

**Diocese of Oxford**

**Parish Share Scheme – Review 2021/22**

**Report of recommendations from the Parish Share Review Group**

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## INTRODUCTION

I feel very privileged to have chaired this group, who have pooled much experience of Parish Share allocation methodology and huge knowledge of the workings of the church in its varying contexts, together with valuable knowledge from outside the church. From the beginning, the group was clear that an open, transparent methodology was needed – no fudges or compromises acceptable!

We inherited Core Principles from previous Parish Share scheme and agreed that these principles are still relevant and appropriate. We added Operating Principles, to show how the Core Principles are to be used in practice. The feedback from the consultation, received from 202 people, was very helpful, as it showed which aspects of the current Parish Share Scheme are liked and which are really not – so although everything was examined, the aspects which received greater challenge in the feedback were considered more critically. We are grateful to everyone who took the time to respond to the consultation.

It was recognised that Parish Share collection rates in Oxford Diocese compare very favourably with those of other dioceses, and so the system is not broken. However, this is not a reason to sit back and ignore challenge, and I hope that this report shows that challenges received have been taken seriously.

This report is split in to three sections – an introduction and backdrop to the proposed revised Parish Share scheme, changes to the formula for Parish Share allocation, changes to the non-formulaic elements and administration of the scheme - and two appendices, showing the impact of the proposed changes on the allocation of Parish Share and the Oxford Diocesan Board of Finance budget. It is proposed that the revised system will come in to effect from 1 January 2023.

We are aware that the financial strength of the Parish Share, and thus the ability to finance the mission of our Lord in the Diocese of Oxford, is due to the hard work and commitment of many people in our deaneries and parishes. We are grateful to God for those people, their work and commitment, and offer our sincere thanks to each of them.

I should like to thank the members of the group, Rt Rev Gavin Collins, Sir Hector Sants, Sir Andrew Dilnot, The Venerable Guy Elsmore, Rev Miri Keen and Mark Burton, for their work forming, expressing, critiquing, and weighing views and concepts. I would also like to thank ODBF staff members Jackie Meek, John Orridge, Mark Humphriss and Liz Holloway for the massive amount of support we have received in this process.

Finally, nothing we could ever produce would make everyone happy. We know this. There will be 'winners' and 'losers', and some will disagree with some concepts. But we hope we are proposing a robust, clear, transparent methodology that makes sense to most – and can, perhaps, be considered 'fair'.

Julie Dziegiel

## 1. Theological Foundation

### The earth is the Lord's, and everything in it

#### Psalm 24 v1

Only, live your life in a manner worthy of the gospel of Christ, so that, whether I come and see you or am absent and hear about you, I will know that you are standing firm in one spirit, striving side by side with one mind for the faith of the gospel.

If then there is any encouragement in Christ, any consolation from love, any sharing in the Spirit, any compassion and sympathy, make my joy complete: be of the same mind, having the same love, being in full accord and of one mind. Do nothing from selfish ambition or conceit, but in humility regard others as better than yourselves.

#### Philippians 1:27&2:1-3

Why should we give our money to pay for the ministry of another church? This question is one we have all asked at some point. No matter the size of our church, money is always a struggle because, whatever our income, it can feel that there is never enough to do everything we want to do in our local community.

God's love for the world is all encompassing so it makes sense to us that all our income as a church can easily be spent by us on our local mission and yet we'd still only be scratching the surface of the work that we could or should be doing. So, quite logically, we end up asking ourselves "Why would we commit to the Parish Share if there is still so much left undone in our own community?"

But St Paul challenges such an insular view in this passage from Philippians about the unity of faith. He says that the only way to fight the good fight is to stand together, shoulder to shoulder and in full accord.

As Christians we live as part of the one, holy, catholic, and apostolic church with each local parish a part of the greater whole, a single member of the one Body of Christ. In the same way, our ministry in our own local parishes is a part of the wider ministry of the church, the mission of God in the world.

Therefore, mutual support is so important, it is an acknowledgement that our ministry is carried out not in isolation. It's not something done next to or beside those around us, but something performed in absolute communion with them, as part of a single whole. Just as the church is one with many parts, so our mission is one whole with many parts. These parts, the parishes, together make up the single ministry of God's church in this Diocese, working, in the words of St Paul, with *'the same love, being in full accord and of one mind.'* In other words, the ministry of the churches around us is not just similar work that other churches are doing but is our church's mission being lived out beyond the borders of our parish.

Once we realise this, we can see the Parish Share not as a burden but as an essential part of our missional budgeting. As well as funding the ministry costs within our parish, Parish Share acknowledges that the work we do in our parish is only a part of the mission of God's church, and it is a commitment to ensure that the work of the church of which we are a part, the Body of Christ, reaches into every community.

## 2. Consultation Responses

All interested parties were invited, via eNews, to complete the Parish Share Review survey. A further reminder was sent to all parish and deanery treasurers via the December newsletter from the finance team.

Two questions were asked: -

Which aspects of the existing diocesan system of allocating Parish Share need reviewing?

Which aspects of the existing diocesan system of allocating Parish Share do we need to hold on to?

There were 202 responses to the survey.

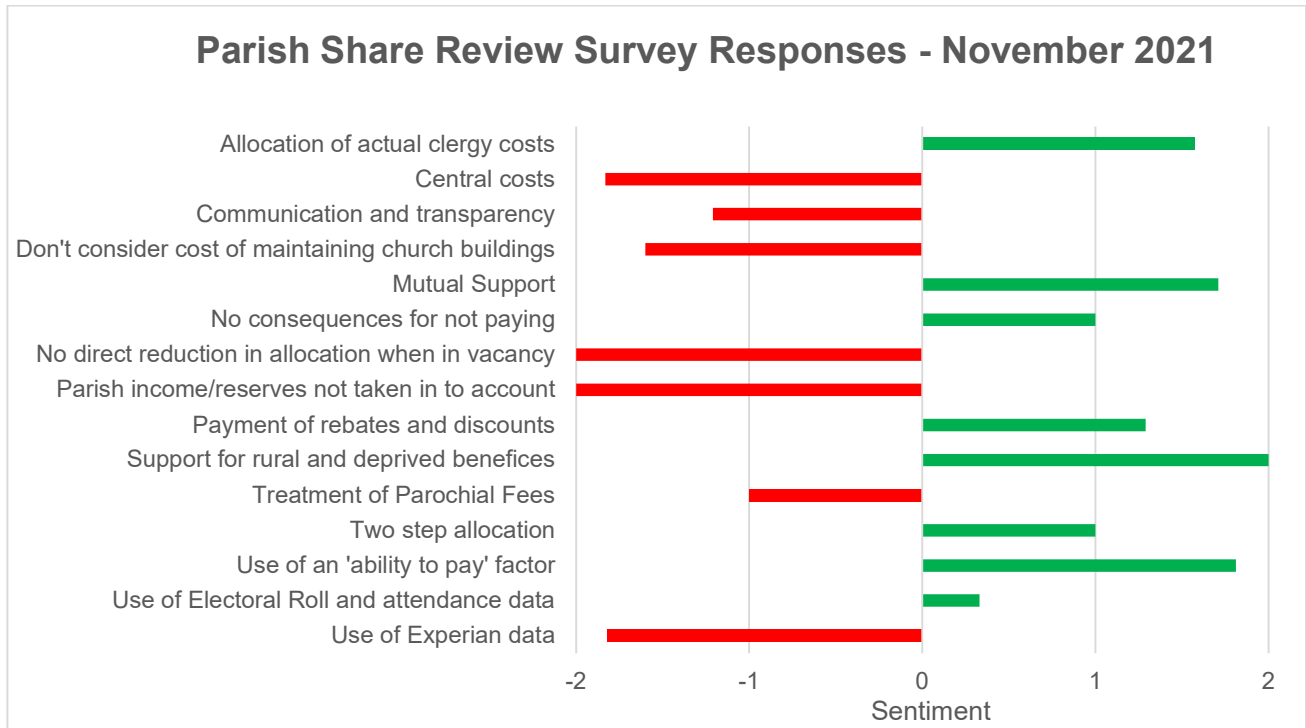
### Methodology

15 common themes were identified amongst the survey responses. The sentiment attached to these themes was then rated from -2 (strongly negative) to +2 (strongly positive) for each response. The average sentiment score for each theme was then plotted on the bar chart below.

### Key findings

- Elements of the share scheme that were mentioned with a strongly positive sentiment were allocation of actual clergy costs, the principal of mutual support, additional support for rural and deprived benefices (particularly rural) and applying an 'ability to pay' factor (although note the negative sentiment towards the use of Experian data).
- Elements of the share scheme that were mentioned with a strongly negative sentiment were the fact that the cost of maintaining multiple church buildings is not taken into account in the share scheme, there is no reduction in parish share allocation when a parish is in vacancy, parish income and reserves is not taken into account in calculating parish share allocation and the use of Experian data/Experian Community Profile Score in the 'ability to pay' calculation.
- Concern was expressed about the poor communication and lack of transparency in how the parish share is allocated and in how it is spent. Several responses confirmed instances of misunderstanding/lack of knowledge of the existing diocesan system of allocating parish share.
- Whilst 'central costs' is not a direct mechanism of the share scheme it was a commonly mentioned theme and often at great length, with negative sentiment. Such concerns are outside the scope of this report.

Survey responses



-2 = strongly negative / -1 = negative / 0 = neutral / 1 = positive / 2 = strongly positive

These common themes were also noted in feedback from participants in the Autumnal Financial Briefings and additional written feedback received separately. Additional comments from some of our rural parishes regarding affordability and sustainability were also noted by the group.

### **3. Core and Operating Principles of the Diocese of Oxford Parish Share scheme**

The core principles underpin the system and every aspect within it and have been retained from the existing methodology. The proposed, newly drafted, operating principles are there to assist deaneries and ODBF staff in applying the Core principles.

#### **a. Core Principles**

1. Must be fair and seen to be fair.
2. Should reflect the ability to pay.
3. Should not immediately penalise growth.
4. Should be administered as a partnership between diocese and deanery.
5. Should be based on generous and gracious giving plus mutual support.
6. Should be easily communicated.
7. Should be a formula-based system.

#### **b. Operating Principles**

1. The diocese will allocate parish share to deaneries. Allocation of parish share within a deanery shall be the responsibility of the Deanery Synod, but if any deanery is unable to agree an alternative allocation methodology, the diocesan formula will be applied to allocate the parish share to the parishes within that deanery.
2. The diocese will allocate to deaneries full costs within the Parish Share. The cost categories within the Parish Share allocations will be the same as those used in the Diocesan Budget, to ensure clarity about the use of the funds requested in the Parish Share allocations.
3. The allocations from diocese to deaneries shall include the cost of ministry in each deanery, and also take account of the ability of each deanery to pay and to offer mutual support.
4. In addition, the allocation shall take account of previous years' allocations to moderate significant movement in allocation year on year (apart from agreed alterations to ministry posts).
5. Deaneries shall fully allocate their allocation of share to identifiable revenue sources. This shall include the parishes/benefices within the deanery as well as the deanery itself, if the deanery has sufficient of its own funds to pay a proportion of the Parish Share.
6. The default minimum position shall be that the parish share allocation to any parish/benefice should cover the costs of ministry provided. However, a deanery may also choose to adopt an allocation methodology to recognise the necessity of mutual support

between parishes, where one or more parish/benefice is significantly less able to cover the cost of ministry.

7. The Parish Share allocation from diocese to deaneries, together with an explanation on the method of diocesan allocation, to be published annually on the Diocese of Oxford website.
8. The diocese will publish monthly statements of parish share allocation and contributions received, by parish/benefice, on the Diocese of Oxford website.
9. Shortfalls in contributions shall be initially addressed by the deanery and, if necessary, resolved in a joint process between diocese and deanery.

These Operating Principles are to give clarity and understanding around the Diocese of Oxford Parish Share allocation scheme and will be subject to annual review.

## FORMLUA CHANGES

### 4. Allocation of Costs of Ministry

#### Existing scheme

Stipendiary and House for Duty clergy costs are directly charged to each deanery based on budgeted cost. Stipendiary costs include stipend, national insurance and employer pension contributions. House for Duty posts are costed at £13,500 based on the Diocesan Housing Allowance. The difference between £13,500 and the Diocesan budgeted average cost of housing is reimbursed through the share scheme as an 'Opportunity Cost of House for Duty'.

Housing Costs are allocated based on a Diocesan average, not calculated based on location.

#### Group Reflection

The Group felt that the existing methodology of allocation of the stipendiary costs was fair and transparent, in accordance with the agreed core principles of the scheme. It was felt that it would be more transparent if the cost of a house for duty post was in line with the cost of housing for a stipendiary post, with no subsequent requirement to reimburse any difference through a further mechanism within the share scheme.

#### Proposal

The budgeted cost of a stipendiary post, including on-costs and housing, will continue to be allocated on an actual basis. The cost of a house for duty minister will be set at the same amount as the budgeted cost of housing for a stipendiary post. The cost per minister should be more closely aligned to the Diocesan budget structure to aid with consistent presentation.

### 5. Allocation of Training Costs

#### Existing scheme

These are currently categorised as 'Church of the Future costs' and are allocated based on an 'ability to pay' factor. This takes into account an Experian derived Community Profile Score and the Electoral Roll and Average October Sunday Attendance.

#### Group Reflection

The Group felt that as all categories of ministry, both lay and ordained, benefitted from training and continuing professional development, it would be appropriate for training costs to be allocated based on local ministry provision. This would more accurately and fairly recognise the true cost of all ministry training, and that training is an integral cost of our ministers.

#### Proposal

Budgeted training costs to be allocated based on the relative proportion of the full-time equivalents of each stipendiary, house for duty, locally supported, self-supporting and licensed lay ministers.

Full-time equivalents (FTE) to be based on: -

Stipendiary: actual FTE

House for Duty: each post included at 0.4 FTE



Locally Supported: actual FTE

Self-Supporting Ministers: each post included at 0.4 FTE

Licensed Lay Ministers: each post included at 0.05 FTE. This is a proxy indicator of the fact that LLM training is a fraction of the cost of clergy training. As we move towards the external provision of LLM training, this proportion may change.

## **6. Allocation of Support Costs**

### **Existing scheme**

Support Costs are currently allocated based on the relativity of an 'ability to pay' factor for each deanery. This takes into account an Experian derived Community Profile Score and the Electoral Roll and Average Sunday Attendance.

Electoral Roll: data taken from Statistics for Mission return. Last 4 years average taken.

Attendance: data taken from Statistics for Mission return. Take the 4 years average of the middle 2 values of the October Sunday Attendance. Some manual adjustment is made where only 1 or 2 services a month.

Community Profile Score: The CPS is a measure of ability to pay derived by Experian using their Mosaic Public Sector data mapped to our Parish boundaries. Within the dataset each household is allocated a category by Experian based on its socio-economic data. Experian determined a 'likelihood to contribute' weighting by each category based on several features including household income, property value, religion, willingness to donate to charity. This gives a relative score rather than an absolute score.

### **Group Reflection**

The Group noted the strong positivity towards an ability to pay factor being considered in the parish share allocation.

It was agreed that the use of attendance and Electoral Roll as a measure of an ability to pay was still valid. Concerns around the disincentive that this can bring to parishes in seeking missional growth were discussed but the group felt that generally parishes would see that with missional growth comes greater financial sustainability.

The use of attendance data brings difficulties following covid, but it was felt that this was still a valid measure. As the Statistics for Mission return is used in the underlying data for Parish Share allocation, we are restricted to the data that is collected by National Church. The Group suggests that the revised share scheme uses average October weekly attendance instead of average October Sunday attendance to reflect changes in patterns of church attendance. The attendance measure to be used to be kept actively under review in the future as data collection by National Church changes.

A change in using an 'average' of multiple years data was considered. Whilst it avoids year on year swings on data, it was acknowledged that the use of an average does not immediately penalise growth but is in effect a tax on decline. It was felt that a 4-year average was a reasonable time frame to reflect the impact on finances of significant changes in size in church membership. In line with methodology used in other Dioceses, the 2019 data will be repeated instead of using 2020

data (which was impacted by the COVID-19 pandemic) for the purposes of calculating a 4-year average.

As the survey responses indicate, there is doubt around the use of the Experian Community Profile Score. The use of Parish Income and Reserves was dismissed due to the differences in categorisation of restricted and unrestricted income and reserves between PCCs. It was felt that it was better for this to be considered at deanery level allocation based on local knowledge and to encourage mutual support.

An alternative measure to Experian would be to use the 2019 Index of Multiple Deprivation. This index is publicly available and is mapped to parish boundaries (which is regularly updated) by National Church. The index by parish is publicly available on the Church of England website, both in spreadsheet and mapped format, and is therefore transparent and accessible to all. The use of both the full index and just the income domain was considered with the decision made that the income domain would be most appropriate in this context. The income domain is an index of financial deprivation using 'receipt of benefits' as a proxy to highlight areas of low income. The index at parish level is combined to deanery level using population as a weighting factor.

The Group noted concerns that the people attending church does not always reflect the local population, but by also considering attendance and electoral roll data, the allocation will take into account active church membership.

The Group noted that whilst the basis for the IMD is to highlight deprived areas and indicate where the government needs to spend money, our use of it emphasises the fellowship and mutual support principle of wealthier areas enabling and subsidizing ministry in areas of deprivation.

### **Proposal**

Budgeted Support Costs will continue to be allocated on an 'ability to pay' measure. This will take into account: -

- a. Electoral Roll – 4-year average
- b. Average October Weekly Attendance – 4-year average
- c. Index of Multiple Deprivation (IMD) Income Domain at parish level

## **7. Allocation of savings from posts in vacancy**

### **Existing scheme**

The savings from vacancies aggregated across the diocese as a whole are currently included within the support costs element of the Parish Share allocation.

### **Group Reflection**

For the purpose of transparency, the group felt that the budgeted savings from vacancies should be removed from within support costs and included within the costs of ministry. There will be a consequential rise in the support costs element.

### **Proposal**

Budgeted savings from posts in vacancy to be allocated in accordance with stipendiary minister FTEs.

## 8. Reimbursement of Statutory Parochial Fees

### Existing scheme

Parochial fees are currently reimbursed through the share scheme, up to 2 years after receipt. i.e., 2019 fees received are reimbursed through the 2021 share allocation. Actual fees received are returned to each deanery who then decide how to allocate.

### Group Reflection

The Group acknowledged the work involved for deanery treasurers in the reimbursement of parochial fees through the Parish Share scheme. It was felt that a more timely and straightforward method of reimbursement was appropriate that would also address the problem of swings in parish share allocation brought on by changes in fee income particularly when a parish is in vacancy.

### Proposal

A reimbursement of the budgeted Oxford Diocesan Board of Finance proportion of statutory Parochial Fees will be reimbursed through the Parish Share allocation in accordance with Ministry full-time equivalents (stipendiary and house for duty posts only)

## 9. Distribution of Glebe Investment Income

### Existing scheme

£1.8m of glebe investment income is distributed to support our rural and deprived benefices, in deaneries identified as 'rural' or 'deprived' by their archdeacon. An additional (reducing) amount (£120,000 in 2022) is distributed to the 5 deaneries within the Oxford to Cambridge Arc. The balance of the budgeted Glebe Investment income is distributed through the Parish Share scheme in accordance with the cost of stipendiary ministers in each deanery.

The criteria for allocating rural allowance are: -

- Where the number of churches in the benefice is 4 or more (£630,000 total allowance)
- Where the number on the Electoral Roll is less than 40 (£135,000 total allowance)
- Where the ratio of Ministry cover to church is less than 0.4FTE (£135,000 total allowance)

The criteria for allocation deprivation allowance are: -

- Where the average Index of Multiple Deprivation score (with Experian weightings applied) per household of greater than 0.82.

The amount of allowance given is determined by: -

- the relative average IMD score per household (£630,000 total allowance)
- ratio of ministry cover to number of churches (£90,000 total allowance)
- relative size of electoral roll (subject to a maximum number on roll of 100) (£180,000)

### Group Reflection

The Group felt that large populations in relative poverty as well as parishes in areas of low population, with low clergy resources, should be supported. The Group had in mind also that not all rural parishes are wealthy and that there are areas of deprivation in our rural communities. It was agreed the Parish Share scheme should support our church communities, irrespective of whether they are defined as rural or urban. The Group agreed that the costs of maintenance of

our church buildings and the challenges faced by sparse clergy resource should be considered within the allowance.

### **Proposal**

£1.8m of glebe investment income will continue to be specifically distributed to support church communities where it is needed. An additional amount of £80,000 in 2023, reducing to zero by 2025, will be distributed to the 5 deaneries within the Oxford to Cambridge Arc. The balance of the budgeted Glebe Investment income will be distributed through the parish share scheme in accordance with the cost of stipendiary ministers in each deanery.

### Community Support Allowance

The mechanism for distributing £1.8m of the glebe investment income will be: -

- The minister to church ratio (Stipend, HfD and LSP) within a benefice is less than 0.33FTE. This gives support where ministry cover is thinly spread across a benefice with the equivalent of 1 full time minister to 4 churches (£550,000 total allowance).
- The population per church within a benefice is less than 1,000. This gives support to small populations across a benefice for the maintenance of church buildings (£450,000 total allowance).
- The IMD score weighted by population across a benefice is greater than 13.5. This gives support to benefices in relatively deprived areas across the Diocese (£800,000 total allowance).

## **10. Diocesan Support**

### **Group Reflection**

Concern was expressed after the spring financial consultation at the reduction in mutual support within the Parish Share scheme following the change in methodology for allocation of training costs. A core principle of the parish share scheme is mutual support and whilst the group acknowledge that this is commonly a feature of local deanery parish share allocation systems, it was felt that a greater level of mutual support should be included within the diocesan scheme.

### **Proposal**

To include an element of diocesan support (£100,000) which will come from future total return income which will be shared between the 5 most deprived deaneries in the diocese, as determined by the 2019 Index of Multiple Deprivation, in proportion to their relative deprivation, to support their parish share allocation.

## ADMINISTRATIVE CHANGES

### 11. Support for parishes in vacancy

#### Group Reflection

The Group felt that not giving a reduction in the expectation of parish share contribution when a post was in vacancy seemed anomalous but were mindful that the impact of an interregnum on a parish will vary considerably. Any decision to reduce the expected Parish Share contribution when a parish is in vacancy will require the overall Parish Share requirement to go up.

#### Proposal

To introduce a new support mechanism in the revised Parish Share scheme which recognises the need to reduce the expectation of Parish Share contribution during vacancy periods, given the potential for income to be affected. The support applies for each full month of a relevant vacancy and is applied directly to the Parish. Support will be given on a pro rata basis for parishes with more than one minister post.

Whilst a parish is in vacancy there will be a 10% reduction in the expectation of parish share to be contributed. For example, a parish contributing by direct debit will have their monthly direct debit collection amount reduced by 10% during the period of vacancy. For parishes who do not contribute by direct debit, their expected contribution will be reduced in proportion to the length of vacancy (10% of 1/12<sup>th</sup> of allocation x number of months in vacancy) for the purposes of calculating any rebate due at year end.

### 12. Parish Share Discounts

#### Existing scheme

Parishes are offered a 1% discount if they contribute their full allocation in monthly instalments by direct debit. Parishes are also offered a 1% discount on their allocation if they contribute in full, in advance, by 31<sup>st</sup> January. In 2021 and 2022, during the covid-19 pandemic, a 0.5% discount is also offered to parishes who do not feel able to commit to contributing their full allocation but continue to make a reduced monthly contribution by direct debit.

#### Group Reflection

The discount acknowledges the cash flow certainty and the administrative efficiencies afforded by direct debit payments and this is still valid. A comparison with the level of discount offered by other dioceses, if any, confirmed that 1% was a reasonable discount to offer.

#### Proposal

No change proposed. The temporary 0.5% discount offer during the covid-19 pandemic will be discontinued from 2023.

### 13. Parish Share deanery rebates

#### Existing scheme

A 1% rebate is given to deaneries who contribute 20% of their allocation by the end of March and 50% by the end of June (July in 2021 and 2022). Plus, an additional 2% rebate is given to those deaneries who contribute their full allocation by end of November (December in 2021 and 2022).

**Group Reflection**

It was acknowledged that the deanery rebate works well and is a good incentive and used constructively by some deaneries, and at their discretion, to encourage mutual support. Concern was expressed at the effective 'cliff edge' of the current system and that we should look to incentivise parishes by giving a rebate to deaneries in respect of parishes who contribute their full allocation, even if the deanery as a whole doesn't.

The group were concerned that any additional incentive would come at an additional cost that would increase the overall parish share requirement but also that any reduction in total % rebate payable would penalise those deaneries who have consistently met their full allocation and received a 3% rebate in the past. The group acknowledged that the proposed change increases the number of parishes who will benefit from a rebate.

**Proposal**

A rebate of 1% of share allocation will be given to deaneries who contribute 20% of their allocation by the end of March and 50% of their allocation by the end of June each year. There will be an additional 1% rebate given to deaneries who contribute 100% of their allocation by the end of December each year.

A further 0.5% of allocation will be given where a parish contributes their full allocation by the end of December each year. Such rebate will be given to deaneries for them to distribute as appropriate. Total rebate available to deaneries will be 2.5% of parish share allocation.

**14. Transitional Allowances****Existing scheme**

The capping mechanism of a 'floor and ceiling' is agreed on an annual basis and limits the movement in allocation for each deanery year on year. The capping mechanism was previously set at -1% and +4% but during the period of the covid-19 pandemic the floor has been set at -1% and a ceiling of 0%.

**Group Reflection**

It is there to protect against significant volatility in allocation and allow a level of year-on-year certainty at deanery level. The Group noted that a transitional allowance is particularly valued at a time of change in method of parish share allocation.

**Proposal**

The capping mechanism to remain in place with the levels of such mechanism to be agreed annually by the ODBF Finance Committee, following deanery consultation and taking account of the prevailing financial climate.

**15. Annual Parish Share Allocation Process Timeline**

No change to the existing annual timeline of the Parish Share allocation process is proposed.

**March/April** – 1<sup>st</sup> draft of the following year's budget discussed by ODBF Finance Committee. Budget parameters are shared with Deanery officers at the Spring Financial Consultation. 1<sup>st</sup> draft of the following year's Parish Share allocation shared with ODBF Finance Committee.

**May** – draft budget and parish share allocation debated at Bishop's Council. Amendments made where required.

**June** – draft budget and parish share allocation agreed by Diocesan Synod.

**June/July** – draft parish share allocation and supporting data sent to deanery officers.

**July – August** – Parish Share Officer liaises with Archdeacons and Deanery officers on clergy deployment numbers for the final Parish Share Allocation model. Share model is amended accordingly, together with budget.

**September - November** – final budget and parish share allocation shared and agreed by ODBF Finance Committee, Bishop's Council and Diocesan Synod.

**September – December** – Share Allocations at Parish level agreed by each deanery synod. Final share allocation to parishes confirmed by deanery officers to diocese.

## **16. Parish Share Allocation Appeals Process**

**The following process is proposed where a parish or benefice wishes to appeal against its allocation of parish share.**

It remains crucial that the process should begin with a dialogue within the deanery to try to resolve the matter locally, if possible. The following process should be used only after such methods have been unsuccessful in resolving the issue.

### **Parish or benefice appeal against allocation by the deanery**

#### *First stage – local level*

Deaneries will be advised of their draft Share allocation in June/July each year. As a reasonable timescale, deaneries are encouraged to complete Share allocations by the beginning of November and confirm the final allocations to parishes after the final Share allocation has been approved at November Diocesan Synod.

If a parish wishes to appeal against their deanery allocation, an appeal should be made within one month of receipt of their allocation and should aim to reach a solution by the end of December. Deaneries are requested to return their allocations to the Diocese by the end of December to enable direct debit collections to start in January, and if a parish is appealing against its allocation this must be known before the Diocese starts to collect the direct debit.

A collaborative approach to Share appeals is recommended. Initial concerns by a parish with their share allocation, on whatever grounds, should be discussed by the Deanery Standing Committee. Initially this is an informal discussion, with the parish officers given the opportunity to express their concerns with their allocation and their specific circumstances. The wider context of the parish's financial situation should be provided by support from churchwardens and clergy, in addition to the parish treasurer.

If a resolution is not proposed by the Deanery Standing committee or a proposed resolution is not acceptable to the parish, then the local Archdeacon (or the Associate/Assistant Archdeacon) with the support of a member of the ODBF finance team, should be involved to advise further.

If, after Archdeacon's advice has been received, there remain unresolved issues, a more formal appeals process should begin.

#### *Second stage – Diocesan level*

If the appeal remains unresolved after intervention by the Archdeacon or the Associate/Assistant Archdeacon, the appeal will be heard by a group approved by the Appointments Committee comprising the Chair or Vice Chair of the Board of Finance, the Director of Finance, a Lay Chair and a Deanery Treasurer from other deaneries and an Archdeacon or Associate/Assistant Archdeacon from another archdeaconry. If required, other experienced officers from another deanery may be invited to advise the parish or benefice appealing. There is wide expertise of different Share allocation methods, and the communication of Share allocations available, and it may be that listening to problems and talking with representatives of Parishes and/or Deaneries and suggesting different allocation methods may resolve the issues.



Ultimately the goal should be for the deanery to achieve full payment of share, and this may require reallocation of share within the deanery. If this is not achievable, then the deanery should submit a plan on how they will achieve full payment, over an agreed period, to the Diocesan Finance Committee for approval.

#### **Deanery to Diocese share allocation appeal**

The diocese allocate parish share to deaneries by an allocation process that is a clear formula approved by Bishop's Council and Diocesan Synod.

If there has been a technical error in the application of the approved allocation process, the deanery may make an appeal to the ODBF Finance Committee to have it amended. Such appeal must be made before the end of July, after the draft allocation has been circulated to deanery officers in June. This will allow for any necessary adjustment to be made at the same time as changes in minister numbers are processed.

The deanery may seek support from the Diocese in looking at Share allocation methods with a view to revising them, help in communication of the Share allocations to the parishes and also help in communication of stewardship and generous giving support.

Ultimately the goal should be for the deanery to achieve full payment of Share. If this is not achievable, then the deanery should submit a plan on how they will achieve full payment, over an agreed period, to the ODBF Finance Committee for approval.

## **17. Treatment of unpaid Parish Share/monthly reporting**

### **Proposed Monthly Parish Share reports**

The monthly statements of Parish Share receipts are a key monitoring tool within ODBF and at both deanery and parish level. It was felt that the existing method of 'writing-off' unpaid allocation did not encourage positive behaviour towards the Parish Share scheme, and it was suggested that balances from the previous 3 years should be recorded so that it will be possible to see trends in sustainability and affordability over time.

There were strong concerns expressed about this proposal following the spring financial consultation with the concern being that it could be de-motivating for parishes.

The group agreed that an additional 2 columns will be included in the monthly statements of Parish Share receipts showing the unpaid balance from just the previous year and any contributions made specifically towards the prior year balance. Unless informed otherwise, payments received will be allocated to the current year allocation first.

The last 3 years' statements of parish share receipts will be published on the Diocese of Oxford website so that they can be easily referred to.

### **Process for struggling parishes**

Currently where a parish consistently struggles to meet their full parish share allocation but have an objective and intention to meet this allocation in the future, the finance team will work with the PCC and the deanery to come up with a 1-5 year financial plan. The PCC will also be encouraged to engage in discussion with the diocesan generous giving advisor.