

## **Chairman's Letter**

29/1/2019

Dear Treasurer

### **A New Year and a New Approach**

Happy New Year to you all and as ever my sincere thanks for all you do. Being the parish treasurer is not always easy and I appreciate some of you may well feel isolated; overwhelmed even, as you try and respond to the financial needs of your parish and the diocese. The Bishop and I also recognise how easy it is to feel that the Diocese does not recognise the scale of the challenge or the difficulties that you face. It is not such a small miracle that we continue to maintain a Christian presence in every community across the Diocese of Salisbury.

Let me set out some of the challenges we face as a diocese and try to show you how we are dealing with them.

### **Fair Share Numbers**

Renewing Hope: Pray, Serve, Grow is seeking to address the falling numbers reflected in the fairer share count. We always knew this would be at least a 5 year process and we are undertaking a review in this its 4<sup>th</sup> year. Some churches are growing, many are stable but the continued fall in 2018 of the fair share count numbers in the diocese as a whole is disappointing. We have limited the budget increase for 2019 to 2.5% which is roughly in line with inflation but with fewer people the per capita increase is pushed up to 3.94%.

I realise from your letters to me that some share allocations for 2019 have increased by considerably more than this because clergy numbers in the benefice have changed; membership over the past 3 years has gone up or down (affecting rolling averages and weightings); or your self-assessed category has changed.

### **Diocesan finances**

A glance at the diocesan balance sheet suggests that the diocese is wealthy and indeed in comparison to some others that is true, but of the £124m net asset figure at December 2017 £92m is tied up in clergy housing - the only available assets are some £20m of investments and £12m of glebe property. The majority of income from these assets already goes into the share budget so depletion of these assets to assist cashflow, will impact immediately on share.

Outside share, the diocese has to cover any shortfall in share collection, significant repairs and improvements to clergy housing, and the cost of renting houses for curates. These three items alone total just under £1 million per annum, putting severe pressure on finances and necessitating sale of investments to meet the shortfall. On top of this there are significant financial challenges ahead to maintain clergy numbers, possible increases to clergy pension costs and increased demands from the National Church.

### **What are we going to do?**

2019 commences with a review of strategy across the diocese. This will be undertaken with the support of Bishop's Council. The brief is to determine what changes need to be made to ensure

Diocesan Office, Church House, Crane Street, Salisbury SP1 2QB

Fax: 01722 411990

that future budgets can be met and that finances can be put on a sustainable footing. This includes a thorough review of all costs, and of the Renewing Hope: Pray Serve Grow strategy. Another team is considering what changes need to be made to the Share process to make it easier to understand and better reflect changes in our Christian communities. The results of the reviews will be translated into a longer term financial plan demonstrating sustainability and solvency, and into some changes to the Fairer Share System including better explanation of Share movements when the letters go out in October. We hope then to begin a financial awareness campaign across the diocese to promote understanding in conjunction with a stewardship campaign to raise giving levels. Although improving, our giving levels still do not compare favourably with many other dioceses so it is right that we review giving as well.

### **Financial help**

As I hope you are aware there are training courses held throughout the year for Treasurers and Secretaries at various locations around the diocese. Details are attached. The Finance team, headed by Liz Ashmead, is again running a training day entitled "Accounting Demystified" on 2 July at Church House. This will cover the basics of trustee responsibilities, charity accounting, and in the afternoon an explanation of Diocesan Finances. The Mission and Stewardship Advisers are there to help you throughout the year so please make use of them. We will be having more workshops on the Parish Giving Scheme and contactless giving in 2019. Synod will be running a workshop in the lunch break on 16 February on Diocesan accounts.

### **Overall**

We are aware of your concerns. We need to address them alongside our other financial challenges and to conclude 2019 with a realistic plan for the immediate and longer term future. We need to improve communication of our process and conclusions. Please be assured that we not only recognise but are listening to your frustrations. I am optimistic that we can meet these challenges utilising the excellent skills of our team in Church House and of course with the additional insight of new leadership in a number of key positions on Bishop's Staff.

In conclusion I would add that Renewing Hope has at its heart a belief that we can slow and ultimately reverse the numerical decline seen in recent years in our churches, alongside a strengthening of Christian faith both individually and collectively across the diocese. We've seen some wonderful examples of parishes and benefices growing individually against the tide and remain optimistic that with God's blessing we will be able to achieve this more generally across the diocese in the years ahead.

With thanks again for all that you do and very best wishes for the year ahead.

Yours sincerely



Nigel Salisbury  
Chairman DBF

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