

# new budget



Left: Diocesan staff enjoy an outing together. The combined net cost of diocesan central support and organisations has risen by only 1.43 per cent overall in the 2005 budget

have increased by £10,200 and we forecast an increase of £16,600 in Council Tax costs for vicarages.

- in 2005, investment income from the parsonages fund will be allocated to capital expenditure on parsonages, reducing the set off income in the 2005 budget by some £18,000.

- the 2005 budget includes a full year's rental for Cathedral House. The 2004 budget only included nine months' rental as it was hoped that a move to a freehold property would have taken place, with a saving in occupation costs. It is now hoped that the move will take place in 2006.

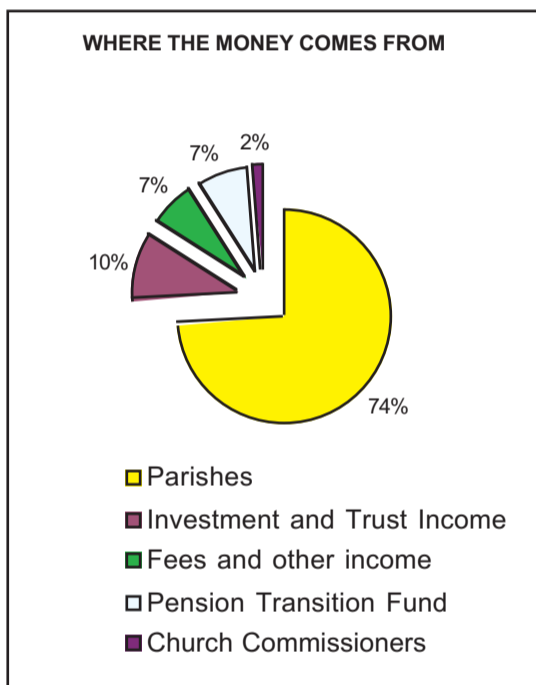
- the communications budget includes the costs involved in setting up and running our much larger website, and a possible change in the way the *Pompey Chimes* is published, for which the eventual net cost should be zero.

- in June, the diocesan synod voted to continue the post of diocesan music adviser, but the full cost will now be met from parish share as the post will no longer be part-financed from an external grant.

- for the first time the cost of the spirituality adviser is reflected in the budget, although the net cost is zero as it is fully funded by the Catherington Trust.

- in 2005 we will receive £70,300 from the Church Commissioners to fund mission in the diocese. It is proposed to allocate this, in accordance with the criteria laid down by the commissioners, primarily to the work of the Board of Mission and to provide a full time children's adviser, with a small amount direct into the stipends fund.

- the budget includes drawing a further £345,000, from the pension transition fund, an increase of £25,000 compared with 2004, but in



line with the original plans.

### Do we have any options?

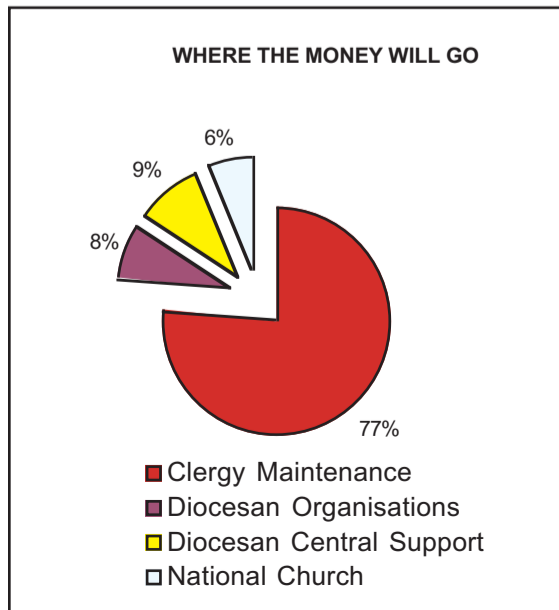
It is extremely difficult to propose any options that would result in a significant saving in the short term. A higher transfer could be taken from the pension transition fund, but this would simply mean bigger increases in parish share needs in future years. Deaneries voted unanimously against this last year.

The chart (left) shows that we spend 77 per cent of the total on maintaining the clergy, an apparent drop of 4 per cent on last year. We have, in fact, not cut expenditure in this area, but it reflects the way in which some central clergy costs (such as the social responsibility adviser and the directors of ordinands) have been included in the areas of diocesan activity that they support.

In reality the clergy are our greatest cost, and at present in our diocese only one benefice in three covers the full costs or more of the clergy that serve them (see table, right, for the full cost of each priest).

This is the joy of the Church of England that, just as St Paul encouraged the Macedonians, the wealthier help the poor. The Kairos project may bring changes, but we remain the only organisation that covers every square inch of England, even the three forts in the Solent!

If you would like a full copy of the budget please ask your parish treasurer, or contact parish resources adviser Gordon Uphill on 023-9282 5731 or resources@portsmouth.anglican.org



## How we've changed parish share equation

OVER the past eight years the parishes in our diocese have achieved a unique record of being the only ones in the country to have paid 100 per cent of parish share in each year.

This has been one of the factors, in addition to tight cost control, that has enabled the board of finance to keep parish share, per church member, down to one of the lowest in the country.

The system of calculating the amount each parish pays is now tried and tested, but for 2005 we have been able to update the calculations by using the 2001 census information which is now available.

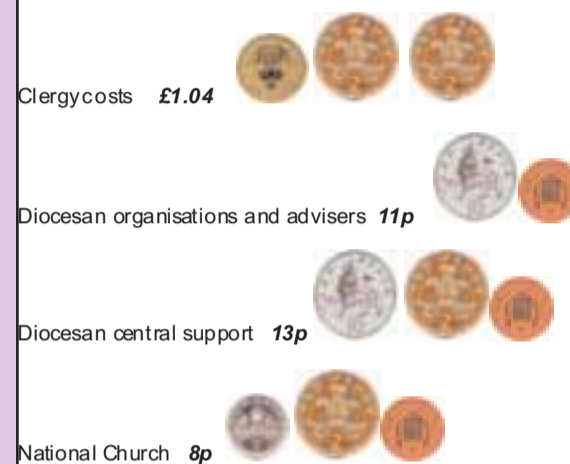
That means that, although the overall increase in parish share across the diocese is 6.54 per cent, some parishes will be asked for 10 per cent more as the new calculations are phased in, while others will be asked for virtually no increase at all. This reflects that the wealth of some parishes has changed up or down based on current information rather than the 1991 census.

In 1992 the diocesan synod asked the board of finance to come with a way by which wealthier parishes paid more per capita than poorer ones. With the help of

### Parish Share – where does it go?



In 2005 for every £1 paid by parishes we spend:



How can the Board of Finance spend 36p more than is received from the parishes?

23p comes from investments, fees, grants etc  
3p comes from the Church Commissioners  
10p comes from the pension transition fund

statisticians at Portsmouth University, a method was devised by which information from the census could be used to calculate a socio-economic score of between 0.5 and 1.5 for each parish.

This is then multiplied by the average attendance in a church over a rolling ten-year period to establish a figure on which to calculate the share. Using the census information avoided the need for parishes to conduct their own "census" of parishioners each year, as happens in

some dioceses.

So if there were three parishes that had to raise £90,000, say parish A with a score of 0.75, parish B a score of 1.00, and parish C with a score of 1.25, and each parish had an average attendance of 80 people, parish A would pay £22,500 (£281.25 per head), parish B would pay £30,000 (£375 per head) and parish C £37,500 (£468.75 per head).

Your treasurer has a full break down of the figures for all parishes across the deanery.

### THE COST OF A PRIEST 2005

	£	£
Stipend paid to priest		19,507
National insurance		1,232
Pension (including retirement housing)		6,067
<b>sub-total</b>		<b>26,806</b>
Training:	National	1,193
	Diocese	887
		2,080
Housing		2,346
Council tax		1,527
Removals		504
Other clergy support		71
<b>sub-total</b>		<b>33,334</b>
Cost per priest: "national support"	1,318	
"diocesan support"	6,678	7,996
<b>TOTAL</b>		<b>41,330</b>