

Diocesan Synod October 2023

Written Questions received from Synod members in advance of the meeting

A) Financial questions – 2024 DBF budget discussion

Question 1

Some parishes in the diocese have accrued such a large shortfall in share payments over recent years that there is no realistic possibility of ever being able to pay this sum. How does the diocese propose to address this situation? (From: Judy Anderson)

Answer: Jane, DBF Chair

In 2022, we wrote off the following share prior year balances:

- 2010-2015 (balances to zero) £389,782.08 - writing off longstanding arrears
- 2020-2021 (50% of prior year balances) £993,057.71 – partial write off of arrears due to Covid.

Total £1,382,839.79

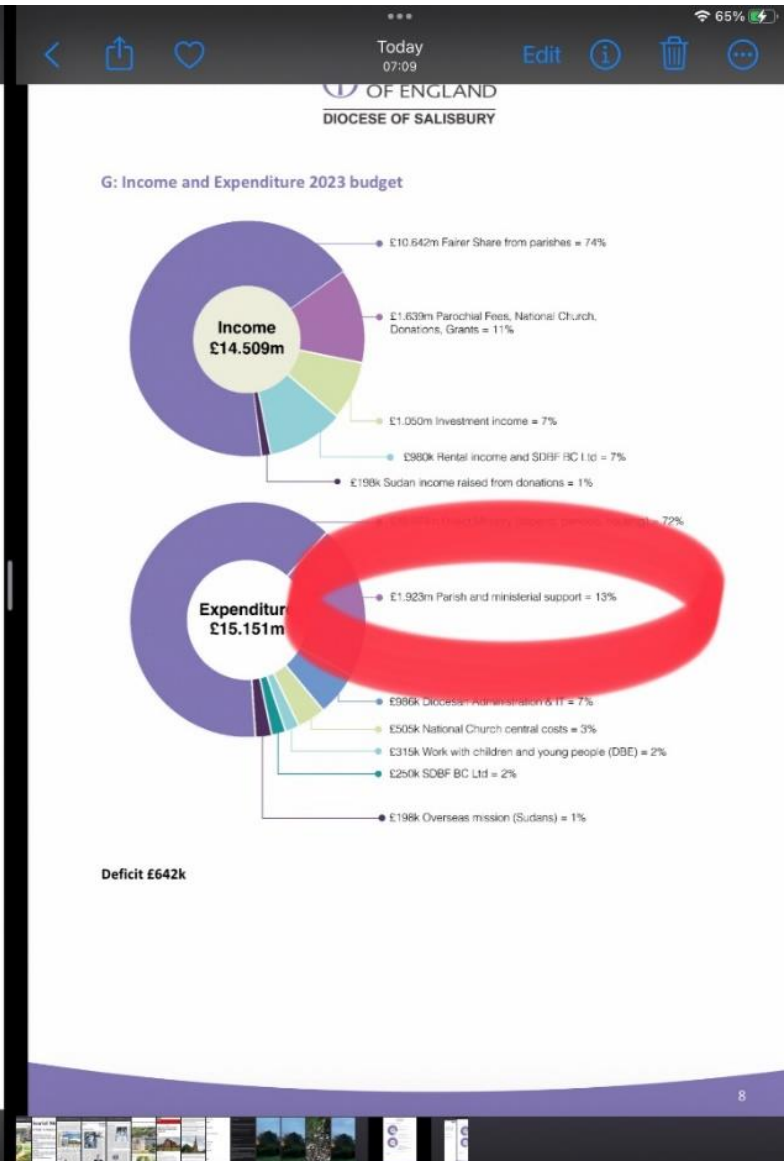
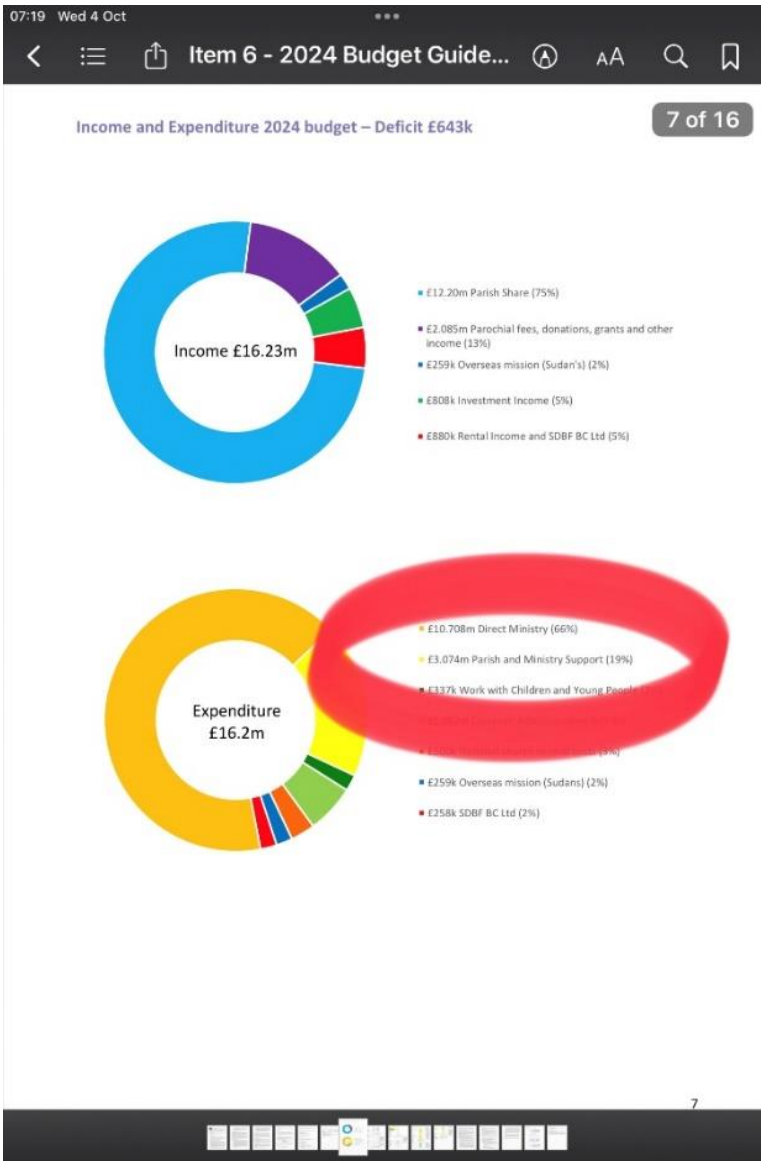
The vision and strategy include a commitment to financing the future sustainably. In light of the financial principles agreed by Council in May and Synod in June, the 2024 DBF budget highlights that it can no longer sell assets to make up a deficit in share contributions. A new share approach is being developed that reflects both the cost of being the church and the importance of mutual support across the diocese. An ongoing shortfall in paying parish share does however indicate that attention needs to be given either to increasing giving or whether ongoing ministry in terms of cost is sustainable. Therefore, the diocese proposes to address the situation by asking clearly for parishes to pay the cost of being the church through a share request and establishing a budget that no longer builds in a deficit. If this gap cannot be closed in the next 2 years, then the cost of being the church will need to be reduced.

The write off of share arrears is normally considered on a case-by-case basis taking on board the specific circumstances of a benefice. Where a benefice has the money and chooses not to pay, they cannot expect a write off. Going forward, if we are to achieve the objective of the vision and strategy to manage our finances in a sustainable way the Diocese may have to consider actions to reduce the need to write off arrears.

Question 2 & 3

2) Is it realistic to expect a 21.4% increase in income from Parish Share ('23 forecast versus '24 budget) when there is a planned reduction in the number of stipendiary clergy & yet there is a significant (60%) increase in the cost of Parish & Ministry Support (from £ 1.923 million in last year's budget for '23 to £

3.074 million in this year's budget for '24: see screenshot below) ?



3) It is stated that "Therefore, other sources of income have been deducted from the total expenditure and the remainder forms the Share ask."

Does this not represent a fundamental misunderstanding as to how a charity should operate? Namely, expenditure should be calibrated according to income & not, in demanding donations, the other way round. (From Jonathan Baird, General Synod member)

Answer: Jane, DBF Chair

Clarification in the change to parish support expenditure:

- Ministry support has increased from 823K to £971k; of which £164 is externally funded to support work with children and young people; the cost to the DBF has reduced from £823k to £807k. The 807k covers expenditure on CME, lay training, ordinands training and staff salaries of those involved.
- Communications and social justice expenditure has increased from £134 to £163; of which £66k is externally funded meaning the DBF funded element has reduced from £134 to £97.
- Parish support expenditure has increased from £352 to £500, of which £158 is going to be externally funded to create capacity to deliver our diocesan vision and strategy; the DBF funded element is reduced from £352 to £342
- Church Buildings work is increased from £228 to £420. Of this £115k is externally funded to provide more support to parishes in maintaining their buildings and responding to net zero carbon plans. The DBF element has increased as we are adding a post to the DAC/Church Buildings team; at present the DBF staffing is 2.3 FTE and in our diocesan peer group the average is 3.6FTE, we are making this increase to ensure we provide a good support to the local church in this key area.
- Safeguarding expenditure has reduced due to the end of maternity cover.
- Registrar fees have reduced following a spike of work in 2023.
- Area office costs have increased due to the Ramsbury office no longer being housed within Church House but needing separate office space.
- Share discount and interest has gone up from £103k to £300k to reflect the 'discounted' increase in share for those parishes which have experienced larger than average decline in attendance.

So, whilst the total expenditure from the DBF on Parish and Ministry Support has increased from £1923k to £3074k, when external funding of £665k and the increased discount on share of £197k is deducted **the real increase is £289k** which is accounted for by the additional buildings officer, allowance for maternity/parental leave cover and inflation.

Parish Share is a request, rather than a demand, made by the Diocese to parishes to enable the DBF to undertake its charitable purpose of resourcing and supporting ministry and mission across the diocese. The DBF is a charitable company which serves an institution. 'The diocese' as a whole is the Church of England as it relates to the Bishop of Salisbury, and is made up of hundreds of independent charities, the PCCs, as well as other bodies. The budget before Synod is presented to Synod members in your capacity as Members of the Diocesan Board of Finance and as elected representatives of the entities which make up the Diocese of Salisbury. The Diocese is not a managed entity, it has some central employees, but the majority of its staff are clergy who are office holders. (When a priest is licenced as an office holder the Diocese takes on a long-term liability, clergy cannot be casually hired and fired to address an in-year deficit.) In other words, the majority of the costs of the DBF are the stipends and housing costs of clergy; if costs were to be reduced to meet a lower level of income this would mean reducing the numbers of stipended clergy. Not only is this difficult to achieve in the short to medium term, it is not what Synod wants and is likely to lead to a continued downward spiral.

The process of the development of the vision and strategy has enabled us to take clear steps towards bringing these two realities closer together. While I am fully and deeply committed to robust charitable governance, the context of the Church of England is not as simple as your question suggests; the shape

of mission and ministry is to a significant extent determined outwith the DBF which must nonetheless work to try and support it.

Managing the DBF charity requires us to achieve a balanced budget. We inherit a situation in which decisions have been made which have perpetuated an operational deficit year to year and reliance on the sale of assets. For many years the Share request has been kept artificially low assuming that DBF resources will be expended to make up the difference; likewise, where share income falls short there is in reality little actual leverage that can be applied while clergy are in post with secure tenure.

If we simply matched expenditure to income there would be a large-scale reduction in mission and ministry, including many clergy posts being lost. We are seeking wide ownership of the need to balance income and expenditure- to increase giving, access external funding, reduce expenditure.

B) Other Synod Questions

Question 4

It was recently reported that a quarter of churches in Cornwall regularly hold no Sunday service, due to the creation of “megaparishes”. Research shows that amalgamating parishes drives decline, and that therefore there is an impact on parish share, as well as restricting access to pastoral care.

Can synod be assured that there is no plan to create megaparishes in Salisbury diocese? (From: Gill Verschoyle)

Answer: Andrew, Bishop of Ramsbury.

The short answer is that there are no plans to create ‘mega-parishes’ in the Diocese of Salisbury. We seek the renewal of the parish, not its decline. Nevertheless, I understand well the fears of creating unwieldy benefices and the concerns caused by recent media reports, and offer the following observations in response:

- Benefices (especially in rural areas) have been growing in size since the 1950s, and we have several that are very large indeed (two in the See of Ramsbury with fifteen parishes to one benefice, for example).
- In these and other cases, reviewing benefice governance is essential aspect of local ministry (whatever means is chosen) because lightening the burden of governance on clergy, especially, releases them for vital mission and pastoral work.
- Bishops, Archdeacons, and Rural Deans work hard to ensure benefices that are of a size that is manageable by their ministry teams, and appropriate to their context. This means we have a variegated picture: some large benefices with multiple PCCs, others whose parishes have amalgamated to have one PCC with multiple LCCs, others formed into teams with a Team Council.
- One size doesn’t fit all, therefore, but the broad aim is to retain local identity, increase collaboration and release ministry teams from overburdening administration & governance.
- Amalgamation of many small communities into a single parish doesn’t always simplify governance and can be detrimental to the very community spirit needed to survive, as the question implies. Careful thought is given, therefore, to the right model for each place.

- The Revision of the Mission and Pastoral Measure 2011 is exploring other routes for parishes needing to lighten their burden of governance, including the possible suspension of parish status, rather than its permanent loss.

Question 5

All our Bishops have publicly declared their support for the proposed Prayers of Love and Faith, whilst clergy like myself have been respectful but clear as to how profoundly we disagree with the current direction of travel and do not see it as a matter of adiaphora... How then do our Bishops - as 'shepherds' to all their clergy - plan to tangibly support and honour those of us who hold a traditional position on marriage and sexual ethics? Some of us feel like our bishops are walking away from us, leaving us without a sympathetic Bishop in our diocese to follow in this important matter. We are concerned that when push comes to shove, our position of conscience will not be respected, and our ministry suffer as a result of feeling compelled to choose between our understanding of the teaching of the Bible, over and above the developing understanding of our Bishops, in this diocese and nationally. How can we be reassured? Will our Bishops publicly declare their full support and honouring of our position, recognising it not be driven by prejudice and dogmatism (of which we are regularly accused) but principle and doctrine? (From Revd. Mike Tuffnell, General Synod member)

Answer: Stephen, Bishop of Salisbury.

- I wish to thank Mike for this question as it gives me an opportunity to state publicly what I have said pastorally to a small number of clergy in the diocese. Firstly, the LLF process is on-going and the College and House of Bishops are still working together whilst in disagreement on the exact nature of Pastoral Guidance and Pastoral Reassurance. When this is agreed and shared, your bishops will be able to comment more fully but the work continues. I remain impressed by the way bishops, who hold very different views, remain committed to working together whilst in disagreement.
- Being a shepherd does not guarantee the same views, it never has. However, I have said at a previous Diocesan Synod that your bishops will absolutely honour the position of conscience and defend it publicly, as we will for those who take a different view. Trust is a two way process.
- As yet we do not know what the proposal coming to Synod will be. A lot of work has taken place over the summer to enable the decision taken by General Synod in February to be taken forward, whilst honouring the consciences of those who find the proposals or aspects of them difficult. It is our hope that the proposal will enable our unity to remain without compromising the integrity of clergy or congregations. As Bishops we undertake our pastoral role whilst respecting differing views on many things and that calling will continue. It is our hope that the proposals which come before Synod in November will enable the local church to continue to be effective in its mission and ministry at a time when there is a need to share good news of God's grace and in doing so bring transformation to our communities.