

INDICATIVE OFFERS

Calculation of Indicative Offers

Indicative Offers for each benefice for 2020 onwards will be calculated using the following formula:

$$\text{'MC + DS + X'}$$

MC = Ministry Cost

MC is based on a % Full-time Equivalent of the cost of Clergy Stipend/National Insurance/Pension plus the average cost of Parsonage Upkeep plus an SSM charge (see below).

DS = Diocesan Support Cost

DS is the average cost per benefice of direct diocesan support costs, such as Training/Safeguarding/Legal/DAC/Finance.

X = Contribution to Wider Diocesan Mission

'X' is calculated as '10% of Gross Income (unrestricted)' (see FAQs).

- For benefices which the previous year were unable to contribute sufficiently to cover the cost of the Ministry Cost and Diocesan Support Cost, they will be provided with a total Indicative Offer that is capped at 50% of Gross Income (unrestricted).
- Unrestricted Legacies are included in the calculation but spread over five years (i.e. 2% pa over 5 years), starting from 2017 onwards (see FAQs).
- Gross Income will be based on a 3-year rolling average – starting in the first year with 2017 and 2018; and then in the second year adding 2019.
- Those Parishes whose Indicative Offers reflect a reduction from the current level of contribution are requested to maintain current contribution levels for 2 years from 2020, to stabilise overall offer levels during the transition period.
- During vacancies, benefices are encouraged to maintain contributions in full. For long interregnums (over 12 months) some deduction may be understood in consultation with the Archdeacon.
- The 'MC' will include a charge of £4,000 p.a. for Licensed Self-Supporting Ministers acting as Incumbents or Associate Ministers to cover the cost of selection, training and ministerial oversight.

Example calculations are attached.

Process

Indicative Offers for each benefice will be published in w/c 14 October 2019, based on the verified Annual Returns for 2017 and 2018.

PCCs are invited to consider carefully the Indicative Offer calculation and in the light of their financial situation and mission priorities make a formal PCC resolution of their Parish Offer for their contribution towards the Common Fund for the ensuing year.

Parishes are invited to make their formal offers to the Finance Department (finance@rochester.anglican.org) as soon as practicable and ideally by the end of October, but at the latest by the end of November. If Parish Offers have not been received by the end of the calendar year, contributions will continue to be collected by Direct Debit (if applicable) at the current rate.