

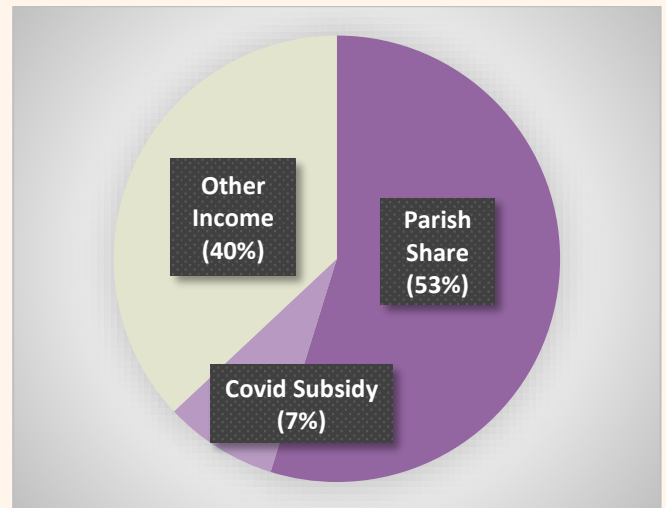
PARISH SHARE

Many people ask about Parish Share. These questions often focus on the level of Parish Share, the use of Parish Share and why parishes are asked to contribute towards it. This short note begins to address these questions.

So, let's begin with what is Parish Share?

Parish Share is the financial expression of what it means to be part of God's mission in this part of the Church of England. Every year, parishes are asked to support the cost of ministry across this wonderful diocese, a family of 236 churches in 172 parishes in 12 deaneries.

Without the financial support from Parish Share we would not be able to pay for our clergy or provide the support for mission and ministry. In 2022, Parish Share makes up 60% (or £4.5m) of total diocesan income. 53% comes directly from parishes and this is topped up with a 7% diocesan subsidy to assist parishes with ongoing financial recovery post COVID. Other income (40%) comes from grants, primarily from the national church, clergy fees (weddings and funerals), rental of property and income from investments.



What is Parish Share used for?

Essentially, Parish Share is used to further mission and ministry in each and every parish by helping to fund the cost of ministry. The cost of ministry is the expenditure needed to provide parish ministry which includes support costs, both local (diocesan) and national (wider church). It supports the ministry you receive today and the ministry the parish will receive in future from those currently in training and those in the process of discerning their future ministry. In 2022 Parish Share meets 60% of total diocesan income but all expenditure is for the benefit of parish ministry.

While some parishes are able to meet the full cost of ministry through their contribution to Parish Share, many are only able to meet some of this cost. The gap is met from either the generosity of other parishes or through the application of other income, such as Lowest Income Community Funding from the National Church.

How is Parish Share calculated?

The Newcastle Diocesan Synod, made up of elected clergy and lay representatives, is responsible for agreeing a budget. The charitable body of the Synod which manages diocesan finances is called the Newcastle Diocesan Board of Finance (*the Board*). The Board is the legal entity which must raise the income required to meet the expenditure for ministry.

Local support costs include the maintenance and upkeep of the clergy house; the training and development of clergy and lay ministry already in post and the support of those training for ministry; and funding clergy relocations when clergy move to other posts. Support also includes safeguarding, legal structures, communications and financial governance.

National support costs include the cost of training new clergy; the cost of the General Synod and the work it carries out; the Church of England's contribution to the Anglican Communion; grant funding to the Church Urban Fund; pension contributions for Mission Agencies; and contributions to provide housing for retired clergy.

The Board carries out an annual consultation with parishes across the diocese to shape a budget that it presents to the Diocesan Synod in the autumn. Following extensive consultation in 2019 and 2020 this consultation going forward aims to achieve a Parish Share Agreement, as recommended by the Parish Share Review and agreed by the Diocesan Synod. This is an agreement between one parish and all other parishes in their deanery and wider diocese about a contribution to their ministry costs.

How are Clergy Costs Calculated?

Most clergy are paid a monthly stipend which enables them to exercise ministry without needing to take on another job. In 2022, the basic monthly cost of a full-time stipend, employer's national insurance and a pension contribution is £3,273 (or £39,276 per annum). In addition, rent-free housing is provided to ensure clergy are able to live within the community they are called to serve.

Why do the Church Commissioners not pay for everything?

The Church Commissioners for England have significant funds to support the mission and ministry of the Church of England. Income they receive supports our mission here in this diocese by;

- paying the stipends for the Bishop of Newcastle, the Bishop of Berwick, the Cathedral Dean and two Cathedral Canons;
- providing the house, office accommodation and staffing costs for the Bishop of Newcastle;
- providing an annual grant to help to support ministry in our low-income communities;
- funding the majority of the costs to establish the *Resource Church at St Thomas'*; and
- meeting all clergy pension costs for those in ministry up to 1998 (meaning a good proportion of the pension received by our clergy who have already retired is funded by the Commissioners and part of the pension for those who began ministry before 1998, but are yet to retire, will be funded by the Commissioners¹);

How are diocesan posts funded?

Some posts support ministry right across the diocese. These include our Archdeacons; Chaplaincy Services; ministry formation, training and development; safeguarding; communications; the management of clergy housing and our finances. Such posts are fully-funded or part-funded from Parish Share. Other, often time-limited, posts are fully or part funded from grants. Examples of these include projects such as Rural Churches for Everyone and Generous Giving.

What happens if we cannot afford to meet our Parish Share?

If your parish is unable to meet its Parish Share then assistance is offered. This starts with a review of the parish accounts to help inform an understanding of the financial position.

- If a review recommends there are sufficient funds to meet the Parish Share request the matter is referred back to your PCC.
- If a review concludes there are insufficient funds then help will be given to agree an achievable Parish Share and support will be given to help the PCC with future financial planning.

What happens if we decide not to make our full contribution to Parish Share?

If your PCC decides not to meet its full Parish Share the overall consequence is that someone else must pay or fewer paid ministers can be appointed.

Do we still have to make our Parish Share contribution when we don't have a Vicar?

A key principle of Parish Share is Christian generosity and mutual support. All parishes experience a vacancy at some point in time and your parish will have been supported by others in your deanery and the wider diocese when you have had a Vicar and they have not. Of course, Parish Share doesn't just fund the ministry you are receiving today but it also helps to fund the training of those who will be providing the ministry in the future.

Why do we fund Church House?

Church House at North Shields is a diocesan resource. It accommodates the operational side of the Diocesan Synod alongside other organisations helping our mission and ministry (the Resources Centre, Lindisfarne College of Theology and Education Team serving Church Schools). Church House accommodates meeting and training space to facilitate learning as well as diocesan governance.

How can we grow giving at our Church?

Our [Generous Giving Team](#) is here to help you grow giving to support a sustainable future for your local mission and ministry. The Team can support you with resources and technology to help your parish develop a generous culture. Contact them on 0191 270 4155 or generousgiving@newcastle.anglican.org

¹ From 1998 the cost of providing pension is borne by each diocese making pension contributions into the Funded Clergy Pension Scheme