

Oxford and Dorchester Financial Briefing – Wednesday 13th October 2021

SUMMARY OF WRITTEN FEEDBACK

Which aspects of the existing Diocesan system of Parish Share allocation need reviewing?

- Extent to which the Diocese abrogates responsibility for the way in which the deanery allocates to the parishes should be reviewed, as many deaneries do not do this very well and with limited transparency
- Mechanism for fees should be looked at to see if the end to end admin can be reduced. There is a hidden cost in current system
- The calculation or how we present the calculation of the existing allocation needs to be reviewed/simplified. Current Diocesan formula is too difficult to explain.
- Giving a reduction for payment by direct debit penalises those parishes where payment by DD could wipe them out
- The ability to pay calculation should be benchmarked according to, say, whether the parish share is funded out of income or reserves. Needs to be fair in terms of economic ability to pay. The socio-economic data doesn't take account of the fact that people don't necessarily attend the church in the Parish where they live
- The numbers that contribute to a parish or deanery's ability to contribute should not be limited to electoral roll and average October attendance - it should reflect the 7-day a week activities of the parish rather than just what happens on Sundays.

Which aspects of the existing Diocesan system of Parish Share allocation do we need to hold on to?

- Two tier allocation should be kept but is dependent on the tremendous amount of work done by Deanery Treasurers and Parish Treasurers
- Retain deprivation allowance
- Retain rural allowance
- Mutual support principle to continue
- We need to hold on to the 3% rebate where deaneries are paying in full.

DETAILED WRITTEN FEEDBACK

Emails

Comments of our group.

Generally fairly content. Not looking for radical change, but some concern about:-

Longer term sustainability of income – most comes from older people with no one coming in behind. younger generation can't and don't contribute as much as the older ones.

Two tier allocation should be kept but is dependent on the tremendous amount of work done by Deanery Treasurers and Parish Treasurers.

(Some) deaneries are flexible and do support weaker churches.

Increasing dependency on reserves to pay the share.

Mechanism for fees should be looked at to see if the end to end admin can be reduced. There is a hidden cost in all this.

Although the subject of discontent, it is difficult to envisage how it could be improved.

Redistribution of rebates varies from deanery to deanery.

May I make a couple of suggestions? These are not meant to be a criticism.

1) The financial documents could be circulated to the attendees in advance of the meeting. It will afford the participants the opportunity to gain a quicker understanding of the data presented.

2) The financial data may be better understood if we can place it in a time context of say three years. This allows the reader to determine any trends that may be occurring. But with the Covid pandemic four years would have been better in this case 2019 & 2020 actuals, 2021 forecast and 2022 budget.

3) I wonder if the Diocese entered into an accounting software contract granting the parishes access would be helpful? The standardization of accounting methodology will simplify your tasks and improve financial analysis.

I recognize one the major challenges is trying to determine the revenue stream. The budget is expense driven, rather than revenue driven. We are almost in a state of perpetual 'catch-up'. I detected a movement toward delegating more of the parish share calculation to the Deanery because they are closer to the parishes and their abilities to fund. I think this is a step in the right direction.

Parish Share is a complicated issue. If the seventh item (the formulation) of the fundamental principles was placed in number one, the other principles would be placed in a different context. I think the calculation or how we present the calculation needs to be reviewed/simplified. I am preparing an analysis of Parish Share for our PCC and if I come up with any brilliant ideas, I will let you know.

Verbal Questions

See video recording

Chat box

Comparatives would be useful to 2022 budget, so we can see the difference. Also, what is the increase for Parish share from one year to next.

I find it helpful to our parish to tell them that 'this is the cost of clergy'.

Should be easy to have two slides showing costs per minister both ways....

Could John O please show the 22 budget for Admin and Mission as compared with 2019 being the last normal year.

You will have a much better attendance if you continue to use Zoom And reduce the carbon footprint.

It may be beneficial to receive the slides before the meeting as it is difficult to absorb the quantity of data presented.

It would also be helpful to have the slides before the presentation rather than afterwards.

If you are going to provide commentary on questions after the session then two more things to consider please: you described the variation in collection etc nationally; what is the range within the diocese? 2. Do the buildings cost plans include fitting more environmentally heating systems into clergy housing (e.g. air source heat pumps)?

Briefing pack would be great, thank you

In the first session you said no change in Parish Share. Is this just the total amount? Will there be changes as a result of different inputs in the formula?

Breakout Groups

Feedback from our group

To keep:

Needs to be fair in terms of economic ability to pay.

Local knowledge – Deaneries are important in reallocating.

Needs to be tied to the parish church – in the rural church the local church is important.

Good level of buy in from parishes and a system that encourages generosity.

To change:

Needs to be easy to communicate – Experian Mosaic is difficult to explain especially when church attendees do not reflect the average parish.

Some deaneries see the current formula as so complicated that they do not use it to allocate.

Current Diocesan formula is too difficult to explain.

Large churches currently can pay a large amount per minister.

Local factors (eg air bases) make a Diocesan system difficult to push down to benefices – could there be scope for a model which can be used by the Deanery to allocate across benefices.

It would be good to have real information on who attends affecting the calculation rather than general Experian data

Fewer lines in the calculation.

How does the rural and deprivation relief bit work? That seems most difficult to understand.

Group 5 - requests for minimal change, it is working well but better for fees not to have to be passed over to diocese and then returned

Group 8: Review Q 1. simplify and always, always be transparent. Keep Q 2: Retain deprivation allowance, mutual support principle to continue, do more generous giving; keep rural rebate; and, above all, retain Deanery responsibility for allocation of Parish share down to the benefices. Our group 8 also said that giving a reduction for payment by direct debit penalises those parishes where payment by DD could wipe them out! It is difficult enough for parishes to retain banking facilities as it is.

Need a simpler system. Need a better way of assessing ability to pay and to include other commitments such as Grade 1 listed buildings

Group 11 - If it's not broken, don't fix it. Very nervous of a change, especially at this time so soon after Covid

Group 10 comments: - Issues that need review are the extent to which the Diocese abrogates responsibility for the way in which the deanery allocates to the parishes, as many deaneries do not do this very well and with limited transparency; also the numbers that contribute to a parish or deanery's ability to contribute should not be limited to electoral roll and average October attendance - it should reflect the 7-day a week activities of the parish rather than just what happens on Sundays. But retain allocation at deanery level and retain clarity on the average cost of one stipendiary priest. It helps when Rector and/ Area Dean takes an active interest in giving and allocating parish share.

Group 2: quite a few of group were new in post so did not feel confident to comment. We noted that Deaneries use their own method of distributing Deanery Share to Parishes and this is probably more important to Parishes than the way the Diocesan share is divided between Deaneries. Whilst the system has flaws it would be difficult to better. The problem with changes is that they will make it more complex by adding in more factors. The socio-economic data doesn't take account of the fact that people don't necessarily attend the church in the Parish where they live.

Group 6: Broad support for a formulaic approach for the reasons given in the presentation. There is one glaring weakness in the ability of individual churches to pay. One participant pays £23k with an electoral roll of 31; another pays £50k with an electoral roll of 50 and one pays £83k with an electoral roll of 207. The ability to pay should be benchmarked according to, say, whether the parish share is funded out of income or reserves.

Broaden the net of number of people who contribute. 178 posts at Church House - is there one to reinvigorate the parish; Communicate need for contribution to the Christmas and Easter congregation.

From Mark Humphriss : there are not 178 posts at Church House, this includes staff of the multi-academy trusts and many others. We certainly have staff available to help reinvigorate the parish through the area team, discipleship enablers, PDAs. Perhaps talk to your area office and we will find the best solution. The new congregations work is also very relevant to growing the base.

We need to hold on to the 3% rebate where deaneries are paying in full.

We need it ever more where the Deanery is not able to pay 100%. We record how we use the 3% but keep it off the Deanery Synod agenda

If everyone pays in full, will the 3% disappear? If 93% of the money is coming in should we take the current position as a base and then investigate the highs and lows to find out where the balance can come from. Then set a target for the 7% difference and cover that, adjusted each year for inflation.

Verbal comments from Breakout Groups

See video recording