

Ministry Share



Guide to the Ministry Share System

This guide provides a summary of the new Ministry Share System and is presented in the form of a number of Frequently Asked Questions.

Your guide to the Ministry Share System

To help you locate what you're after you will find questions about:

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If you would like any help or have any questions, please contact:

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More information on ministry share, can be found at:

www.cofe-worcester.org.uk/ministry-share

Overview

What is Ministry Share?

Ministry Share is the new name for our Parish Share Scheme. Each year, every parish is asked to contribute financially to the Diocese in order to pay for ministry, and Diocesan Synod has agreed that from January 2022, our new method of calculating this should be explicitly based on the amount of ministry received in each benefice, and so we are renaming it Ministry Share.

Why doesn't the National Church pay for this?

Whilst the National Church may look rich on paper, much of the Church's wealth is tied up in buildings, such as vicarages, or in endowments, where the capital cannot be spent. So, while the National Church does help contribute to the costs of some ministry, it cannot cover all of it. Overall, 70% of the Church's annual income comes from the donations and generosity of those who attend our churches, and so some of this is needed to pay for ministry.

Why do we need to change the system?

In 2018 only 76% of the Parish Share requested was actually paid, leading to a £1 million deficit in the Diocese's finances. Our current Fairer Share system also penalised parishes for growing and led to large changes in request as the income surveys were rerun.

The new Ministry Share deals with these issues – it should be stable, your request should only change with the annual increase in stipends, or if the levels of ministry you are receiving changes. It has been used for more than 20 years in some dioceses, making it durable, and the system is transparent, so that we will be able to clearly show the links between Ministry Share and the Diocesan budget.

Does this mean we will have another new system in a few years?

No, one of the reasons this wealth-adjusted cost of ministry system was chosen was its stability. Many dioceses that use this method for calculating Share have been doing so for over 20 years, with one for over 30 years.

How does it work?

The basis of our new Ministry Share System

Ministry Share will allocate to each benefice (or area covered by a Minister), an amount of Share equivalent to the cost of that ministry adjusted for the average incomes of the benefice's church members.

For a benefice with an income similar to the average across the Diocese, the Ministry Share request will be £64,500. If that benefice has two Ministers, the Share request will be £129,000 (£64,500 x 2).

How will the Ministry Share be spent?



The cost of each full-time stipendiary (paid) member of the clergy in the Diocese is broken down as follows:

- £41,043 is spent on their stipend (salary), National Insurance, pension and moving grants.
- £9,890 is spent on their housing and associated bills.
- £12,975 is spent on the cost of training new priests (ordinands and curates).
- £2,881 is given to the National Church to help support central costs.
- £9,089 is used for Parish and Area Support, such as the archdeacons, safeguarding, the ministry team and stewardship.
- £9,587 is spent on Central Diocesan Support, including finance, HR and communications.

A further breakdown is available at www.cofe-worcester.org.uk/ministry-share



Doesn't the Diocese have any other income to pay these costs?



We are blessed to also have some additional income. For every stipendiary minister we have:

- £12,127 coming in through diocesan income, such as rent, dividends and interest.
- £5,053 coming in through diocesan fees for certain services, such as funerals and weddings.
- £2,167 coming in through savings from parishes currently in vacancy.
- £1,632 coming in through other income streams.

This leaves about £64,500 to be covered through the Ministry Share, roughly equal to the cost of the stipend, housing and training for a full-time minister.

What if our vicar is Self-Supporting or part-time?

The great thing about Ministry Share is that we are able to easily and transparently adjust the request depending on the ministry in a particular benefice. As Ministry Share is roughly equivalent to the cost of stipends, housing and training, in cases where clergy or lay ministers do not incur these expenses, the Share request will be reduced accordingly.

For example, if a Self-Supporting Minister (SSM) does not receive a stipend or live in a diocesan house, the Ministry Share request for their benefice would only be the training costs.

Similarly, if an incumbent is not full time, but for example, is 80% equivalent, the stipend and training element would be reduced to 80%, but the housing cost allocated at 100% (as they will still need a whole house!).

For full details please see our Ministry Share webpage: www.cofe-worcester.org.uk/ministry-share.

What if we are in vacancy (are in between incumbents)?

Savings made when parishes are in vacancy are averaged out across the Diocese (see above), so if the ministry in your benefice is expected to be the same going forward (e.g. a new vicar is being recruited), then your Ministry Share level will not reduce. This is a more straightforward approach than the Ministry Share going down and then back up again, which has not been found to work well in other dioceses.

Will we need to pay more Ministry Share if we have a curate?

No, the costs of our ordinands and curates is averaged out across the Diocese as these are training posts.

Why do we need to make any adjustment for income?

We strongly believe in the biblical principle that those who have more help those who have less.

We want to ensure that those benefices that have a lower average income are still able to afford ministry and are helped by those who can afford to give a little bit more.

How does the income adjustment work?

The income adjustment is worked out in bands comparing each benefice's average income with the average income across the Diocese. If your average income is between 20% and 30% more than the Diocesan average, your cost of ministry will be multiplied by 1.2 (increased by 20%), and if your average income is between 20% and 30% less than the Diocesan average, your cost of ministry will be multiplied by 0.8 (decreased by 20%).

Average Income	Below £11,572	£11,572 - £13,226	£13,226 - £14,879	£14,879 - £18,185	£18,185 - £19,838	£19,838 - £21,492	Over £21,492
% Relative to Diocesan Average	More than 30% below	20 to 30% below	10 to 20% below	10% below to 10% above	10 to 20% above	20 to 30% above	More than 30% above
Income Adjustment	x0.7 (30% lower)	x0.8 (20% lower)	x0.9 (10% lower)	Unchanged	x1.1 (10% higher)	x1.2 (20% higher)	x1.3 (30% higher)
New Ministry Share	£45,150	£51,600	£58,050	£64,500	£70,950	£77,400	£83,850

How is average income calculated?

In 2018, we ran a survey of incomes in each parish across the Diocese, and this gave us the average income for each parish. We are using these results to calculate the average figure across each benefice or area of Ministry through a weighted mean to take into account different congregation sizes.

Why are you using the 2018 data when things have changed significantly since then?

We realise that things may have changed, especially over the past 18 months. However, with many church buildings only just reopening and focussing on the pastoral care of their congregations, we felt it would be inappropriate to conduct another survey at this time.

This approach has been found to be robust and work in other dioceses, because:

- It is applied at the benefice level with larger numbers of congregation members.
- While your congregation may have decreased (or increased) due to the pandemic or other factors, this may not have affected the average income, especially relative to the average of all churches in the Diocese. It would only have affected the average if the people leaving or coming were of a significantly different income level to the average.

While your church may have changed, it has not necessarily changed enough for your benefice to have moved income bands. However, if you feel that your benefice has had a significant change to its average income, there is an opportunity to appeal to change the income adjustment that is applied. This is detailed further below.

Dividing Ministry Share between Churches



Why do we have to split our Share request over the Benefice?

While the WDBF could have divided the Ministry Share between the parishes or churches of a benefice, it would have needed to be a one method fits all approach. By asking you to split Ministry Share, and with the WDBF being there to offer help when it is needed, it means that you can choose a split which best suits your situation and can be adapted as your situations change.

How should we split the share between us?

It's your choice! There are several ways that you could split Ministry Share and some of these are given more detail in the letter that has been sent from John Preston to each benefice. Here are a few ideas:

- If you already have a way of splitting costs over the benefice, such as for a shared administrator, you may want to use the same split.
- Using the same proportions as the previous parish share was requested.
- Using the same proportions as the previous parish share was contributed.
- In line with ministry allocation.
- In line with the number of your church members or electoral roll.

Most importantly, there is no golden rule, and you should consider as a benefice what will work best for you. Once you've put a system in place for 2022, it is likely that you will take the same approach in subsequent years. However, it shouldn't be set in stone; if one church has a very good financial year, it may want to help the other churches in your benefice and contribute more Share that year.

Practically how do we agree Ministry Share with our Church's PCC and then as a Benefice?

You can organise to discuss how to split the Ministry Share in whatever way best suits you and your circumstances, however, we would suggest this kind of process:

- 1) Individual PCC/DCC Treasurers meet with the Incumbent as Chair, to suggest an approach to splitting the Ministry Share.
- 2) The PCC's/DCC's meet individually to discuss if they agree to the split.
- 3) Individual PCC/DCC Treasurers meet again with the Incumbent to confirm the split.

It may be helpful to appoint a common person who will attend all these discussions.

What if we are in vacancy?

If you are in vacancy, it is important to have someone who can attend all the meetings, and so be able to see what common threads and worries occur. It could be the Lay Chair of your PCC (especially if you are a single PCC with multiple churches); it may be a retired member of clergy in your benefice, the Area Dean or another priest who has taken temporary responsibility for you.

If you do not have anyone to ask, please get in touch with Chris Boden, and we will be happy to help.

What if we can't agree the split between us?

This may be the first conversation you have had as a benefice, and even if not, it may be a difficult conversation to have, and so not all may agree. If this is the case, please get in touch with Chris Boden, and we will make sure that there is someone available to come and help facilitate these discussions.

Appealing the change income band

What if we think we are in the wrong income band?

If you think you are in the wrong income band as a benefice, the first thing to do is to contact the Chris Boden, who will be able to give you more information about where you sit within the band and see how likely it is that you would move bands. He will also help guide you through the appeals process and help you with collecting the data that will be asked for from the appeals board.

How do we appeal?

Just after Easter each year, there will be a meeting of Area Deans and Deanery treasurers, to consider appeals to change bands. In order to appeal you will need provide some data and information in preparation for this meeting. Please register your desire to make an appeal by the end of the previous year with Chris Boden, who will then help you with collecting the information that will be required.

We have significantly decreased or increased the number of people in the parish so why have we not changed bands?

There could be two reasons behind this, firstly that while the parish has changed significantly, the benefice has not. For example, your church may have reduced from 20 people to 15 (25%), which is significant for you, but if there are 100 people in the benefice, the reduction is only 5%. In this case you may want to talk again as a benefice about how the Ministry Share is split between you.

Secondly, it could be that the number of people has changed but the average income has not, as those who have come or gone sit in your benefice's average. In both these cases we would like to have some longer-term conversations about the level of ministry received by your parish.

Lowest Income Communities Funding

Is there any extra support for our poorest parishes?

The National Church gives dioceses some money to support ministry in the most financially deprived areas of the country. In our Diocese about two-thirds of this is passed on to qualifying parishes to help support their ministry (e.g. by using it to pay Ministry Share) in the form of Lowest Income Communities (LInC) grants and one third used to fund specific projects/resources in these parishes. If you are a LInC parish, you will be able to apply each year for support

How do we find out if our benefice is eligible for this?

You will be told if you are eligible or not in the letter sent to your benefice at the end of August. If you think there has been a mistake, please let Chris Boden know and he can check for you.

How much could we get?

The amount you could receive will be linked to the population who live in areas of financial deprivation in your benefice. How much will be available will depend on how many of our LInC benefices need to request this support.

How do we apply for a LInC grant?

Applications for a grant from the Lowest Income Communities funding will be made in the same way as applications from the Ministry Support Fund. There will be a simple form which will be required to be submitted by the end of March in a given year for a contribution towards that year's Share. (This gives time for budgets to be prepared for the coming year, to see where the previous year ended up and to get an initial assessment on financial progress during the year,) LInC grants may cover a multi-year period to provide future visibility and aid planning.

Are there any conditions?

We will ask you what ministry you are carrying out amongst your lowest income communities, as that is what the money is aimed to support.

Transition

Our Ministry Share is going down – what happens?

For some benefices, the requested Ministry Share will be lower than Parish Share paid in 2019. We understand that the pandemic will have affected your income, but are asking all benefices in this position to prayerfully consider whether you would be generously able to give an additional donation beyond Ministry Share to support other parishes. Ideally, we would hope that together, your contribution to Ministry Share and this generous donation, would be similar to the amount given in 2019.

This additional gift from you will then be used as part of a new Ministry Support Fund to which other benefices can apply to help transition to the new scheme over the next few years.

Our Ministry Share is going up – how can you help us?

For other benefices, their Ministry Share will be higher compared to Parish Share paid in 2019. This may be by an amount which you think you will be able to achieve straight away, or you might need help to be able to meet the request in 2022. The team at the diocesan office are here to help, whether with seeking to grow your income to help you find ways to increase your Ministry Share contributions over time, or to have conversations about what pattern of Ministry might be sustainable.

Many parishes will not be able to manage the increased request straight away. To support you in this we are setting up the Ministry Support Fund, to which you can apply in order to receive grants to help pay Ministry Share.

What is the Ministry Support Fund?

The Ministry Support Fund has been approved by the Diocesan Synod as a way in which we can support parishes finding the transition to Ministry Share difficult. It will be created by additional gifts from those whose parish share is reducing as well as an allocation from diocesan reserves. The size of the Fund would likely diminish over time, although some benefices may generously contribute above income-adjusted cost to support ministry in other places.

Benefices would be able to apply for a grant from the Ministry Support Fund to meet a shortfall in their contribution. They would need to show a plan that led to the amount they needed reducing over time, and that they were adopting key elements of good practice regarding stewardship.

How do we apply for an MSF grant?

There will be a simple form and some accompanying information which will be required to be submitted by the end of March in a given year for a contribution towards that year's Share. (This gives time for budgets to be prepared for the coming year, to see where the previous year ended up and to get an initial assessment on financial progress during the year), Please register your desire to make a grant application by the end of January with Chris Boden, who will then help you with collecting the information that will be required.

Just after Easter each year, there will be a meeting of Area Deans and Deanery treasurers, to award grants from the Ministry Support Fund. Grants may cover a multi-year period as a way of supporting parishes through a journey of transition.

For more information on ministry share, please visit:

www.cofe-worcester.org.uk/ministry-share