

Parish Share Review Group Final Report and Recommendations

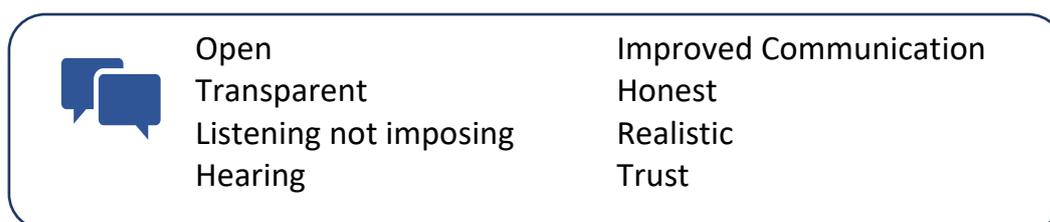
1. Approach to the Review

In accordance with our Terms of Reference (see **Annex A**) we have consulted widely across all 12 deaneries and other diocesan plans for parish share allocation.

- ***The first round of consultation let people share their views*** of the current system for allocating the parish share and offer ideas as to other ways of doing this.
- ***The second round of consultation offered 5 options*** for discussion and associated issues such as the role of the deaneries, language, consequences of not achieving the agreed parish share and other cost commitments that parishes face.

2. Headline Outcome of the Consultations

The approach that we have adopted was well-received. The words/expressions that were frequently used to help in re-setting our approach to parish share and restoring confidence were:



In some cases, there is a need to heal hurt within and between parishes where finances are concerned.

A number of attendees commented on their experience of the budget process.



They believed it was important to work with parishes to agree an affordable forecast income rather than imposing onto parishes an aspirational, and often unachievable, amount.



This work would need to be clear about how the income would be used and how the calculations about the cost ministry had been reached.

3. The Five Options for Allocating Parish Share

Five options for allocating parish share (**Annex B**) were offered well in advance of a series of meetings.

1: The Current System



- Gained support from a few who found it worked from their perspective.
- The majority felt it was discredited & complicated
- Comments that this seemed contrary to growing church and encouraged 'jam jar accounting'

2: Parish Demographics & Contribution



- Deemed to have some merit
- But it was anticipated that the detail of the data would be challenged by parishes
- Judged to be an economist's approach rather than one of sharing gifts.
- Such data could, however, help to inform the deployment of ministry posts and the allocation of diocesan funds.

3: Self-Assessment of Parish Wealth



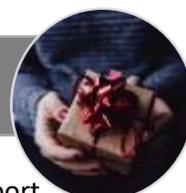
- This option gained no support
- Many felt at best parishioners would not take part while others would be offended by the idea
- Noted, nevertheless, this option worked in other dioceses

4: Deanery Led Share Allocation Based on Cost to the Diocese



- Well-received
- Gained strong support for clarity and simplicity
- Caution was expressed for those parishes that might be given an impossible allocation

5: Pledge System



- Wide and strong support
- Met theology of sharing and giving
- Gives parish ownership of the offer
- Enables each parish to be an equal partner in a conversation leading to a Parish Share Agreement between parishes & Bishop
- Will improve communication
- Caution expressed that some parishes would opt to minimize their offer
- If so, Diocese may see decline in Parish Share

The outcome of this consultation:

THE CONSENSUS

At all 4 consultations
options 4 & 5

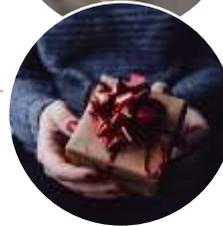
were considered best, and in
many ways similar.

It was felt that a merging of these
2 options would mitigate
concerns raised.



4.

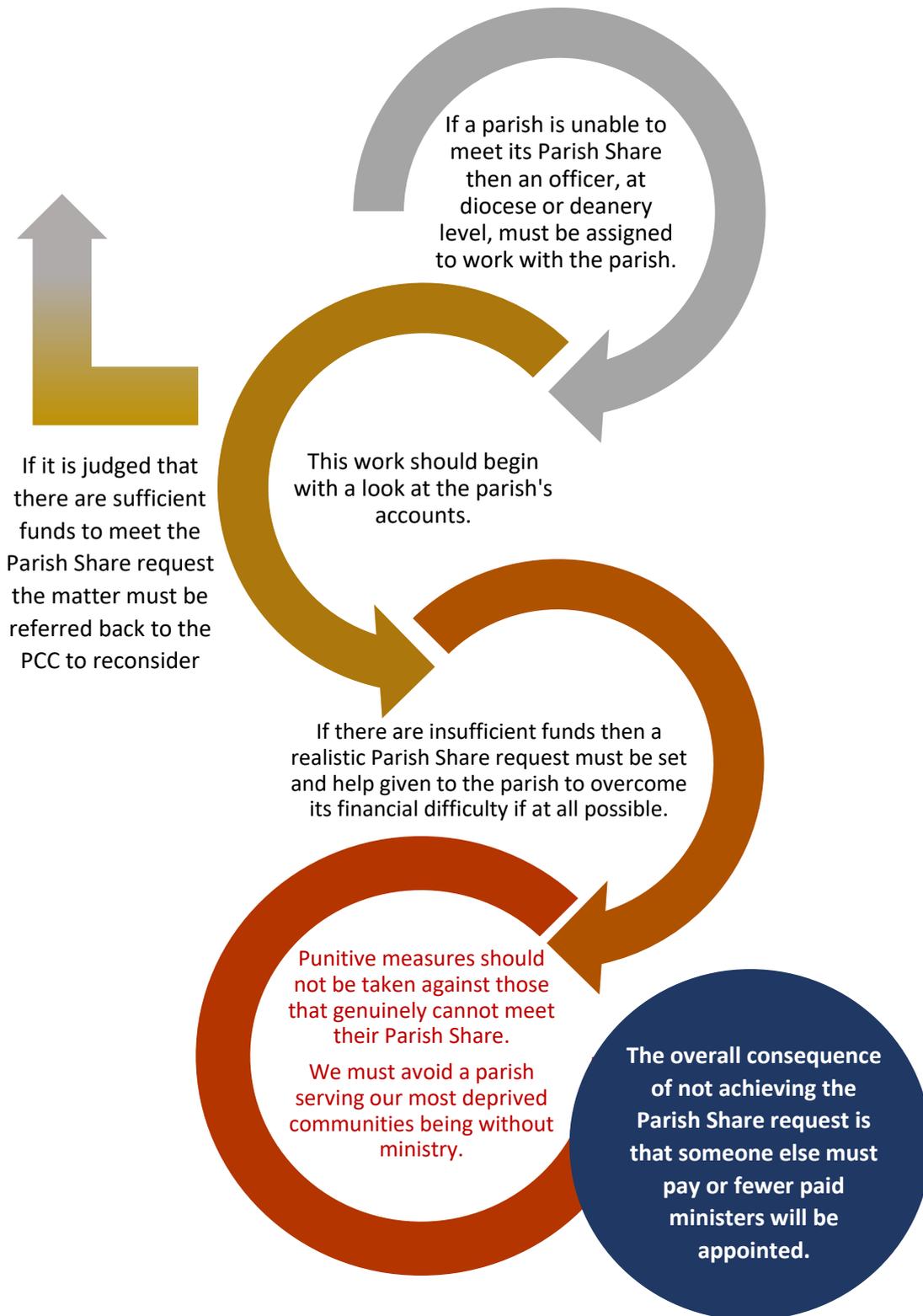
Deanery Led
Share Allocation
Based on Cost
to the Diocese



5.

Pledge System

4. Consequences of Not Achieving the Parish Share Request



5. Role of the Deanery in Parish Share

Parish experiences of the Parish Share impact their opinion of the role of the Deanery:

Poor experience led to mistrust and hurt

→ Considerable healing of rift needed to reach point of harmony and trust

Harmonious, trusted and mutually supporting situation

→ Both the deanery and the parishes were enthusiastic about retaining this arrangement

It was pointed out that some deaneries lack volunteers, skills/energy to take on this role.

The Review Group agrees that the deanery should be involved in the Parish Share Agreement as to separate it from other aspects of deanery activity does not make sense in terms of balancing responsibilities.

6. Recommended Way of Allocating the Parish Share



We recommend: A Parish Share Agreement

- Mutual support to ensure that parishes serving our most deprived communities do not lose out on ministry
- Transparency of PCC accounts
- Costs incurred in the provision of parish ministry less the central funds allocated to support ministry in selected parishes. In all this the details of the calculation will be shown.
- The start point of a Parish Share Agreement being the previous year's Parish Share Agreement

The Parish Share Agreement is between one parish and all the other parishes in their deanery and the wider diocese as represented by the Bishop of Newcastle.



7. Recommended role of the Deanery



We recommend:

That the deanery is empowered by the Bishop as the agent to reach the Parish Share Agreement.



We recognize:

Some deaneries need time to heal past experience and to appoint appropriate people to enable them to do this



We suggest:

A transition time of about 5 years will be needed with Diocesan Officers helping those deaneries that need it to attend to this task.

8. Language

The words 'pay', 'give' and 'contribute' were all discussed in context of Parish Share and 'contribute' and 'share' found favour. Some felt that words should support the imperative of meeting Parish Share.

The term 'Parish Share' was also discussed with varying outcomes; in one consultation the expression was found to have a bad reputation, at another it was strongly favoured to be retained. Perhaps the most telling point was that before we change the language **the experience must change**. Therefore, we need first to agree a new system for allocating Parish Share, explain it and then address the associated language.

The language that gained the most support was plain English rather than ecclesiastical words.

9. Other Costs that Parishes Face

In considering incentives to encourage early payment of Parish Share. There was a general understanding that cashflow at diocesan level would be helped if parishes were able to contribute regular amounts to Parish Share. This raised the fact that parishes had many other 'first call' costs which they prioritized over Parish Share.

Its operating costs (insurance, utility bills, council tax etc.) need to be factored in when reaching a conclusion as to a reasonable Parish Share. Further it would be sensible to share best practice in reducing these costs.

Many parishes feel acutely their responsibility to maintaining Listed buildings and attending to their duty for the next generation. Guidance is needed as to what it is reasonable to hold as capital in a parish for this responsibility. This must be seen in the context that many agree we find ourselves looking after too many buildings.

10. Buildings Strategy

We recommend:



A Diocesan strategy for buildings is made to pull together all the existing plans, share best practice and offer advice to those parishes that struggle to maintain their buildings

11. Implementation

Learning from others a successful implementation will need leadership and communication. Some ideas that might help this are:



Meetings with PCC members at regional, across deanery boundaries, gatherings to share issues and ideas.



An annual Diocesan wide Giving and Sharing week running from Sunday to Sunday first to inspire and second to give Thanks.

Robin Brims
Chair of the Parish Share Review Group

April 2020

Annex A: Terms of Reference

Review of the Parish Share Formula

1. Terms of Reference

1.1 SCOPE

- To review and be informed by practice from other dioceses and places.
- To consult with each of the 12 Deanery Synods about how each Deanery allocates Parish Share and to seek and evaluate the views of each Deanery Synod as to how Parish Share should be allocated in the future.
- To propose changes to the current method of apportioning Parish Share.

1.2 AUTHORITY

- Any recommended changes to the method of allocating Parish Share should be brought to the NDBF Finance Group for consideration before making any recommendation to the Bishop's Council and Standing Committee.

1.3 REPORTING

- To propose the content of communications during the review process to deaneries and parishes to help to increase awareness of Parish Share information.
- The Group will report to the Bishop's Council and Standing Committee to a timetable set by the Council to meet the needs and meetings of the Diocesan Synod.

1.4 MEMBERSHIP

- Membership of the Review Group to include at least two Area Deans, two Deanery Lay Chairs and two Deanery Finance Officers and two representatives from parishes. The two Archdeacons and a member of the Diocesan Finance Group will provide advisory support to the Group and the Diocesan Secretary and Finance Team will staff the Group.

The members of the Parish Share Review Group:

Robin Brims	Chair of the Review Group
Tony Thick	Deanery Lay Chair from Lindisfarne Archdeaconry
Carol Barclay	Deanery Lay Chair from Northumberland Archdeaconry
Peter Brown	Deanery Finance Officer from Northumberland Archdeaconry
Nigel Wyrley-Birch	Trustee, Durham Diocesan Board of Finance
Revd Louise Taylor-Kenyon	Area Dean from Lindisfarne Archdeaconry
Revd Phil Hughes	Area Dean from Northumberland Archdeaconry
Adam Saunders	(until June 2019)

Advisory Members

The Ven Dr Peter Robinson	Archdeacon of Northumberland
The Ven Mark Wroe	Archdeacon of Lindisfarne
Liz Kerry	Newcastle Diocesan Board of Finance (Finance Group)

Staff

Shane Waddle	Diocesan Secretary
Phil Ambrose	Finance Manager

Annex B: Five Options for Allocating Parish Share Offered for Consultation

Option One

Option One uses a formula made up of three elements to combine ability to contribute with the cost of ministry provided:

1. the size of the congregation
2. The ministry provided to the Parish
3. Ability to contribute as measured by Parish income averaged over three years.



Option Two

Option Two assesses each Parish's ability to contribute by applying Nationally accepted data such as population, Deprivation Indices, Relative Wealth (e.g. Experian data) to the whole Parish population (whether worshipping Church of England or not).

Parishes are then ranked by their predicted ability to pay and their Share is calculated according to this.



Option Three

Option Three is also based on ability to pay but it only assesses the ability to contribute of the actual members of the Parish church. Everyone on the electoral Roll plus any other financial donors as appropriate, is asked (in confidence) to place themselves into an income band. The amount of generous giving that can reasonably be expected can then be predicted from this.

Other Parish income, such as dividends, hall lettings etc. are also considered.



Option Four

This model is based on the total cost of all ministry provided to the Deanery as a whole. The Deanery then allocates a share of this Deanery total to each Parish according to a locally agreed model.

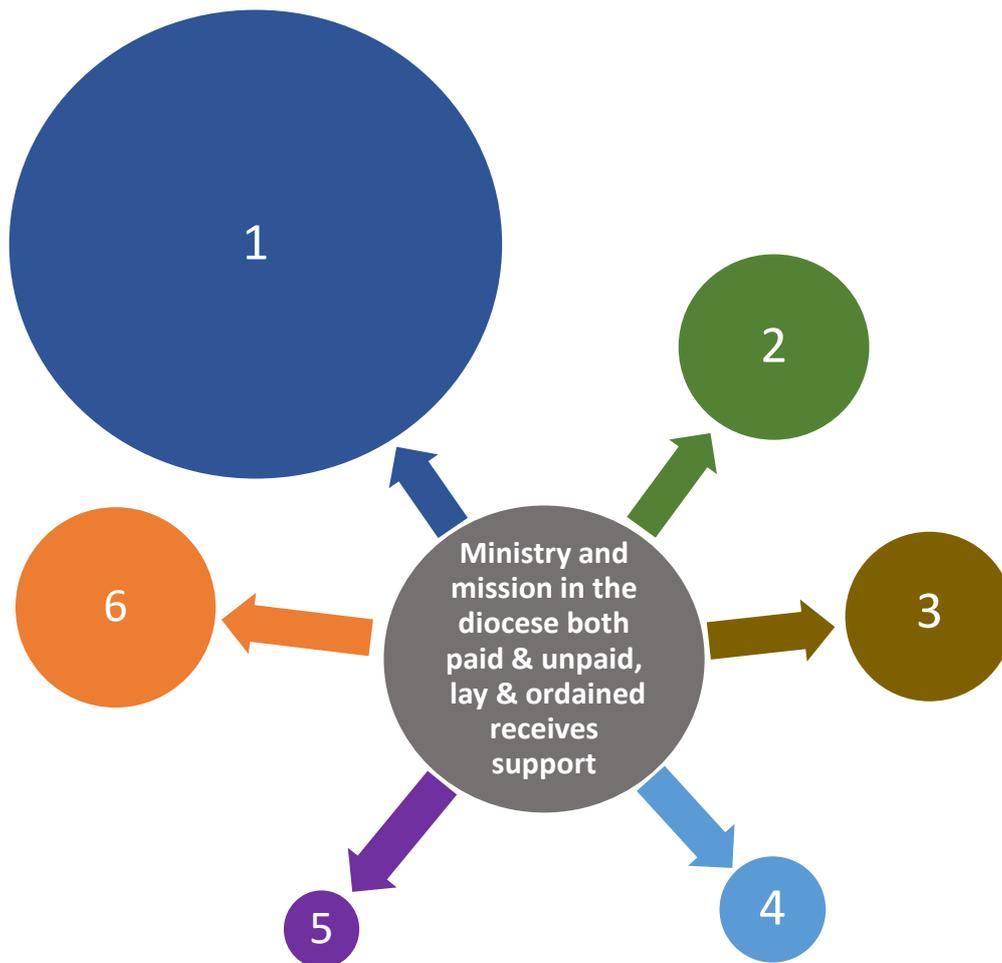


Option Five

Option Five is a Pledge System. Parishes are asked each Spring to pledge what amount they will contribute the following year. It has to be realistically based on overall ministry costs, previous giving, and the principle of generous support for less well-off Parishes.



Annex C: The cost of supporting ministry and mission in the Diocese



1. For those in paid ministry we need to pay a **stipend and pension contribution**.
2. For those provided with **housing** we undertake maintenance and repairs, refurbishments and staff our housing team.
3. **Training and future ministry** - staff to support vocation, discernment and post ordination training and our contribution to national training costs.
4. **Development** such as ministry development and staff to support ministry development.
5. **Resourcing** such as Children and Youth, Lay Development, Generous Giving, Social Justice, Task Groups.
6. **Admin & Legal**: Church House; finance; communications; safeguarding; buildings support DAC/DMPC; Human Resources; contributions to national Church.