

1. SYNOD questions October 12th 2024

Oliver Iliffe

Q1. Please could you confirm how much funding was provided by the Church Commissioners in the previous financial year, either directly or via the Archbishops' Council, for the express purposes of financially supporting parish clergy and making provision for the cure of souls in the parishes of this diocese?

Response- Director Finance and Asset Management, Archdeacon of Dorset.

The Commissioners manage the endowment funds and then allocate money to the Archbishops' Council. The allocation with the clearest direct route to parish clergy is the Low-Income Communities Fund (LinC). We are considered wealthy enough not to need the LinC.

However, looking forward, the investment which the Bishop's Council is seeking from the Archbishop's Council to commence in 2025 will be used to support ministry and mission in the local church. This is not directly to pay clergy but is in the areas set out as priorities in Making Jesus Known. These respond to the priorities of the national church which have been shared with the synod (see link on the afternoon agenda).

As a diocese we are seeking funding that supports achieving these national outcomes, including revitalizing parishes for mission. At the Synod meeting we will be asking for your input on where this investment needs to focus.

Oliver Iliffe

Q2. According to the 2025 budget briefing, glebe land income for 2025 is expected to be £160,000 but expenses associated with that income are expected to be £39,000 (i.e. nearly a quarter). Please can you confirm the total estimated value of the underlying assets comprised in glebe land and what the estimated expenses associated with it represent?

Response- Director Finance and Asset Management, Archdeacon of Dorset.

The total of our recently revalued Glebe portfolio is £14.3m, it had increased by £2.8m since the previous valuation 4 years before, which shows that in total return terms it is a good asset to hold. There are 132 different pieces of mainly agricultural Glebe (each with a separate lease agreement) which is why the expenses associated with managing the contracts that lead to the income seem rather high. The contract for management of glebe was last tendered in 2020.

Peter Breckwoldt

Q1. Paying clergy (stipend, pension, ni) – £7m; Paying diocesan staff (salary, pension, ni, expenses) – £3m (budget figures) As the diocese reviews its central expenditure, does the diocese think it is right to be only paying 44% of the budget on parish clergy?

Response- Director Finance and Asset Management, Archdeacon of Dorset.

The true cost of clergy includes housing costs of 2.2 million and training costs for curates etc of £700k. Therefore the direct comparison is between £10 million for clergy costs and £3 million. With 150 stipendiary clergy, plus archdeacons and curates, and 50 FTE employees this ratio is as might be expected . In addition, many of the employee salaries are now supported by external funding.

The diocesan staff provide a range of essential services- from supporting parishes through the faculty system to providing safeguarding support. The recent DBF services review has gathered important feedback on which of these are most used and how they are experienced. Every Church of England diocese has to provide a wide range of services, most of which are either statutory due to church rules or are necessitated by the way the church ministry is organised.

Peter Breckwoldt

Q2. In the light of the principle of all sharing the burden for ministry and mission across the diocese, what is the proposed Share requested for Salisbury Cathedral to give for the year 2025–2026? Is the burden of the Cathedral in line and on the same basis as local churches, to ensure her fair share of the burden of Diocesan costs for ministry and mission?

Response- Director Finance and Asset Management, Archdeacon of Dorset.

The Cathedral is financially fully independent of the DBF. It does not receive money from the DBF and it does not have a share request.

David Price

Please could Bishop Stephen advise Synod of the status of him delegating additional episcopal oversight for those clergy who have requested this by a Bishop who holds a traditional view of marriage, as an interim step towards structural provision agreed by General Synod. And what part will the delegated Bishop be able to play in the nine 'areas for consideration' listed in GS2358?

Response Bishop Stephen

The discussions regarding the way forward with arrangements for those who may seek additional episcopal oversight continue as part of the national process. These discussions continue in both the College of Bishops and the House of Bishops, and I suspect agreed details will not come to the General Synod now until July 2025. The paper GS 2358 outlined possible proposals by way of full summary and those workstreams continue. No decisions have been made around those nine areas on page 18. As bishop, I would expect any additional oversight to be exercised in partnership and a spirit of the unity for which Christ prayed.

Mike Tuffnell

Q1 Can a full list of the latest 2025 Fairer Share request be published for the whole Diocese, parish by parish, including the following additional columns: 2024 request; '24-'25 percentage change; expected 2028 request; '24-'28 percentage change and FTE clergy in that parish (indicating if a parish is interregnum)

Response: Director Finance and Asset Manager

Yes. They are available on the diocesan website under Finance, or download <u>this document</u>. The list of current vacancies is not part of this spreadsheet as it would distort the calculations.

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<u>Mike Tuffnell</u>

Q2 Has Bishops Council considered that a principled, 'friendly' use of the Ephesians Fund by a PCC to contribute to Diocesan share requests could actually be a way of ensuring as much unity and Diocesan partnership in the gospel as possible, whilst respecting that PCC's theological convictions around the use of PLF, etc? If so, how did BC justify refusing payments offered through this facility, thereby exacerbating the Diocese's financial predicament? And if not, could they do so for the sake of those parishes who will asked to pay even more in the coming years as a result?

Response: Chair DBF

Background:

For Synod members unfamiliar with the Ephesians fund, you can find out about it here: <u>The</u> <u>Ephesian Fund – Fuelling Orthodox Evangelical Ministry</u>

In practical terms this would entail:

Gifts made by your PCC for payment of parish share via the Ephesian Fund can only be used to support churches/ministries endorsing the CEEC basis of faith and additional declarations (because of the charitable objectives of the Ephesian Fund). The Ephesian Fund will require confirmation from your diocese of this.

If you choose to give to the general fund, gifts will be allocated by the trustees to support mission and evangelism in churches around the country endorsing the <u>CEEC basis of faith</u> and additional declarations.

The diocese will be required to inform the Ephesian Fund as to which orthodox churches will benefit from parish share grants given through the Ephesian Fund. Only then will money be released.

Funds are distributed to those churches who sign up to the declarations which include: (4.1.2.) We acknowledge God's creation of humankind as male and female and the unchangeable standard of Christian marriage between one man and one woman as the proper place for sexual intimacy and the basis of the family. We repent of our failures to maintain this standard and call for a renewed commitment to lifelong fidelity in marriage and abstinence for those who are not married.

[Ref CEEC is The Church of England Evangelical Council]

<u>Response</u>

We consider the parish share to be the friendliest means of mutual financial support among our churches – one that is shared despite differences about using the Prayers of Love and Faith and theologically grounded upon our unity as one body in Christ.

The Salisbury Diocesan Board of Finance is both a company and a registered charity. As its directors and trustees, Bishop's Council are required to act in accordance with its charitable

objects (as set out in the memorandum and articles of association) and with the wider provisions of company and charity law. Three issues immediately arise (there may be more).

- 1. As a charity, the charitable objects of the SDBF are "to promote the work, objects and purposes of the Church of England for the advancement of the Christian religion in the Diocese of Salisbury." It is clearly not for Bishop's Council to determine "the work, objects and purposes of the Church of England" and consequently as trustees we must look to Bishop Stephen in the Diocese, and even more importantly, to the views and decisions of the Church of England as a whole to ensure that we are acting in support of them. At the moment, the relevant topic is one which is still under discussion and we are therefore obliged to wait until there is a settled view.
- 2. As a board of directors acting in accordance with company law (Section 172(2) Companies Act 2006) we are required to act to promote the success of the company in achieving its purposes, having regard to the likely consequence of decisions for the long term, and the need to act fairly between the beneficiaries of the company's wider purposes. The directors could not fulfil this requirement without resolution of the issue at General Synod and/or a much broader discussion in the Diocese (not just at Bishop's Council).
- 3. Finally, payments of share are voluntary contributions to a charity. Where contributions are made to a charity with conditions attached it is necessary to deal with them within a restricted fund and use them only for purposes consistent with those restrictions. At present it is unclear what restrictions would apply and how the fund could be administered in accordance with any restrictions. This would be very difficult (and disproportionately expensive) in relation to one share payment. Even more importantly, if this in any way set a precedent for parishes to impose restrictions of any sort on their share payments (which might come in a wide variety of forms) the Diocesan finances would become unmanageable and would collapse. Acceptance of contributions given with strings attached could open the door to legal and financial challenges of other sorts, should parishes feel entitled to impose restrictions on their giving, and harms the core financial administration of the means of collection of diocesan funds. As directors and charity trustees this is a critical point for Bishop's Council.

A longer debate on the PLF and LLF process will take place at the additional synod planned for March 15th 2025.