



Questions and Answers – June 2026

The Revd Dr. Simon Chambers – Rector of the Clarendon Team

- 1 *Following email communication from the Chief Executive Officer of the DBF on the 7th May 2026, clergy have been informed that the Executive Committee of the Synod (the Bishops Council and trustees of the DBF) have decided that clergy housing will be outsourced from the diocese and the property department made redundant, can the DBF Trustees present to synod, the Voting Members of SDBF, the financial rational of this move, and can we be reassured that there will be a significant initial financial savings and long term projected benefits to the diocese.*

Response: DBF Chair/Vice Chair

Thank you for the question as it gives an opportunity to communicate further regarding our future direction in seeking to maintain high quality housing for our clergy.

Clergy housing is an important part of the DBF support for incumbents and curates, and contributes to our work on clergy wellbeing. It is the second highest area of expenditure for the DBF, as with most DBFs. For these reasons, it is crucial that we deliver the best possible service in the most effective way. To help us identify how best to do this, we commissioned an external consultant to review our clergy housing provision, and the findings were presented to the Finance & Resources Committee (who fulfil the required function of a Parsonages Board) at the beginning of this year and then the Bishop's Council (DBF Trustees).

The review made 29 recommendations for change and the top 3 headlines identified the need to:

1. Improve standards – revise the required standard of repair and maintenance to a higher level and introduce these standards to quinquennial inspections and ingoing works, with a view to all properties reaching the revised standard within five years.
2. Increase investment and expenditure – front-load budgets and deliver a five-year programme of improvements, funded in part by the strategic disposal of some properties.
3. Reset capacity and capability for delivery – commission an options analysis for future management of clergy housing.

The Bishops Council appointed a small working group, led by the Vice Chair of the DBF to work with staff on the options appraisal for the third of these- ie capacity and capability for delivery. The small group brought back a unanimous recommendation to the trustee body which then voted on it, with the outsourcing model being the recommendation adopted by trustees.

The DBF trustees voted to outsource because they recognised these benefits:

- i. Business continuity during staff absence or vacancy, and during periods of highly intensive activity and delivery
- ii. Management of frontline team members by leaders who are highly experienced in property management and strategic delivery
- iii. Infrastructure for delivery based on a supplier serving multiple accounts, including this DBF, with technology,

systems and specialist staffing functions of a scale and range that cannot be provided in-house, including access to sector and professional networks which are beyond the reach of a DBF

- iv. Robust reporting systems based on the DBF's monitoring and reporting requirements which can be required through a formal contract with clear penalties and incentives for delivery
- v. Professional development for staff working on the DBF account (which might include some staff transferred from the DBF through TUPE) and access to professional networks and career progression
- vi. Our learning from DBFs with outsourced clergy housing services indicates that this is overall a positive move and results in significantly lower levels of complaint and clergy dissatisfaction, with improved management information and record-keeping. While both DBFs report important learning points, neither regret outsourcing their clergy housing services.

The property department is not being made redundant. Staff have had the option to take voluntary redundancy or for their roles to be transferred to the supplier within TUPE regulations as part of the tendering process. The c 12 week tendering process has started.

Financial savings have not been a goal of this process. We expect the DBF's expenditure on clergy housing to be broadly equivalent to current levels, with the prospect of some efficiencies linked to greater quality control.

Oliver iliffe – Marlborough

- 2 *Please would the DBF Chair confirm the approximate percentage of the £14.3 million (as reported in 2024) glebe portfolio which is attributable to assets valued on a purely agricultural basis?*

Response: DBF Chair

Q2: Glebe portfolio

Just more than 94% of the glebe portfolio is agricultural land based on values included in the 2025 Annual Accounts (note 18). The Glebe Portfolio generated total rental income of £196k (mixed yield ~1.4%), against a total portfolio book value of £14.3m.

Asset Category	Book Value £'000	% of Value
Agricultural Land	13,482	94.3
Vicarages	350	2.4
Tenanted Dwellings	157	1.01
Recreational Land	176	1.23
Non-Agricultural property	122	0.85
Total	14,287	

Points to note:

- Agricultural land typically generates a lower income yield per acre than residential or commercial property.
- Book Value reflects the most recent valuation of the portfolio (2023). Glebe assets are held as permanent endowment and are revalued every three years, movements in value are recognised as a gain/loss in the endowment fund rather than recognised as income.
- Proceeds of disposal on Glebe are retained as endowment capital and cannot be applied to revenue expenditure.
- We have a small number of plots that may have further development potential and could realise significant proceeds. However, due to the level of uncertainty and the usually long lead time before any receipts are realised, these are not considered as part of the financial planning process:
 - Sturminster Marshall (c.90 acres) subject to an option to purchase with a UK housebuilder holding has been included as an “Opportunity Site for Housing” in Dorset Council’s Local Plan Consultation August 2025 (‘Regulation 18’) with potential for around 550 homes.
 - Chickerell a holding has been included as an “Opportunity Site for Housing” in Dorset Council’s Local Plan Consultation August 2025 (‘Regulation 18’) with potential for around 165 homes.
 - Upwey a holding has been included as an “Opportunity Site for Housing” in Dorset Council’s Local Plan Consultation August 2025 (‘Regulation 18’) with potential for around 42 homes.
 - North Dorchester A holding of some 20 acres is well located relative to an emerging masterplan for a major expansion of the County town (around 3,500 homes), known as North Dorchester Garden Community.
 - Bradpole A holding of some 4 acres has been included as an “Opportunity Site for Employment” in Dorset Council’s Local Plan Consultation August 2025 (‘Regulation 18’)

3 *Please would the DBF Chair provide a tabular breakdown of annual funding received by the DBF from the Church Commissioners and/or the Archbishops’ Council identifying whether such funds are restricted or unrestricted as a matter of charity law and, to the extent they are restricted, the relevant terms which restrict the application of those funds?*

Q3: Breakdown of annual funding received from the Church Commissioners and/or the Archbishops’ Council and related restrictions

The DBF receives no unrestricted income from the National Church Institutions or Church Commissioners. All such funding is restricted either by formal grant agreement or by clear funder intent and conditions and is not available for general diocesan purposes.

Restricted funds must be accounted for separately, used only for their stated purposes, and disclosed in the statutory accounts, see notes 3, 26 and 28 of the 2025 accounts.

The table below summarises the main funding streams received by the Diocesan Board of Finance (DBF) from National Church Institutions and Church Commissioners in the year ended 31 December 2025,

including the income recognised, the overall award and key conditions. All the DBF's grant income has been reviewed by the new external auditors – Crowe – during 2025 yearend process and no issues found.

Funding Stream	2025 Accounts £'000	Restriction, Award and Period
Diocesan Investment program – (SMMIB)	236	Restricted to approved mission hubs, pioneering posts and agreed project plans. Unspent funds are returnable unless extended in writing. Initial grant: £666k, 2023–2025. Main grant: £5.1m in principle, confirmed as each mission design of the mission hubs are submitted and agreed, 2025–2031.
Net Zero Carbon Grants	183	Restricted to qualifying carbon-reduction capital or revenue costs; not for unrelated maintenance. Evidence of spending is required and unspent funds are returnable. Capacity Building: £136k, 2025–2026; Quick Wins: £58k, 2024–2025; Demonstrator: £60k, 2024–2025.
Racial Justice/Flourish (Schools) Grants	170	Restricted to racial justice programs, community engagement and related staffing, with narrative and financial reporting. Development Officer: Sept 2025–Sept 2027; Deepening Understanding Diversity: £17k, 2024–2025; Flourish: £191k, July 2024–June 2026.
Buildings for Mission	147	Restricted to mission and ministry through church buildings. Officer Scheme: £114k over 2 years; Minor Repairs and Improvements: £132k over 2 years. Not for general staffing, operations or wider estate costs.
Church Commissioners –Bishops' PA and legal officers	175	Standing Church Commissioners allocation for suffragan bishops' PA and legal officer costs. Paid quarterly with no fixed end date and cannot be redirected to other diocesan costs.
Other National Church grants	133	Restricted to approved program purposes. Includes Giving Adviser: £120k, 2022–2026; Safeguarding Systems Together: £66k one-off project grant; Strategic Ministry Funding—Curates: £179k over 3.3 years from 2022; Resourcing Ministerial Formation: £24k for ordinand training.
Total Income– National Church Institutions	1,044	Note 3 of the Statutory Accounts