recommendations of the Parish Finance Committee must be made by a quorum of the Parish Finance Committee and decided by a majority vote.
- 5.3. The Parish Priest and other priests or deacons of the parish should not take part in the vote.
- 5.4. The Parish Priest is not obliged to follow the Parish Finance Committee's recommendation, even where it is unanimous, provided that there is a good reason for doing so. Reasoning should be submitted in writing to the Parish Finance Committee at the next meeting.



## 6. DUTIES AND RESPONSIBILITIES

- 6.1. The Parish Finance Committee is a consultative body whose purpose is to assist the Parish Priest to act justly and prudently in the administration of the temporal goods of the parish.
- 6.2. A clear distinction should be maintained between advising the Parish Priest on the areas within the Parish Finance Committee's remit and the administration of the parish.
- 6.3. The Parish Finance Committee has three main areas of responsibility: administration and finance, facility management, and stewardship and development.
- 6.4. The Parish Finance Committee has the following specific responsibilities:
  - 6.4.1. Ensuring adherence to civil law in the administration of the temporal goods of the parish.
  - 6.4.2. Ensuring the adoption and adherence to Diocesan Operating Procedures (DoPs) and other relevant policies, terms and schemes pertaining to the administration of the temporal goods of the parish.
  - 6.4.3. Ensuring that robust internal controls and procedures are in place to ensure cash, funds and other resources are used for their intended purpose.
  - 6.4.4. Devising an annual budget for the parish and monitoring performance against that budget regularly.
  - 6.4.5. Undertaking long-term financial planning for the parish.
  - 6.4.6. Preparing an annual financial report for the parish to be provided to the Diocesan Finance Team in the manner set out by the Board of Trustees. Reports should be accurate and timely and are subject to external audit.
  - 6.4.7. Presenting the accounts to the parish community at least once a year, in a format which is clear and easily understandable.
  - 6.4.8. Considering proposals for the commitment of parish resources and giving a view on those proposals.
  - 6.4.9. Offering to the Bishop and Trustee Board the opinion of the Parish Finance Committee on matters which exceed the powers delegated to the Parish Priest. Such consultation should occur through the Parish Priest.
  - 6.4.10. Developing an inventory of parish assets, both movable and immovable goods, that is maintained at least annually.
  - 6.4.11. Reviewing any particular items of administration on which the Parish Priest seeks advice.
  - 6.4.12. Reviewing all contracts being entered into by the parish and providing advice on them.
  - 6.4.13. Ensuring effective procurement procedures are followed for the procurement of all goods and services.

## **7. CHARITABLE PURPOSES AND PUBLIC BENEFIT**

- 7.1. In the course of its work and when providing recommendations to the Parish Priest, the Parish Finance Committee must have due regard for the Diocese's charitable purposes and the public benefit requirement.
- 7.2. All parish activities and administration must fall within the Diocese's charitable purposes, be for the furtherance of those purposes, and fulfil the public benefit requirement.

## **8. MATTERS RESERVED TO THE TRUSTEES**

- 8.1. Any matters not delegated to Parish Finance Committees through these Terms of Reference, the Scheme of Delegation, or Diocesan Operating Procedures remain outside of the authority of Parish Finance Committees.
- 8.2. Some matters are delegated to other committees or role holders, as described in relevant Terms of Reference, the Scheme of Delegation or Diocesan Operating Procedures.
- 8.3. Any matter which has not been delegated formally, remains the reserve of the Board of Trustees. Certain matters will always be reserved for the Board of Trustees, these include the:
  - 8.3.1. Acquisition of land
  - 8.3.2. Disposal of land
  - 8.3.3. Approval of policies
  - 8.3.4. Approval of annual reports and accounts
  - 8.3.5. Approval of the budget
  - 8.3.6. Appointment of auditors
  - 8.3.7. Appointment of the Chief Operating Officer (COO)
  - 8.3.8. Appointment of professional fundraisers

## **9. ACCOUNTABILITY**

- 9.1. Parish Priests and Parish Finance Committees are accountable to the Bishop and the Trustee Board for the proper administration of the parish.
- 9.2. Parish Priests and Parish Finance Committees have a duty to report any breaches in law; such a report must be made to the Chief Operating Officer of the Diocese or the Moderator of the Curia.
- 9.3. If the recommendations of the Parish Finance Committee are not followed by the Parish Priest and the Parish Finance Committee is concerned that this will result in a breach of law, regulation, policy or have an adverse effect on the parish financial situation, the Parish Finance Committee must advise the Chief Operating Officer of the Diocese or the Moderator of the Curia.

## APPROVALS

The signatures below certify that this document has been reviewed and accepted, demonstrating that the signatories are aware of all requirements contained herein and are committed to ensuring their provision.

	Position	Date
Prepared by	Trust Development Manager	Oct 22
Reviewed by	Chief Operating Officer	Oct 22
Reviewed by	Director of Finance	Oct 22
Reviewed by	Moderator of the Curia & Dean of the Cathedral	Nov 22
Reviewed by	Portsmouth Cathedral Parish Finance Committee	Nov 22
Reviewed by	Guernsey Parish Priest	Nov 22
Reviewed by	Guernsey Parish Finance Committee	Nov 22
Reviewed by	Canon Lawyer & Dean of Jersey	Nov 22
Reviewed by	Jersey Parish Finance Committee	Nov 22
Reviewed by	Canon Lawyer & Southampton Holy Family Parish Priest	Nov 22
Reviewed by	Judicial Vicar & Wokingham Parish Priest	Nov 22
Reviewed by	Leigh Park Parish Priest	Nov 22
Reviewed by	Leigh Park Parish Finance Committee	Nov 22
Reviewed by	Bishop's Council	Nov 22

Reviewed by	FAR Committee	10 Nov 22
Approved by	Trustee Board	18 Nov 22

### AMENDMENT RECORD

This document is reviewed to ensure its continuing relevance to the systems and processes that it describes. A record of contextual additions or omissions is given below.

Page No.	Context	Revision	Date
1	Charity numbers updated		Jan 2023