

share down



Our clergy are our most precious resource - and also our greatest cost. Bishop Kenneth ordained a new set of deacons in July. Pictured with him are (l to r): the Rev Tom Kennar, the Rev Margaret Hay, the Rev Mark Rodel, the Rev Val Howes and the Rev Ronnie Williams, all promoting the Make Poverty History campaign at their ordination service in the cathedral

seven per cent each year until at least 2007, as parishes were asked to take on the costs of meeting increased stipends for clergy and the costs of pensions.

“So the budget placed before parishes this year reflects some significant ‘belt tightening’. If the projected income fails to materialise, or if parishes fail to pay their share, we could be faced with a deficit in 2006.”

The main areas of change in 2006 are:

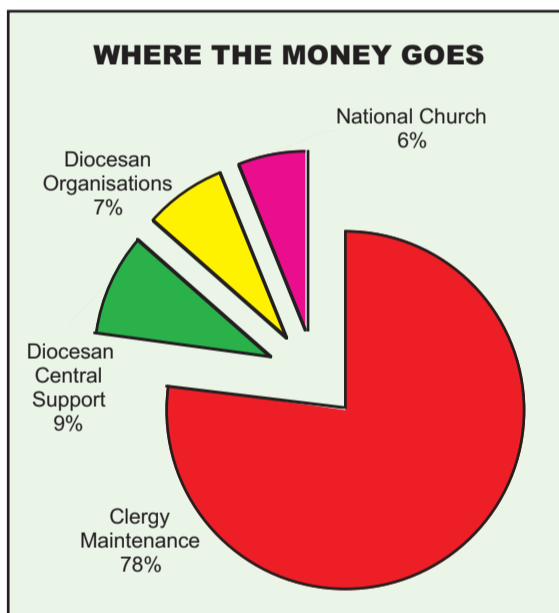
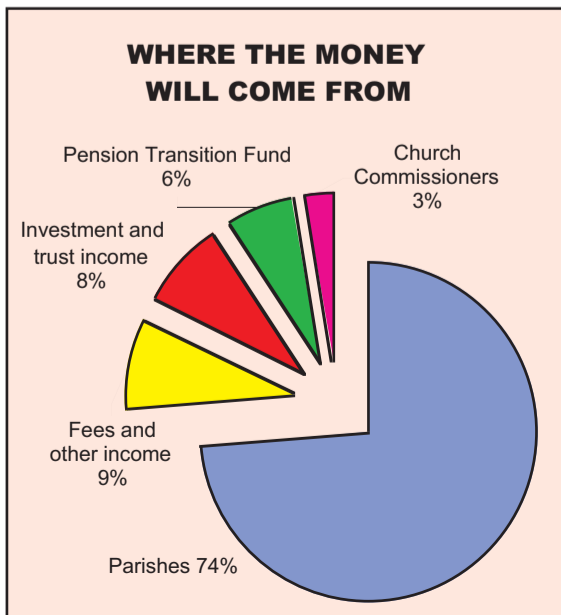
- **An increase in our basic clergy stipend.** This includes part of the increase decided by general synod known as “Aspiration 2”, (a 1.2 per cent increase), plus a cost of living increase of 3.0 per cent. The balance of Aspiration 2 (a further 1.2 per cent) will be achieved next year. Offset against this is a change in the treatment of clergy annuities resulting in a net increase of: **£39,200**

- **Increased clergy pension contributions reflecting higher stipends:** **£24,600**

- **An increased spend on clergy housing.** Our housing stock is suffering from years of under spending, for laudable reasons. Net of additional investment income and income generated by our maintenance man, we are budgeting an extra amount to spend on this: **£41,200**

- **Reduction in transfer from pension transition fund subsidy:** **£36,500**

The total for just these four items is £141,500,



out of the proposed increase of £155,000. All diocesan organisations have frozen or reduced their costs, or projected no more than a 2.5 per cent rise. These extra costs reflect clergy or lay staff pay increases and associated costs. The diocesan office and archdeacons’ cost increases reflect similar pay increases.

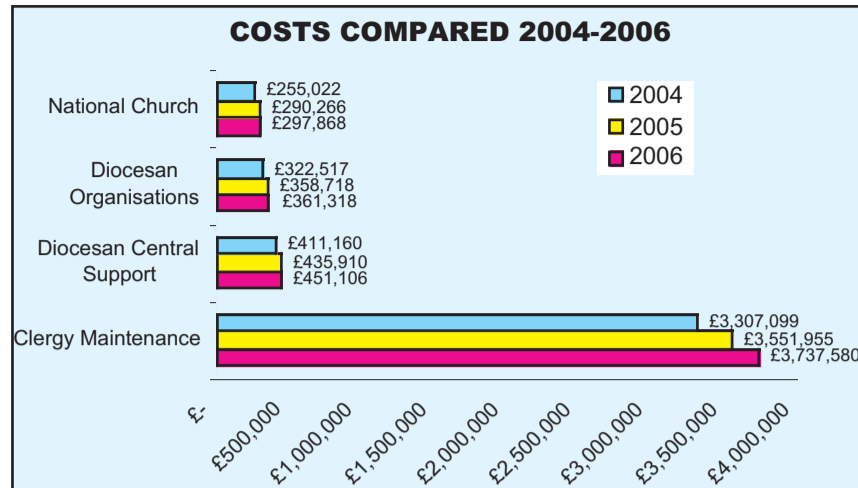
Do we have any options?

As has been said previously, it’s 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 in 2004.

The charts on this page show that we will spend 78 per cent of the budgeted total on maintaining the clergy, a one per cent increase on last year, and that our parishes will be asked to pay 74 per cent of the budget, the same proportion as last year.

In reality the clergy are our greatest cost. At the moment, only one benefice in three in our diocese covers the full costs or more of the clergy that serve them. In other words, two-thirds of our parishes have their clergy costs subsidised.

If you would like a full copy of the draft 2006 budget please ask your parish treasurer, or contact parish resources adviser Gordon Uphill on 023-9282 5731 or resources@portsmouth.anglican.org.



So why should we pay parish share?

SOME people might wonder why parishes have to pay parish share at all. In fact, it’s the method the Church of England uses to pool resources. It makes sure that parish clergy are paid at similar rates around the country, and helps wealthier parishes subsidise those that are less well-off. The reality is that the majority of parishes actually benefit by more than they pay out.

To calculate if your church covers the cost of its own clergy, see (below) how much each priest costs and compare this figure with your parish share.

The ‘Fairer Shares’ scheme run by our diocese means that larger congregations pay more than smaller ones, and those in wealthy areas pay more than those in more deprived areas.

Statisticians at the University of Portsmouth helped our diocese to establish precisely how wealthy each of our parishes was, using information published in the 1991 national census. Using statistical indicators, they came up with a way of calculating a ‘score’ – between 0.5 and 1.5 – that reflected the income of those living in each area.

The fact that many churchgoers don’t live inside their parish boundaries was examined a few years ago. In an anonymous survey of 14 parishes (10 per cent of those in our diocese), congregation members were asked for an indication of their own incomes. The responses revealed a

remarkably close match with the figures for each parish from the 1991 census. The socio-economic score of each parish was changed to reflect new figures in the 2001 census.

The other figure used in the ‘Fairer Shares’ formula is derived from the adult attendance numbers, which are counted at each church over a four-week period in October. Non-regulars coming to special services, such as Harvest or baptisms, are excluded from this calculation, but those who come to midweek services are included.

The resultant average weekly attendance (AWA) figure is calculated each year. But because it can vary from year to year, the AWA is averaged over a longer period – currently nine years, but gradually being increased to 10. This figure is multiplied by the socio-economic score and used to calculate parish share to be paid in each parish.

Over the past nine years, our ‘Fairer Shares’ scheme has enabled parishes to pay 100 per cent of parish share – until last year when there was a tiny shortfall. This may indicate how fair the scheme already is, but the Board of Finance is not complacent. A working party has been set up, chaired by Hugh Mason, chairman of the diocesan synod’s House of Laity, to see if the scheme can be made even fairer. It will report back to diocesan synod next year.

	£	£
Stipend paid to priest		20,342
National insurance		1,171
Pension (including retirement housing)		5,963
sub-total		27,476
Training:		
National	1,163	
Diocese	1,054	2,217
Housing		2,826
Council tax		1,452
Removals		548
Other clergy support		131
sub-total		34,650
Cost per priest: “national support”	1,396	
“diocesan support”	6,974	8,370
TOTAL		43,120