

**FAIRER SHARE GUIDE**

**Sharing the cost of ministry**

**SHARE APPORTIONMENT FOR THE DIOCESE**



Approved by Diocesan Synod June 2004

Version 11 - 26 February 2020 by the Accounts Department

## FOREWORD

As Christians we belong to God through Christ. It follows from this mutual inheritance that we belong also to one another. Sharing in the life of God who is Father, Son and Holy Spirit not only brings us into relationship with Him, but also enables us to be recipients of his generosity and life-giving love.

The Christian response to God's generosity involves giving to others. This simple yet vital principle of discipleship can be lived out in the way we meet the costs of our shared ministry.

The Share apportionment scheme adopted in this Diocese seeks to build upon this principle in ways that we hope will be both understandable and fair to all. The share pays only for parish ministry. Income from other sources covers administration, payment to the National Church and some of the parish ministry costs as well.

In our church family we have many opportunities to express our thanksgiving to God, and principally through our generosity to one another. For many, the most natural place to express this sharing is in our local parishes. However, we are also part of a wider church and Anglican Communion. These proposals seek to honour both the local and diocesan dimension of the church family life we share.

We are aware that administering and paying share is a challenge to many parishes. We thank everyone sincerely for their support.

**Antony MacRow-Wood**  
**Archdeacon of Dorset**

**Vice Chair of the Fairer Share Review Group**

*I do not mean that there should be relief for others and pressure on you but it is a question of a fair balance between your present abundance and their need, so that their abundance may be for your need.*

*Corinthians 8 vv 13 -14*

### Terms of Reference of Fairer Share Review Group

#### SCOPE

- To ensure that the methods of calculation continue to be equitable and to make any necessary adjustments
- To authorise the Share apportionment for cases such as "S" parishes, house for duty posts and others.
- To agree the content of communications to parishes regarding the collection of Fairer Share information.

#### AUTHORITY

Any recommended adjustments to the method of Share apportionment should be brought to the DBF Finance Committee for approval

#### REPORTING

The Group will report to the Diocesan Board of Finance, Finance Committee

#### MEMBERSHIP

The membership will be from the Diocesan Board of Finance or the Area Stewardship Groups who also have deanery or parochial experience. The current membership consists of Nigel Salisbury; The Archdeacon of Dorset; The Archdeacon of Wilts; The Revd. Peter Ostli-East, Muriel Jacobs, David Pain, Liz Ashmead, Angie Wheeler

## Introduction

The Fairer Share System was introduced on 1 January 2005 and is based on the following principles:

- It takes account of relative abilities to pay
- It gives a resulting sense of local ownership
- It encourages a sense of belonging to a wider church

The system defines both the **formula** for apportionment and the **process** by which it is applied.

At its simplest the system **divides the annual amount to be raised through Share by the number of people who actually take part in the church's life.**

Number of services is not a factor accounted for in *Fairer Share*. Each Incumbent has responsibility for the Cure of all Souls, churchgoers or not, irrespective of the number of services held on a Sunday. As such he or she is at work throughout the week and the benefice is responsible for his/her care and wellbeing. Share covers the cost of stipend, pension and housing as well as a range of Diocesan wide resources and support services; it is the mechanism by which each parish meets those responsibilities. The costs occur monthly in the main and so parishes are encouraged to pay on a regular basis. Factors used for Share assessment are:

- The annual budget for share assessment
- A three-year rolling average membership for each parish
- The category each parish has selected for itself
- The number of establishment posts – see below for definition – per benefice

The Diocesan Budget for Share for the following year is circulated in draft in March/April for consultation and considered at the June meeting of Diocesan Synod. This should give parishes not only more time to budget efficiently themselves, but also to have greater time for discussion of the issues raised.

## The Process

The process inevitably asks parishes and deaneries to be more aware of each other's needs, strengths and weaknesses. We hope it also fosters a greater sense of belonging to the wider community of the church.

Each year, all parishes are required to provide two basic pieces of information:

- The number of parish members for Fairer Share.
- A self-assessment of the category that best describes their parish membership and their ability to contribute.

The count and category determination require PCC's to exercise wise and considered judgement. We have to trust one another to declare the correct membership figure and choose the correct category as every under-declared member and category causes all other parishes to pay more Parish Share.

The Parish Share Data Collection Form is sent out by email to the Treasurers in advance of the period of the count. This form is personalised to the Parish and shows the last 2 counts and the previous year category.

The Treasurer will work with the Churchwarden(s) to decide who will do the count and will pass on the form to these people together with this guide. Once the list of members is compiled the resultant numbers should be entered to the form as described below and then the PCC should assess the Parish's category. This will then be entered to the form.

### **Assessing the number of members for Fairer Share**

Fairer Share requires each parish to **use judgement** in compiling a list of members. This Fairer Share list will need to be available if there is a dispute over Fairer Share allocation. A good start may well be last year's list.

The number of members is **not** the same as the **average number** of weekly attendees, nor the Electoral Roll or the Gift Aid Register (though many of the former and probably all of the latter will appear on the list).

The process of doing an accurate count takes place on the five Sundays after Low Sunday.

The **definition of a member** is a person committed to worship or other regular involvement with the church, and who may **reasonably** be expected to provide for the ministry of the church.

Please refer to the example Parish Data Collection Form on the diocesan website when reading the guidelines below.

The membership figure should **include**:

1. Those aged 18 and over (and not visitors) who come to church at least once in a 5 week period. This figure goes into **Box A**.
2. Those of the committed congregation who could not attend in the period of assessment due to e.g. illness, infirmity or holidays.
3. Those who are visited regularly, as well as others who worship regularly but are not present.
4. Those who **occasionally attend and** from whom support might be expected (For example, second home owners).
5. Any others who **have a connection to** and actively support the church financially.

Add up members 2-5 and put this total in **Box B**

**Box C** is a total of Box A and B

Please note that parishes who have an accurate list of members – most likely the smaller parishes may enter this figure straight into Box C. Box A and Box B can be left empty

The membership figure should **exclude**:

- Those who are NEW to Church (other than those who have moved from other churches in the last calendar year). Please put the total new to church in **Box D**
- Tourists and visitors including baptism parties and members of other churches in the benefice should not be counted as members. It is not the intention to double count church members.

**Box E** is then Box C less Box D

### **Visitors**

The number of visitors may affect the judgement of category in larger parishes. For this reason parishes are asked, if they can, to make a separate count of visitors and include the visitor count and the members count per week in the 'attendance at services' section box showing members and visitors on a weekly basis. If you are uncertain ask him or her.

### **How to do the count:**

Many parishes have devised their own method of counting. In many smaller parishes the formal counting may be unnecessary if there is an accurate list of members.

In larger parishes or those with many visitors a weekly count over the five week period is required. Parishes may find that giving out a weekly attendance slip to people as they arrive is the simplest method. An example of such a voucher, which can be freely adapted, is shown in Appendix 2.

Another way is to use the Electoral Roll and Gift Aid registers. Each week tick the names as people arrive and add new names as necessary. Simply asking people to raise their hands to indicate membership is not recommended as, except in very small parishes, it would not enable a list of names to be compiled and therefore there may be duplication and absentees may be forgotten.

### **Choosing the appropriate category**

Inevitably, the members of some congregations find the task of meeting their Share assessment easier than others. For this reason, each PCC is asked to describe the relative affluence of their church community under one of five headings A, B, C, D, or E. The comparison should be made against the members of other Parishes, both in the parish's own Deanery and also in the wider Diocese. Parishes are asked to talk to their Rural Dean or Archdeacon if they need help making this choice.

#### **Description of Category:**

**Category A** The members are favourably placed and likely to be more able to pay than most.

**Category B** Whilst not amongst those most favourably placed, the members are generally likely to be better able to pay than most.

**Category C** Whilst not amongst the least favourably placed, the members are generally less likely to be less able to pay than most.

**Category D** The members are **mainly** amongst those least able to pay.

**Category E** The members are **all** amongst the least able to pay.

There may be circumstances that require the allocation of a temporary **Category S**. Any such allocation is the responsibility of the Fairer Share Review Group with appropriate pastoral advice and in consultation with the Deanery and the appropriate Area Stewardship Group

**Remember that the average category across the Diocese should fall between a B and C. Only if you consider the ability to pay of your members to be below the average should you choose C. There are likely to be at least 18 category A parishes and only 4 or 5 category E parishes across the whole diocese. There has been a tendency in recent years for A parishes to downgrade their category to B and for some B parishes to downgrade to C. There may be good reasons for this but it is probable that there should be more A categories than currently showing and the effect of this is to increase the share for everybody else. If all parishes choose their category accurately then it should be equally difficult for all to pay their Share.**

You may find the following suggestions helpful when considering the category of your membership.

- Number of taxpayers compared to non-taxpayers
- Does the church have a regular income of planned giving
- Types of employment
- Earning capacity: percentage of employed single and two income families, unwaged students and pensioners. However avoid assumptions - for example a large number of pensioners does not

necessarily point to a lower category. The membership of every church will include a mix of people, some of whom are always more able to contribute than others and some much less so.

Finally consider if there is any other factor which might affect the ability of your parish to pay its share e.g. reserves, legacy income, an active Friends Group. This may result in a choice of a higher category than the membership alone may indicate.

If you find it difficult to decide your category, seek the advice of those who have a wider knowledge of the parishes in your deanery and the diocese e.g. the Rural Dean, Lay Chair or Archdeacon.

Once the PCC has decided on the category enter this into Part 2 of the Parish Data Collection Form.

### **Completing the form**

The completed Parish Data Collection Form must be reviewed by the PCC and signed by the incumbent and churchwarden. The forms should be submitted to the Rural Dean by the date specified on the form. 2 copies of the form are completed – one copy should be retained by the Parish for their records.

### **Review at Deanery level**

The Deanery Standing Committee (or other body appointed by the Deanery Synod) assesses both the fairness and the objectivity of the parochial returns particularly noting any changes in membership and/or category from previous years and, if necessary, discusses them with the parishes concerned. If the Standing Committee cannot agree the parish's membership number or category with a parish, the Deanery Standing Committee has the final say.

The Rural Dean signs the Parish Share Data Collection Form including any amendments and returns the forms for all parishes in the Deanery to the Diocesan Office by the date specified as per the timetable.

### **Category modification for congregation size by the Diocesan Accounts Office**

An element of the cost of ministry is retained by modifying a category upwards or downwards according to a 3 year rolling average of the number of members in a benefice as a ratio to the number of 'establishment posts' in that benefice. The average is used to smooth any peaks and troughs as far as possible.

Establishment posts are agreed by the Archdeacons as per the timetable. They include stipendiary clergy, paid lay posts agreed to be paid through share or house for duty, those in post, and posts that have been agreed but are not yet advertised or filled. For Fairer Share purposes projected pastoral reorganisation may, where appropriate, be taken into account.

Part time posts or posts where housing (or housing allowance) is not provided are treated as a fraction of equivalent full time parochial posts. The fractions are listed in Appendix 1.

Membership bands have been defined. In cases where the total benefice membership per establishment post is outside an average band, presently 131-170, the category is adjusted.

The table below illustrates the scope of the adjustment. These could change in future years if the average number of members per post varies significantly from 150 per post. Since 2005 the variance has been around 3 members per stipendiary post.

<b>Membership per establishment post</b>	<b>Category modification</b>
<51	+3
51 – 90	+2
91 – 130	+1
131 – 170	No change
171 – 210	-1
211 – 250	-2
251 – 290	-3
291 – 330	-4
331 – 370	-5
> 371	-6

The two highlighted bands allow for greater category modification where appropriate.

For example a parish's category in a benefice with total membership of 120 will increase by +1, effectively moving it to the next higher category.

The current difference in membership share allocation per member for each category is by cumulative steps of 7.5% of Category A so Category "B" represents 92.5% of "A", and "C" is 85% of "A" etc.

### **Calculating share apportionment**

The share calculations will be done by the Diocesan Accounts Office in July/August.

A parish's share apportionment will be its proportion of the Diocesan Budget for Share based upon its membership for Fairer Share purposes and upon its ability to pay as defined by its category taking into account any modifications necessitated by the number of establishment posts per benefice.

**The membership number used for Share apportionment will be a rolling average of the last three years' membership number. This reduces the effect that increases or decreases in the number will have on that year's share apportionment.**

If the number of posts in a benefice increases the effect of this is taken over three years. If the number of posts decrease this change is implemented immediately.

### **Reviewing the Share Calculation**

In August the Archdeacons are consulted on any parishes that have exceptionally large changes in Share or that have changed category. The Deanery Treasurers are also consulted in September.

### **Notification of the share apportionment to the Parish**

The Diocesan accounts office notifies each parish of their share apportionment by email in early October.

The Deanery Treasurer, Rural Dean and Lay Chair each receive a summary of the apportionments given to its parishes. The Deanery retains a pivotal responsibility for seeking to ensure that all its parishes pay their Share to the diocese.

The Diocese's Fairer Share Review Group has responsibility for keeping the Scheme under review and for making any scheme changes that may be needed from time to time. It is hoped that both deaneries and parishes find this not only an efficient process, but also one that results in a greater mutual awareness of the strengths and weaknesses of parishes.

There is nothing to prevent parishes within a benefice agreeing to different allocations between themselves, provided they arrive at the same overall total. Indeed such local mutual support is encouraged.

### **Conclusion**

The Diocese recognises that paying the Share is a significant challenge for every parish in the Diocese, which is why the Diocesan Finance Committee tries to control the annual budget increase to as low a figure as possible.

As with any human construct, situations may arise where the strict application of the rules, vital for the integrity of the Fairer Share scheme, could produce anomalies. Any perceived anomaly should be brought to the attention of the appropriate Area Stewardship Group, who will consider the matter and make a recommendation to the Diocesan Finance Committee. The Finance Committee is the sole body with the authority to amend a parish's assessment after it has been notified.

### **Communication**

This Guide will be sent together with the Parish Share Data Collection Form to the Treasurers in the mailing. A copy will be put on the website.

## Help and Website

The Parish Share Data Collection Form and the Fairer Share guide can be downloaded from the website <https://www.salisbury.anglican.org/parishes/finance/fairer-share-in-the-diocese> .

If you would like to talk through any fairer share matters specific to your parish, or would like some help in any stage of the process please contact the Diocesan accounts office:- telephone 01722 411955 or by email: [accounts@salisbury.anglican.org](mailto:accounts@salisbury.anglican.org).

## Appendix 1

The following fractions based on average cost differentials are used: -

- house for duty 0.33,
- ½ stipend with house 0.66
- Paid lay post 0.66
- Paid lay post with house 1
- Stipendiary with house 1

Where the House for Duty post is the sole post in a benefice, the practice is to create a zero modification situation. Where posts are split across benefices the proportion of the split is agreed with the Deanery.

## Appendix 2

**Example attendance slip to give to people as they arrive at church in the 5 weeks of the Count.**

<b>Example Church Attendance Survey May/June 2019</b>	<b>Week ending (Circle the date)</b> 5 12 19 26 2
<b>Name:</b> .....	
<b>Brief Address:</b> .....	
<b>Postcode:</b> .....	
<b>Please tick the following statements as they apply to you:</b>	
➤ <b>Example Church is my usual place of worship</b>	
➤ <b>I am a member of another church in the benefice</b>	
➤ <b>I am a visitor from .....</b>	
<b>Data Protection notice: we will not pass on your name and address to any other organization.</b>	