



# Diocese of Newcastle

## Budget consultation 2020-2022



# Budget Consultation: basic overview and general information

## Budget Consultation

This consultation to help shape the budget for 2020 – 2022 starts with a Finance Synod on 22<sup>nd</sup> July and runs through to September. It seeks to deliver the vision presented to Synod in May 2019, and you are encouraged to share your views about our diocesan priorities and how these are resourced.

## Timetable

a) The 2020 budget consultation is framed around the following timetable:

<b>Date</b>	<b>Group</b>	<b>Task</b>
Monday 1 July	NDBF & Bishop's Council	Budget consultation drafting
Thursday 11 July	Finance Group	Budget consultation drafting
Monday 15 July	Diocesan Synod, Deanery Officers	Budget consultation issued
Monday 22 July	Finance Synod	Consultation commences
22 July to 1 September	Open to consultation	Budget shaping
Tuesday 3 September	Deanery Finance Officers	Budget shaping
Thursday 5 September	Finance Group	Review consultation
Tuesday 10 September	NDBF & Bishop's Council	Review consultation
Wednesday 11 September	The Bishop's Staff Team	Review consultation
Saturday 14 September	Diocesan Synod	Budget paper issued
Saturday 28 September	Diocesan Synod	<b>Decision making</b>

The timetable sets out some key dates. These can be supplemented by other meetings across the diocese, so please let us know if you would like someone to attend a meeting in your area or with a particular group to help you with this consultation.

## Engaging with the consultation

b) The Finance Group, as a sub Group of the Bishop's Council and Board of Finance, is responsible for drawing together a draft budget for the Bishop's Council and Board of Finance. Once the proposal is agreed it is presented to the Diocesan Synod for the Synod to approve or reject. This consultation informs the process to produce a budget proposal for the Diocesan Synod. You are warmly invited to engage with the consultation process.

c) Personal, parish or deanery wide responses to this consultation are warmly welcomed.

Should you wish to offer comments or proposals please address these, by 1<sup>st</sup> September, to:

E-mail: [info@newcastle.anglican.org](mailto:info@newcastle.anglican.org)

Post: Budget 2020 Consultation, Church House, St John's Terrace,  
North Shields NE29 6HS

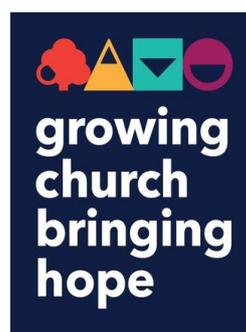
# *'look I am doing a new thing. It springs forth, can you not perceive it?'*

Isaiah 43 Verse 19

We are in a really exciting yet challenging place in our journey. All over our diocese, God is at work and extraordinary things are happening. Incredible things are emerging in our city centre: in May our Cathedral announced its *Common Ground in Sacred Space* heritage project had been awarded £4.2M from the National Lottery Heritage Fund; and in June the Diocesan Resource Church based at St Thomas the Martyr held a *Thy Kingdom Come* event as part of its preparations towards an official launch date in early October. In the West Tyne, *God's Tent* is being pitched each month at different locations enabling children and families to explore God in the rich variety of our outdoor space with worship, activities and discussion. Our work with Church Schools through the Diocesan Board of Education has an impact on over 13,000 pupils. Our Joint Education Team is supporting the major changes in education and the challenges for all schools to help children achieve their full potential. Equipping clergy to serve our Church and Community Schools across three local authorities is a key objective of the Team's work.

On 29<sup>th</sup> June fifteen men and women were ordained as priests and deacons. The nurturing of new vocations to both ordained and lay ministry is a key part of our mission as we help to bring Good News to people and the communities we serve today, tomorrow and in the future. Underlying all of this, and this new landscape, is the imperative to find a new way of expressing our life together. We are not called to do more of the same with less resource. We are called to do something new, and something different. A new partnership between lay and ordained. A new way of acting as a church – *'look I am doing a new thing'*

Through this budget consultation the Bishop's Council and Board of Finance seeks to discern the choices that will be supported across our diocese to help us live out our calling to share in God's mission.



## Shaping the budget proposal

‘There are key points in the journey of our lives which have significance. There are moments when an opportunity appears which is significant, exciting, probably frightening, and the choices we make at those moments really matter – they have consequences.’ This was the opening of the Presidential Address to the Diocesan Synod held in Rothbury on 11<sup>th</sup> May within which Bishop Christine shared a favourite poem called *Annunciation* by Denise Levertov which expresses, so powerfully, that moment when the Archangel came to Mary.

In her address to the Synod Bishop Christine set out that we are at a Kairos moment in our life as a diocese, where we are seeing glimpses of a new landscape and where there is a real sense of hope and expectancy. We have reached a point where we can say yes to God, and mean it. The choice is ours and we need to have a courage to respond to God’s call to us all.

The traditional funding from the National Church that we have been accustomed to receiving has changed and 2020 will be the fourth year of a transition to new national funding arrangements. This is tough and it doesn’t help, but we know this is not the only cause of this situation. We’ve been struggling with our finances for many, many years. Theoretically we have just over 100 stipendiary posts but we can’t fund that number. We get by, by having an ever increasing vacancy rate.

Our best estimate is that we believe we can finance 80 full-time equivalent substantive stipendiary posts and it will take us three years to reach this target. With this number we hope we would not have to rely on long vacancies to balance our budget, and will be able to think and pray about where the precious posts should be deployed. We could, if we were to choose, see this drop in the number of stipendiary posts in the negative but we really don’t have to do that. The realism about facing up to our financial challenges gives us an amazing opportunity to move into the future with energy and with faith.

There are three proposals in this consultation. Each proposal is based on the forecast income from Parish Share in 2019:

- i. firstly, we look at what could be delivered if there was agreement to **an above inflation increase** to Parish Share contributions received in 2019. This would deliver key work to help us transition over three years to new models of ministry and mission;
- ii. secondly, we look at the impact of **an inflation only increase** to Parish Share contributions and highlight the challenges this option would present; and
- iii. thirdly, we look at the consequences of **no increase** to the income from Parish Share and the more immediate consequences.

But, before we explore the proposals let us remind ourselves about the priority areas which shape the current budget arrangements.

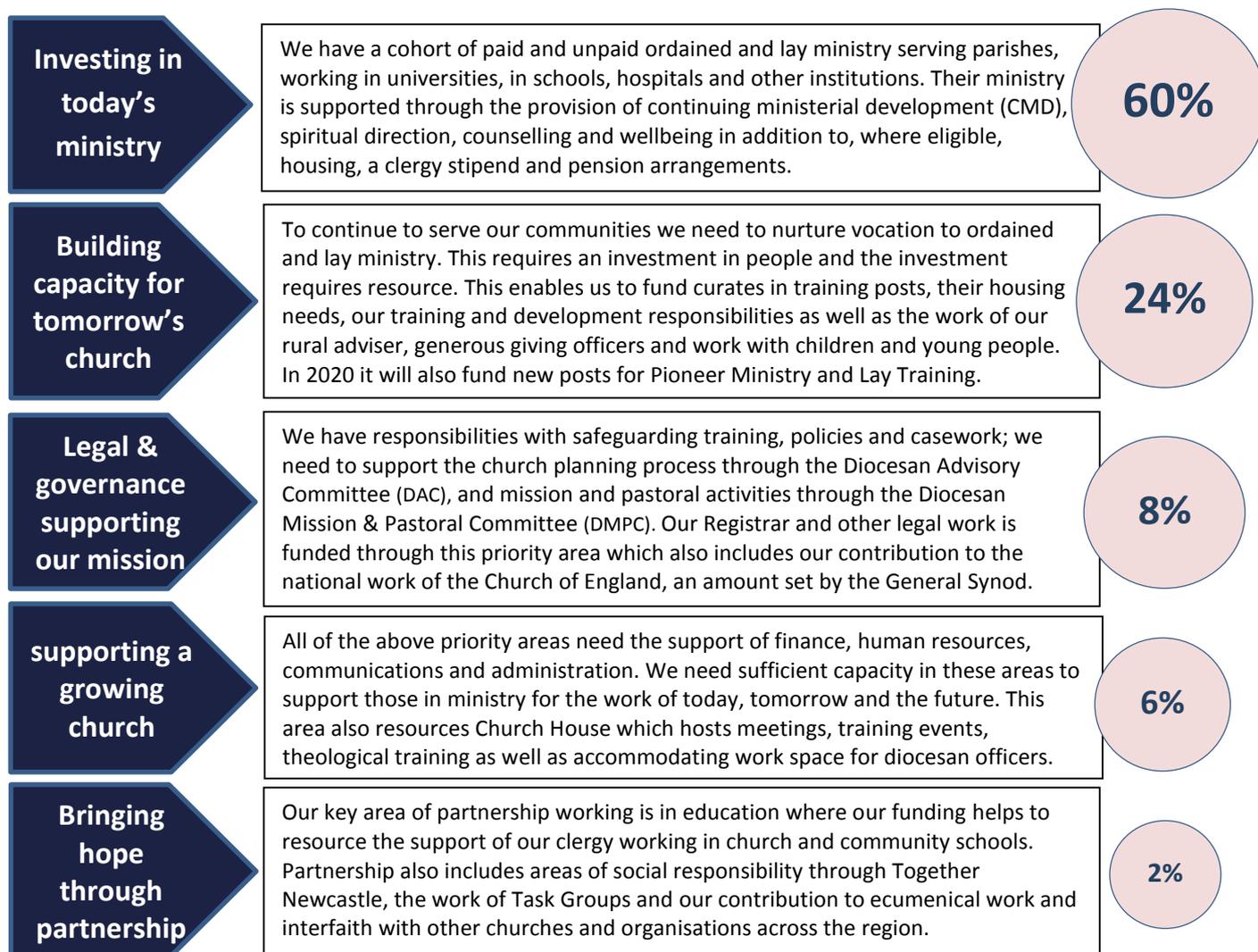
growing church bringing hope.



## Shaping the budget proposal

### What do we need to consider when shaping the budget proposal?

The budget is shaped using five priority areas to support mission and ministry throughout our parishes, our diocese and the wider Church of England which together help to deliver a vision for **growing church bringing hope**. The five areas are:



- **60%** of the budget resources the ministry we have in place for today including stipendiary, house for duty and self-supporting ministries and chaplaincies.
- **24%** of the budget resources the ministry we are investing in for the future which includes ordained and lay ministry.

In October 2018 the Diocesan Synod agreed a budget for 2019. This asked parishes to contribute a total Parish Share of **£4,807,000** to fund the five priority areas. At the time of agreeing the budget the Synod noted the forecast receipt for Parish Share in 2018 would mean parishes would need to contribute a further £258,000 in 2019. However, the actual amount received in 2018 was lower than the forecast and the actual receipt was £55,000 **less than** the sum received in 2017.

For 2019, we forecast that parishes will contribute **£4,560,000** (i.e.94.8% of the £4,807,000 that was requested). This is, without doubt, a significant amount of money but it will result in a shortfall of £247,000. **The shortfall highlights the challenge we face moving into 2020 and beyond and the importance of engaging with this consultation to ensure the proposed budget that the Synod agrees in September will be both affordable and achievable.**

## Shaping the budget proposal

### What should form the base for any change to Parish Share in 2020?

Parishes have told us that they are unable to afford significant increases to Parish Share and we have recognised the shortfall we expect to see in the request made for 2019. We forecast parishes will contribute **£4,560,000** into Parish Share in 2019 and to help to inform our planning we propose that this sum becomes the base for any proposed changes for 2020.

Recognising that we are at a key moment of opportunity the choices we make through this consultation really matter. They will inform our planning as we transition to new models of ministry and mission. The choices will determine both the pace of change and the shape of how that change is delivered and managed. Our transition to new models of ministry will result in a smaller cohort of stipendiary clergy. In December 2019 we will have 87.0FTE in post and our aim is to transition to 80.0FTE by December 2022. To inform the transition we offer three choices and set out the consequences and the challenges of each.

**Option 1:** Delivering a first step in this transition to new models of ministry and mission will cost £7,317,000 in 2020, and an additional **£184,000 (+3.8%)** on the 2019 forecast Parish Share receipts. This would fund:

- **85.0FTE** of the current 100.3FTE permanent stipendiary posts. (see page 12)
- **15.5FTE** stipendiary curates.
- Our contribution to the National Church activities (this is set by the General Synod)
- Resource **25.76FTE** employed posts (either fully or partly funded from Parish Share) and our legal and governance obligations as an employer and charity. This includes chaplaincies and support roles for parishes where the Diocesan Board of Finance is the employer. (see page 13)
- A maximum 2.0% uplift to stipend and salaries wef April 2020.
- Enable a £100,000 contribution to the work of the Diocesan Education Board (2019 was £100K; 2018 was £137.5K).

**But** it would also:

- Result in a further freeze for all budget headings except where anticipated expenditure is beyond our control.

The activities listed above total **£7,317,000** (2019 was £7,520,000). To fund these, the Diocesan Synod would require a **minimum income in 2020** from Parish Share of **£4,720,000**. Whilst less than requested in each of the last two years, this amount would be **+3.82%**<sup>1</sup> higher than the amount we are forecasting parishes will pay into Parish Share in 2019. Therefore, the uplift would be above inflation and to deliver this we would need courage and greater generosity. We need to say this because in recent times we have not achieved such an increase in overall contributions to Parish Share.

If this option is supported **all parishes** would need to agree to contribute towards the additional **£184,000** required to fund these activities. This 3.82% increase for all parishes would enable the first step of our three year transition to new models of ministry and mission. Accepting that parishes are different in terms of geographical size and population a simple division to show this

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<sup>1</sup> 2019 forecast receipt at Period 6 2019 (June) is **£4,536M**

## Shaping the budget proposal

figure in a different way would be to divide the £184,000 across 172 parishes. This would be equivalent to £1,070 per parish.

**Option 2:** If we feel unable to agree to support an above inflation increase are we prepared to fund the inescapable cost of inflation? If so, this would increase the contributions by **+2.0%** (CPI at May 2019) and would provide the Diocesan Synod with an additional **£91,200**.

This could only be achieved by each parish agreeing to contribute the same amount they made in 2019 **plus 2.0%** for inflation. The consequence would be that the Diocesan Synod would either need to find new income of at least **£92,800** or identify expenditure savings of the same amount. These savings would need to be implemented in early 2020.

**Option 3:** If this consultation informs a view that there is no ability to increase the contributions from parishes in 2020 the Diocesan Synod would need to find new income of at least **£184,000** or identify expenditure savings of the same amount. This would be significant not least as the Diocesan Synod has already achieved savings of £341,000 in 2018 and we have identified £167,000 of savings to be achieved in 2019.

If a further £184,000 of expenditure savings is required the Diocesan Synod would need to identify and implement expenditure savings before the end of this financial year.

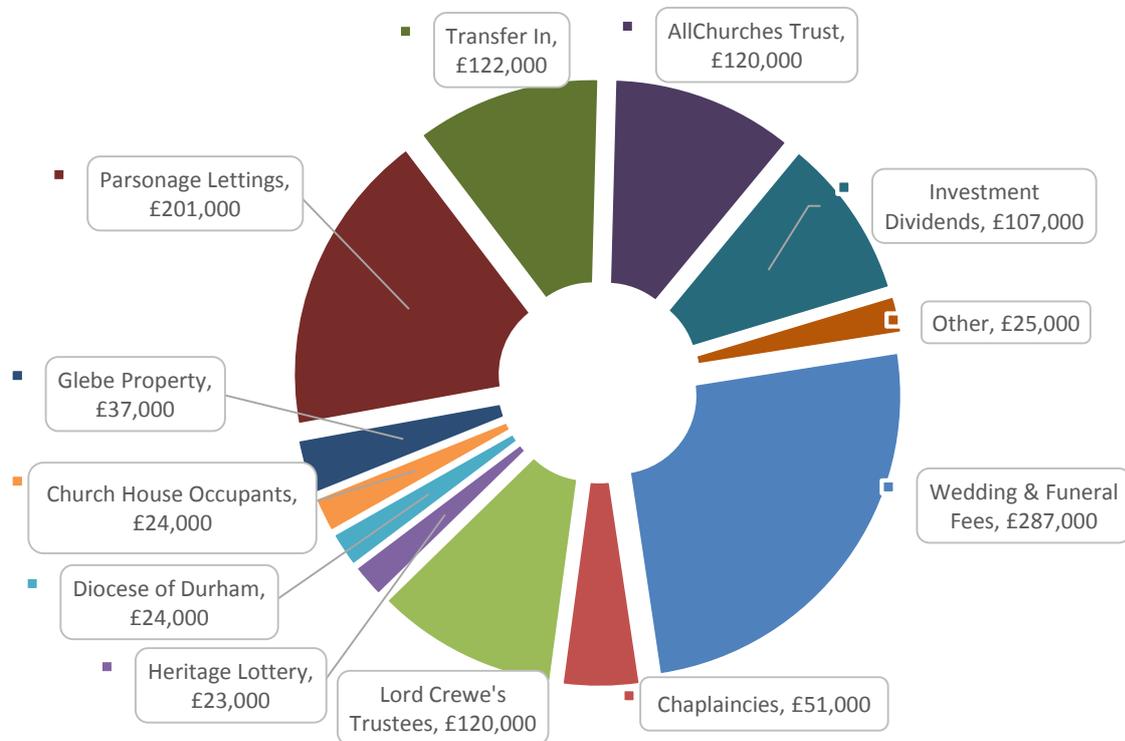
A consequence of this option would be an acceleration to the pace of transition from the current 87.0FTE to 80.0FTE or fewer because below inflation increases cannot be sustained without additional reductions to our cohort of paid clergy and supporting staff.



## Shaping the budget proposal

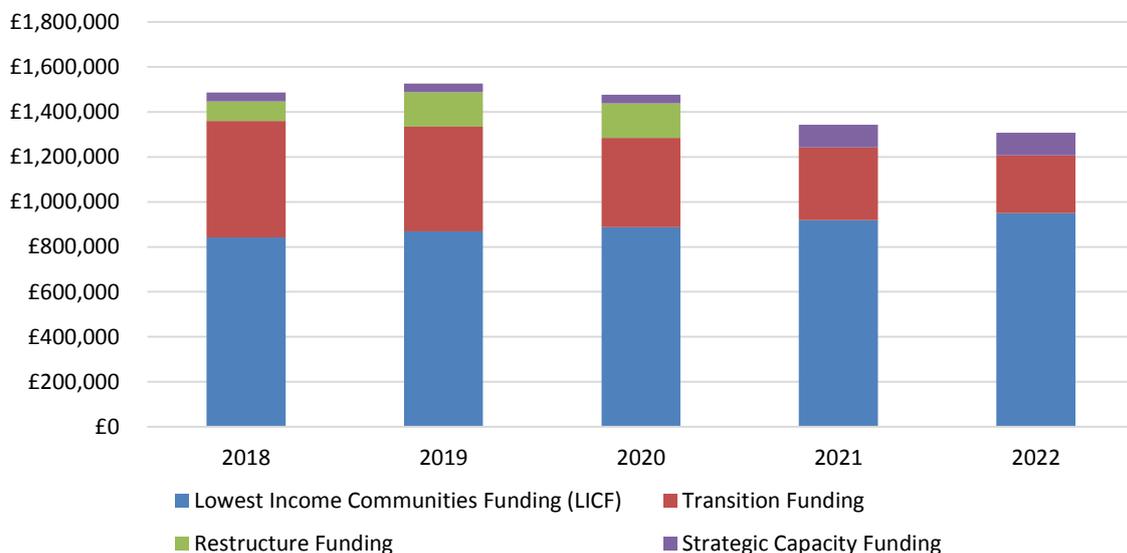
### What about income from other sources?

A total of **£1.141million** other income [2019 was *£1.177million*], including income from parsonage lettings, wedding and funeral fees, income towards diocesan posts and income from other charitable organisations is budgeted to be achieved in 2020 as set out below.



### What about income from the National Church?

We are grateful recipients of funding from the National Church. 2020 will be the fourth year of a ten year programme introducing changes to National Church funding. Total funding from the National Church in 2020 is projected to be £1.456million via the following funding streams:



## Shaping the budget proposal

(i) Lowest Income Communities Funding (LICF); (ii) Transitional Funding; (iii) Restructure Funding; and (iv) Strategic Capacity Funding.

### Lowest Income Communities Funding (LICF)

**£887,700** [2019 was £868,900]

The National Church distributes this funding for mission in communities with the lowest incomes. Funding is awarded to those dioceses which have the greatest number of people living in these communities and twenty-five dioceses receive Lowest Income Communities Funding. The funding does not go directly to parishes but to support the paid ministry in 57 parishes across the diocese. See **Annex A** for the method of distribution.

### Transitional funding

2020 is the fourth year of a ten year transition which reduces the transition funding the Diocese of Newcastle receives from the National Church. For each year of the transition the Diocese receives an annual reduction, equivalent to about £50,000 to £60,000 per annum, or a +1.0% change to Parish Share. The transition is illustrated as follows:

2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
£571K	£518K	£466K	£397K	£324K	£257K	£200K	£120K	£70K	£20K
Yr1	Yr2	Yr3	Yr4	Yr5	Yr6	Yr7	Yr8	Yr9	Yr10

### Strategic capacity funding and restructure funding

Two streams of funding are assisting the transition to new funding models from the National Church. *Strategic capacity funding* is helping to resource the fixed-term post of Transformation and Strategy Programme Manager. *Restructure funding* is helping us to develop and deliver changes to patterns of ministry including, but not limited to, new work on authorised lay ministry.

### What about other funding from the National Church?

In addition to the funding set out above the National Church will also contribute to the following activities:

#### Strategic Development Funding: Resource Church Project

As part of a £27 million pound drive to create 100 new churches the National Church awarded the diocese **£2,600,000** to establish our first Resource Church. This is our first award from Strategic Development Funding. The five year project is already underway and will help to revitalise and bring growth to the church in all parts of our diocese. The congregation of the Resource Church itself will need to raise and contribute **£844,000** over the five year period towards the project cost.

The wider diocese is expected to share some of the project cost and the total commitment from the Diocesan Board of Finance over five years is forecast to be £626,000 or 14% of the total sum (or **£125,000 per annum**). This is funded primarily through the deployment of posts at the Resource Church. To help put this into context, when the Diocese places a full-time training curate at the Resource Church or in a parish it is making an investment in the region of £61,000 per annum or approximately £244,000 over a four year curacy.

## Shaping the budget proposal

### Church Commissioners: Bishops and their working costs

The Church Commissioners:

- Pay for the Diocesan and Suffragan Bishop and the Bishop's Chaplain and administrative staff at the Bishops' offices (NB: *the Diocesan Board of Finance provides housing for the Suffragan Bishop and the Bishop's Chaplain, including Council Tax and Water Rates*).

### Cathedral working costs

The Church Commissioners:

- Pay for three clergy at the Cathedral (the Dean and two Residentiary Canons)
- The Cathedral provides housing for the Dean and the two Residentiary Canons

### What about the reductions to the numbers of stipendiary clergy posts highlighted in Bishop Christine's Presidential Address to the Diocesan Synod?

At the Diocesan Synod on 11<sup>th</sup> May Bishop Christine explained that our best estimate is that we believe we can finance 80 full-time equivalent substantive stipendiary posts and that it would take three years to reach that target. This target is currently informed on the basis of parishes agreeing to increase their contribution to Parish Share. If increases cannot be achieved the move to a smaller cohort of stipendiary clergy will need to be accelerated together with reductions to other areas, including areas of partnership working.

This consultation proposes three options and the responses will help to set out and shape the diocesan plan for the coming three years. That plan includes deployment of our ministry cohort and the discernment of core activities.

### How is all this change going to be handled alongside our day to day business?

The Bishop's Council has recognised that there is insufficient capacity to deliver the changes that are needed during the period of transition to new models of ministry and mission alongside day-to-day business. Additional capacity will be required. The National Church has recently announced funding for diocesan sustainability and we intend to apply for funding to help us with our transition to new ministry to help us to achieve the move to a substantive cohort of 80.0FTE stipendiary posts by 2022. Some of the funding to help to plan for the transition is reflected in the strategic capacity funding forecast for 2021-22.

### Why doesn't the diocese use reserves to fund the budget?

The hard fact is that the 2018 Accounts illustrate that the Board of Finance has approximately £1,200,000 of unrestricted investments and a significant shortfall on the diocesan cash reserves policy. It currently leaves no freedom to fund from reserves given the expenditure each month on clergy stipends and staff salaries.

## Options

### Options for consideration and consultation

For at least the past 18 years the budget agreed by Diocesan Synod has incorporated levels of Parish Share which have not, in the event, proved to be achievable. We recognise the difficulties faced by parishes and note that whilst efforts in recent years have reduced the overall Parish Share request, receipts have plateaued at around £4.5million and in 2019 the forecast receipt is £4.56million, a shortfall of £247,000 on the request agreed by the Diocesan Synod.

This has resulted in year-on-year deficits as expenditure has outstripped income assumptions, with negative impacts on clergy vacancies, the sustainability of our finances and morale. This cannot continue.

Bishop Christine has set out that we are at a Kairos moment in our life as a diocese. Moving to a permanent cohort of 80.0FTE stipendiary posts by December 2022 and our aim to remove vacancy periods will make a significant contribution to balancing the budget and strengthening parishes, although it would not, of itself, reduce expenditure. Yet reshaping ministry will also require investment - in both clergy and lay vocations and the impact of inflation is inescapable.

This highlights the challenges we face moving into 2020 and beyond and the importance of the widest possible engagement with this consultation to ensure that the budget presented to the Diocesan Synod in September for approval is affordable, deliverable and provides a stable basis for moving forward.

### The three options for this consultation are

**Option 1:** Is there the courage to seek to be a more generous church and to deliver a first step in our transition to new models of ministry and mission? This will cost an additional £184,000 in 2020, which would be a +3.8% increase to the amounts parishes have paid in 2019.

If this option is supported **all parishes** would need to agree to contribute towards the additional **£184,000** required to fund these activities. This **3.82%** increase for **all parishes** would enable the first step of our three year transition to new models of ministry and mission.

**Option 2:** If we feel unable to agree to support an above inflation increase are we prepared to fund the inescapable cost of inflation? If so, this would increase the contributions by +2.0% (CPI at May 2019) and would provide the Diocesan Synod with an additional £91,200.

This could only be achieved by each parish agreeing to contribute in 2020 the same amount they paid in 2019 plus 2.0% for inflation.

The consequence would be that the Diocesan Synod would either need to find new income of at least £92,800 or identify expenditure savings of the same amount. These savings would need to be implemented in early 2020.

**Option 3:** If the outcome of this consultation is that there is no realistic ability to increase the contributions from parishes in 2020 the Diocesan Synod will need to find new income of at least £184,000 or identify expenditure savings of the same amount. This would be significant and challenging and the Diocesan Synod would need to implement expenditure savings before the end of this financial year.

## Breakdown of paid ministry posts

### Overview of paid ministry posts

Paid ministry posts	2020 FTE	2019 FTE	Change
<b>Funded by the Church Commissioners</b>			
Bishop of Newcastle	1.00	1.00	0.00
Bishop of Berwick	1.00	1.00	0.00
Dean of Newcastle Cathedral	1.00	1.00	0.00
Residentiary Canons (Newcastle Cathedral)	2.00	2.00	0.00
Bishop's Chaplain and Adviser	1.00	1.00	0.00
<i>Sub total: funded by the Church Commissioners</i>	<i>6.00</i>	<i>6.00</i>	<i>0.00</i>
<b>Posts funded from Parish Share<sup>1</sup></b>			
Archdeacons	2.00	2.00	0.00
Training curates (stipendiary)	15.50	18.50	-3.00
<i>Sub total diocesan posts funded from Share</i>	<i>17.50</i>	<i>20.50</i>	<i>-3.00</i>
Alnwick Deanery	7.70	7.70	0.00
Bamburgh & Glendale Deanery	3.50	4.00	-0.50
Bellingham Deanery	3.00	3.00	0.00
Corbridge Deanery	5.90	5.90	0.00
Hexham Deanery	7.50	7.00	+0.50
Morpeth Deanery	9.20	9.70	-0.50
Norham Deanery	4.50	4.50	0.00
Bedlington Deanery	11.00	11.00	0.00
Newcastle Central Deanery	13.00	13.50	-0.50
Newcastle East Deanery	9.00	9.00	0.00
Newcastle West Deanery (see note 2)	12.00	12.50	-0.50
Tynemouth Deanery	14.00	14.00	0.00
<i>Sub total: parish posts funded from Share (see note 1)</i>	<i>100.30</i>	<i>101.80</i>	<i>-1.50</i>
<b>Posts funded by other sources (time limited)</b>			
Children & Families/Community Missioner	3.00	3.00	0.00
Interim Minister Seaton Hirst	1.00	1.00	0.00
<i>Sub total posts partly funded by other bodies</i>	<i>4.00</i>	<i>4.00</i>	<i>0.00</i>
<b>Total paid ministry posts</b>	<b>127.80</b>	<b>132.30</b>	<b>-4.50</b>

Notes:

The table sets out the allocation/deployment of paid posts at 15<sup>th</sup> July 2019.

1 Of the **100.3FTE** parish posts funded from Parish Share the proposed budget if a +3.8% increase to the forecast Parish Share receipt in 2019 is supported would fund **85.0FTE**. Therefore the budget assumes a vacancy rate of **15.25%**. The parish clergy cohort and vacancy rate excludes House for Duty and self-supporting appointments.

2 The allocation to Newcastle West of 12.00FTE includes the full-time appointment at Fenham St James & St Basil. The Dame Allan's Schools contribute circa £10,000 per annum towards the cost of the incumbent in acknowledgement of the chaplaincy provided to the School.

## Breakdown of diocesan posts

For 2020 the Board of Finance (NDBF) will have **27.56 full-time equivalent** posts across a range of activities.

Areas of work	Full-time posts	Part-time posts	2020 FTE	2019 FTE	Change
<b>funded from Parish Share</b>					
Diocesan Secretary	1	0	1.00	1.00	0.00
Finance & Accounting	2	1	2.60	2.60	0.00
Administration/Reception (see note 1)	2	2	3.70	3.70	0.00
DMPC & DAC	0	2	1.16	1.60	-0.44
Property	2	0	2.00	2.00	0.00
Safeguarding	0	3	1.33	1.33	0.00
Human Resources	0	2	0.80	0.80	0.00
Communications	1	1	1.60	1.60	0.00
Adviser in Local Evangelism	1	0	1.00	1.00	0.00
Children & Youth Team (note 2)	1	2	1.60	1.60	0.00
Continuing Ministerial Development (note 2)	0	1	0.50	0.50	0.00
Initial Ministerial Education (IME2) (note 3)	0	1	0.50	0.50	0.00
Rural Affairs (note 2)	0	1	0.30	0.30	0.00
<b>(NEW)</b> Adviser for Pioneer Ministry (note 4)	0	1	0.17	0.00	+0.17
<b>(NEW)</b> Lay Training Development (note 5)	0	1	0.60	0.00	+0.60
Vocations	0	1	0.80	1.10	-0.30
Interfaith & Ethnic Relations	0	1	0.49	0.49	0.00
Chaplain: Newcastle University (note 6)	0	1	0.50	1.00	-0.50
Caretaker (Church House)	1	0	1.00	1.00	0.00
<b>Sub total: posts funded from Parish Share</b>	<b>11</b>	<b>21</b>	<b>21.65</b>	<b>22.12</b>	<b>-0.47</b>
Discipleship & Ministry for Mission (note 7)	1		1.00	1.00	0.00
Support to Director (above) (see note 7)	0	1	0.21	0.21	0.00
Programme & Strategy Manager (see note 8)	0	1	0.80	0.80	0.00
<b>(CEASED)</b> Inspired North East (see note 9)	0	0	0.00	1.00	-1.00
<b>(NEW)</b> Rural Churches for All (see note 10)	0	1	0.60	0.00	+0.60
Chaplain: Northumbria University	1	0	1.00	1.00	0.00
Chaplain: Northumbria Police (see note 11)	0	1	0.50	0.50	0.00
<b>Sub total posts partly funded by other bodies</b>	<b>2</b>	<b>4</b>	<b>4.11</b>	<b>4.51</b>	<b>-0.40</b>
<b>fully funded from other sources</b>					
Stewardship (see note 12)	0	2	1.20	1.20	0.00
Partners (PICA) (see note 13)	0	1	0.30	0.30	0.00
Spirituality (see note 14)	0	1	0.30	0.30	0.00
<b>Sub total: posts funded from other sources</b>	<b>0</b>	<b>4</b>	<b>1.80</b>	<b>1.80</b>	<b>0.00</b>
<b>Total posts resourced through NDBF</b>	<b>13</b>	<b>29</b>	<b>27.56</b>	<b>28.43</b>	<b>-0.87</b>

### Notes to the above

- Includes reception and front office staff plus 1.0FTE support to 2 Archdeacons
- Two posts in Children & Youth; Rural and CMD are posts held by stipendiary clergy in parish posts
- A full-time post shared 50:50 with the Diocese of Durham.
- A new post added in July 2019 to support pioneer development (1 day of a 6 day working week)
- A new post to support lay development (fixed term) arising from programme for Setting God's People Free
- Newcastle University previously funded 50% of a full-time post. New post is 50% fully funded from Parish Share
- 75% funded from Restructure Funding from the National Church
- A three year post 70% Funded from the National Church Institutions through Strategic Capacity Funding
- Funding for this role ceased wef July 2019, the end of the three-year project.
- 95% funded from Heritage Lottery Funding (wef July 2019)
- Chaplaincies part-funded by the institution within which they are located
- Fully funded by Allchurches Trust
- Funded from the restricted PICA fund
- Fully funded by Lord Crewe's Trustees

We use this funding to support the cost of the paid ministry (stipendiary ministry) deployed in our most deprived parishes. We use population data together with data from the Indices of Multiple Deprivation (IMD) 2015<sup>2</sup> to help to identify parishes that will receive support from the fund. In line with 2017, 2018 and 2019 it is proposed that the incoming LICF grant for 2020-2022 be split as follows:

- **90%** to support the ministry in the parishes which fall within the 15% most deprived neighbourhoods of England using the overall IMD score; and
- **10%** to support the ministry in the parishes within the 15% most deprived neighbourhoods using a geographical measure where the population of a deanery residing in those areas exceeds 15% of the deanery population.

For 2020 the split would be as follows:

£798,911 to support ministry in 34 parishes with greatest deprivation

£88,768 to support ministry in 23 rural parishes with greatest geographical deprivation

**£887,679 Total Lowest Income Communities Funding in 2020**

The balance of the LICF grant received in the last three years but, due to vacancies in the recipient areas, was not spent is held within a designated fund. These balances are spent in the defined areas and have helped to introduce new, time limited, ministry posts which are fully or part funded from the LICF designated fund. In 2020 these additional posts will include:

- The continuation of **1** fully funded three year full-time interim stipendiary ministry at Seaton Hirst (Morpeth Deanery). NB: This is in addition to the substantive post for Seaton Hirst. (wef Sept. 2018)
- **3** part-funded<sup>3</sup> three year full-time Missioner Posts (1.0FTE in Denton, 1.0FTE in Newbiggin Hall & Cowgate and 1.0FTE in Percy Main & Balkwell).

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<sup>2</sup>[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/465791/English\\_Indices\\_of\\_Deprivation\\_2015\\_-\\_Statistical\\_Release.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/465791/English_Indices_of_Deprivation_2015_-_Statistical_Release.pdf)

<sup>3</sup> These posts are funded from the Lowest Income Communities Fund (LICF) and Restructure Funding both of which are funds provided by the National Church.