

Report of the Parish Share Review Group

Chelmsford Diocesan Synod
March 2016

I. Summary

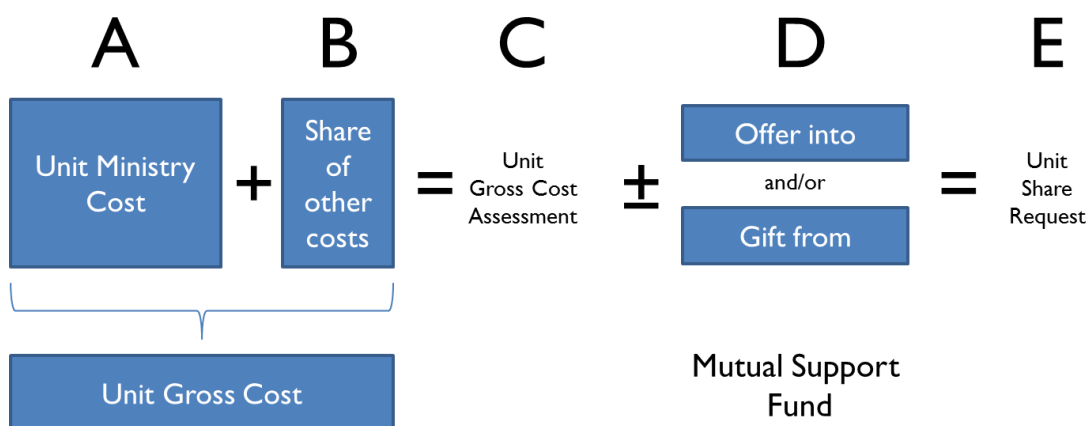
Our faith is framed by generous giving. We are the Body of Christ in East London and Essex and what we have come to call the “Share” is an expression of the interdependence of God’s people within a diocese.

The proposed new share scheme responds to the changing needs of the Church. The Deanery Share Scheme has served the diocese well, but with changes in national funding patterns as well as our own thinking about mission and ministry, particularly increasing the diversity of ministry, there is a case for change. Our proposals seek to retain popular elements of the Deanery Share Scheme, improve on those elements that did not work so well, and above all, resource local worshipping communities to love God, proclaim the Gospel and serve their community.

Key features of the proposed scheme:

- It contains **both** a sum **requested** and an ‘**offer**’ element
- It begins with **being honest** about the cost of all forms of ministry in each Mission and Ministry Unit and the shared cost of other services across the diocese
- It establishes a **Mutual Support Fund** into which Mission and Ministry Units are invited to make an offer or from which they might receive support particularly to respond to relative deprivation
- It is **simpler**
- It is **ready for Mission and Ministry Units**
- But in the meantime, the **transition arrangements** allow the scheme to operate at a **benefice** level until such time as operating as a Mission and Ministry Unit is possible

In summary:



2. Reimagining Ministry and Reimagining Share

- 2.1 *Reimagining ministry* invites local churches to work together and pool resources for the greater good of the communities they serve. The parish remains the legal body for financial purposes. However the allocation of licensed ministers, initiatives to respond to different needs and opportunities, and collaboration on different aspects of mission and ministry will increasingly happen on a wider scale. The primary task given to the Share Review group was to devise a scheme which would support and enable all the proposals in *Reimagining Ministry*.¹
- 2.2 The Share Review Group has responded to this, and is proposing a scheme which:
- encourages us to give generously through our local church because we love God and are committed to his Kingdom
 - ensures that we work together to resource mission and ministry in the poorest parts of our diocese
 - encourages the giving and receiving of support
 - is clear and transparent, as we seek to serve with accountability
- 2.3 In summary, we propose:
- i. retaining the basic idea of a share scheme, but one which combines both a specific sum requested *and* an offer/gift element
 - ii. that the sum requested should be allocated to the Mission and Ministry Unit rather than the deanery. Help will be available to Mission and Ministry Units and transition arrangements are proposed where Mission and Ministry Units are not yet decided
 - iii. that the ministry element (A) should recognise and affirm all forms of licensed ministry, not just stipendiary clergy
 - iv. that there are certain diocesan costs – see section 4 – which should be shared by all (B):
 - a. the cost of future ministry training and curates (B1) should be calculated pro rata to current ministry allocation,
 - b. the cost of services to benefices/Mission Ministry Units (B2) and other services (B3) should be apportioned using the 3-year average attendance/membership formula familiar from the current share scheme²
 - v. that a Mutual Support Fund should be set up
 - vi. inviting early adopter Mission and Ministry Units to participate in the new scheme from 2017, but putting in place transitional arrangements such that where Mission and Ministry Units are not ready, the scheme operates in a similar way at benefice level
 - vii. retaining, at parish level, the fee credit, regular payment discount and long term vacancy credit
 - viii. that the classification system (platinum, gold etc) should cease
 - ix. that Diocesan budgets should be made on a 3 year rolling basis, i.e. a budget year plus 2 planned years, to give benefices more certainty; Mutual Support Fund applications would only be needed on a three year basis

¹ <http://www.chelmsford.anglican.org/policies/reimagining-ministry>

² Subject to a cap, see below, to avoid penalising large congregations.

3. What theology lies behind this?

- 3.1 Our faith is framed by generous giving. We give ourselves to a God who gave himself to us. Our giving involves giving of our time but also places priority on sharing our money and material resources.
- 3.2 The theological basis of generous giving is the generosity of God's blessings and providence. In his second letter to the Corinthians, Paul appeals to God's generosity revealed in Jesus Christ³ as part of a discussion connected to a collection for the Christians in Jerusalem. He holds up the church in Macedonia as an example of those who give despite 'their extreme poverty' This collection arose out of the commission Paul received from Peter, to evangelise the Gentiles⁴ The impetus is not fairness, but gracious generosity from one believer towards another, done without any attempt to gain personal recognition.⁵
- 3.3 We see the theological principle of interdependence in the vision of life within the Kingdom of God. This is set out in a variety of ways in the parables of Jesus. For example, the Parable of the Workers in the Vineyard gives a picture not of strict fairness, but of a situation where all are cared for and valued equally.⁶ The church is called to model life in God's Kingdom here and now on earth. This is described by Paul using an analogy of a 'body' in which all must be present and in which all are valued.⁷ The 'more excellent way' in which this common life is lived is characterised by love.⁸ A glimpse of this common church life is described in the Book of the Acts of the Apostles: it is marked by generous mutual support.⁹
- 3.4 In sum, scripture invites us to give: a) generously, that is, in proportion to our income or how the Lord has prospered us; b) regularly, cheerfully and without compulsion; c) gratefully, purposefully and even sacrificially; d) for God's approval and not seeking human praise; e) as a priority. The Old Testament Law enshrines giving as a religious duty. A tithe was the 'first fruits' not the leftovers and the Macedonians gave themselves 'first to the Lord'. We are to receive God's gifts gratefully, nurture them responsibly, share them charitably and return them to God abundantly.
- 3.5 The Share is the primary way for each parish to participate in the funding of ministry costs. Being part of 'one body' vests some responsibility and accountability on each member. No Share system can be successful without the parishes practising the principles enshrined here within their own parochial life.

³ 2 Corinthians 8:9

⁴ Galatians 2.10; Acts 11.27-30, 24.17; Romans 15.25-27, and 1 Corinthians 16.1-2.

⁵ Matthew 6.1-4

⁶ Matthew 20.1-16

⁷ 1 Corinthians 12.12-31

⁸ 1 Corinthians 13

⁹ Acts 2.42-47, 4.32-37

4. Proposals

- 4.1 The vast majority of the diocesan budget is used to meet the costs of local ministry in all its forms. Its whole purpose is to resource and enable mission and ministry throughout East London and Essex, and share the responsibility collectively across worshipping communities, which is why we call this a ‘Share’ scheme. The Share is an expression of the interdependence of God’s people within a diocese, and just as ‘the eye cannot say to the hand I have no need of you, nor again the head to the feet ‘I have no need of you’¹⁰ so parishes, benefices, Mission and Ministry Units and deaneries all need each other.
- 4.2 Under the new scheme, Share would be allocated directly to each Mission and Ministry Unit, rather than via the deaneries as at present (See section 6 for details of the transitional arrangements). The apportionment calculation would be administered by the diocesan office, accountable to Diocesan Synod and based on the Share Scheme and Budget approved by Synod.
- 4.3 A significant piece of work has been undertaken on the budget to bring greater clarity and alignment with these proposals. Expenditure is now arranged under four headings, as illustrated below. An important principle is to recognise all forms of licensed ministry and move away from the sole focus on stipendiary clergy.

A	<p>Direct costs of Deployed Ministry 66.1%</p> <p>This includes the costs of different types of ministry: stipendiary and self-supporting, ordained and licensed lay ministry. It includes stipend and housing costs where relevant, and in-service training for all types of ministry</p>
B1	<p>Future Ministry Training and Curates 17.2%</p> <p>These are the costs of growing new ordained and lay ministers. It includes the costs of curates in training, support for ordinands, lay ministry training and the costs of the Diocesan Director of Ordinands (DDO) team.</p>
B	<p>B2 Services to Parishes / Mission and Ministry Units 9.8%</p> <p>These are the shared costs of diocesan services directly to support local ministry, including: Education and children’s work; the Area Teams, Archdeacons and Area Bishops, Quinquennial inspections, faculty costs, and Safeguarding Services</p>
B3	<p>Other Services 6.9%</p> <p>This covers other diocesan functions including communications, finance, legal costs and our contribution to the national church</p>

Percentages show the proportion of the 2016 budget under each heading; further detail is shown in Appendix B

¹⁰ | Corinthians 12.21

- 4.4 We propose allocating these different headings in different ways.
- 4.4.1 **A:** Direct ministry costs would be allocated to Mission and Ministry Units according to the gross cost of their ministry establishment, including stipendiaries, self-supporting clergy and licensed lay ministers (but excluding curates in training posts which are covered in B1).
- 4.4.2 **B1:** The costs of ensuring that we have trained ministers in the future would be apportioned to Mission and Ministry Units based on the pattern of existing ministry.¹¹
- 4.4.3 **B2 and B3:** Mission and Ministry Units would be apportioned these costs on the basis of their attendance/membership, in relation to the diocese as a whole, using the existing membership formula.¹² This would be capped to avoid unfairly penalising churches with particularly large congregations.¹³
- 4.5 We recommend that, as soon as reasonably practicable, the diocese adopts a rolling three year rather than an annual budget cycle. The second and third years would of course be subject to some variation, but we hope through this earlier information to give Mission and Ministry Units the opportunity to plan further ahead. It will also enable the diocesan Finance team and others to provide greater support to the one third of Mission and Ministry Units working on future budgets each year.
- 4.6 We propose no change to the system of fee credits, the regular payment discount and the long term vacancy credit. These features of the Deanery Share Scheme are popular and we see no reason to change them. These will continue to apply at parish level.
- 4.7 The Review Group considers that allocating Share to Mission and Ministry Units, with the scope for mutual support within as well as between Units, means that the classification system of parishes (platinum, gold etc) becomes obsolete. We propose that it should be discontinued after 2016.

¹¹ This is a change from our interim report which envisaged apportioning by membership. The approach proposed, following the consultation, is to recognise that in general terms, future ministry reflects replacement of current ministry even if that will not always be true in every context. The model recognises that the cost of training pathways for self-supporting clergy is generally lower than for stipendiaries.

¹² The monthly members calculation is complex but each element corrects a specific statistical problem and having considered various alternatives, the group opted to retain the sophistication of this metric, which also provides continuity with the existing Deanery Share scheme.

¹³ It was recognised that churches with large congregations can sometimes suffer through the existing share scheme. The proposed resolution in the interim report caused some confusion and therefore a simpler approach is being proposed: In those places where the ratio of membership to stipendiary clergy is more than 1.75 times the diocesan average, the membership figure would be capped (solely for calculation purposes) at 1.75 times that average. The use of the average rather than a fixed figure allows for variation over time, and negates any financial disincentive to numerical growth.

5. The Mutual Support Fund

- 5.1 A key part of our proposal is the establishment of a new Mutual Support Fund, to share common resources and support each other across the diocese through various income streams and offers from Mission and Ministry Units. National funding arrangements are changing in 2017, and the money that we continue to receive for deprived communities will pass through the Mutual Support Fund.
- 5.2 We rely on people's generosity to sustain the work of God in the diocese. The Mutual Support Fund is a way of expressing our interdependence within the Body of Christ, and an opportunity for those who are 'rich in this present world... to be rich in good deeds and to be generous and willing to share' (1 Timothy 6:17-18).
- 5.3 However, the concept of mutual support is far from new. At the heart of our faith is the concept of giving in thankfulness for what we have received from God. Around £5 million of support flows within the present scheme, including approximately £1 million which parishes already give to each other through the formula. Our proposal would mean this was raised in a different way – through offers made, which is what the Mutual Support Fund is designed to do. This more open and deliberate process would enable Mission and Ministry Units to be intentional about their generosity.
- 5.4 The purpose of the Mutual Support Fund is i) to support parishes in economically deprived areas ii) to support those Mission and Ministry Units currently unable to meet the cost of their deployed ministry and proportion of shared services iii) to provide support in times of transition, such as a church plant and more generally during the early years of the new scheme.
- 5.5 The Mutual Support Fund would comprise:
- Income from the national church allocated for deprived communities
 - Transition funding from the national church, commencing in 2017, which tapers off over 10 years
 - Income from the diocesan Stipends Fund
 - Net diocesan fees income, that is, after direct payments to self-supporting ministers and fee credits to parishes
 - Shared savings from stipendiary vacancies in the course of the year

These income categories total £4,919,334 in 2016. Offers to the Fund from Mission and Ministry Units will increase this total.

- 5.6 The funding received from the national church in respect of relative deprivation, and any diocesan supplement to this, will be passed on to benefices
- i) on the same principles as it is received¹⁴
 - ii) without application or request of any kind

¹⁴ National funding for deprivation relates to average incomes, and the basis of distribution to benefices is the relevant subset of the Index of Multiple Deprivation.

In common with the national church, we recognise that in poorer areas it can be harder to find the resources that are needed to sustain and develop ministry.

- 5.7 Whilst the proposed scheme will allocate Share requests to Mission and Ministry Units, this funding for deprived communities will be calculated at benefice level and credited to the PCCs concerned. This will ensure compliance with the national church requirements.¹⁵

6. Share scheme timetable and decision making

- 6.1 The main decision-making processes relate to the Mutual Support Fund, first, as benefices prayerfully consider what they might offer into the Fund and what they might request from it to support and further their mission. Second, there is a diocesan process to reconcile these offers and requests.
- 6.2 We therefore propose a clear timetable, based around the liturgical calendar, which is followed each year. This is summarised in the table on the following page and detailed in Appendix C.
- 6.3 It is our hope that the move to three-year cycles for budgeting, described elsewhere, would mean that in practice Mission & Ministry Units will be participating fully in the process once every three years rather than being required to go through the ask/offer process in full each year. This offers greater certainty to PCCs and would allow longer term planning.
- 6.4 The decision-making process invites local knowledge through peer review and recommendations from Area Mission & Pastoral Committees, together with diocesan-wide consistency from a Panel, accountable to Synod, which would take final decisions about the Mutual Support Fund. These decisions would be published.
- 6.5 We do not anticipate any increase in staffing in the diocesan Finance team to support the new process: the team was partly restructured in 2015 anticipating future needs. In any case the Finance team already undertakes the calculations on behalf of 17 of the 24 deaneries and usually provides support to one or more of the other deaneries each year in their own calculations.

¹⁵ The deprivation adjustment is shown as 'D1' in the examples given later, to distinguish it from the offer to / gift from the Mutual Support Fund, which is shown as 'D2'.

<p>By St. Barnabas' day 11 June</p>	<p>The diocesan Finance team will share with each recognised Mission and Ministry Unit the latest figures for their:</p> <ul style="list-style-type: none"> (i) forecast gross ministry cost (A) (ii) proportion of shared services (B) (iii) deprivation funding (D), where applicable <p>over a three year period as far as reasonably practicable, plus</p> <ul style="list-style-type: none"> (iv) contextual information such as that in the parish spotlights including relative socio-economic circumstances, giving levels, etc, which can help inform offers to and requests from the Mutual Support Fund.
<p>By the Feast of St Michael & All Angels 29 September</p>	<ul style="list-style-type: none"> • Each Mission and Ministry Unit informs the diocesan Finance team, and their Archdeacon if, and how much, they expect to request from the Mutual Support Fund for the following three years. Requests to the Mutual Support Fund should be accompanied by a summary of the Unit's plans for the development of its mission and ministry. • Each Mission & Ministry Unit will be provided with information to help assist in deciding what it might offer to into the Mutual Support Fund, including a 'gift array' to indicate what is required to meet a particular level of need
<p>During October</p>	<p>Area Deans and Lay Chairs facilitate a process of peer review of requests between Mission and Ministry Units</p>
<p>By Feast of St Simon and St Jude 28 October</p>	<p>Mission and Ministry Units finalise their offer into the Mutual Support Fund.</p>
<p>Late October / Early November</p>	<p>Area Mission and Pastoral Committees review each request to the Mutual Support Fund and, using their local knowledge indicate whether they consider the application essential, desirable or unnecessary</p>
<p>By St Andrew's Day 30 November</p>	<p>The diocesan-wide panel has met, made decisions, and publishes details of the Mutual Support Fund income and distributions.</p> <p>Therefore, all Mission and Ministry Units have their final figures.</p>

7. Transitional arrangements

- 7.1 A major theme in the feedback about the proposals was concern that the formation of Mission and Ministry Units would be clouded and in the worst cases, distorted, by the need to apportion the Share request. The Share group is therefore proposing that the Deanery Share scheme ceases at the end of 2016. For the 2017 financial year the diocesan Finance team will allocate Share i) to those actual or prospective Mission and Ministry Units which had already agreed to be 'early adopters' of the new scheme, ii) in all other cases directly to *benefices* using the same principles as the new share scheme.
- 7.2 We need to transition carefully into operating the Mutual Support Fund. The full process will begin for the 2018 financial year for the 'early adopters' and any other commissioned Mission and Ministry Units. Until then, the request to benefices will include a calculated amount of mutual support (to be given or received) made with reference to current/old share levels.
- 7.3 Transition must be managed such that benefices do not see disproportionate increases in Share. In some cases this may mean transition will need to be phased over a number of years. The national transition monies in the Mutual Support Fund provide the means to achieve this.
- 7.4 We suggest that when the diocesan budget for 2017 is presented to Synod (perhaps in June 2016), the direct allocation of Share to benefices, and the transitional money from the national church will together enable a guarantee that no benefice will face a Share increase for 2017 of more than a certain percentage set by Synod. This will give benefices clear information five months earlier than usual, and also end the inconsistency of increases across the diocese brought about by the operation of the Deanery Share Scheme.
- 7.5 The role of the Deanery and its Officers will continue to be to encourage the payment of Share and to offer advice and assistance, together with Mission and Ministry Advisers and Archdeacons. Moreover, as the new share scheme develops, Deanery Officers can bring helpful local knowledge and practical advice to decisions around the Mutual Support Fund.
- 7.6 It is proposed that the formal commissioning of a Mission and Ministry Unit is the point at which Share is allocated to that grouping, beginning with the next round of allocation. If new Mission and Ministry Units wish to adopt it sooner, then this can be explored. It will be open to the Unit either to continue the previous benefice apportionment, or to revisit and potentially revise it.
- 7.7 Accordingly therefore we propose that the Deanery Share Scheme is suspended after 31 December 2016, with the new share scheme and transitional arrangements substituted in its place.
- 7.8 Finally, it is proposed that the Bishop's Council carefully monitors the implementation of the new scheme in the light of the objectives, and brings back to Synod any significant modifications as appropriate.

8. Conclusion

- 8.1 The Share Review group has sought to devise a scheme that is straightforward to understand, consistent with the diocese's strategic priorities and above all, that encourages generosity and a sense of delight in giving.
- 8.2 We trust that as Mission and Ministry Units develop, they will be able to understand the cost of providing mission and ministry, and through giving and/or receiving money, have a renewed sense of what it means to be part of the body of Christ in East London and Essex.

Parish Share Review Group
Revd Canon Jenny Tomlinson, Revd Carol Ball, John Ball,
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Appendices

- a. Share Review Terms of Reference
- b. The 2016 budget diocesan recast in the new headings
- c. The timetable in more detail
- d. Examples of the new Share Scheme

A. Terms of Reference

A review group shall be established to review the operation of the Deanery Share Scheme and make recommendations concerning

- a) An appropriate share scheme or equivalent which will support and enable all the proposals in *Reimagining Ministry* and
- b) Amendments to the current Deanery Share Scheme to improve its operation pending any long term changes

In undertaking its review the review group shall

- c) Review the principles of a 'share scheme' from a theological perspective
- d) Recognise the wide range of affluence levels across the diocese together with the comparatively low average number of church members per stipendiary minister which together can place an above average stress on the budget / share system
- e) Consider current practice elsewhere
- f) Consult widely within the diocese, including the use of focus groups involving local stakeholders, and feedback through the budget consultation
- g) Ensure that the scheme can be communicated clearly and demonstrate transparency
- h) Specifically consider the operation of the scheme via deaneries, new forms of church including Bishop's Mission Orders, and issues related to large parishes
- i) Seek to address systemic impediments to the overall collection rate

B. Recast Diocesan Budget

The approved 2016 diocesan budget, recast into the headings that support the new scheme.

							Budget 2016	%
A Direct Costs of Ministry								
Parochial Staff	ministers	Inc status	Resource	SSM	Lay	House for Duty		
No. of People (Stipendiary)	288.3	275.3	13.0					
No. of People (Other)				79	170	24		
Stipend		25,340	25,314					
Related Costs		361	361					
National Insurance		2,002	2,476					
Pension		9,231	9,121					
Council Tax		2,023	1,815			2,023		
Water rates		509	457			509		
Insurance		385	346			385		
Clergy House repairs and improvements		4,953	4,445			4,953		
Housing management		1,171	1,051			1,171		
Vacancy Costs (net of rent)		781	701			781		
DBS Checks		28	28	28	28			
In service training - LLM	0.5				270			
In service training - clergy	1.5	515	515	515		515		
							13,721,047	
Total for Stipendiaries		<u>47,299</u>	<u>46,628</u>					
Total for House for Duty						<u>10,337</u>	244,992	
Total for SSM & Lay				<u>543</u>	<u>298</u>			
Direct Costs of Ministry Total							13,966,038 66.1%	
B1 Future Ministry Training & Curates								
Direct Costs of Stipendiary Title Posts	47.5						2,110,215	
Housing & Appointment Costs of Title Posts							538,000	
Pre-Ordination incl DDO & St Mellitus	2.0						906,279	
Direct Costs of SSM Title Posts							32,558	
Lay Training & Discipleship	0.5						56,061	
Future Ministry Training & Curates Total							3,643,114 17.2%	
B2 Services to Mission & Ministry Units								
		Barking	Bradwell	Colchester				
	9.0	3.0	3.0	3.0				
Area Teams Staff & Expenses		153,019	156,476	154,015			463,510	
Archdeacons (plus Area Bishops' houses)	7.0						689,908	
Area Deans & Other Parish Support							66,000	
Parish Legal & Church Building Services							160,613	
Education (net cost)							108,299	
Children & Youth Work							60,048	
DAC							75,699	
Parish Finance							59,978	
Safeguarding Services to Parishes							182,474	
Diocesan & Bishop's Advisers	2.6						158,405	
Chaplaincy & Partnerships							46,205	
Services to Mission & Ministry Units Total							2,071,138 9.8%	
B3 Other Expenditure								
Diocesan Services	1.0						648,248	
Communications incl The Month							200,488	
Finance & Governance costs							49,900	
National Church							620,176	
Contingency							50,000	
Trading & Income from other sources							(102,513)	
Other Expenditure Total							1,466,299 6.9%	
Gross Share							21,146,589 100%	
D Mutual Support Fund								
National Church Support							(2,637,887)	
Diocesan Support from Investment income							(1,078,936)	
Income from Statutory Fees							(1,100,000)	
less Parochial Fees Paid							150,000	
less Fee Credits to Parishes							470,000	
Vacant posts							(722,426)	
Mutual Support Fund Total							(4,919,249)	
Share Apportionment net of MSF		<u>359.9</u>					<u>16,227,340</u>	

C. Timetable and process in more detail

- i. By St. Barnabas' day on 11 June each year, the diocesan Finance team will share with each recognised Mission and Ministry Unit the figures for their
 - (i) forecast gross ministry cost (A)
 - (ii) proportion of shared services (B)
 - (iii) deprivation funding (DI), where applicable

for the following three years. The figure for year 1 will be fixed, while those for years 2 and 3 might vary, depending, for example, on ministry numbers, and pension and stipend increases. An indication of the likely variation should be given.

Each Mission & Ministry Unit would also be supplied with contextual information such as that in the parish spotlights, and including relative socio-economic circumstances, giving levels, etc.

- ii. Among other financial decisions, the usual lay/ordained decision making groups within each Mission and Ministry Unit will need to assess whether they need to ask for finance from the Mutual Support Fund to enable them to meet their Share request.
- iii. It should be noted that pastoral issues or problems with buildings can often be addressed via prolonged vacancy credit or parish loans from the DBF, and the Mutual Support Fund is unlikely to be a suitable vehicle for such support.
- iv. The PCCs will need to discuss and agree the request. Once the figure has been established it might be taken to a suitable event or service within the life of that Mission and Ministry Unit where the mission and ministry planned for the year can be presented. In the context of prayer, thanksgiving and worship, the question of how this is to be resourced and funded can also be shared. The request to the Mutual Support Fund can thus be combined with a giving programme if appropriate.
- v. The request to the Mutual Support Fund should be accompanied by a summary of the Unit's plans for the development of its mission and ministry.
- vi. By the Feast of St Michael and All Angels on 29 September, each Mission and Ministry Unit will inform the diocesan Finance team, and their Archdeacon if, and how much, they expect to request from the Mutual Support Fund for the following three years, indicating the element of estimate in the figures for years 2 and 3. The Area Deans and Lay Chairs will be asked to facilitate a process of peer review of requests between Mission and Ministry Units, not necessarily within the Deanery. The diocesan Finance team and Mission and Ministry Advisers will be available to help with this if required. The request will then go to the October/November meeting of the Area Mission and Pastoral Committee.
- vii. Also by Feast of St Michael and All Angels on 29 September the diocesan Finance team will supply further information to support consideration of gifts into the Mutual Support Fund, for example a 'gift array' to indicate that if, for example, a certain

number of Mission and Ministry Units contributed £q, or x number contributed £y then the Mutual Support Fund would be able to meet a particular level of need.

- viii. With this information, Mission and Ministry Units will be asked to finalise their offer by 28 October, (Feast of St Simon and St Jude) so that the difference between offers into and requests from the Mutual Support Fund can be determined. Again, a firm figure for the following year, and an indication for years 2 and 3 will be requested.
- ix. Each Area Mission and Pastoral Committee will examine the requests received, taking into account any comments made in the peer review process. The Archdeacons are members of the Committees and will thus be able to add their particular knowledge of each situation. A 'traffic light' indication of whether it is essential, desirable or unnecessary to give support in each case will be required.
- x. The final decision will be made by a diocesan-wide panel, to give maximum flexibility in allocation. This will avoid the risk of money going to one Mission and Ministry Unit when it is needed more elsewhere, because of pre-existing allocation to Areas and Archdeaconries. It is hoped that the preliminary discussions at local level will ensure that the requests forwarded by the Area Mission and Pastoral Committees will be robust. This process is similar to that used for the Mission Opportunities Fund at present.
- xi. The Mutual Support Fund Panel will consist of an independent Chair (nominated by the Bishop's Council with Diocesan Synod approval of the appointment required); the Chief Executive; the Chairs of the Houses of Clergy and Laity in the Diocesan Synod; one Archdeacon from each Episcopal Area and one lay elected member from each Area Mission and Pastoral Committee. This totals ten people. (Other officers may attend and support the Panel.) Particularly in the early years of any new scheme, it is wise to have some contingency funding, which is built into our present scheme. The Panel will therefore hold back a certain percentage of the Fund for unforeseen situations, and allocate the balance each year. Any of the emergency money not required will be distributed the following year.
- xii. Therefore, by St Andrew's day (30 November) all Mission and Ministry Units will have their final figures and the Panel will publish its income and distribution.
- xiii. The Mission and Ministry Unit will be asked to notify the diocesan Finance team each year of the agreed allocation, after the conclusion of the Mutual Support Fund process. As the PCC is the legal body, it will then be responsible for Share payments, and will also be able to benefit from the regular payment discount.
- xiv. In the event that the sum of requests to the Mutual Support Fund is less than the total value of the Fund, the Panel may gift out the excess whether a request has been made or not: the Mutual Support Fund is there to support local churches; it achieves no benefit sitting unspent.

D. Examples of the new Share Scheme

This appendix shows some examples of the new share scheme for Mission & Ministry Units. The following pages give an indication of the share summary sheet that each Mission & Ministry Unit would receive by 30 November at the conclusion of the Mutual Support Fund decision making process. During transition, benefices would receive similar information.

Example A is explained below; the other examples work on the same basis. Each example is based on a potential Mission and Ministry Unit, anonymised for this purpose. All of the examples use 2016 figures and, for the sake of the example, assume that the offers to or gifts from the Mutual Support Fund are such as to bring the Unit to the sum of actual parish shares for 2016.

Example A

This (prospective) Mission and Ministry Unit has the following ministry resources in 2016:

4	Stipendiary clergy
2	Self supporting clergy
1	House for Duty clergy
3	Readers/Licensed Lay Ministers

Its rolling average monthly 'membership' totals 519.

Under the present Deanery Share Scheme, membership is adjusted by the socio-economic grading. These parishes together receive £31,890 in Ministry Support Grant from the national church and £14,830 from Diocesan investment income. In 2016 these parishes were asked to pay **£281,514** (before fee credits, regular payment discounts, etc.) in Parish Share under the DSS formula.

Under the proposed scheme the MMU would be asked to contribute:

£201,513 for the cost of current deployed ministry (A)
£62,932 towards the shared costs of curates and future ministry (B1)
£52,496 towards the shared costs for other services (B2 and B3)
which totals £316,941 before any offers into or gifts from the MSF

Certain of the benefices would receive an automatic grant to reflect relative deprivation; this totals £6,625 (D1). This Unit makes a request to the Mutual Support Fund to help in meeting its mission and ministry costs.

If the new scheme had been in operation in 2016 the figures would have been (assuming that the gift from the Mutual Support Fund was sufficient not to change the share total) as shown on the following page:

Example A 2016 Share Summary

Ministry resources

Type	No.	Rate £		
Stipendiary Incumbent	4	47,299		
House for Duty	1	10,337		
Self-Supporting Minister	2	543		
Licensed Lay Minister	3	298	201,513	A

+

Monthly Members

Parish 1	84			
Parish 2	106		62,932	BI
Parish 3	68			
Parish 4	17			
Parish 5	12		30,736	B2
Parish 6	23			
Parish 7	24			
Parish 8	28		21,760	B3
Parish 9	27			
Parish 10	40			
Parish 11	68			
Parish 12	22			

=

Total	519		316,941	C
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+ / -

Deprivation adjustment			(6,625)	DI
MSF (granted)/offered			(28,802)	D2

=

Unit Share			281,514	E
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Note: fee credits and discount for regular payments are applied at parish level.

Three further examples follow; in each case the offer into / gift from the Mutual Support Fund simply brings (E) back to the sum of parish shares for 2016. In this case, (C) plus the deprivation grant (D1) come out very close to the 2016 Parish Shares so (D2) is small.

Example B 2016 Share Summary				
Ministry resources				
Type	No.	Rate £		
Stipendiary Incumbent	6	47,299		
Self-Supporting Minister	1	543		
Licensed Lay Minister	4	298		
			285,529	A
			+	
Monthly Members				
Parish 1	132			
Parish 2	15			
Parish 3	46		66,842	B1
Parish 4	68			
Parish 5	83			
Parish 6	161		43,646	B2
Parish 7	81			
Parish 8	72			
Parish 9	79		30,900	B3
			=	
Total	737		426,917	C
			+ / -	
Deprivation adjustment			(12,890)	D1
MSF (granted)/offered			(6,317)	D2
			=	
Unit Share			407,710	E
Note: fee credits and discount for regular payments are applied at parish level.				

In this example, (C) is considerably less than the sum of parish shares for 2016. The Mission and Ministry Unit is therefore able to make a substantial offer (D2) into the Mutual Support Fund such that (E) equates to the sum of parish shares for 2016.

Example C 2016 Share Summary				
Ministry resources				
Type	No.	Rate £		
Stipendiary Incumbent	6	47,299		
House for Duty	1	10,337		
Self-Supporting Minister	4	543	297,495	A
Licensed Lay Minister	4	298		
			+	
Monthly Members				
Parish 1	251			
Parish 2	94		95,543	B1
Parish 3	117			
Parish 4	29			
Parish 5	277		55,431	B2
Parish 6	130			
Parish 7	55			
Parish 8	44		39,244	B3
Parish 9	39			
Parish 10	13			
Parish 11	15			
			=	
Total	1064		487,713	C
			+ / -	
Deprivation adjustment			(7,107)	D1
MSF (granted)/offered			73,832	D2
			=	
Unit Share			554,438	E
Note: fee credits and discount for regular payments are applied at parish level.				

This final example shows a Mission & Ministry Unit comprising only 4 parishes and stipendiary ministry only. Again, (C) plus the deprivation adjustment (D1) comes out close to the sum of shares for 2016, therefore (D2) can be relatively small.

Example D 2016 Share Summary				
Ministry resources				
Type	No.	Rate £		
Stipendiary Incumbent	3	47,299		
House for Duty	0	10,337		
Self-Supporting Minister	0	543		
Licensed Lay Minister	0	298	141,897	A
			+	
Monthly Members				
Parish 1	74			
Parish 2	104		30,322	B1
Parish 3	53			
Parish 4	119			
Total	350		20,728	B2
			14,674	B3
			=	
			207,621	C
			+ / -	
Deprivation adjustment			(23,632)	D1
MSF (granted)/offered			(5,679)	D2
			=	
Unit Share			178,310	E
Note: fee credits and discount for regular payments are applied at parish level.				