

Budget Guide 2027

Supporting local ministry now and building a sustainable future

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2027 budget and three-year plan: supporting ministry for mission

This guide sets out how we will continue to use the resources entrusted to us to support ministry for mission in communities, help churches with everyday responsibilities and enable people to encounter the love of Jesus Christ.

We recognise that many parishes are already managing rising costs and ageing buildings, relying heavily on a small group of volunteers, with our clergy and lay ministers spread across many small congregations and often stretched to capacity. This guide explains what the Diocesan Board of Finance (DBF) is able to fund, what will change and how it will reduce its own costs as we work together to sustain ministry across the diocese.

Resourcing and enabling ministry remain our priority. This plan provides for paid clergy and curates, alongside the training and ongoing support of self-supporting ministers. It also funds practical support which helps parishes operate safely and confidently — from vocations to safeguarding, church buildings, fundraising, finance and governance, as well as work with children and young people.

We also need to plan for the future. The DBF trustees have warned for some time that the cost of stipendiary ministry and support is significantly higher than the regular income available to fund it. This simply cannot continue indefinitely.

There is no single solution. Financial sustainability depends on stronger parish finances, good Christian stewardship, generous shared giving, careful control of costs, wise use of assets, income from new sources and targeted funding for renewal and growth. This plan brings these approaches together through lower DBF costs, changes to the pattern of ministry, additional income generation and the careful use of assets. It supports ministry through a period of change while taking practical steps to reduce the gap between regular income and costs.

The three-year plan supports ministry today while building a sustainable future — using what God has entrusted to us wisely, generously and courageously.

Why is the budget so challenging?

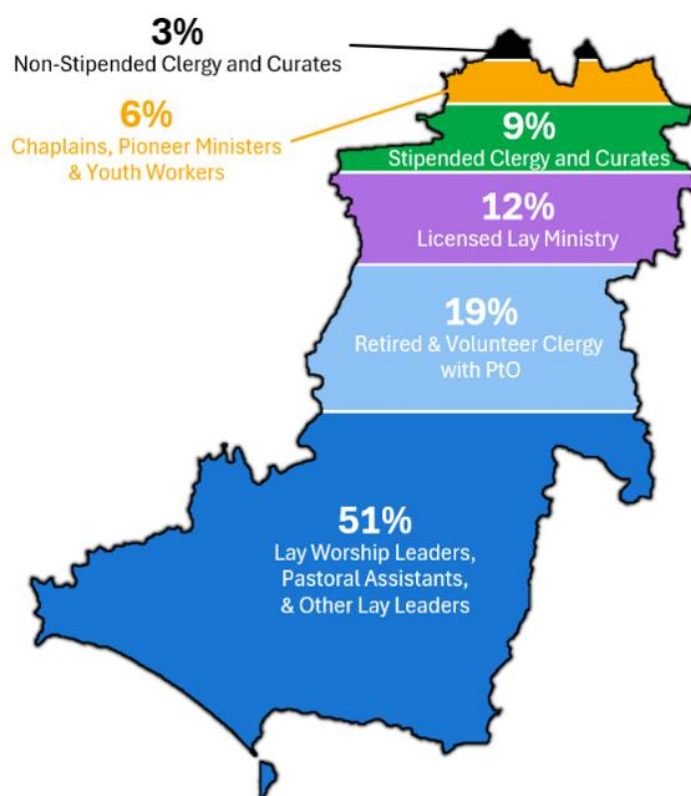
The budget is so challenging because the DBF's regular income does not cover the ongoing cost of ministry and support. At the same time, worshipping communities are generally smaller and older, with people under 50 under-represented. Fewer people are coming forward for ordained ministry and for the many roles that sustain the life of our churches. Diocesan and parish finances are stretched, while the care and maintenance of historic church buildings place additional demands on both money and volunteers.

These pressures mean that we have to look carefully at how we provide affordable ministry. Our pattern of ministry has historically relied heavily on stipendiary clergy: that distinctive ministry remains important, but we need to continue to broaden how ministry is shared — recognising and releasing the gifts and callings of the whole people of God.

Parish giving through the Shared Ministry Fund (previously Parish Share) remains essential and we encourage benefices to meet those contributions. But this alone will not close the gap. The DBF is reducing its own costs, reshaping ministry and developing other income streams — using some assets to give us time to make these changes. Together, these commitments will help reduce the underlying financial gap and put ministry on a more sustainable footing.

There is also much to give us hope. Churches are already adapting, forming new partnerships and finding new ways to worship, serve and reach people. There are stories of renewal and growth on which we can build. The Aldhelm Mission Fund and National Church funding are enabling benefices to develop new ministries for our common mission.

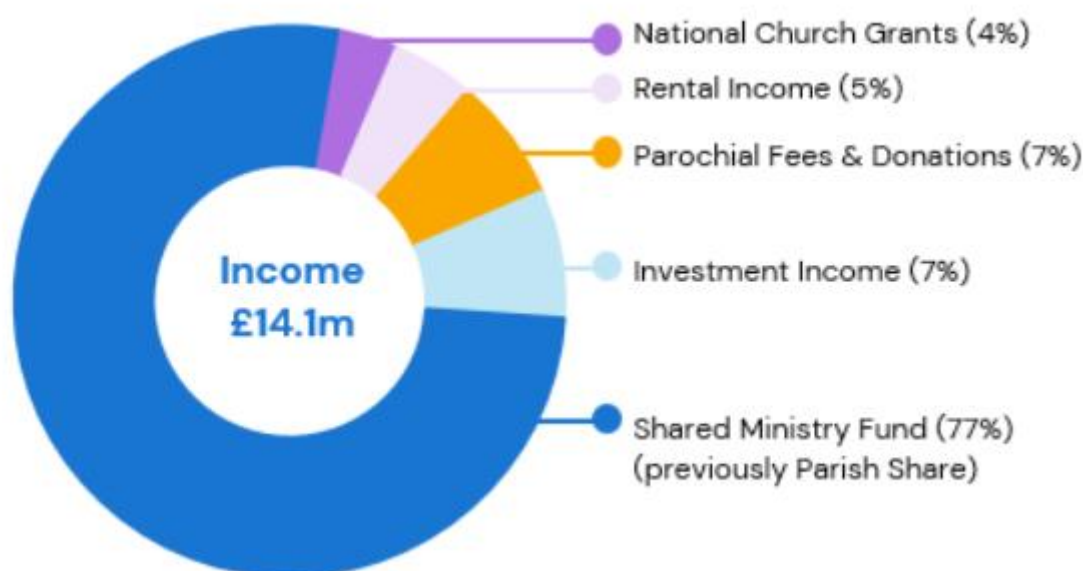
Sustaining ministry for the future requires us all to work differently — sharing our gifts and resources to serve our communities and make the hope of Jesus Christ known.



More than 1,500 people sharing in ministry across the diocese

Where does the money come from?

The largest part of the DBF's regular income comes from benefices through the Shared Ministry Fund, formerly known as Parish Share. This is how we collectively resource ministry across the diocese, including in our low income communities where the full cost of ministry cannot be met locally. Other income comes from investments, fees and rent. For a limited period, we are also receiving support from the National Church to help us transition to the new level of stipend, which increased by 11.7% in April 2026 to catch up with historical inflation.



2027 regular (underlying) income. The DBF receives a further £2.4m in external grants and Sudans donations, making total Income budget £16.5m

The above chart shows regular income: the money available to fund ongoing ministry and support. It does not include income that can be used only for specified purposes, such as external and restricted grants and funding for the Sudan partnership. This distinction matters because a large total income figure does not mean that all the money is available to meet everyday costs.

Generosity makes ministry possible. Prayer, discipleship including financial giving, service, skills and collaboration all contribute to the life and mission of the Church across the diocese.

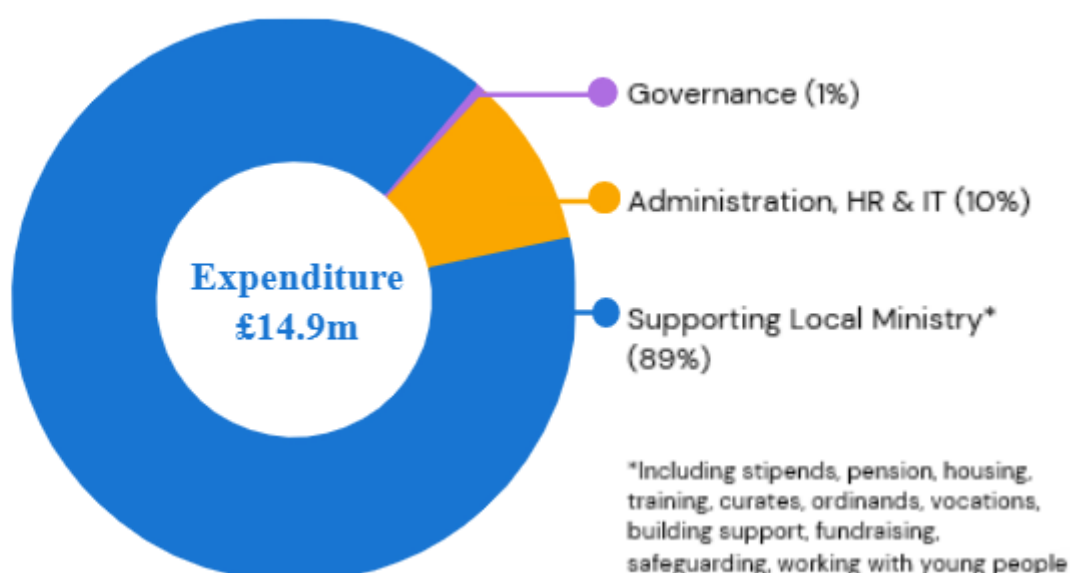
How is the money spent?

The vast majority of our regular expenditure supports ministry across the diocese. This includes clergy stipends, pensions and housing, curates and training, alongside practical support for parishes in areas such as safeguarding, church buildings, finance and governance, generosity and giving, vocations and mission development.

Much of this support happens behind the scenes, helping churches to meet their safeguarding, legal, financial and governance responsibilities and to serve their communities safely and confidently. Feedback from parishes regularly shows how important and valued these services are.

We are also changing how some services are delivered, using specialist providers for technology and clergy homes. This reduces fixed staffing costs, strengthens service standards and supports better stewardship of our assets.

The chart below shows our regular expenditure — the ongoing cost of ministry and support for parishes. In addition, we have specific, time-limited activities funded by external grants and restricted funds, while some proceeds from asset sales are being used to improve clergy homes and support renewal and growth.



2027 regular (underlying) expenditure. A further £4.2m of spending is funded from external grants, restricted funds and asset sales, including the Sudan partnership and Aldhelm Mission Fund grants. This brings total budgeted expenditure to £19.1m.

The three-year plan at a glance

The plan shows how the DBF will support ministry while reducing the gap between its regular income and regular costs. It brings together the changes described in this guide: sustaining the Shared Ministry Fund, reshaping ministry, reducing DBF costs, growing other income, investing in renewal and using assets carefully.

The figures are shown in two ways. The whole budget includes all planned income and spending, including time-limited grants, restricted funds and proceeds from asset sales. The regular (underlying) budget shows the income and costs that arise each year. This second view is the clearest guide to whether the DBF is becoming financially sustainable.

The Shared Ministry Fund will remain the DBF's main source of regular income, as that is how parishes continue to be provided with ministry. Grants and asset sale proceeds provide additional, time-limited funding for specific work and to support the transition, but they cannot provide a permanent answer to an annual shortfall.

Whole budget	2027	2028	2029
All income	£16.5m	£16.6m	£16.3m
All expenditure	(£19.1m)	(£18.2m)	(£17.8m)
Reported deficit	(£2.6m)	(£1.6m)	(£1.6m)

The whole budget shows a deficit of £2.6m in 2027. Much of the difference between this and the £0.8m regular (underlying) budget deficit is planned, time-limited spending on clergy homes, renewal and growth, supported by grants, restricted funds or asset sale proceeds. The regular (underlying) budget deficit is therefore the more important measure of progress: it reduces from £0.8m in 2027 to £0.5m in 2029.

Regular (underlying) budget	2027	2028	2029
Regular income	£14.1m	£14.3m	£14.5m
Regular expenditure	(£14.9m)	(£14.9m)	(£15.0m)
Underlying deficit	(£0.8m)	(£0.6m)	(£0.5m)

What the plan means in practice

- Shared Ministry Fund giving is assumed to keep pace with inflation; increasing parish contributions alone will not close the gap
- The plan moves the DBF towards a balanced and sustainable position by 2032

- DBF costs will reduce by around £500k a year, including the grant to the Diocesan Board of Education (DBE)
- Stipendiary clergy posts will reduce from 155 in 2026 to 120 by 2032, alongside the development of broader local ministry teams
- Up to £1.5m is included over three years for Ministry and People Review priorities — developing vocations and leadership, improving ministerial training and strengthening mission, church buildings and stewardship support for parishes
- A further £1m will improve clergy homes, supporting clergy wellbeing and retention.

The path to sustainability

Achieving a sustainable future requires action across several areas. The DBF plan brings these together through six key areas of focus.

1. Sustaining the Shared Ministry Fund (previously Parish Share)

The DBF staff team, together with the archdeacons, will work with benefices to strengthen giving and financial sustainability, recognising that each community is different. Over the next 12–18 months, resources and guidance will help parishes, clergy and volunteers to share the local impact of the Church, to talk confidently about money, to grow as disciples and to encourage generous giving in response to the difference God is making in people's lives.

2. Reshaping ministry

How we organise ministry will change. Stipendiary clergy will remain a vital and distinctive role; however, that role has changed considerably in recent years with incumbents overseeing teams of other ministers over larger areas and this will continue in a sustainable way.

We foresee a need to reduce stipendiary clergy posts from 155 in 2026 to 120 by 2032. At the same time, we shall be increasing the encouragement of vocations to other ministries including the Elizabeth Pathway for older vocations. We are also blessed with a considerable number of retired clergy, who, working with others, already support the local Church. Vacancies have however meant that the diocese has already operated with around 125 stipendiary clergy in recent years. We must now plan for this reality and develop sustainable local teams rather than depend on unfilled posts.

The future will increasingly depend on local teams serving across churches and communities — bringing together clergy, ministers, chaplains and youth, family and children's workers, and sharing people, buildings and other resources across existing boundaries.

The aim is a broader, more collaborative and sustainable pattern of ministry in which worship, pastoral care, service and mission can continue and grow.

3. Managing DBF costs

The trustees will continue to review DBF costs and focus resources where they make the greatest difference to parishes and local ministry. The plan will reduce annual costs by c. £500k.

We will use resources more effectively, for example, working with Sarum College and Southwest Youth Ministries on learning and development, and exploring shared technology and safeguarding resources across the region. The grant to the DBE will reduce as it develops new ways to resource work with children, young people, schools and churches.

4. Growing other income

We will continue to apply for grants, invest more of the DBF's money and, where possible, rent out vacant clergy houses. Reinvesting some house sale proceeds will also increase investment income. Together, these measures will diversify funding and help regular income move closer to meeting regular costs.

5. Funding growth and renewal

Supporting our Vision and Strategy, proceeds from asset sales will fund renewal and growth. Over three years, up to £1.5m will support Ministry and People Review priorities, including vocations, redesigned Initial Ministerial Education pathways and the Nurturing Courageous Christian Leadership programme. A further £1m will improve clergy homes following the Clergy Property Review, recognising their importance to clergy wellbeing and retention.

6. Using assets wisely

The DBF trustees have agreed to sell 33 DBF-owned houses and some glebe. Proceeds will: bridge the deficit while changes are made; support renewal and growth; improve clergy homes; progress our net zero commitment; fund the new rectory at Wimborne and be reinvested to generate future income. Retained assets will continue to support ministry.

Appendix 1

Detailed budget information

	Note	Reported (total) DBF Income and Expenditure					Regular (underlying) Income and Expenditure				
		2025	2026	2027	2028	2029	2025	2026	2027	2028	2029
		Actual	Budget	Budget	Plan	Plan	Actual	Budget	Budget	Plan	Plan
		£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m	£'m
Shared Ministry Fund (previously Parish Share)	1	10,267	12,571	10,817	11,087	11,364	10,267	12,571	10,817	11,087	11,364
Other Income	2	4,469	5,341	5,656	5,493	4,920	2,534	3,672	3,279	3,215	3,115
TOTAL INCOME		14,736	17,912	16,473	16,580	16,285	12,801	16,243	14,095	14,302	14,479
Direct ministry, clergy property & vocational training costs	3	10,747	12,024	12,430	11,786	11,785	10,676	11,938	10,951	10,865	10,944
Local ministry support services	3	2,780	3,541	4,226	4,001	3,659	2,063	2,328	2,049	2,047	2,101
Work with children and young people		347	360	354	339	324	347	360	354	339	324
Administration, HR and IT		1,165	1,523	1,513	1,524	1,485	1,154	1,496	1,439	1,499	1,476
Other non parish-costs (Aldhelm & Sudans)		1,030	403	495	516	522	587	56	50	51	52
Governance		65	61	73	59	60	65	61	73	59	60
TOTAL EXPENDITURE	4	16,135	17,912	19,090	18,226	17,835	14,893	16,239	14,915	14,860	14,958
OPERATING (DEFICIT) / SURPLUS		(1,399)	-	(2,618)	(1,646)	(1,551)	(2,092)	4	(820)	(558)	(478)

Notes:

- Any variances from the 2026 Budget Guide published last year reflect presentational and accounting reclassifications only. These include showing the Shared Ministry Fund discount against share income and reallocating certain statutory and core service costs. There is no change to the overall budget surplus/(deficit).
- The DBF has received £2.4m from the national church over nine years starting in 2026 as time-limited funding to support the transition to a higher stipend level, following the increase of 11.7% from April 2026. 2027: £510k; 2028: £413k; 2029: £317k
- Cost-of-living increase for stipends and salaries: 2027: 3%; 2028 & 2029: 2.5%
- The 2027 budget is best understood through two views. The reported (total) result follows accounting rules and includes spending funded from asset sales or grants received in earlier years. The underlying result shows whether recurring income is sufficient to meet the everyday cost of ministry and support for parishes and is the clearest guide to long-term sustainability. In 2027, the difference between the £2.6m reported deficit and the £0.8m underlying deficit is mainly planned spending on property improvements, strategic activity and other sources of funding. The underlying gap is still substantial, but it is narrowing and the three-year plan shows a realistic and achievable year-on-year reduction as we implement the

How the total deficit relates to the underlying deficit

Total reported deficit	(£2,618)
Additional funding to improve clergy properties, funded by asset sales	£500
Strategic activities funded by asset sales	£500
Staff pension holiday (timing difference)	£280
Aldhelm grants (timing difference)	£210
Activities funded by other grants and restricted funds	£308
Recurring (underlying) deficit	(£820)

Appendix 2

Staffing information

The table shows DBF staffing in full-time equivalent (FTE) roles and how these are funded. In 2027, around a third of our staffing is funded from external and restricted funds rather than the Shared Ministry Fund.

	Core DBF staffing posts					Externally funded roles					Total DBF staffing posts				
	2025 Actual	2026 Budget	2027 Budget	2028 Plan	2029 Plan	2025 Actual	2026 Budget	2027 Budget	2028 Plan	2029 Plan	2025 Actual	2026 Budget	2027 Budget	2028 Plan	2029 Plan
Vocations & Ministry support	5.7	5.7	3.4	3.6	3.3	-	3.0	-	-	-	5.7	8.7	3.4	3.6	3.3
Engagement & Social Justice	2.9	2.9	1.7	2.7	3.7	2.3	2.3	8.7	4.2	1.7	5.2	5.2	10.4	6.9	5.4
Parish support; pastoral, admin, VS programme team	5.0	4.8	4.0	3.3	3.2	3.0	4.0	4.0	4.0	4.0	8.0	8.8	8.0	7.3	7.2
Church Buildings	3.5	3.5	3.5	3.5	3.5	1.9	1.8	1.0	1.0	1.0	5.3	5.3	4.5	4.5	4.5
Safeguarding	5.8	6.2	4.9	4.6	4.6	-	-	-	-	-	5.8	6.2	4.9	4.6	4.6
Area Offices	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.6	2.0	2.0	4.0	4.0	3.6	4.0	4.0
Supporting Parish Trusts	0.6	0.6	0.6	0.6	0.6	-	-	-	-	-	0.6	0.6	0.6	0.6	0.6
Growing Younger	0.4	0.5	-	-	-	1.1	3.6	4.0	4.0	3.0	1.5	4.1	4.0	4.0	3.0
Fundraising	1.3	3.4	2.4	2.4	2.4	0.3	0.2	0.2	0.2	0.2	1.6	3.6	2.6	2.6	2.6
Property & Glebe management	4.4	4.4	-	-	-	-	-	-	-	-	4.4	4.4	-	-	-
Technology Team	4.0	4.0	5.0	4.1	3.0	-	-	-	-	-	4.0	4.0	5.0	4.1	3.0
Human Resources	3.5	4.0	4.0	4.0	4.0	-	-	-	-	-	3.5	4.0	4.0	4.0	4.0
Finance & Diocesan Secretary	4.9	4.9	5.3	5.0	5.0	0.2	0.2	0.2	0.2	0.2	5.1	5.1	5.5	5.2	5.2
Average staff full-time equivalent (FTE)	44.0	46.8	36.6	35.7	35.3	10.7	17.1	19.7	15.6	12.1	54.7	64.0	56.3	51.3	47.4

As we read:

**'Each of you must give as you have made up your mind,
not regretfully or under compulsion, for God loves a cheerful giver.'
(2 Corinthians 9:7.)**

**"Thank you for every gift given."
Bishop Karen**