

The Church of England

Diocese of Ely

Budget Guide 2015

Explanatory Notes

Diocese of Ely Budget Guide 2015

Key points:

- Ministry share continues to cover 100% of direct clergy cost and 15% of total local support costs
- All mission and ministry programmes fully funded
- Overall increase in Ministry Share matches stipend increase of 2%

A budget challenge for every parish

Introduction by Hugh Duberly CBE

The challenges of Share payment in the Ely Diocese have not diminished. Before I get into detail, I wish to express my thanks to all parishes and deaneries who contributed via Ministry Share. This wonderful generosity supports ministry and mission across the diocese and the fact that you were able to raise over 97% of the request deserves sincere appreciation. £70k more was raised in 2013 than 2012.

Share payment is directly related to the diocesan budget. We have delivered very low increases for a number of years. This means that budgets are tight with very little room for manoeuvre and thus no leeway for any parish not to pay its share. It would not be right to make a provision in diocesan budgets to allow for under payment.

So our goal must be to achieve Ministry Share payment in excess of 99% of the request. Consultation on proposed new arrangements for 2016 continues and will be discussed again in the Autumn when I hope we can find consensus about how we can encourage generous giving in a transparent and equitable way. Meanwhile, I have asked the Diocesan Secretary to ensure that he maximises efficiencies in executing the budget whilst eliminating waste.

I am delighted to propose a budget for 2015 that tightly controls spending whilst fully supporting Diocesan Mission and Ministry programmes.

Hugh Duberly CBE
Chair of the Diocesan Board of Finance

Ely Diocesan Vision

We pray to be generous and visible people of Jesus Christ.

Believing that God calls us to discover together his transforming presence in our lives and in every community, in Jesus Christ we pray:

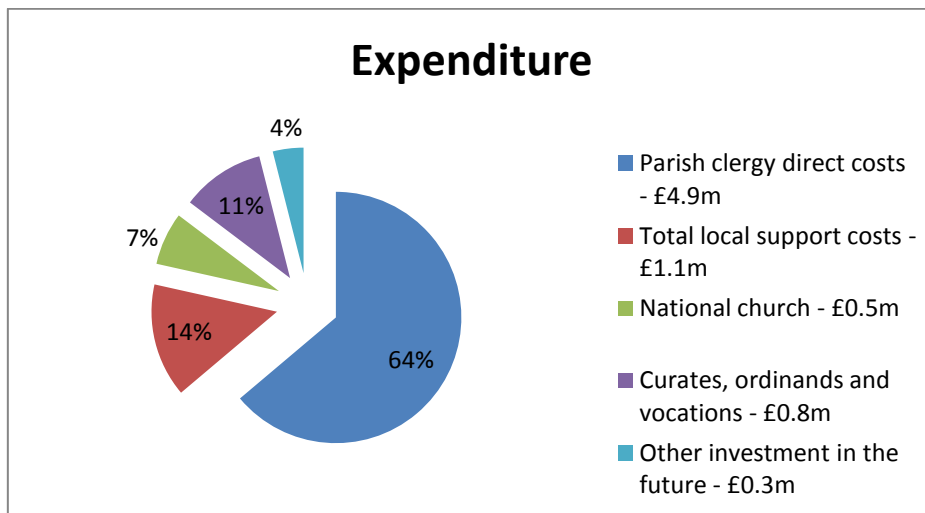
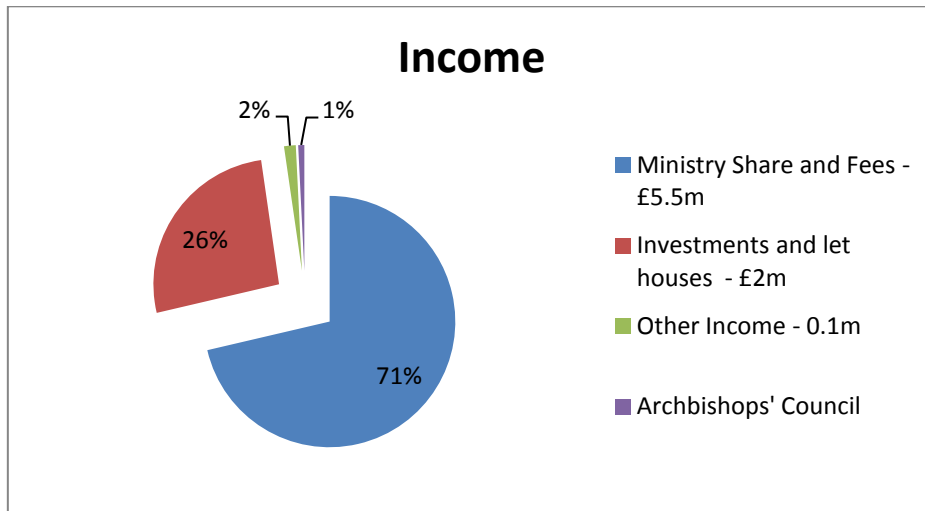
- To engage fully and courageously with the needs of our communities, locally and globally
- To grow God's church by finding disciples and nurturing leaders
- To deepen our commitment to God through word, worship and prayer.



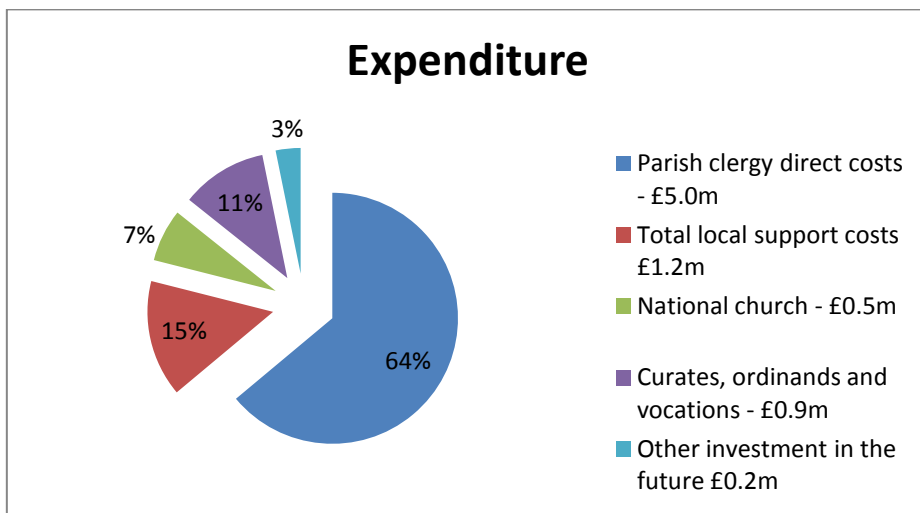
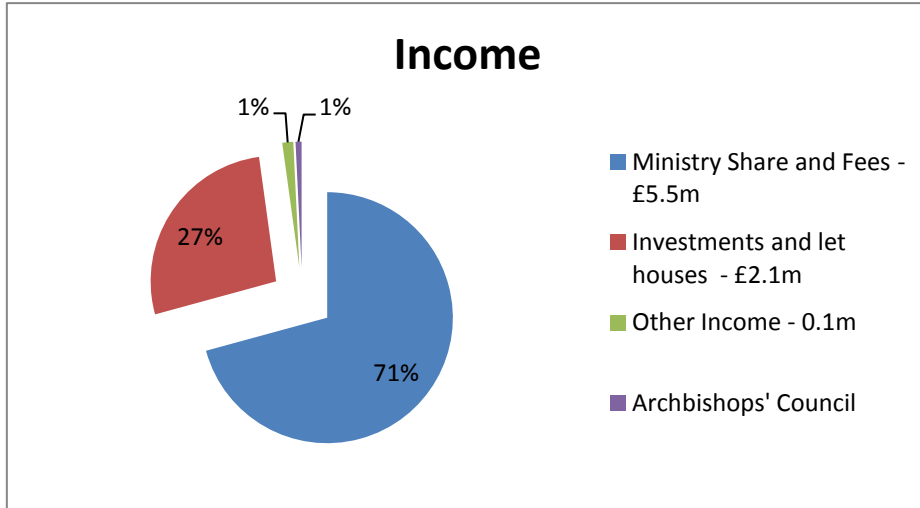
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2014 Budget



2015 Budget



BUDGET 2015

| INCOME | | | |
|--|----------------|----------------|----------------|
| | 2013 ACTUAL | 2014 BUDGET | 2015 BUDGET |
| | £000s | £000s | £000s |
| GIVEN BY PARISHES | | | |
| Net Ministry Share received | 4,916 | 5,132 | 5,167 |
| Parish fees | 349 | 322 | 350 |
| | 5,265 | 5,454 | 5,517 |
| INVESTMENT INCOME | | | |
| Investment income (incl glebe, net of costs) | 1,742 | 1,886 | 1,980 |
| Parsonage letting income (net of costs) | 171 | 130 | 130 |
| | 1,913 | 2,016 | 2,110 |
| OTHER INCOME | 168 | 175 | 170 |
| TOTAL INCOME | 7,346 | 7,645 | 7,797 |
| EXPENSES | | | |
| PARISH CLERGY DIRECT COSTS | 4,772 | 4,880 | 4,958 |
| LOCAL SUPPORT COSTS | 450 | 538 | 545 |
| DIOCESAN OFFICE COSTS | 581 | 582 | 620 |
| TOTAL LOCAL SUPPORT COSTS | 1,031 | 1,120 | 1,165 |
| CONTRIBUTION TO NATIONAL CHURCH | 513 | 520 | 524 |
| INVESTMENT IN THE FUTURE | 964 | 1,089 | 1,108 |
| TOTAL EXPENSES | 7,280 | 7,609 | 7,755 |
| SURPLUS | 66 | 36 | 42 |

What's what ...

These notes describe the main areas of income and expenditure in the 2015 proposed budget.

Income

- Ministry Share is increased by 2%, though provision has been made for two deaneries to have reduced targets in order to incentivise giving.
- Invested income: the Investment Committee seeks to maintain a 5% increase in income each year.
- Parsonage letting income: is expected to fall as more houses are being used by clergy rather than being let commercially.

Parish Clergy Direct Costs

The first and most significant area of expenditure includes all the items necessary for placing and supporting ordained and lay ministers within the diocese.

- Clergy Stipends: For 2015 the budgeted numbers of stipend posts is 117. The posts are a mix of parochial stipendiary posts, training curates, some other stipendiary clergy and some pioneer posts. The 2015 figure of £5m represents stipends, pension, national insurance contributions, housing, removal and resettlement grants and costs of vacancies.

The 2015 Budget figure is calculated assuming a 2% stipend increase from 1 April 2015.

Local (Clergy and Parish) Support Costs

These are the costs of providing support to parishes and clergy and several statutory functions. They include:

- Archdeacons (plus support staff)
- Ministry support and training
- Clergy support and counselling
- Stewardship support
- Safeguarding
- Legal fees
- Church inspection and faculty fees

Overall, 6% of the budget is spent on these operational items. Compared to budget 2014 these costs have fallen slightly. 2013 actual costs were much lower than both

the 2014 and 2015 budget due to under capacity within the Ministry Department. However during 2013 the caseload for Safeguarding issues grew and the budget has allowed for a similar level of costs in 2015. Budgets have been provided for costs in 2015 at prudent levels which were not fully used in 2013: clergy support and counselling, grants to external organisations and Bishop's Council contingency. The clergy conference costs have been budgeted as a saving for the next triennial conference.

All expenses incurred by the Bishop and his office are paid by the Church Commissioners and are not included in this budget.

Diocesan Office Costs

These are the costs of administration for the diocese. This heading includes:

- Salaries for administration and Diocesan Advisory Committee (DAC) staff
- Office running costs
- Building maintenance
- Diocesan Advisory Committee (DAC) costs
- Church Buildings Support (work carried out in-house by DAC department)
- Board and Committee expenses
- Communications and Public Relations
- Audit and accountancy advice

Contribution to National Church

This heading brings together all the costs associated with our support for the Church of England, together with costs associated with training new clergy in theological colleges. The main element in the National Church Support figure includes the central administration, some funding for retired clergy housing and some clergy associated with the Church of England's National Mission.

The Archbishops' Council has made a commitment to keep costs down. The budget increase per diocese is not yet known but we anticipate a 1.3% national increase.

Investment in the Future

- Curates
- Director of Ordinands and Vocations
- Local ordinands maintenance grants
- Council for Mission
- Youth and Children's Advisers
- Fresh Expressions Adviser
- Local Mission projects

- Anglia Ruskin University chaplain

The 2015 budget is for 15 curates compared to 13 at the end of 2014 and represents the majority of the increase in this cost heading. The Council for Mission appointed a Director of Mission during 2013. A full budget is shown for 2015.

Surplus

As a not-for-profit organisation the diocese aims to break even over time. Due to fluctuations in circumstances surpluses and deficits are made annually. Recent years have returned a surplus but previously deficits accounts have been presented.

Reserves policy

Any surpluses which have been built up over years are known as reserves. The Charity Commission requires us to have a policy. The diocesan reserve policy is a target of free reserves (net of tangible fixed assets and investments) currently set at an amount equivalent to three months' gross expenditure from unrestricted funds estimated at £1.5m. Currently, the level of free reserves stand at £1.2m.

CONTACT

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This guide is also available on the diocesan website.

www.ely.anglican.org

