

Lichfield Diocesan Board of Finance
Stipends and Allowances - Effective from 01 April 2019

Incumbents, Priests in Charge, Team Vicars, Resident Ministers.

The standard stipend rises on 01 April 2019 from £25,715 to £26,230 per annum. This represents a 2.00% increase, which is in line with in the National Stipends Benchmark and the National Minimum Stipend increases from April 2019.

Assistant Curates & Accredited Lay Ministers

In accordance with the recommendation of Archbishop Council, in “Generosity and Sacrifice”, the Diocese implemented Aspiration 1 with effect from 01 April 2005. The Curate Scale must be a minimum of the National Minimum Stipend. From April 2019 this is £24,770. Lichfield Diocese pays slightly above this rate and the scale for Assistant Staff will be as follows:

Year 1	£24,860
Year 2	£24,860
Year 3	£24,860
Year 4	£24,860

The two additional points, A and B, which are used at the discretion of the Bishop for the benefit of Accredited Lay Ministers, reflecting length of service and/or responsibility involved in their present appointment, have been amalgamated and the pay scale is the same as for Assistant Staff at £24,860pa.

Expenses and Allowances

(a) Mileage Rates

The recommended Diocesan mileage rate for 2019/2020 has been set at 45p per mile for the **first 10,000 miles**; 25p per mile thereafter. **Please note that the mileage threshold is in line with the current regulations set by the HMRC subject to any changes in the Budget.** Please bear in mind the cost of mileage expenses on both Parochial and Diocesan funds, and therefore please do as much as possible to keep these costs to a minimum.

In addition, From 01 January 2019, it has been agreed that an extra 5p per mile will be paid if the car is shared with another officer or committee member who would normally travel by car to a meeting. This can be claimed by simply adding the person’s name who shared the car with the expense claim for the journey.

All required forms may now be downloaded from the Finance Website (<https://www.lichfield.anglican.org/finance>) or alternatively please contact the finance department at the Diocesan Office

(b) Rural Deans

In recognition of the considerable responsibility undertaken by the Rural Deans in addition to their parochial duties, and allowance of £1,120 per annum will be received.

The allowances will be automatically added to your stipend and consequently will be paid through the Church Commissioners payroll in the normal manner.

All Rural Deans may claim expenses up to £875 for the 2019 calendar year. Assistant Rural Deans may claim a maximum of £450 per annum. If you believe you are likely to exceed these maximum figures, please contact your Archdeacon at the earliest possible opportunity.

Rural Dean Expenses are encouraged to be claimed on a quarterly basis. In order to assist with the financial reporting of the Diocese it would be appreciated if these claims could be made quarterly rather than half yearly or annually as in the past. **Please note that Deanery Synod expenditure should be met by the respective Deanery Synod, and not included in claims to the Diocesan office.**

(c) Team Rectors

Team Rectors will receive a £615 responsibility allowance, and are entitled to claim up to £125 in respect of expenses necessarily incurred in running a Team Ministry.

(d) Extra Parishes

Those clergy who serve in more than one parish are entitled to claim travelling expenses for journeys between the parish of residence and other parishes served. There is a maximum of £835 per additional parish. In order to assist with Parish Cashflow and Diocesan Financial Reporting/Forecasting, these may be claimed on a quarterly basis. It would be appreciated if these claims could be made in April, July, October 2019 and January 2020 at the latest. Please ensure that any mileage claim represents actual miles travelled and not estimates.

These expenses are paid to your nominated PCC rather than to you as an individual. This enables you to make regular claims from the relevant PCC's. In very exceptional circumstances it may be possible to have these expenses paid to you as an individual, but this is contrary to "best practice" and will only be possible with prior consent from the Diocesan Office.

The Board insists on rigorous checks and proper authorisation of these claims for everyone's benefit so please ensure that your claim is accurate and verifiable.

(e) Removal Expenses

These are settled on the lowest of three estimates, one of which should be from Pickfords. **Please note that the Diocese has Transit Insurance so the insurance offered by the Removal Companies is not required.**

Please advise the Office of the estimates and, having received authorisation for one of them, make the necessary arrangements with the named contractor, asking them to forward the account direct to St. Mary's House for payment.

(f) Settling-In Allowance

These may be paid up to two months in advance of the date of institution of licensing and must be claimed in writing. The rate for clergy of Incumbent Status is £2,480. In accordance with Aspiration 1 and the recommendation from the Central Stipends Authority the rate for Assistant Clergy is in line with that available for those of Incumbent Status, viz £2,480.

(g) First Appointment and First Incumbency Grant

A First Appointment Grant of £2,480 is paid to Curates and Accredited Lay Ministers automatically after licensing to a first appointment

A First Incumbency Grant of £2,480 is paid, if claimed in writing, for First Incumbencies (including appointments as Priest-in-Charge or Team Vicar) and is paid after licensing.

For those appointments which do not qualify for a First Appointment a Robe Allowance of £900 may be applicable and should be applied for through the diocesan office. If a Robe Allowance has been made the sum may be deducted from the First Appointment Grant, if the First Appointment Grant is made within 18 months of the Robe Allowance.

Parochial Fees

There has been some significant change to the Parochial Fees with effect from 01 January 2013. One of the largest changes is that the previous Incumbents fee is now due to the Board of Finance, unless you notified the Diocesan bishop before 31st December 2011 that it was your intention to continue to retain your fees.

Despite this change the Board of Finance is not suggesting any change to the current procedures carried out around the diocese, in that fees are collected locally by the PCC and submitted to the DBF on a regular basis with a Fees Return Form.

Fees are currently very much under scrutiny, as you will be well aware. Our earnest advice is that you ask whoever audits your PCC accounts to audit also your own personal Parochial Fees accounts. If, as we hope, your PCC Treasurer looks after your fees, this should be relatively straightforward. The Board reserves the right to carry

out random audits of parochial fee accounts and procedures. The Finance Department are currently undertaking a round of audits on fees to satisfy the external auditors requirements on fees declared in the annual accounts. This is for everyone's benefit and protection.

It is important that fees are submitted regularly, preferably monthly, to the Diocese to avoid unnecessary complications later in the year. You will also be required to submit a certificate of fees earned for the calendar year – these requests will be sent out in January each year.

Local Fees

The other significant change was to PCC Statutory Fees, There has been an increase in PCC Statutory Fees as these now cover such local costs as Administration, Lighting and use of the building (including Insurance)

Please note the Statutory Fee does not include Heating, this may be an additional charge applied by the PCC. However all "extra" charges must be optional and not mandatory.

It remains permissible for incumbents and PCCs to impose charges for certain items if those marrying or those arranging a funeral etc genuinely opt to have them and agree in advance to the charges being made. Such items include:-

- Organist, choir and other musicians (including recording fees where applicable)
- Bellringers
- Flowers and flower arranging (if provided by the church)
- Printing of service papers (if provided by the church)
- Verger

The Diocese has always advocated that parishes make the fee table visible to all visitors and those planning weddings and funerals – and in addition put up a table of local fees from which people can chose what they want and what they do not want. It is called transparency and protecting the integrity of both the PCC and the Incumbent. It has never been lawful to set compulsory local fees and the diocese has never advocated parishes doing so and never will – it is essential the parish make it clear to all concerned on the optional elements and the cost of each should they be chosen.

Please refer to the Fees leaflet and FAQs on the website.

Retired Clergy (Excluding NSM/OLM etc.)

The fee for regular services payable to retired ordained clergy not in full time church or secular employment is £53.00 with effect from 1st January 2019, in accordance with recommendations of the Archbishops' Council. Mileage may be reclaimed at the Diocesan Mileage rate of 45p per mile.

As disclosed last year the Diocese implemented a change in its policy on fees for Weddings and Funerals carried out by Retired Clergy with effect from 01 April 2005. In accordance with the recommended practice and agreed by Bishop's Council one third of any fee is to be assigned to the Diocesan Board of Finance. An updated Code of Practice, including the fees due to Retired Stipendiary Clergy and payments to Non Stipendiary clergy is available on the website or by request from the Diocesan office. The Diocese is considering changing the guidance notes to Funeral Directors, so that they only pay either the PCC or the DBF in respect of fees and not individuals direct. We appreciate this may increase the workload in some situations but follows discussions with the external auditors of the Diocese on full accountability regarding fees.

If you have any queries regarding this area please contact either your Archdeacon or the Diocesan Finance Department.

Housing Allowance

For those Clergy or Sector Ministers who reside in their own property the housing allowance equates to 45% of the basic stipend. Therefore with effect from 1 April 2019 there will be an increase to £11,805 from £11,575. Any individuals who are in receipt of a Housing Allowance are responsible for their own Council Tax and Water Rates.

The size of the Allowance was changed in January 2011 from one-third of a Basic stipend to bring the Housing Allowance more in line with the HMRC equation on the benefit of housing. Due to low interest rates and therefore changes in the mortgage benefits the latest figure quoted by the HMRC for providing housing is £12,000 (based on £10.100 rental average plus £1,900 average utility across the Diocese). It has been as high as £15,000 in the recent past when interest rates were considerably higher than the current level.

Occasionally special circumstances may arise which cause genuine hardship or unfairness. In such cases the matter will be referred to the Finance and Central Services Committee (FACS) whose decision will be final.

Council Tax Discounts for Second Homes

In recent times the Finance Department have had enquiries about discounts for second or holiday homes owned by the clergy. Decisions on discounts of up to 50% are at the discretion of Local Authorities and from experience Welsh Authorities have declined most applications due to the high level of holiday homes in certain parts of the country. Advice is now given on the Church Commissioners website at <http://www.churchofengland.org/clergy-office-holders/remuneration-and-conditions-of-service-committee/council-tax-on-clergy-'second-homes'.aspx> if this is applicable.

Sick Leave

If you are required to refrain from your duties due to ill health, please note that it is important that you inform either your Area Bishop or Archdeacon at the earliest

opportunity. If your absence exceeds three working days then please complete a self certification form supplied by the Church Commissioners payroll. Copies can be obtained from the link on the diocesan website. This form should be submitted direct to the Church Commissioners or to the Diocesan Office. It is preferred that such sick notes are sent to the Diocesan Office so we can monitor absenteeism and report it accordingly to both the Commissioners and Senior Staff

Should you be absent through sick leave for more than seven days then you are required to obtain a Doctors Certificate and this needs to be submitted to the Diocesan Office. **Failure to do so may result in either part of your Stipend being deducted or the absent period being treated as part of your holiday entitlement.**

The current Diocesan Policy can be found in full on the website.

Maternity/Paternity and Adoption Leave

A full copy of the Diocesan Policy, which follows the National Guidelines can be found on the Diocesan Website or please contact the Finance Department for either a copy of the policy or if you have any queries.

Jury Service

If you are called for Jury Service, please contact the Finance Department at your earliest convenience. There are guidelines on the diocesan website on the process and procedure regarding your stipend.

Discretionary Fund

The Bishop has a Discretionary Fund from which help may be given in cases of hardship. If you know of any such cases please inform your Archdeacon.

Jonathan Hill
Director of Finance

January 2019