

Monday 9th November 2020

Dear Parish Treasurer

**Parish Share 2021**

When I last wrote to you in May, with warmer days of summer ahead of us, I was maybe not alone in looking forward optimistically and prayerfully towards a gradual easing of lockdown measures.

As I conclude this letter now on All Souls Day, and with another period of lockdown ahead of us as we approach the winter months, I recognise it comes at a time of continuing difficulty and renewed uncertainty for all our parishes and communities.

Against the background of these extraordinarily difficult circumstances, as Chairman of the Diocesan Board of Finance, I am incredibly grateful for the continued payment of Share to the high level we have seen across the diocese. This, together with an injection of funds from our reserves, has enabled us to continue to meet our obligations to date.

When I say I am grateful I am really expressing gratitude on behalf of all the parishes in the diocese since, of course, the Board of Finance is in effect the sum of the whole, rather than a separate, independent organisation. It is the vehicle through which all the parishes in the diocese together hold resources in common to fulfil our mutual responsibilities.

Realism suggests however that the continuing limitations around church worship, the consequent reduction in giving through collections, and the inability to hold the usual fundraising events and activities, will continue to impact parishes during the remainder of 2020 and through at least the early part of 2021 as well.

Whilst we are extremely fortunate to have reserves, and it is right and proper that we should make use of them in the unprecedented circumstances we are living through, these reserves are not without limit and will not allow us to continue on our current financial trajectory for long.

You will probably be aware of some of the steps we are taking to curb expenditure and protect our cashflow including:

- the early furloughing of some staff
- freezing stipend and salary increases
- restructuring and reducing costs in respect of diocesan support staff
- cutting non urgent expenditure on houses
- securing a government backed Covid-19 loan

You may also be aware of some of the longer term strategic review work we have in hand – developing a pastoral plan in relation to the deployment of clergy and the further development of lay ministry, releasing houses for sale that are no longer needed, and proactive management of our Glebe and other property assets to derive development potential where it might exist.

In the meantime we have an ongoing responsibility for the payment of stipends, pensions, housing and support costs of up to 200 clergy, as well as a support team, payments to National Church and our annual grant to the Board of Education in support of our Mission and Ministry to Children and Young People.

We also need to continue to maintain our housing stock as homes fit for our clergy and their families and to prevent their deterioration to a point where greater expenditure may need to be incurred in future years. So, the ability for us to make substantial cuts to our expenditure in the short term is limited.

Against this background and after a long and constructive debate at Diocesan Synod we have, for the time being at least, steered away from either a radical and potentially harmful cut in stipendiary clergy numbers, but also from the unwelcome and potentially unrealistic step of increasing the Share call upon parishes. Instead we will continue to consult on longer term deployment plans, whilst making some modest cuts to clergy numbers now and continuing to take out support costs where we can. We will also be planning for a Stewardship Renewal across the Diocese at an appropriate time in 2021.

Our plans for 2021 are to cut 4 stipendiary posts (around 2% of the total), whilst aiming for a reduction of just short of 10% in support staff costs, with a goal to achieve further central support cost savings of 1% per annum over the next 5 years.

Through these measures, together with further use of reserves in 2021 (made possible through the sale of houses we no longer need), and in recognition of the huge financial pressures on parishes and individuals at this time, we will be able to avoid asking parishes to pay more, in spite of anticipating a reduced income from fees, grants, investments and property rentals.

It is against this background that Diocesan Synod, made up of parishes' elected representatives, agreed last month to hold the budget for Share at 2020 levels, asking parishes to contribute again for 2021 the amount they were asked for in respect of 2020.

Only in those few cases where there was a mistake in the 2019 count, or where there were exceptional changes in Fairer Share numbers which would have been revealed by a 2020 count, has the share request for 2021 been amended.

Such cases have generally already been notified to the Finance team by the Archdeacons and accounted for within the Share requests of the parishes concerned. There will be adjustments made to individual share requests if numbers of stipendiary or house for duty posts change during the year.

We greatly value regular payment of Share and to encourage this and to equalise and make fairer the opportunity for parishes to access a discount for regular contribution of Share, we are offering a new, simplified discount arrangement for 2021 that enables any parish to achieve a 0.5% discount in Share through a commitment to pay by 12 equal instalments by Direct Debit.

We do of course expect there to be a continuing shortfall in payment of Share and we are prepared for that - I would simply ask at this point that parishes continue to contribute what they can, when they can, of their Share request both for the remainder of 2020 and for the year ahead.

For our part we will continue to eliminate cost where we can, to shape our team and the facilities, services and advice we provide to better serve our parishes, communities, clergy and lay volunteers. Our recent investments in IT and communications will we hope directly to benefit and support you in your roles, as well as our clergy and other Church officers in due course.

The restructuring at Church House is in part designed to better focus our work towards parish support. We are also looking to roll out a standard accounts package for parish treasurers to use that will enable the easy production of accounts in the requisite format, including the return of financial information to the Diocese.

National Church funding will provide additional resource in 2021 to help parishes to promote giving and there is ongoing discussion following feedback at Synod about ways to facilitate online giving for parishes.

Despite the extraordinary times through which we live, we remain confident that with God's help, our Church, and through it our Mission and Ministry, will continue to flourish in our part of the South West, even if the pattern of ministry, the rhythm of worship and perhaps in due course the way we pay for it has to adapt in the years ahead.

In summary, and apologies for the length of this letter, the key points to note about next year's Share budget are:

1. that our Share request will remain the same for 2021 for all parishes other than in a few exceptional cases notified to us by Archdeacons.
2. a new simplified discount of 0.5% will apply for 2021 for any parish in return for payment by 12 instalments by Direct Debit.
3. whatever your circumstances as a parish, please contribute what you can, when you can both for the remaining weeks of 2020 and in the year ahead.

Attached you will find the budget paper submitted, discussed and agreed at Synod last month together with a summary at a glance budget sheet. Your share allocation will be sent by email merge in the next few days.

In closing, may I just reiterate how immensely grateful to you and your fellow parishioners we are for the financial support you provide.

Please be assured that we do understand and recognise the huge pressures that many parishes are under. It is only through this ongoing support that we can maintain and sustain our current clergy numbers, and ministry and mission throughout the diocese.

To all our clergy, I am sure you will agree, we owe a great deal, and remain very much in need of their continuing ministry, intercession and care through these difficult times.

With every blessing and good wish,

Yours sincerely

*Nigel Salisbury*

Nigel Salisbury  
Chairman, Diocesan Board of Finance