Autumn Briefing

2027 Budget update





DIOCESE of OXFORD

Summary Budget

	2026 Budget Post DFR	2026 Forecast	2027 Initial Budget	2027 Final Budget	2028 Forecast	2029 Forecast	2030 Forecast	2031 Forecast
	Net £'000	Net £'000	Net £'000	Net £'000	Net £'000	Net £'000	Net £'000	Net £'000
Total Parochial Stipends, NICs & Pensions	(14,960)	(14,290)	(14,925)	(14,804)	(15,453)	(15,862)	(16,492)	(16,934)
Statutory Fees & Other Contributions to Stipends	6,573	6,049	6,224	6,224	6,361	6,501	6,644	6,763
Ministerial Oversight & Grants	(1,483)	(1,551)	(1,547)	(1,570)	(1,608)	(1,645)	(1,679)	(1,715)
Total Ministry Training Costs	(2,499)	(2,575)	(2,753)	(2,760)	(2,856)	(2,941)	(3,009)	(3,094)
Buildings	(3,759)	(3,794)	(3,968)	(3,913)	(4,064)	(4,194)	(4,328)	(4,467)
Resourcing Ministry & Mission Total	**(16,130)**	**(16,162)**	**(16,968)**	**(16,822)**	**(17,621)**	**(18,141)**	**(18,863)**	**(19,448)**
Support for Parish Ministry Total	(989)	(849)	(1,265)	(1,164)	(1,336)	(1,330)	(1,402)	(1,526)
National Church Costs (Votes 2-5)	-	-	-	-	-	-	-	-
Grants Expenditure Total	(530)	(484)	(487)	(488)	(487)	(497)	(506)	(518)
Support costs	(2,129)	(2,187)	(2,253)	(2,261)	(2,323)	(2,381)	(2,437)	(2,492)
Adjusted Parish Share	19,571	19,477	20,217	20,040	21,022	21,732	22,553	23,391
Core Budget (Deficit)/Surplus	**(205)**	**(205)**	**(757)**	**(696)**	**(746)**	**(617)**	**(655)**	**(593)**
Potential for Tapered relief	**205**	**205**	**757**	**696**	**746**	**617**	**329**	**214**
Core Budget (Deficit)/Surplus after Tapered relief	**-**	**-**	**-**	**-**	**-**	**-**	**(326)**	**(379)**

Budget Assumptions

Key Assumptions:	2026	2027	2028	2029	2030	2031
	Budget	Budget	Forecast	Forecast	Forecast	Forecast
Target increase in Parish Share (CPI based)	3.0%	3.0%	2.5%	2.5%	2.5%	2.5%
Stipendiary clergy & layworkers posts	300.95	299.40	299.40	299.40	299.40	299.40
Average clergy vacancies	30	28	28	28	28	28
Curates in training - expected average nos	54.68	41.63	46.67	46.75	51.15	49.88
Associate Archdeacons	3.2	3.2	3.2	3.2	3.2	3.2
Stipend increase from 1 April each year	6.85%	3.0%	2.6%	2.6%	2.6%	2.6%
NMS inflation	10.7%	3.0%	2.6%	2.6%	2.6%	2.6%
Salary cost increase from 1 Sept each year	3.5%	3.0%	2.5%	2.5%	2.5%	2.5%
Total CHO Staff FTE (End December)	82.4	83.1	83.1	81.1	81.1	81.1
Core Budget CHO Staff FTE (end December)	64.1	63.4	63.4	63.4	63.4	63.4
General inflation assumption	3.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Clergy pension contribution rate (from 1st April)	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%
Share capping ceiling	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Share capping floor	0.0%	2.0%	0.0%	0.0%	0.0%	0.0%
Actual PS increase based on capped assumption	3.3%	2.4%	3.3%	3.4%	3.7%	3.7%
Anticipated share under collection rate	5.5%	5.5%	5.0%	5.0%	5.0%	5.0%

Budget Assumptions

Reserves forecast	2025	2026	2027	2028	2029	2030	2031
£'000							
General reserve b/f	9,358	9,496	9,496	9,496	9,496	9,496	9,170
(Deficit) / Surplus forecast	138	(205)	(696)	(746)	(617)	(655)	(593)
Tapered Relief support		205	696	746	617	329	214
General Fund (Balance Sheet)	9,496	9,496	9,496	9,496	9,496	9,170	8,791
Estimated fixed assets (net)	166	160	154	148	142	136	130
General reserve c/f	9,330	9,336	9,342	9,348	9,354	9,034	8,661
Estimated spend - next year budgeted forecast	(29,454)	(30,015)	(31,180)	(31,939)	(32,950)	(33,609)	(34,282)
Calculated reserves (months cover)	**3.8**	**3.7**	**3.6**	**3.5**	**3.4**	**3.2**	**3.0**

Budget Challenges

- Parish Share is falling behind Stipend increases
  - Deprivation index update pushed more Deaneries to the cap of 4%
  - Investment gains help pay for stipends
- Inflation remains higher than expected
  - Impacts the Stipend rate set on CPIH based on April 2026
  - Above inflation costs applying to building repairs, Council tax and water rates etc.
- National Church Tapered relief helps short term
- Exercise to look at income and costs to be run by Finance Committee



