

# What is the best leadership structure for my church?

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August 2020





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Stewardship is here to help the Christian community in the UK to give and receive.

We help over 40,000 people to give generously and sacrificially to support the causes they love, and connect them in to a growing community of 4,000 churches, 6,000 charities and 2,800 individual partners creating positive change, and being responsible stewards, in Jesus' name.

For more than a century we have actively served those pioneering Christian mission. Together, we are driven by our desire that the wider world will encounter Jesus through the generosity of his people and the transformational work of the causes they support.

We call this **Active Generosity**.





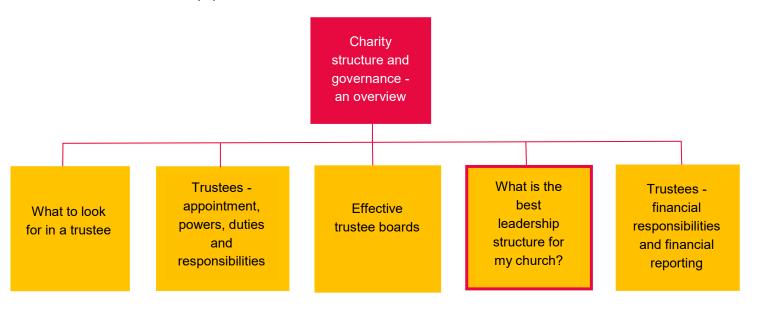
#### Series introduction

Being a church or Christian charity trustee is a very important, and hopefully rewarding role within the organisation that you serve. Good effective churches and charities need good effective trustees as an essential part of a broad and diverse leadership team. Romans 12 draws that familiar picture of the church as the "body of Christ", urging each person to take their place for the benefit of all. Trustees are a valuable and indispensable part of that body.

"Good effective churches and charities need good effective trustees as an essential part of a broad and diverse leadership team."

This series of briefing papers explores different facets of the role of trustee. Whilst the papers are written primarily for churches in England and Wales that are regulated by the Charity Commission, the majority of the series can equally be applied to other Christian charities. If your organisation is based in either Scotland or Northern Ireland the broad principles are the same, but we would suggest that you refer to your own regulatory body when considering the more technical aspects or requirements.

Although each paper is "stand-alone", we suggest that you might want to read the paper "charity structure and governance – an overview"1 first as this provides the broad context into which the other papers can be better understood.



This series does not consider the payment or remuneration of trustees which is addressed in a separate paper.2

<sup>1</sup> See our briefing paper on 'Charity structure and governance – an overview' in the resources section of our website

<sup>2</sup> See our briefing paper on 'Payment of charity trustees' in the resources section of our website



# Spiritual leaders and trustees - introduction

Leadership is a topic that is covered extensively in the Bible. Whilst much of this teaching looks at the character of a leader urging leaders to seek guidance from God, there is not a whole lot about dealing with the Charity Commission or other regulators (perhaps with the exception of the Roman authorities). Ever since the early church in Acts, churches around the world have worked out leadership in many different forms and there appears to be no one single "right" leadership model that works for every church.

Churches in the UK are "spiritual entities" working out what it is to be the family of God but, in almost all cases, they are also legal charities. As a result, they need to be steered by spiritual leaders under the guidance of God but must also work within the UK regulatory framework. There is generally a high level of overlap between these two aspects of church life, but there are times when one aspect is dominant and is required to take the lead.

The heart of this paper considers whether:

- · Spiritual leadership and governance leadership is the same thing
- The same group of people should be responsible for both aspects of leadership



# Spiritual leaders and trustees – are they the same thing?

In most non-church charities, leadership rests solely with the trustees. They may appoint some form of management team to run the day-to-day matters, but direction and oversight rest with the trustee board.

As we have already touched on, churches are different. Leadership in churches has two aspects; two sides of the same coin if you like. On the one side there is legal governance and oversight (church as charity), whilst on the other there is vision and spiritual direction (church as the family of God). In many instances, the issues that churches face have both a spiritual and a governance aspect requiring a solution that draws on leadership from across the whole church. Where this is the case, there is a high degree of overlap.

There are however times when a church matter falls clearly into the realm of either the spiritual or the legal. These might be rare, but it is important that where this does occur that the appropriate leadership comes to the fore. Whilst this is a different leadership model to most other charities, the distinction is one that is recognised and accepted by the Charity Commission.

This stance gives churches both room for manoeuvre and food for thought. Should churches:

- Appoint a single leadership team with responsibility for all aspects of leadership (a combined leadership model);
- Appoint two distinct leadership teams, one covering spiritual matters and the other, the trustees, focused on legal governance (a split leadership model).

There are of course a number of variations to these 'extreme' models, but for the purposes of this paper we will focus on these two models allowing each reader to adapt the content to meet a slightly different situation. We will put forward a case for each model later.



# Spiritual Direction – setting the right course

The primary authority for spiritual leadership in a church comes from a spiritual "calling" rather than from legal authority. To be effective, this calling needs to be recognised by others in the leadership team and across the church; that is those that are seeking to be led.

Advocates of splitting the roles of spiritual and governance leadership suggest that spiritual leaders need to be released from the burdens and responsibilities of legal governance so as to better discern the will of God and provide vision for the church. These advocates will perhaps point towards combined church leadership meetings unduly weighted towards governance and administrative matters.

Advocates for combining the roles or having mixed teams suggest that spiritual leadership can't take place in a vacuum and that far from being a burden, governance provides a framework in which the spiritual leaders can operate and of which they should be aware of when discerning the will of God.

At Stewardship we have seen churches adopting all kinds of models, and no one leadership model will fit every situation. In the next few paragraphs we put the case for each of the models.





## 5 The case for a combined leadership team

With many aspects of church life having both a spiritual and governance aspect, having a single leadership team dealing with both would appear a good place from which to start.

#### On the positive side:

- This is a simple structure
- It is abundantly clear to the church who its leaders are
- Church vision will be forged within an understanding of the regulatory framework.

#### On the negative side:

- The skills and gifting required for the two roles are different
- There may be concern regarding the amount of 'power and control' vested in a small group of people; but conversely
- Trustee boards must, by law, be made up of a majority of unpaid trustees. Where paid spiritual leaders are also trustees (the norm in a number of denominations) maintaining this ratio may lead to a large trustee board making decision making slow and cumbersome.





# The case for separate leadership teams

Benefits of separating the leadership roles may include:

- Freeing the spiritual leadership from the confines imposed by the regulatory framework gives them space to better discern the will of God. Combined leadership meetings can become dominated with either legal governance matters or spiritual matters leaving little room for the other
- The skills required for spiritual leadership are not necessarily the same as those required for governance leadership
- The legal governance leadership can assess the direction and leading provided by the spiritual leaders from a purely legal and administrative viewpoint
- Neither group is initially conflicted or constrained by the requirements of the other

#### On the negative side:

- This split structure is far more difficult for a church member to understand. What responsibilities fall to each group?
- Who are the true "leaders" of the church, and how is leadership worked out in practice?
- Requires good communication to be effective (see below)
- What happens when tensions become evident between the two groups?
- The trustee group can be perceived (rightly or wrongly) as a negative constraining force, holding the church back by imposing constricting policies and procedures



## Specific issues facing separate leadership teams

#### Communication 7.1

Where the leadership role is separated, communication between the two leadership teams is vital to avoid, or deal with any tension that may arise. Trustees should be kept informed of spiritual led initiatives (preferably before they become a fait accompli) and trustees must be willing to submit to spiritual leaders in those matters.

Balancing this, it is also essential that spiritual leaders accept and understand the role of governance leaders (trustees) and are willing to submit to them in areas where they are taking a lead and have the primary responsibility.

To be effective, churches require both leadership aspects and where communication is poor or fails completely, that balance is lost with either group potentially dominating the other and leading the church in an unbalanced way.

Where tensions do emerge; our advice is that leaders in both groups should:

- Be quick to listen and slow to speak
- Be sensitive of the roles, responsibilities and burdens carried by the other group
- Should seek advice from someone who understands the alternative viewpoint
- Remember that wisdom is found in the counsel of many
- Make every effort to maintain unity in the bond of peace
- Be humble
- Pray

#### 7.2 Financial decision making

It can often be in areas of finance and budget where the greatest friction between the spiritual leaders and the trustees occurs.

Spiritual leaders, some of whom may have little financial skills or training may want to see church resources directed in certain ways, trustees may on the other hand have other priorities and so want to see resources used differently.

Some of the underlying reasons for this tension could stem from:

- Trustees having the legal responsibility for handling the finances and the resources
  of the church and so being the first to be criticised if there are issues
- Under some structures (particularly for unincorporated organisations), trustees will carry a personal financial liability (where spiritual leaders will not), perhaps leading them to being more cautious
- Trustees may have more business experience and different professional skills and are perhaps more tuned in to what could go wrong and the implications that come with this
- Typically trustees are older. The average age of a trustee is now over 55 and with age tends to come a more cautious approach
- Hopefully churches are appointing spiritual leaders with a vision 'to change the
  world' and this may be at odds with trustees who feel that they have their feet firmly
  planted 'on the ground'.

There is nothing inherently wrong in any of these underlying causes but simply acknowledging them gives everyone in leadership a better chance to handle them well. Budgets should be the financial representation of the spiritual priorities of a church and as such must be equally "owned" by spiritual leaders and trustees alike.

Our briefing paper "Planning and budgets for churches" explores this within the broader context of financial planning for churches.3

 $<sup>3\ {\</sup>mbox{See}}$  our briefing paper on churches and budgeting in the resources section of our website



## A word of caution

When using a separated leadership model, it can be easy for spiritual leaders to become quasi trustees. Spiritual leaders who are not named as trustees, but who exercise the powers of trustees, will be considered as trustees and can be held responsible by the Charity Commission for breaches of trust in the same way as named trustees.

This can normally be avoided if it is clear that their leading, when impacting the legal and financial position of the church are recommendations submitted to the trustee board for discussion, decision and agreement.

Appendix one provides an example of how a split leadership model might work in practice.



## Conclusion

As we stress throughout the whole of this series, there is no unique single model for church leadership. Romans 12 implies that we all have a role to play in the Body of Christ, whether that be in leadership or not, and it is important for each church to work out the model that is right for them.

It is clear that the more straightforward and arguably easier leadership model for churches to adopt is that of a single leadership team taking responsibility for both spiritual and governance leadership. However, just because something is easier, does not always make it the best solution and churches should take time to consider the type of leadership structure that would best suit them, working through issues and challenges constructively as they arise.

### Appendix One

#### An example facing a separated leadership team

The context: It has become apparent in recent years that relationships amongst young people in the local area have been under strain; violent crime amongst children and teenagers has risen; and there has been more children excluded from local schools.

The church's spiritual leaders feel that a spiritual response to this situation is for the church:

- To provide a safe space for the young people
- Offer counselling services to parents and schools
- · Run parenting courses in a local café

Whilst this may be the right spiritual response, there will be regulatory aspects to consider before moving forward.

- In conjunction with the spiritual leadership, trustees will need to consider:
- The financial impact on the church. Does the church have sufficient resources in place or is there a need to raise additional funds?
- The framework within which counselling services can be provided
- The employment implications if new employees are required
- · The legal aspect of renting the local café
- Safeguarding arrangements and guidelines for employees and volunteers working with local young people

In order for this vision to become a reality, the two groups have to work together closely with each team:

- Understanding the position of the other
- Having a heart for the vision
- Submitting to the other in areas of clear spiritual or legal governance leadership
- · Being aware of the responsibilities and burdens carried by the other

When the teams work together, all bases are covered and the church can move into the new project confidently.