

**MANCHESTER DIOCESAN
BOARD OF FINANCE**

2019 BUDGET

6 October 2018



MISSION GOALS

Present for all, speaking prophetically for justice, supporting pastorally especially the vulnerable, deprived and excluded.



Growing new disciples in missionary church communities which are younger, more diverse, active and spiritually engaged.

Increasing vocations, nurturing new and existing disciples, increasing financial giving.

FIT FOR MISSION

Resources

Enablers

Processes



People

Structures

Owners

Synod, BC & DBF

2018 OUTLOOK

Forecast deficit of £332k (deficit budget of £185k)

Key issues

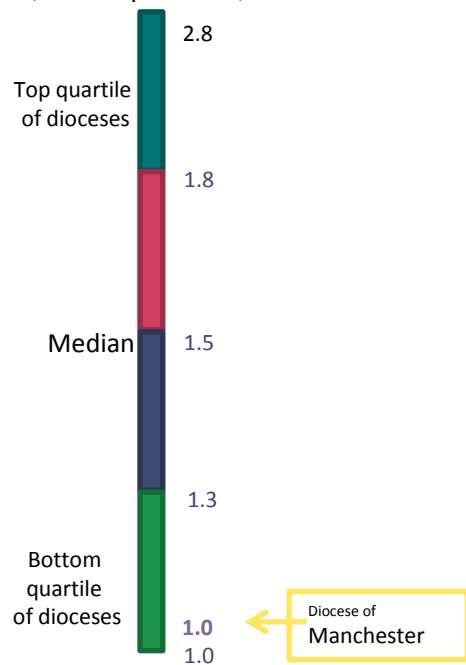
- Parish Share income forecast at £7.30m vs £7.40m budget – shortfall of £100k
- Assigned Fees – forecast £61k shortfall
- Pension deficit on lay staff scheme - £63k (unbudgeted - latest actuarial review)
- Housing costs – underspend of £58k includes savings on property insurance



(£332k)

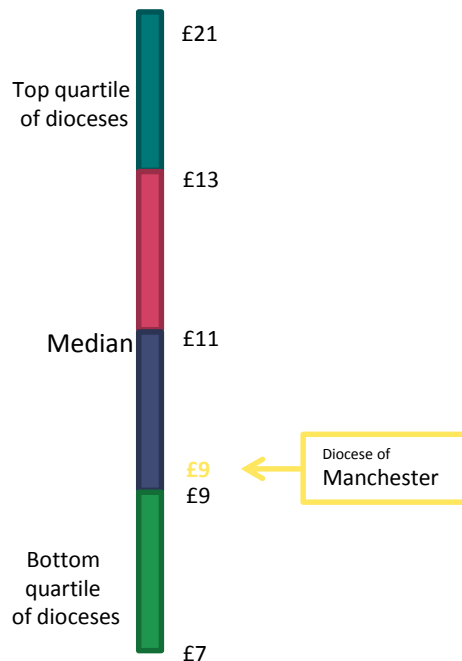
Diocesan Clergy & Finance Overview

Stipendiary Clergy per 10,000 Population, 2016



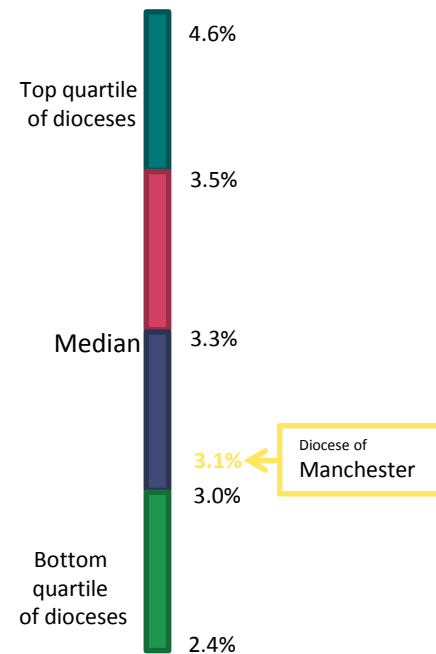
Manchester has among the lowest numbers of clergy per capita, though higher numbers tend to be associated with rural dioceses.

Giving Amount per Week per Attendee, 2015



Manchester's givers give a less than average amount to church.

Giving as a % of Average Income, 2015



Giving in Manchester is lower than the median as a percentage of income. This data is not adjusted for income of church-goers within the diocese.

Comparative Income and Spend

£0.1m	2011		2018
	<u>Actual</u>	<u>Current prices</u>	
Income	13.7	16.6	13.0
Expenditure	14.4	17.4	13.1
Parish Share receipts	7.0	8.5	7.3

INCOME - ASSUMPTIONS



PARISH SHARE

- 2.5% increase in base amount used for calculation
- Total request now based on £7.938m before D&A Phase 4
- Expectation: amount to be collected £7.35m



CHURCH COMMISSIONERS

SDF and Restructuring funding secured in 2018



INVESTMENT INCOME

Increase based on re-investment of proceeds from sales of parsonages

EXPENDITURE - ASSUMPTIONS



CLERGY

- Average number of stipendiary posts 197.5
- Stipend increase 2%



LAY PAYROLL

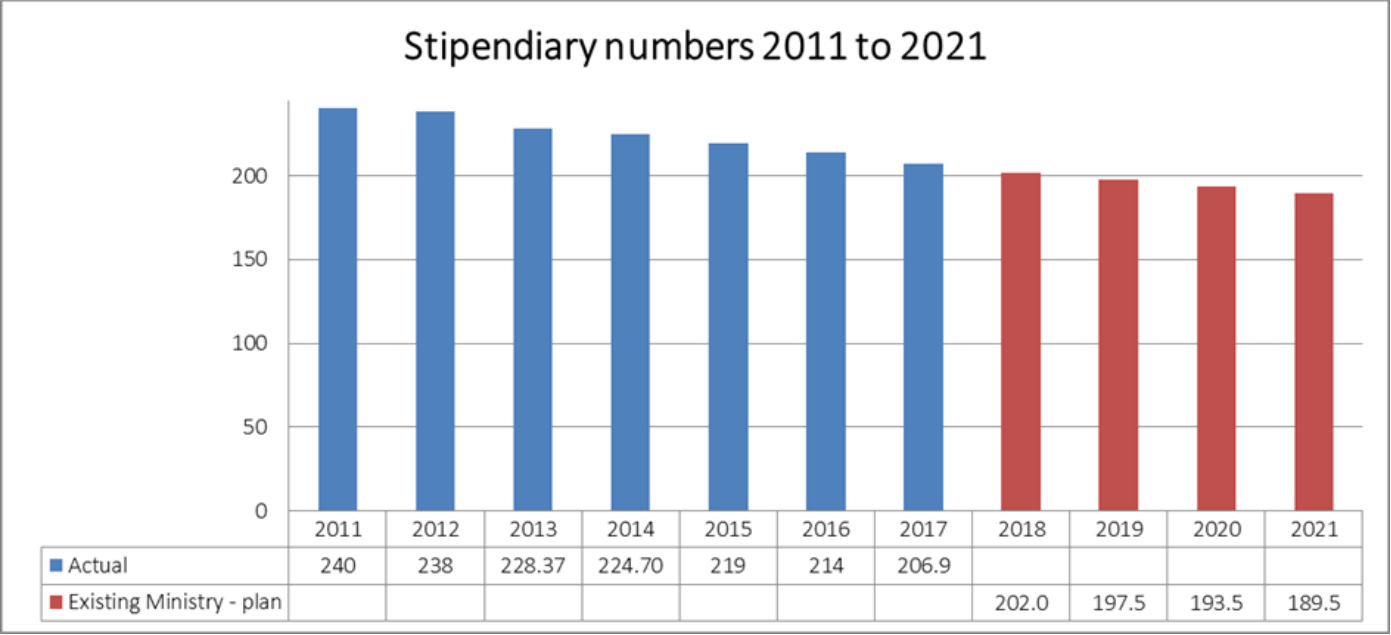
- DBF headcount 41.2
- Pay increase 2%



OTHER

- Housing budget (Unrestricted Fund) includes £200k transfer from the Pastoral account to support the maintenance of Parsonages and Glebe Vicarages (Endowment Fund)

STIPENDIARY CLERGY



- Average of 197.5 stipendiary clergy in 2019

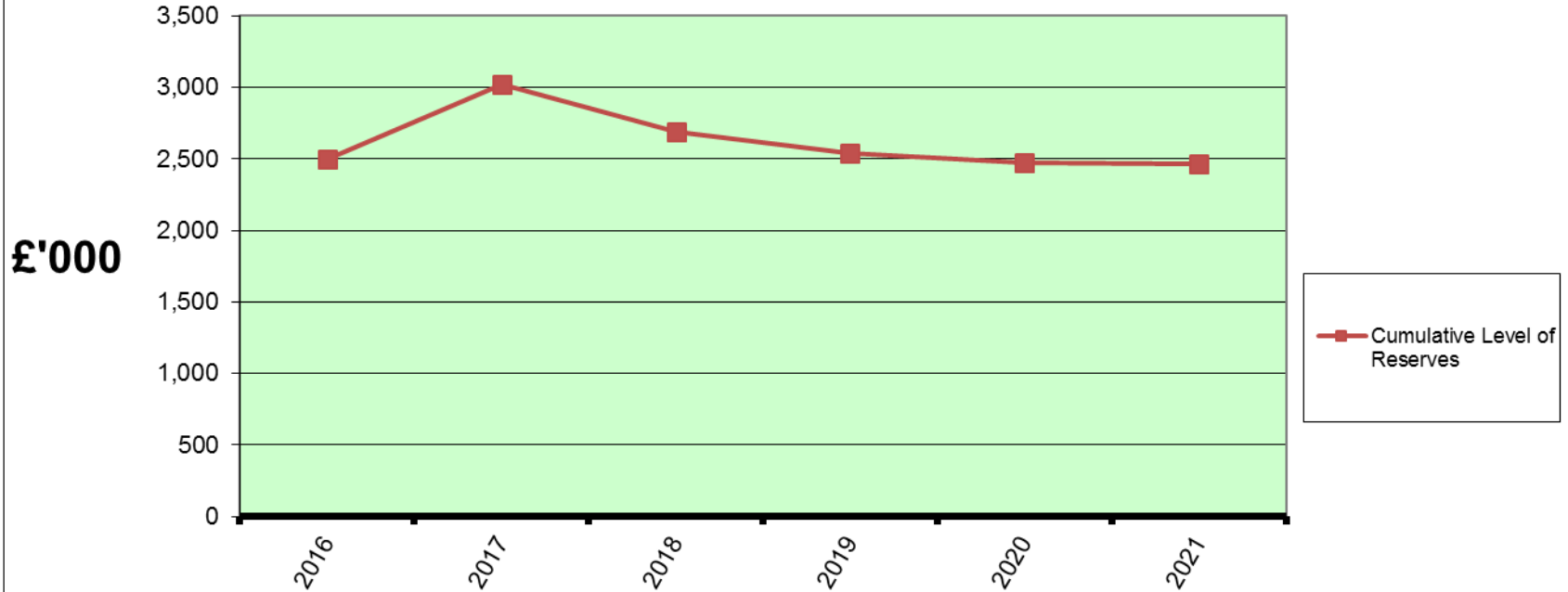
BUDGET 2019

Current deficit of £151k, including £74k of budget pressures outside DBF control

Expenditure budget £13.126 million
(Budget 2018: £12.963m)

Income budget £12.975 million
(Budget 2018: £12.778m)

Forecast of Unrestricted Reserves 2016 to 2021 (before gains / (losses) on disposal of Fixed Assets)



2019 Budget

	2017	2018	2019	2020	2021
	Actuals	Budget	Current Plan	Current Plan	Current Plan
	£'000	£'000	£'000	£'000	£'000
<u>Incoming Resources</u>					
Parish Share (net)	13	7,400	7,350	7,360	7,370
Church Commissioners	2,764	2,712	2,687	2,689	2,689
Investments & Glebe	970	975	1,128	1,166	1,186
Other (housing/fees/donations)	8,963	1,691	1,811	1,811	1,811
TOTAL INCOMING RESOURCES	12,710	12,778	12,976	13,026	13,056
<u>Resources Expended</u>					
Ministerial Staffing Costs	7,562	7,545	7,519	7,489	7,445
Strategic Support Costs (<i>DMT, C+S, Synod, Ministry Support, Stewardship, Education, DAC/DMPC, Property/Glebe</i>)	2,468	2,723	2,810	2,824	2,839
Support Services (<i>Finance, Communications, Central Secretariat, Other</i>)	1,960	1,888	2,024	2,010	2,006
Mission Development Fund	0	0	0	0	0
National Church	705	726	774	774	774
TOTAL RESOURCES EXPENDED	12,695	12,963	13,126	13,096	13,064
Surplus / (Deficit)	15	(185)	(151)	(70)	(8)
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BUDGET 2019 - UPDATE

Ministerial Staffing Costs

Cost of incumbent-status minister

	£
Stipend	25,815
Employer's NI (inc effect of HLC)	2,117
Pension contribution	9,682
Housing costs	9000
	<hr/>
	46,614

OUTLOOK






- **Cost of additional stipendiary curates**
- **Support for FFM – additional lay ministries**
- **Parish Share in a time of declining and ageing congregations**
- **Rebalance the asset portfolio (Glebe)**
- **Creativity**
 - **SDF**
 - **Capital funding**
- **84 parishes with average attendance 35 or below in 2017 (2016: 81 parishes)**



2019 – Major Themes

- **Assigned fees**
- **Gift Aid and My Giving - Parish Giving**
- **Housing**
- **Investments**
- **Discussion & Agreement Teams**

Clergy Housing

- **Property database Green** 
- **Condition survey** 
- **Programmes for the estate vs. individual works** 
- **Capital repairs from property sales** 
- **Decisions on core properties for future use** 

Priorities

- **Stewardship**
 - **Giving channels – no cash, no cheques**
 - **Tailored programmes**
 - **Legacies**
 - **Best practice**
- **Operational Efficiency**
- **Communications**
- **Parish Share**

WILL YOU JOIN THE CONVERSATION?

How can you join the conversation?

Website: manchester.anglican.org

Twitter: @DioManchester

Facebook: Church of England
(Diocese of Manchester-official)

