

Eliminate the operating deficit while remaining true to the Vision

Diocesan Director of Finance and Asset Management Liz Ashmead took Synod members through the main aspects of the 5 year plan.

She told members that "underpinning the framework is a real desire for the DBF to be outward-facing, committed to supporting the local church as best it can."

She said that the overall financial aim is to eliminate the operating deficit by 2025 while remaining true to the Vision Document and to the objectives.

She began by addressing why there was a deficit:

"There are significant chunks of expenditure that historically have no matching income and contribute to the Operating Deficit.

Liz said these were "large repairs and ingoing works £400k in 2020 budget – ingoing works being those works identified when a new minister takes up residence.

"Along with the rental of houses – predominantly curates and the fact that, in the past, the Diocese had not budgeted for the fact that although the contribution is very good, it is not 100% of the share request.

"The effect of this is that investment have had to be sold in past years to sustain cash flow: 2019 £1.2m and had to borrow money temporarily from Church Commissioners in November and December as 2 houses sales got delayed," she said.

She added:

"We would like to thank parishes and all those who have worked hard to arrive at an excellent share contribution for 2019 of 97.1% and a really encouraging start to 2020. The model shows share contributions increasing by 3% p.a."

"Clearly if numbers continue to fall and giving remains at current levels then this does represent an increased ask per member. Also we are very aware that value for money as it were has to be delivered and that parishes have to be convinced that money spent is on what they want."

In her presentation which looked at the five year Financial Framework, she said that the intention was to

- Maximise income outside the share request, through our Property Trading Company; working on giving and fund-raising, examining the potential of our Glebe lands and applying for all available income from the National Church.
- Control costs wherever possible and in the least painful way. This will inevitably mean some cuts to parochial ministry posts (10 in 5 years) and cutting costs at Church House.

Discussion ensued on 3 main points:

- What is a reasonable Share request?
- Clergy deployment
- How can DBF best help parishes?

The 5 year plan is by no means set in stone and will adapt to changing circumstances. The next iteration will be presented at June Synod.

Liz's Synod slides are [here](#).