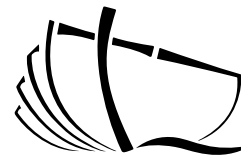


Review of Parish Share

Proposal to establish a working group



Diocese of
Liverpool

Proposal

This paper proposes a motion that: -

“diocesan synod establishes a working group to review the current parish share system with a particular focus on reviewing the formula used to calculate the share for individual deaneries and parishes. That the proposed system is judged against the ten tests established by Synod in their review in 2010”.

Introduction

We are clear that parish share is a critical part of our efforts between parish, deanery, diocese and national church to support mission and ministry in our diocese. Parish Share is the single largest source of income to fund mission and ministry supported by LinC funding and other programmes administered by the national church.

We have also acknowledged that the parish share system needs review. Any system relies on confidence and that can only come through people acknowledging it to be a fair system. Parishes and deaneries will always believe their allocation is too high but our historic strong collection rates were buoyed by a sense of justice in the system.

Parish share is not a tax. It is the principal way we resource ministry in our diocese supporting our priestly ministry as well as making important, limited provision for lay ministry and church schools. It is a Christian duty underpinned by a strong theological and biblical understanding of God’s grace. It is seen in the rich biblical vision of mutual giving and receiving, our offerings to God and in tithing a proportion of what has been entrusted to us (2Cor 8.4). In our diocese parish share is our grace filled generosity and the financial tool that enables us to support our vision of a bigger church to make a bigger difference. It is also the way in which parish can support parish in missional giving enabling us to maintain a Christian presence in every, even the most deprived, community.

The pressure that parish finances are under, particularly post Covid, has increased the scrutiny of perceived or real inequities in the current system. Therefore, we all agree that the system needs to be scrutinised. This process needs to be owned by the Diocesan Synod but it is essential that there is strong stakeholder input from across the diocese throughout the review.

Parish Share was last formally reviewed by a working group chosen by Diocesan Synod in 2017/18. This model for review seems an appropriate and sensible approach to delivering a new system. This paper sets out an approach to be presented to synod for discussion and deliberation.

The Ten Tests

In commissioning a Parish Share review in 2010 Synod proposed ten tests by which to assess the effectiveness of the proposed system. These were:

- (i) Do the proposals encourage growth?
- (ii) Do the proposals support and reflect the church that we wish to become?
- (iii) Do the proposals affirm mutual support within the diocese?
- (iv) Do the proposals strengthen relationships between parishes?
- (v) Do the proposals recognise the character of the diocese, particularly around issues of deprivation?
- (vi) Do the proposals take appropriate account of health and viability issues?
- (vii) Do the proposals provide an appropriate accountability framework within the diocese and beyond?
- (viii) Do the proposals present an appropriate giving challenge to all?

- (ix) Do the proposals provide appropriate support to local decision-making?
- (x) Is the proposed system or process transparent and easily understood?

We propose these tests are used to underpin this review.

The working group

The suggested remit for the working group is to:

- assess the strengths and weaknesses of the current system.
- understand the budget requirements and assumptions that underpin parish share and the consequences of arrears in parish payment. Any proposed system will need to generate sufficient income to cover costs over the first five to ten years of its operation (2027 onwards). The impact of any national schemes (for example Low Income Communities (LinC) funding and the Diocesan Investment Plan (DiP) bid) will need to be taken into consideration.
- assess whether the focus on what costs Parish Share is covering is still fit for purpose in the future – ie mainly on the direct costs of supporting clergy and rather than the work of St James' House (SJH).
- review information in connection with work on the health and viability of parishes.
- review any benchmarking data.
- consider the views and opinions of parishes to discern the perceived blocks to paying share. We would want to use a range of engagement techniques including focus groups, surveys and direct feedback.
- review other diocesan systems and formulas. The review will begin from the basis, agreed by the Diocesan Oversight Team, that the introduction of a free offer system is unworkable in our context.
- review the process for obtaining the information, calculating the offer and making the payment claims.
- examine the viability of budgeting for vacancies as against offering rebates for unfilled posts.
- review the different formulas that deaneries have used to allocate parish share and the rationale for some continuing to use the historic allocations.

It will then recommend:

- a formula and method for allocating share which is easily understood and can be articulated clearly.
- any transitional arrangements that might be necessary, including recommendations for any relief or jubilee in relation to outstanding payments.

Composition of the Working Group

The group needs to be led and chosen by Synod however we recommend that

- It is chaired by an Archdeacon
- It is composed of both clergy and lay reps including people from the parishes. It will need a minimum of one treasurer. It also needs representation from the more deprived and more affluent deaneries. On that basis this will probably be a group of about 7 representatives, some of whom are Diocesan Synod members and others who recruited more widely from across the Diocese
- It includes at least one member of Finance Committee
- It meets every six to eight weeks with a commitment to do preparatory work between meetings and
- It has appropriate support from SJH. We recommend the following staff resource is allocated:
 - A central services administrator to arrange and service the meeting schedule including minute taking, supporting the chair with agendas, organising follow up actions and keeping the project on track – this would probably be 1 or 2 days per month

- Finance team support in delivering the necessary budgetary information and supporting with calculations and associated financial planning. Again, this would probably be 1 or 2 days per month but may be more intensive at the beginning of the project.
- A senior director to support the process
- Communications support is available on an as and when required basis
- Planning support to build a timetable of actions and activities that will step the group through the tasks they need to achieve.
- It has a limited budget to enable its work to be supported. This may be used on expenses for members to attend meetings, any expenses on survey/consultation work and other research costs.

Outline Timescale

If this is to be managed within the current framework for the introduction of the new system in January 2027, the timescale for implementation is two years. An outline timeline would be:

March 25	Decision made at Diocesan Synod
April to May 25	Recruitment of the Working Group
May/June 25	First meeting – setting of the detailed plan of work
June to October 25	Initial research and consultation
October 25	Update to Diocesan Synod
March 26	Initial proposals to Diocesan Synod.
October 26	Final proposals and implementation plan to Diocesan Synod for approval
January 27	New system implemented

It would be the responsibility of Diocesan Synod and the Working Group to decide the final timeline.

Recommendation

That this motion is approved and the system reviewed by a Working Group.

Maggie Swinson
Chair of the Board of Finance