

Dear Treasurer

It appears that there is still some confusion about the Parochial Fees Grants process and in this email I hope to better explain how these are calculated. Forms and rates can be found at <http://www.canterburydiocese.org/parochialfees/index.htm>.

1) Background

In 2012 Diocesan Synod approved a scheme whereby a grant would be made to a PCC if:

- Parish Share receipts were up to date and
- Monthly Parochial Fee returns had been received.

This process was put in place to encourage PCCs to ensure Parish Share and Fee returns were kept up to date.

The grants were to assist PCCs due to the change in legislation nationally which now legally required those fees previously known as “Fee payable towards stipend of Incumbent” and now known as “Fee payable towards Diocesan Board of Finance” to be paid to the DBF.

2) Process

Interim “on account” 2013 grants were based initially on the average of 2010 to 2012 data – the only fairly reliable data that was available for most PCCs. The timetable and process is:

- Interim (and on account) grants payable where possible at the end of April, July and October based on average 2010 to 2012 data for marriages, funerals and cremations.
- December 2013 (last 2013 return) due to be received in DBF Finance Department by 14 January 2014.
- Final 2013 grants (based on actual 2013 data less amounts paid on account) paid end January 2014 assuming returns received and no arrears of parish share. The total final grant will be based on **ALL** Parochial Fees - i.e. including baptisms, marriages, funerals, cremations, monuments and searches.
- 2014 Interim (and on account) grants will be paid at the end of April 2014, end of July 2014 and end of Oct 2014 based on 2013 data again assuming returns received and no arrears of parish share.
- Final 2014 grants based on actual 2014 data less paid on account paid end January 2015 assuming returns received and no arrears of parish share.

It is therefore extremely important that the Fee returns are received on time. Where there are no fees in a particular month this still needs to be recorded. Rather than send a paper copy you can do this easily online at

<http://www.canterburydiocese.org/parochialfees/forms/nilreturn.htm>

3) Duration of the scheme

The scheme is effective for 2013 and 2014 and will then be reviewed during 2014, together with parish share, for 2015.

4) Example

Attached in both excel and PDF formats is a very simple worked example calculated using data for marriages, funerals and cremations. Where you have other fees these will be included in the statement sent out to you in January 2014 along with any grant.

I appreciate that this is a new process that needs understanding and I hope this information assists you. Grants have recently been sent where parish share and fee returns are up to date.

Kind regards

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1 Calculate "lost fees"

| | Average No 2010 to 2012 | DBF + PCC fee at 2012 rate | PCC fee at 2013 rate | "Received" 2012 | Estimated PCC for 2013 | "Lost Fees" |
|-----------|-------------------------------|----------------------------------|-------------------------|--------------------|------------------------------|----------------|
| Marriage | 6.67 | 262 | 206 | 1747.54 | 1374.02 | 373.52 |
| Funeral | 11.67 | 102 | 72 | 1190.34 | 840.24 | 350.10 |
| Cremation | 4.00 | 102 | 21 | 408.00 | 84.00 | 324.00 |
| | | | | <u>3345.88</u> | <u>2298.26</u> | <u>1047.62</u> |

2 Calculate grant due

Assume parish share for 2012 was £30,000

"Received" 2012 as a percentage of parish share was 11.15%
(£3345.88/£30000) so from the matrix below a 100% grant of "lost fees" is due

| Fees as a %age of Parish Share | Grant as a %age of lost fees |
|-----------------------------------|------------------------------------|
| ≥ 10% | 100% |
| ≥ 8% <10% | 80% |
| ≥ 6% <8% | 60% |
| ≥ 4% <6% | 40% |
| ≥ 0% <2% | 20% |
| ≥ 2% <4% | 0% |

3 Grant payable each quarter £261.90 (£1047.62/4)

4 Recalculate grant in January 2014 based on 2013 data

| | ACTUAL 2013 DATA | DBF + PCC fee at 2012 rate | PCC fee at 2013 rate | "Received" 2012 | Estimated PCC for 2013 | "Lost Fees" |
|-----------|-----------------------------------|----------------------------------|-------------------------|--------------------|------------------------------|----------------|
| Marriage | 6.00 | 262 | 206 | 1572.00 | 1236.00 | 336.00 |
| Funeral | 9.00 | 102 | 72 | 918.00 | 648.00 | 270.00 |
| Cremation | 5.00 | 102 | 21 | 510.00 | 105.00 | 405.00 |
| | | | | <u>3000.00</u> | <u>1989.00</u> | <u>1011.00</u> |

Assume parish share for 2013 is £30,900

Fees as a %age = 3000/30900 = 9.71% so grant becomes 80%
Correspondingly if fees totalled £3090 or more the grant would be 100%

| | |
|-------------------------------------|--------------|
| Total grant for 2013 £1011.00 x 80% | 808.80 |
| Already paid £261.90 x 3 | 785.70 |
| Now payable | <u>23.10</u> |

5 Grant payable each quarter for 2014

$$£1011 \times 80\% / 4 = £252.75$$

6 Recalculate grant in January 2015 based on 2014 data

| | ACTUAL 2014 DATA | DBF + PCC fee at 2012 rate | PCC fee at 2014 rate | "Received" 2012 | Estimated PCC for 2013 | "Lost Fees" |
|-----------|-----------------------------|----------------------------------|-------------------------|--------------------|------------------------------|----------------|
| Marriage | 7.00 | 262 | 212 | 1834.00 | 1484.00 | 350.00 |
| Funeral | 12.00 | 102 | 74 | 1224.00 | 888.00 | 336.00 |
| Cremation | 7.00 | 102 | 21 | 714.00 | 147.00 | 567.00 |
| | | | | <u>3772.00</u> | <u>2519.00</u> | <u>1253.00</u> |

Assume parish share for 2014 is £31,800

Fees as a %age = $3772/31800 = 11.86\%$ so grant becomes 100%

| | |
|--------------------------------------|----------------------|
| Total grant for 2014 £1253.00 x 100% | 1253.00 |
| Already paid £252.75 x 3 | 758.25 |
| Now payable | <u><u>494.75</u></u> |