

## Church of England Parochial Fees from 1<sup>st</sup> January

### CHURCH OF ENGLAND PAROCHIAL FEES

The statutory Table of Parochial Fees comes into force from 1 January each year, with an increase based on September's Retail Price Index.

Parochial Fees belong to the relevant Parochial Church Council (PCC) and the Birmingham Diocesan Board of Finance (BDBF) in the proportions set out in the statutory table. Note that since 2013 no fee belongs to the Incumbent.

- **All fees should be paid by the Funeral Director to the relevant PCC**
- **Ministers should not receive cash or cheques in their own name**

All Church of England authorised ministers (including Readers) who are not in receipt of a stipend or a salary funded by the BDBF are eligible to receive two thirds of the BDBF fee, rounded up to the nearest pound. Payment is handled by the relevant PCC.

### CHANGE TO PAROCHIAL FEES FROM 1 JANUARY 2020

A change to Parochial Fees was passed by General Synod in February 2019. The effect of this change was that, whereas in 2019 the PCC and the BDBF both received part of the fee for each crematorium or cemetery funeral, from 2020 onwards, the PCC would receive nothing and BDBF would receive the total.

The 2014 Parochial Fees Order provided for a PCC to receive a small fee where a funeral service takes place at a crematorium or cemetery. The Archbishops' Council proposed to General Synod in February 2019 that a fee should no longer be payable to a PCC for crematorium or cemetery funerals. They argued that firstly there is no clear justification for a PCC to receive a fee where a funeral takes place in a building or other place for which the PCC has no responsibility (unlike the position where a funeral takes place in a church or churchyard). Secondly, administration of the fee has been far from straightforward because of the difficulty in identifying the PCC to whom the fee should go. The destination of the fee is supposed to depend on whether the deceased was on a church electoral roll – in which case the fee goes to the PCC of that parish (or was split between PCCs where the deceased was on more than one roll). Otherwise, the fee was payable to the PCC of the parish in which the deceased resided. Such complicated provisions are necessary if a fee is to be payable to a PCC in respect of a service where the deceased had no direct connection with a particular parish. It is doubtful that funeral directors were able to apply these rules correctly and it simplifies matters considerably to cease paying statutory fees to PCCs in cases where a funeral service does not take place in a church or churchyard.

The problem for PCCs is that there would now be no financial incentive for stipendiary priests to conduct funerals at a crematorium or cemetery. Indeed, there would be a financial dis-incentive because the PCC must cover the cost of any expenses without the PCC fee income.

On 5 December 2019 the Bishop's Council in Birmingham approved a local solution to alleviate the unintended consequences of the national change to Parochial Fees in order to maintain the status quo:

The BDBF will donate from its fee (£206 in 2022) the value of the 2019 PCC fee plus inflation (rounded up – so £33 in 2022) to the PCC of the parish to which the authorised minister (including Readers) is licensed or in which the authorised minister (including Readers) habitually attends worship. The PCC therefore continues to retain this element of the BDBF fee. All Church of England authorised ministers (including Readers) who are not in receipt of a stipend or a salary funded by the BDBF are eligible to receive two thirds of the balance of the BDBF fee after deduction of the donation to the PCC (£33 in 2022), rounded up to the nearest pound. In 2022 this amounts to two thirds of £206 minus £33 rounded up, and equals £117. Payment is handled by the relevant PCC.

### EXPENSES

The £15 "flat-rate" expenses charge was abolished from 1 January 2017 to reduce the cost to families, protect ministers from changes in personal taxation legislation and to be consistent with new parochial fees legislation that came into force in 2013. Since 2003 flat rate and other "honoraria" are taxable. Where actual expenses are incurred in the course of performing related duties, claims may be made to the relevant PCC, who pay expenses out

of their element of the fee. Any expenses reimbursed must be justified as “allowable” i.e. relating only to doing the job. Current car mileage rate is 45p.

### **PCC ACTS AS BDBF’s AGENT FOR FEES**

In the Birmingham diocese, each PCC is responsible for collecting its own fee as well as the BDBF fee (as agent of the BDBF). All BDBF and PCC fees laid down in the Table of Parochial Fees should be paid directly to the relevant PCC if the PCC is in the Birmingham diocese.

In the case of a burial or funeral service that takes place in a church or churchyard, the PCC fee belongs to the PCC of the parish where the church or churchyard is situated.

The PCC retains the PCC fee (or any PCC donation from the BDBF fee) after reimbursing any actual expenses. In addition to any expenses, the PCC pays two thirds of the BDBF fee (or two thirds of the balance of the BDBF fee after deduction of any PCC donation) to authorised ministers (including Readers) who are not in receipt of a stipend or a salary funded by the BDBF. The PCC promptly remits the balance of the BDBF fee to the BDBF, attaching a completed Parochial Fees BDBF form.

Payments directly from Funeral Directors to ministers either in cash or by cheque in their own name should not be made. Funeral Directors who continue this practice are taking charitable monies at source, and placing them into the hands of individuals, with no reasonable mechanism of audit. Authorised ministers should avoid accepting fees directly into their hands in their own name. This is not only poor practice but is legally suspect for both the Funeral Director and the ministers.

### **OCCASIONAL DUTY SCHEME**

To obtain clerical help for the conduct of services during a vacancy or when parochial clergy are ill, every attempt should be made to obtain help from other clergy in the deanery, and from the Readers’ Board so far as is permissible. Requests for assistance should be made, in the first instance, to your Area Dean who may know of available clergy. If the Area Dean is unavailable or unable to help, please contact the Bishop’s Chaplain (0121 427 1163). Details of the service should be notified directly to the member of clergy engaged.

Current stipendiary clergy (i.e. those holding benefice, curacy or chaplaincy) and self-supporting clergy should not be offered nor paid a fee. Note that retired clergy should not be paid fees for conducting Sunday services in churches that they habitually attend, except during a vacancy.

All clergy should be offered reimbursement of actual expenses.

### **OCCASIONAL DUTY FEES** (not applicable to Readers, who have their own regulations)

Main Sunday Service with Sermon (Sung Communion, Matins, Evensong including Baptism or said Communion that follows the main Sunday Service)	£30
Said Communion or Holy Baptism (on a weekday or on Sunday if not part of the main Service)	£17