



THE CHURCH
OF ENGLAND

Diocese of Southwell & Nottingham

ministry costs 2022



**GROWING
DISCIPLES**

Wider Younger Deeper

HOW THE DIOCESE IS FUNDED

The Diocese works like a network or family of parishes supporting each other as together we seek to build the Kingdom of God, in part, through the Parish Share contributions they make. Parish Share is the most significant source of income to contribute towards the cost of providing ministry and mission, both today and in the future, enabling every church to play their part in 'Growing Disciples: reaching Wider, connecting Younger and growing Deeper'. The diocesan budget is set each year by Diocesan Synod and in recent years expenditure has regularly exceeded income. Ministry Costs are the costs of providing ministry in parishes, which is often different from the amount that is requested in Parish Share. This booklet is designed to help increase visibility and understanding regarding diocesan income and expenditure in our commitment to make Christ known.

By breaking costs down into three distinct headings – Direct Ministry Costs, Future Ministry Costs and Ministry Support Costs we seek to simplify the presentation of diocesan costs and provide clarity how our limited resources are invested.

Some parishes generously contribute more in Parish Share than the ministry they receive, which helps support those less able to cover their Full Ministry Cost.

For the purposes of this booklet and to help facilitate comparison across the Diocese, a standard unit of measurement is used – the Parish Share Paying Unit (PSPU). This is a single parish, or multiple parishes, overseen by an incumbent status priest (typically a Vicar, Rector, Priest in Charge or Associate Minister). In 2022 and 2021 there were 123 PSPUs.

In this Diocese, Share is allocated to parishes by each of the nine Deaneries. The financial cost of what we receive should not determine how we respond to God's generosity but it helps provide an indication of the costs of ministry.

Our Diocese is fortunate, through the generosity of those who have gone before, to have income generating assets, in the form of investments in financial investments and agricultural landholdings. The income from these assets reduces the amount of funding that is needed from Deanery Share. The composition of the Diocesan Income and Expenditure is illustrated on the next page, and Deanery Share is 60.3% of our income.

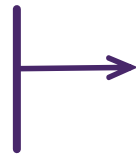
Remember this:
Whoever sows sparingly will also reap sparingly, and whoever sows generously will also reap generously. Each of you should give what you have decided in your heart to give, not reluctantly or under compulsion, for God loves a cheerful giver.

2 Corinthians 9:6-8

WHERE THE MONEY GOES

DIRECT MINISTRY COSTS (53.4%)

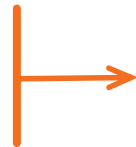
The largest part of our budget is for incumbent status stipends, National Insurance contributions, pension contributions & Apprenticeship levy. Also included are housing costs of ministers, ministry training and removal & resettlement grants and the costs for parishes in vacancy.



direct
ministry
costs

FUTURE MINISTRY COSTS (19.2%)

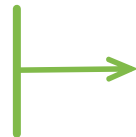
This is the curates stipend, pension & national insurance as well as their housing costs, and first appointment grants. Also included are our payments to National Church for training, the costs of the Diocesan Director of Ordinands and the financial support grants for our ordinands.



future
ministry
costs

MINISTRY SUPPORT COSTS (27.4%)

Costs of our primary focus towards supporting ministry including Safeguarding, School of Discipleship, children & youth, sector chaplaincies, church schools, Registry, social & community engagement, Finance and governance.



ministry
support
costs

WHERE THE MONEY COMES FROM

DEANERY SHARE (60.3%)

The Diocese allocates the Deanery share by an agreed formula which takes into account both the number of ministers and the number of people attending churches in the deanery. The leadership of each deanery working closely with its benefices and parishes allocates all its share to the parishes. Deanery share is used to meet all the diocesan costs most of which occur at the same rate per month. Parishes are asked to pay the amount they have been requested monthly by standing order.



Deanery
share

CHURCH COMMISSIONERS (24.0%)

The Church Commissioners pay for the bishops' stipends, their office and working costs, most cathedral stipends and grants to cathedrals. These costs are NOT included in the Diocesan budget. The Church Commissioners provide direct support to Dioceses through a number of funding streams. Lowest Income Communities Funding (LInC) is received to support mission in communities with the lowest incomes. This assists approximately two thirds of all dioceses and we receive £1.3 million. Following successful bids we receive time-limited support for specific focused costs on agreed programmes of investment, which work towards the fulfilment of our vision, from the Strategic Development Fund. New time-limited investment, Strategic Ministry Funding, commenced in 2020 to pay for 90% of the direct costs of additional numbers of curates in training.



Church
Commissioners

RETURNS ON INVESTMENTS (11.1%)

The diocese earns income from its historic investments. Investment is split between property in the form of agricultural land and commercial property and direct financial investments in bonds and equities. Annually we receive rents and dividend income.



Returns on
investments

OTHER INCOME (4.6%)

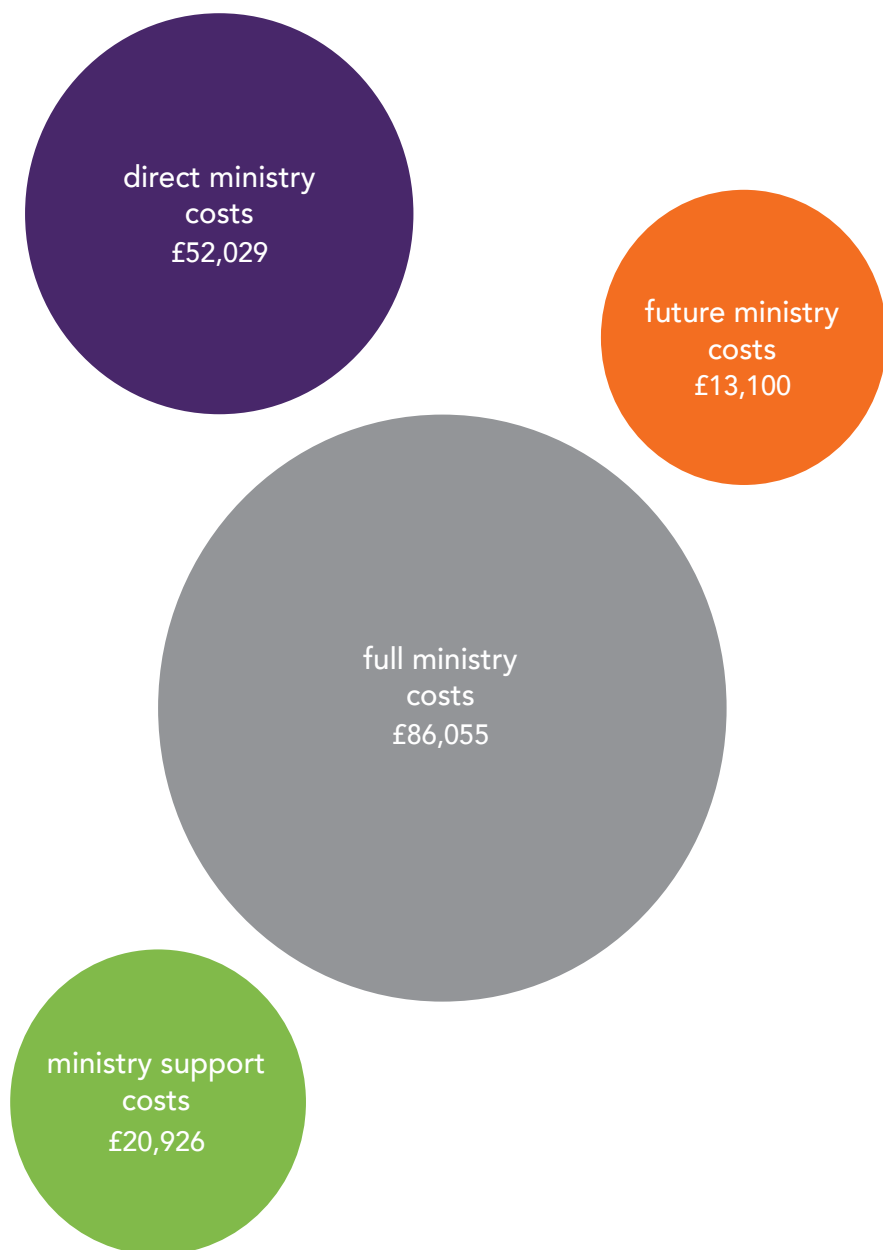
This includes parochial fees, chaplaincy and other income. Parochial fee income is the amount that is payable towards the stipend of incumbents from the fees for services such as weddings and funerals. We receive some contributions from other sources as well.



Other income

WHAT MAKES UP MINISTRY COSTS?

All amounts are the annual cost



DIRECT MINISTRY COSTS

STIPEND – a stipend is distinguished from a salary, in that it is the amount paid to clergy so that they do not need to seek other paid employment to meet basic living costs.

HOUSING – for parochial posts, housing is provided to enable clergy to be resident in the benefice where their ministry is located ‘for the better performance of their duties’. Houses are regularly maintained and the cost of Council Tax and water rates met.

PENSION CONTRIBUTION – clergy pensions are regarded as ‘deferred stipend’ for those who have committed their life to serving in the Church of England.

EMPLOYERS NATIONAL INSURANCE – although clergy are office holders, and not employees, the Diocese is required to make National Insurance contributions in respect of stipends.

CONTINUING MINISTERIAL DEVELOPMENT – after ordination individual clergy continue to deepen their faith through study. It is important that clergy are affirmed and encouraged in their ministry and a range of support processes and resources exists to be used at appropriate times.



FUTURE MINISTRY COSTS

The Diocese incurs costs in discerning vocations, training ordinands and curates as we seek to ensure the provision of future ministry. Future stipendiary incumbent status appointments are dependent upon a pipeline of ordinands and curates. Many recent incumbent status appointments have come from clergy who have served curacies within the Diocese so these costs are shared across the Diocese.



ORDINANDS – selection is a journey of discovery for those sensing God may be calling them to ordained ministry. Resources are committed to supporting those exploring vocations and for ordinands in training. Ordinands receive support with tuition fees, living costs, study and travel costs.

CURATES – stipend, pension, housing and training costs.

MINISTRY SUPPORT COSTS

Centrally, based at Jubilee House in Southwell, we enable, resource and support parishes as they seek to 'Grow Disciples: Wider Younger Deeper'



SUPPORTING PARISHES – Includes supporting parishes with generous giving, Gift Aid claims, faculty applications, Finance, Registry and the costs of Jubilee House. Each Deanery has a part time Administrator.

SAFEGUARDING – The welfare of children, young people and vulnerable adults is an absolute priority for the Diocese and demonstrates our requirement for safety and security in our churches where abuse and mistreatment is not tolerated. We support Parish Safeguarding Officers in implementing the House of Bishops' policy and guidelines.

DISCIPLESHIP AND MINISTRY – We equip all of God's people to grow deeper in their discipleship, reach out to their communities with the gospel through church growth and planting, and enable young people to be a dynamic part of our churches through the Younger Leadership College and Youth & Children's leads.

EDUCATION – We have 73 church schools and academies across our Diocese. We offer a wide range of professional, pastoral and spiritual support to all our school communities. The Diocese also pays for chaplaincy in our church secondary schools and in both of the Universities.

PARTNERSHIP AND MISSION – We resource, equip and support parishes to engage with their local communities as part of their discipleship journeys through long term partnerships with Citizens UK, Refugee Roots and Transforming Notts Together. Oversight of non-education sector (including workplace) chaplaincy, leading the diocesan response to the national 2030 net zero carbon target (Caring for Creation) and advocating in the areas of housing need and refugees/asylum seekers.

GOVERNANCE AND COMMUNICATIONS – A Church of England Diocese, registered charity and company limited by guarantee brings certain governance obligations that are led by the Chief Executive's office and includes costs of Bishop's Council and Diocesan Synod (as the Trustee body).

NATIONAL CHURCH – The Diocese is required to contribute to the National Church operating costs, as well as the Retired Clergy housing scheme, overseas pension contributions and other National Grants and Provisions.



GROWING DISCIPLES

Wider Younger Deeper

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