

The Parish Share Working Group was set up by the March 2010 Synod to review the current Parish Share system and suggest the best way forward. Synod set 10 tests for any Parish Share system into the future:

- (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?

The members of the working group are Nicholas Anderson (Chair), David Burgess, Clive Doran, Mike Eastwood, Veronica Hancock, Hilary Russell, Pete Spiers, Tim Stratford, Jim Taylor. We met regularly between summer of 2010 and the early part of 2011.

We provided an interim report to the November Diocesan Synod. This is our final report and contains our formal recommendations.

Please note: for those who are unfamiliar with how Parish Share is currently calculated there is an explanation in appendix 3. We strongly suggest that you look at this appendix before reading the remainder of the report.

SUMMARY AND RECOMMENDATIONS

This report contains 8 separate recommendations for Synod to consider. It discusses the background and reasoning behind each.

Much of the thinking in the report centres on creating and communicating an approach to Parish Share which best meets the 10 tests below. The report considers the theological implications of Parish Share and how it fosters a strong sense of interconnectedness in the Diocese. It discusses the context of the church's ministry and our aim to create a system that supports mission, growth and mutuality. It looks at the relationship of Parish Share with the health and viability of churches and a clear desire for it not to become divisive – this led to a recommendation for a minimum Parish Share which is explained fully in the report. Finally the report considers the viability

of a Deanery Share system rather than Parish Share.

In summary the 8 recommendations are listed here. The report explains each in more detail.

Recommendation 1 – we recommend that a leaflet is sent to all PCCs/DCCs explaining the parish share system and how it is used in the Diocese of Liverpool.

Recommendation 2 - we recommend that the Resources Department in St James House provide bespoke annual stewardship information to each PCC/DCC.

Recommendation 3 – we recommend that the Resources Department in St James House help create a culture of biblical stewardship.

Recommendation 4 – We recommend that up to and including 2015 all future Parish Share increases are assessed each year on the same basis – the percentage Parish Share increase as reflected in the diocesan budget.

Recommendation 5 – We recommend that we introduce a Minimum Parish Share

Recommendation 6 – We recommend that the Minimum Parish Share should be mediated by three further considerations:

- (i) it can be calculated on the basis of team structures as well as parish
- (ii) we can factor in fee income
- (iii) we can factor in average attendance by parish population

Recommendation 7 – We recommend that the Minimum Parish Share should be phased in over 3 years starting in 2013

Recommendation 8 – We recommend that any Deanery Synod that wishes to should be able to at least try to work on a Deanery Share basis.

THE TEN TESTS

We believe that the above recommendations meet the 10 tests set by Synod. The reasons are briefly as follows:

(i) Do the proposals encourage growth?

The removal of any link for the next few years between Parish Share and congregational size allows a strong push for growth unimpeded by Parish Share considerations. It also constitutes a real discouragement of numerical decline.

(ii) Do the proposals support and reflect the church that we wish to become?

The emphasis on collaboration and cooperation at diocesan, deanery, parish and team levels reinforce our mutuality and the responsibility we have to each other. The proposals also encourage growth into a genuinely mixed economy church as newer forms of church are left outside any Parish Share considerations in this period.

(iii) Do the proposals affirm mutual support within the diocese?

The least deprived areas of the diocese continue to pay 3 times as much per head as the most deprived parts; we believe that this

is still a powerful statement of mutual support. A majority of the parishes in the diocese (two thirds) remain net receivers of support. The calibration of the Minimum Parish Share expects churches in higher income areas to be numerically larger than those in lower income areas. There are clear opportunities for mutual support with Team structures, and the possibility of formal or informal support within deaneries.

(iv) Do the proposals strengthen relationships between parishes?

There is a strong emphasis on mutuality, generosity and inter-dependence throughout the proposals. We have deliberately stopped short of proposing what we believe would be artificial relationships through some kind of diocesan-sponsored parish pairing scheme; however we strongly encourage the development of relationships between parishes for mutual learning and support where these can be achieved organically.

(v) Do the proposals recognise the character of the diocese, particularly around issues of deprivation?

We believe that deprivation is strongly recognised within the proposals. The 3:1 giving ratio outlined in (iii) above remains key, as does the disconnection between an individual parish's ministry cost and their Parish Share. These are enhanced by the additional challenge that the congregational numbers for the Minimum Parish Share are lower in areas of high deprivation.

(vi) Do the proposals take appropriate account of health and viability issues?

Primarily through the introduction of a Minimum Parish Share, but reinforced by an emphasis on mutuality and the inclusion of fee income into Minimum Parish Share calculations.

(vii) Do the proposals provide an appropriate accountability framework within the diocese and beyond?

All Parish Share assessments in the diocese will continue to be published and will be available on the diocesan website. The introduction of the Minimum Parish Share affords opportunities for discussion at deanery, team and parish level about how to respond to those parishes directly affected. Treasurers and others will be given information on how to calculate whether their parish or team is a net contributor or net recipient of money. We believe that the greater understanding that this will give will help sharpen debate and focus about the privilege and responsibility that goes with each.

(viii) Do the proposals present an appropriate giving challenge to all?

We believe that the 3:1 ratio remains an appropriate giving challenge, as does the Minimum Parish Share.

(ix) Do the proposals provide appropriate support to local decision-making?

We believe that the proposals support parish/team level decision-making in that growth and positive mission developments have no impact on Parish Share and deployment and mission planning discussions can be framed in a missional rather than a

financial context. At deanery level the offer of a deanery share gives a formal means of developing new local decision-making opportunities; the more general emphasis on transparency and mutuality gives a more informal opportunities.

(x) Is the proposed system or process transparent and easily understood?

The information used for the calculations remains simple to access and will be widely circulated. The leaflet will, we hope, help dispel some of the myths that have clouded understanding of Parish Share and give greater clarity as to how it is and is not used.

STARTING POINTS

The group spent time reflecting theologically on Parish Share, in particular biblical themes around mutuality, generosity, community and discipleship. This affirmed a strong sense of our inter-connectedness as a diocese, as a fellowship of people under the leadership of the Bishop engaged in God's mission.

We believe that a diocese needs to be understood:

- ◆ Ecclesiologically – the mutuality of its members and the responsibility each has to the other
- ◆ Missiologically – the need to ensure that resources maximise potential for front-line growth
- ◆ Administratively – the need to have mechanisms to ensure the appropriate deployment of resources

Fundamentally we believe that there is a strong need for a shift of culture and mindset within the diocese so that we each see the diocese as being 'us' not 'them'.

This theological reflection enabled us to establish 3 core principles underpinning our understanding of Parish Share:

- (i) It is a form of mission giving within the Diocese of Liverpool.
- (ii) It must continue to enable us to provide ministry and mission from the lowest income areas to the highest.
- (iii) It should be focussed on the direct costs of local ministry.

We strongly affirm the view that Parish Share should be seen as a way of expressing our mutuality. Although an emphasis on sacrificial giving runs counter to much present day thinking, we see it as fundamental to church life. We recognise that reinforcing this sense of inter-dependence and generosity will require consistent and brave leadership of us all.

We also recognise the strategic significance of Parish Share as the single biggest income line in the DBF budget. Our high collection rate is the envy of many dioceses; we jeopardise that at our peril.

We believe that the above arguments about mutuality and generosity are at best erratically understood within the diocese. There is also a degree of misunderstanding about what Parish Share is used for, with

many wrongly assuming that it pays for the costs of St James House. Therefore:

Recommendation 1 – *we recommend that a leaflet is sent to all PCCs/DCCs explaining:*

- *What Parish Share is*
- *How it is used in the Diocese of Liverpool*
- *The role of financial support from the national church within our Parish Share calculations*
- *How parishes determine whether they are net contributors or net recipients of Parish Share*

Recommendation 2 - *we recommend that the Resources Department in St James House provide bespoke annual stewardship information to each PCC/DCC including a snapshot of their income and expenditure, levels of reserves, levels of giving and other basic financial health indicators*

Recommendation 3 – *we recommend that the Resources Department in St James House help create a culture of biblical stewardship:*

- *By refreshing the successful Giving in Grace website to enable parishes to take immediate direct action to address their financial position*
- *By helping parishes develop a clear strategy for engaging with the wider biblical issues surrounding stewardship*

CHANGING CHURCH, CHALLENGING TIMES

We don't have the space here to describe all the challenges facing the church at a time when the national economy is significantly in debt, the prospects for public sector employment in our region are bleak and the full implications and opportunities of the Big Society are as yet unclear. Nor is it clear what shape the church will be into the future given the on-going decline in clergy numbers, the changing patterns of leadership and the emergence of new language and approaches around mixed economy churches, pioneer ministries and fresh expressions. As a result it is exceptionally difficult to see how church will look even in a few years' time.

Alongside this the group take seriously Bishop James' growth agenda as the overriding strategic priority for the diocese. In his November 2009 Presidential Address to Synod Bishop James said:

The statistics and the graphs and the trends tell us that we are not at the moment moving forward with the dynamic of the New Testament Church. We preach the same Gospel but we do not share the same dynamic – at least, not the sort that is described in Acts when it says:

"Day by day, as they spent much time together in the temple, they broke bread at home and ate their food with glad and generous hearts, praising God and having the goodwill of all the people. And day by day the

Lord added to their number those who were being saved." (Acts 2 v46-47)

What caught my eye was the phrase "Day by Day". Day by day they were gathering together and day by day people were joining them. That's the dynamic. In other words, church was a daily reality. Church, both "inherited", that is the Temple and "Fresh Expressions", that is in each other's homes, was a day by day experience. And there was growth! Numerical growth!

As Bishop James reflects growth is not confined to a single tradition or single expression of church. The working group recognise that Sunday and midweek services are and will remain the primary gathering point for committed church membership and a central way of connecting with the wider community. We equally recognise that Sunday does not reflect the totality of church membership, that authentic worshipping communities with witness and discipleship are clearly evident at times other than Sundays.

It is not at all clear how many of the current and future fresh expressions of church are seasonal and how many will mature into something more deep-rooted and longer-term. We believe very strongly that as a diocese we should engage fully and wholeheartedly with the mixed economy of inherited and fresh expressions of church on the basis that over time there will be a winnowing of the wheat and chaff of church life and the good will remain.

The current Parish Share system is based on an assessment of usual Sunday attendance. We recognise that everyone effectively thinks that their Parish Share is too high and wishes that the financial pressures in the Diocese of Liverpool were significantly less acute. However, the current Parish Share system works well in that the collection rate has remained consistently high.

The most problematic element of the system for many parishes is the fluctuation in individual Parish Share assessments caused by the updating of the annual attendance figures. The overall decline in church attendance can mean that an individual parish can see a significant increase above and beyond the diocesan average even though they are not seeing any growth in their own membership.

Also, despite the fact that there is a lagging effect between congregational growth and its impact on Parish Share there seems to be a fairly deep-rooted perception that the current system discourages growth through its ultimate linkage between increase in congregation and increase in Parish Share.

Putting all this together and recognising the strategic significance of Parish Share within overall parish and diocesan finances the group believes that we should extend the interim measure of 2011 and between 2011 and 2015 we should simply apply the overall Parish Share increase in the diocesan budget to all parishes. In other words, if Parish Share goes up by 1.5% in the particular year's diocesan budget then it goes up by 1.5% for all parishes.

We believe that this would have several positive benefits:

- ◆ It is based on an already high collection rate.
- ◆ It creates some stability and predictability in parish finances at a particularly vulnerable time.
- ◆ It allows churches to go for growth in all its forms utterly unimpeded by any concerns about how growth might impact adversely on their Parish Share.
- ◆ It parks what we believe are premature discussions about when is something church until we have had a better chance to experience and understand how God is working in this more multi-faceted understanding of church, and also what will wither away and what will remain.
- ◆ It encourages those with declining church membership to address this decline as a matter of urgency; otherwise their Parish Share will become a greater and greater proportion of their expenditure and may ultimately pose serious questions about future viability.

Recommendation 4 – *We recommend that up to and including 2015 all future Parish Share increases are assessed each year on the same basis – the percentage Parish Share increase as reflected in the diocesan budget. This recommendation needs to make two allowances:*

- *The implications of the introduction of a Minimum Sunday Attendance – see recommendation 5.*

- *The ability of deaneries to chose to vary the amounts paid by individual parishes as part of a Deanery Parish Share – see recommendation 8*

We recognise that if recommendation 4 is adopted that there will potentially be an increasing disconnect between patterns of church membership and levels of Parish Share payment. Therefore there would need to be some further work done in 2013 assess what will need to be done post 2015 to ensure that Parish Share remains an appropriate stewardship challenge to all churches given their respective size and socio-economic circumstances.

We have looked at Parish Share systems being used in other dioceses. We discussed whether Parish Share is better delivered through offer or through formula. We recognise that the offer system works well in certain dioceses. However we felt that there were 2 significant issues over switching to an offer system at this point:

- ◆ Practically we thought it was unduly risky in the current climate to make such a fundamental switch, especially without significant preparation.
- ◆ In principle we have a difficulty in that the offer system works best where there is a reasonable coalescence at least at deanery level between total Parish Share and total ministry cost. We have several deaneries where there is no meaningful ability to achieve this and an offer would need to be made on a very different basis.

We are not ruling out a move to an offer system and would recommend that the issue is re-visited in 2013; we just think that it would be premature at this stage.

HEALTH AND VIABILITY

One of the 10 tests required us to take appropriate account of health and viability issues. The initial paper that went to Synod stated:

The Parish Share system currently takes no view about the health or viability of an individual church. It simply tracks congregational numbers and produces a figure in line with that trend. This can either reinforce inter-connectedness and mutual support or become divisive as some churches see significant increases in their Parish Share while others seem to be on a course of inexorable and unchallenged decline.

While decisions about the actual health and viability of individual churches lie well beyond the remit of this working group we took seriously the warning about the potential divisiveness of Parish Share as currently calibrated. We believe that the most effective way to address this would be to introduce what is in effect a minimum Parish Share.

It seems to us that there are certain principles that must underpin any such decision. Foundational to the current Parish Share system is that it sets all parishes an

equivalent challenge around giving. That is the concept that underpins the socio-economic factor concept of the least deprived parish paying 3 times as much per head as the most deprived parish.

However, church attendance figures (and diocesan experience) suggest extremely strongly that it is harder to grow congregations in lower income, less mobile areas than it is in higher income communities.

Therefore we identified the following principles for a minimum parish share (MPS):

- (i) It should be based on assumptions around Sunday attendance (in keeping with the existing Parish Share system).
- (ii) That we extend the challenge to the highest socio-economic factor (SEF) areas by saying that their minimum attendance should be 50% higher than that of the lowest SEF areas.
- (iii) That given the diocese's commitment to Team we should allow Parish Share to be assessed on the basis of team structures as well as parish.
- (iv) That we add 2 secondary checks to the MPS calculations:
 - o Given the increasing diocesan emphasis on regaining the funeral and other ministries that we have at least partially lost we can factor in fee income as a secondary element of any calculation.
 - o That given the varying population levels in our parishes, and in particular the lower population

densities in rural areas, we factor in average attendance by population.

A detailed assessment of how the proposed Minimum Parish Share system would work is contained in appendix 2, and the outworking of it in appendix 4. Given that for a small minority of churches the impact of a Minimum Parish Share is significant we believe that it should be phased in over 3 years from 2013.

Recommendation 5 – *We recommend that we introduce a Minimum Parish Share based on the following average Sunday attendance figures:*

Band 1 – SEF 0.5 – 0.85: a minimum attendance of 28

Band 2 – SEF 0.9 – 1.25: a minimum attendance of 35

Band 3 – SEF 1.3 – 1.50: a minimum attendance of 42

Recommendation 6 – *We recommend that the Minimum Parish Share should be mediated by three further considerations:*

- (i) given the diocese's commitment to Team we should allow Parish Share to be assessed on the basis of team structures as well as parish*
- (ii) given the increasing diocesan emphasis on regaining the funeral and other ministries that we have at least partially lost we can factor in fee income as a secondary element of the Minimum Parish Share calculation*
- (iii) given the varying population levels in our parishes, and in particular the lower*

population densities in rural areas, we factor in average attendance by population as a secondary element of the Minimum Parish Share calculation

For further information on this please see appendix 2.

Recommendation 7 – *We recommend that the Minimum Parish Share should be phased in over 3 years starting in 2013*

PARISH SHARE OR DEANERY SHARE

Some dioceses organise their share payments at deanery level arguing that it brings a greater degree of local understanding and mutuality into the process. Within the Diocese of Liverpool there is a strong emphasis on deaneries as the bodies shaping mission and growth planning and deployment. There is an argument that putting all this together we should move away from a Parish Share to a Deanery Share so that decisions about deployment and money are held at the same level.

Against that is the sense that a Deanery Share may simply create argument, division and introspection at a time when we should be looking outwards and concentrating on mission and growth.

We felt that these arguments were not easily resolved in the abstract. We certainly felt that it would be unduly risky to move to a

wholesale Deanery Share system at this point, not least because whenever we have raised the idea there have always been strong objections as well as some statements of support. As such we have failed to identify a group who are keen to trial this idea.

However, in dioceses where it does work it seems to work well, so we think we should at least ask whether there are deaneries who would be interested in piloting a Deanery Share system.

We would anticipate that a deanery share would be based on providing as a minimum a total for the deanery on the basis of the existing Parish Share formula. St James House could then either provide a notional breakdown of individual parish contributions based on the Parish Share formula or simply leave it at the level of a deanery total – it would be entirely up to the deanery

Recommendation 8 – *We recommend that any Deanery Synod that wishes to should be able to at least try to work on a Deanery Share basis, with support and advice where needed from St James House.*

CONCLUSION

Parish Share has been a major success story in the Diocese of Liverpool. Our collection rate remains the envy of many and an outstanding testimony to our sense of generosity and togetherness in mission. We hope and pray that the above proposals affirm what is good,

encourage what is not yet there and bring glory to our God who lives and reigns now and forever.

We commend our proposals to Diocesan Synod.

Revd Canon Nicholas Anderson

Chair

Parish Share Working Group

APPENDIX 1 – THEOLOGY AND PARISH SHARE

This is a summary of discussions and papers circulating among members of the Liverpool Diocese Parish Share Review Group tasked with providing some theological reflection. This has crystallized into three questions for which there is not a single right answer, and each answer has a bearing on which way forward we could choose. The three questions are:

- ◆ What is the Church?
- ◆ What is a diocese?
- ◆ What is a Parish Share?

Below we draw out the lessons raised by these questions that the Parish Share Review Group need to keep in mind.

What is the Church?

1. The call of Israel

This can be summarized as 'an alternative society'. In Jesus' restatement of the Judaism of his day, holiness is to be the community rule of life, but not in such a way as to lead to withdrawal, separation and marginalisation. Rather Jesus appears to be calling for the creation of a community that is inclusive. A place where all would find space to be a son or daughter of God and where compassion and justice would be its hallmarks.

2. The Kingdom of God

Considering the rare use of the word church on the lips of Jesus, can we conclude that the central teaching of Jesus was the kingdom while the church occupied no significant place in Jesus' thought? Most moderate Catholic theologians seem to agree that the kingdom of God and the church as the messianic community are intrinsically connected and cannot be separated from one another. But the church remains "a provisional entity". "The better the Church understands its interim status and is determined by the ultimate [the kingdom], the more it will be able to correspond with Jesus' ministry."

3. The Church as a Community of Disciples

The basic vocation of each and every Christian is first and foremost to follow the Lord as he walked this earth. We particularly highlight the words of James Dunn, "If 'discipleship of Jesus' still has any meaning for today (and it certainly has) then the character of that discipleship, particularly of celebration and mission, of openness and service, should be a constant challenge to any ecclesiastical structure which does not positively promote such discipleship. The church exists to

enable the same quality of discipleship as that to which Jesus first called his first followers." (*The Christ and the Spirit vol 2., 1998 p.247*)

4. Church as the Body of Christ

In this model it is our fundamental vocation to build community, to make the concern of Christ our own and to continue his mission by bringing people into union with God and with one another. It is a deeply Pauline model; in his letters he sought to clarify over and over again that being the body of Christ meant to carry on the mission of Christ here on earth, which means to participate in his suffering rather than his glory now.

5. Church as a new society (Acts of the Apostles)

Idealized pictures of the church are to be found in:

Acts 2: 42 - 47 - Jesus, 'teaching' is expressed in terms of 'wonders and signs' that create a sense of awe; fellowship is elaborated in terms of the sharing of possessions; the breaking of bread in terms of meals shared in homes; and the 'prayers' in terms of attendance at the temple and praising God.

Acts 4: 32 - 37 - "The whole group of those who believed were of one heart and soul, and no one claimed private ownership of any possessions, but everything they owned was held in common."

In contrast, **Acts 5: 1 - 11**, tells us of Ananias and Sapphira's downfall. Such a radical new society may be about more than "giving according to ability and receiving according to need."

6. Agape

A specialised Christian use of one of the Greek words of love to refer to a fellowship meal which was the principal occasion for charity to the poorer members of the church. Love in early Christian practice was practical (1 John 3:17 - 18), so one use of the word came to be the meal served for benevolent purposes. That agape came to mean "love feast" is a testimony to the practical nature of early Christian love and to the prominence of a meal as a way of expressing that love. The Parish Share, it was suggested, is a way of expressing Christian love within the wider body of the church.

What is a diocese?

Technically the diocese is the sphere of a bishop's jurisdiction. To some this is understood in ecclesiological or theological terms, for others it is administrative and for others still it is missiological. In truth it is all of these. As the Parish Share is consented to and administered at the

diocesan level it is essential that we recognise how different people perceive and understand this, and indeed how the Diocese operates sometimes as if it were in different roles.

1. Ecclesiological Unit

Understanding the diocese in these terms emphasises the mutuality of its members and the responsibility each has to the other to enable flourishing in Christ-like graces.

2. Administrative Unit

There is good historical precedent for understanding dioceses in these terms through its development from Roman governance. Not every expression of church has dioceses, but some find it convenient. Indeed the first Christian churches to engage in mission among the Celtic people of these islands were not organised along diocesan lines, this was to come later with the mission of Augustine of Canterbury. Focusing on this model tends to emphasise the need of the 'centre' to be resourced to govern.

3. Missiological Unit

This model will emphasize the need to shift resources to areas of front-line growth. In the Early Church of Acts even we find this model tempered by the need to maintain orthodoxy, fellowship and accountability, e.g. The Council of Jerusalem (Acts 15 & Galatians 2).

What is Parish Share?

We recognise a number of questions being asked by the Review Group:

- ◆ Is there a minimum we should expect to receive from every parish across the diocese?
- ◆ How can this be defined?
- ◆ Should we use a formula?
- ◆ How can we ensure that the Parish Share is comprehensible and owned by parishes?

We raise some further more philosophical questions to add to the mix:

- ◆ Who do the historic resources belong to? "All things come from you, and of your own do we give you." (1 Chronicles 29:11 - 14)
- ◆ Is parish share an act of obedience?
- ◆ Is it Taxation or Giving?
- ◆ How counter cultural are we expecting people to be and are we equipping them for this?

APPENDIX 2 – MINIMUM PARISH SHARE

There are 5 factors which underpin the Minimum Parish Share (MPS) thinking.

1. The need to set all parishes an equivalent challenge around giving. That is the concept that underpins the socio-economic factor concept within the existing Parish Share system of the least deprived parish paying 3 times as much per head as the most deprived parish. It needs also to be reflected in any MPS system.
2. Church attendance figures (and diocesan experience) suggest extremely strongly that it is harder to grow congregations in lower income, less mobile areas than it is in higher income communities. MPS needs to take account of that.
3. Teams and parishes. We have, in effect, 2 team structures in the diocese (functionally rather than legally). One model of team is effectively a loose amalgamation of neighbouring parishes which may share clergy but are otherwise functionally pretty separate. The other is a more integrated model with a much greater sense of mutuality. Either is an appropriate model and MPS needs to be responsive to both.
4. Fees. We want to encourage all our churches to be more determined and energetic around funeral and wedding ministries. This is primarily mission and growth driven; however it has a financial component. MPS could also recognise and incentivise this.
5. Attendance per population. There is a wide spread of parish population in the diocese. Particularly in rural areas parish numbers are lower. It would appear unjust to establish a significantly per population benchmark in rural areas than in urban. MPS needs to recognise this.

This would suggest five basic assumptions behind MPS:

- (i) It is based on usual Sunday attendance (in keeping with the existing Parish Share system).
- (ii) That we extend the challenge to the highest SEF areas by saying that their minimum attendance should be 50% higher than that of the lowest SEF areas. This has the effect of saying that a MPS parish in the 1.5 SEF pays 4.5 times as much as the MPS in the 0.5 SEF.
- (iii) That we can assess on the basis of team as well as parish.
- (iv) That we can factor in fee income as a secondary element of any calculation.
- (v) That we can factor in per population attendance as a secondary element of any calculation.

Putting this together gets to the following position (using the same numbering as above):

(i) Sunday attendance

We need to set a minimum average Sunday attendance figure for the various SEFs. To keep it simple we could set the figure for groups of SEFs rather than individual SEFs, initially on the following basis:

Band 1: 0.5 – 0.85

Band 2: 0.9 – 1.25

Band 3: 1.3 – 1.5

(ii) Minimum attendance figures

Given where we are the following minimum attendance figures would be an appropriate starting point:

Band 1: 28

Band 2: 35

Band 3: 42

This affects 20% of the parishes in band 1; 8% in band 2 and 16% in band 3.

The impact (see appendix 4) is:

Band 1 - overall 2.12% increase

Band 2 - overall 0.78% decrease

Band 3 - overall 0.36% decrease.

However, there are some very small churches in band 1 which have a disproportionate impact. For example, if we just strip out the 4 churches with average Sunday attendances of below 15 the impact is:

Band 1 - overall 0.75% increase

Band 2 - overall a 0.56% decrease

Band 3 - overall 0.13 decrease

Clearly any minimum attendance figures can be revised up or down in subsequent years, although we assume the presumption of the growth agenda is that there would be a future upwards pressure; but that is a separate debate.

(iii) Team/parish

It would be up to each Team to determine whether they wish to be assessed either as individual churches each with their own minimum attendance figure or as a single entity with the minimum attendance figure for the team being the sum of those for the individual churches.

For example, assume there is a team of 4 churches each with their own PCC or DCC. Assume that the usual Sunday attendance (USA) and socio-economic factor (SEF) for the 4 churches is as follows:

Church 1 – USA 38; SEF 0.65

Church 2 – USA 68; SEF 0.90

Church 3 – USA 17; SEF 0.70

Church 4 – USA 47; SEF 0.75

On this basis Church 3 would be affected by the Minimum Parish Share because it would be assessed as having a congregation of 28.

If the Team agreed they could opt for a single Parish Share for the whole Team. The Minimum Sunday Attendance would be worked out as a single figure for the whole. On the above example it would be 119 (3 churches are in band 1 [minimum attendance 28] and 1 is in band 2 [minimum attendance 35]). On that basis we would calculate a single Parish Share for the Team as a whole and leave it to the Team to work out how best to split responsibility across the individual churches.

(iv) Fees

When assessing Minimum Parish Share we could also undertake a secondary exercise for those that fall below the Minimum Parish Share figure, namely we could look at what the average fee contribution is for that band and see whether the parish is contributing more than the average. If so, the difference between their contribution and the band average could be credited to their Parish Share assessment.

In 2010 the band average for fees was as follows:

Band 1: £1,882

Band 2: £2,677

Band 3: £3,241

For example, the Minimum Parish Share for a 1.0 SEF church on the above basis in 2011 would be £11,904. The average fee income for that band is £2,677 (as above). Let's say:

- (i) The church currently pays £7,904 in Parish Share (£4k less than the MPS)
- (ii) The church contributes £3,477 in fees (£800 more than the band average)

We would then deduct the £800 'extra' fee contribution from the Minimum Parish Share and say that their Parish Share for 2011 would be £11,104 rather than £11,904.

(v) Parish population

The average Sunday attendance (excluding children) by parish population is 1.175%. Alongside the fee calculation we could also establish whether the congregation is above the diocesan average of 1.175% of its parish population. If so, the Minimum Parish Share would be the lower of the actual attendance or attendance by diocesan average.

Using the same example above the Minimum Parish Share for a 1.0 SEF church in 2011 would be £11,904. Let's say:

- (i) Their average attendance is 31.
- (ii) Their parish population is 2,055.

On the basis of the diocesan average of 1.175% their minimum congregation would be revised down from 35 (the minimum for the 0.90 – 1.25 band) to 24 (the diocesan average of 1.175% x the parish population of 2,055).

Implementation date

Any MPS would need to be phased in. We suggest that it is phased in over 3 years starting in 2013. This means that all parishes have 5 years' notice before its full impact is felt.

APPENDIX 3

HOW YOUR PARISH SHARE IS CALCULATED

There is a 2-stage process to calculating Parish Share:

Stage 1

Each parish is given a **parish score** calculated as follows:

Average Sunday Attendance x parish socio economic factor x parish ecumenical factor

(The ecumenical factor in nearly all cases is 1.00. For local ecumenical partnerships, however, it can be less than this to take account of the fact that the parish will be paying more than one denominational assessment.)

Stage 2

The parish score is divided by the sum of all the parish scores and then multiplied by the total Parish Share figure for the diocese.

St Vincent's

This is based on an actual Parish Share assessment in 2010. The church has been renamed St Vincent's.

St Vincent's have an Average Sunday Attendance of 103 (more precisely 102.67). They are in one of the least deprived parts of the diocese so have a socio economic factor of 1.40. They, like most parishes, have an ecumenical factor of 1.00

So, St Vincent's parish score is:

(a) 102.67 (average attendance) \times 1.40 (SEF) \times 1.00 (ecumenical factor) = 143.74

(b) The sum of all the parish scores across the diocese in 2010 = $19,421.39$

(c) Total diocesan Parish Share in 2010 = $\pounds 6,629,000$

So the Parish Share calculation for St Vincent's is:

143.74 (a) \times $6,629,000$ (c) = $49,062$

$19,421.39$ (b)

Therefore, St Vincent's Parish Share for 2010 is $\pounds 49,062$