

OfS2: Costs of a single organisation

Just how big would we be?

We looked at the financial resources and transactions of Quaker charities in Scotland in 2019-2020. In summary, at the end of 2020 Quakers in Scotland had total assets of about **£4.3M**.

- **£3M** in property that we own
- **£400,000** in ethical investment funds
- **£900,000** in various bank and savings accounts

Annual income* was **£599,000** in 2019. This fell to £569,000 in 2020.

Note that this is crude annual income, which includes lettings and rents. These, like expenses, vary widely between AMs. Figures by AM are therefore useful as an indication of 'workload', but they do not indicate different levels of local contribution.

In 2020, 42 trustees oversaw these resources through 6 separate charities. Five of these charities employed staff. Almost all also employed external services for tasks such as book-keeping, administration, cleaning. One uses a factor for letting property.

How would being a single organisation affect our costs?

Approach

Figures were obtained from treasurers or annual accounts. 'Current' costs were estimated in October 2022 from 2020 and 2021 accounts, whereas some future predictions are based on 2022 university salary scales for grades of approximately comparable responsibility. Other key assumptions are mentioned below. Estimates often have a wide range.

Costs of Financial reporting and book-keeping

SESAM and NSAM accounts show around £9,000 per annum (7+2) to Heather Hartman. SESAM is our most complex AM by a significant margin. To extend costs to cover transactions for all meetings might increase costs to perhaps £15,000 at current levels of activity at current rates.

There would be some savings from only requiring audit of a single set of accounts.

Benefits from having single systems and fewer bank accounts will mainly be felt in relieving local meeting and AM treasurers of work, but that may entail some increase in book-keeping activity centrally. Difficult to cost, but you could allow 30% increase from £15k to £20k.

Overall, assume at least doubling from to £7k to £15k, but possibly £20k, to extend service and relieve load on treasurers.

Costs of support for payroll, pensions, HR advice

We assume that costs for these services will not be increased, indeed there may be some savings from consolidation. However there should be significant saving of Friends' time from overseeing these arrangements in one place instead of six.

Local management of staff is assumed, with consistent policies and advice across Scotland. This will require clearly established memoranda with local meetings.

Assumed no net change, but likely savings in Friends' time.

Costs of administration

GM accounts show £6,000 per annum. No AM accounts show administrator salary costs at present, but SESAM trustees have approved *up to* 0.4 FTE of basic administration to support simple administration (including membership details, archiving, maintenance of safeguarding records), and to support administration of lettings and management of buildings. Glasgow has advertised for a 'Centre Coordinator' 18 hours/week at £14,283 (FTE £29,360), which may encompass some similar

responsibilities – not yet clear. At University of Edinburgh grade 4 (FTE £24-28,000), including employer costs, 0.5 FTE would cost up to £13,000. Some of this work could scale well if all in one place. £20(-25)k could cover the whole of Scotland. Overlap with lettings administration complicates comparisons of costs.

Increase of £1-5k on top of current commitments, but up to £18k on current budgets. Should create significant reduction in work currently required of AMs and AM treasurers.

Costs of managing lettings

For letting meeting house premises we might envisage a single system but with different local arrangements.

Any additional costs would be incurred through service improvements, not by amalgamation.

If we required a more senior administrative position

We have raised this as a possibility for the future, but it is not an essential requirement. It could relieve AMs and AM trustees of substantial day to day responsibilities around properties and regulation.

We noted the intention of Central England, which has many meeting houses and much larger income from properties, to appoint a 'CEO'. We might in the future be looking for paid support to oversee aspects of management across Scotland. This might cover, for example:

- Employment policies and implementation
- Health and safety
- Ensuring safeguarding and other policies implemented and recorded
- Liaising with architects, contractors, grant givers, etc, over property reviews and substantial maintenance, in discussion with local meetings
- Overseeing management of administration and lettings for smaller meeting houses

These functions could approximately match the responsibilities in a University of Edinburgh grade 7 or 8 role, attracting a salary of £40-50,000(+) – but we would perhaps only require a max of 0.5 FTE. Which would translate to cost to employers of £25-30k per annum.

There would be scope to divide any new posts between role holders with different areas of expertise.

Not included in initial assumptions, but would need to allow £30,000.

EXCLUDED costs

Any one-off additional costs in administration, legal advice, and consultancy work around making necessary changes.

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