

MEMORANDUM BY THE ARCHBISHOPS' COUNCIL

INTRODUCTION

1. The Parochial Fees Order 2000, which came into effect on 1 January 2001, increased fees, in general, by 3.0%. This increase reflected the view of the Council, endorsed by Synod in July 2000, that the incumbent's fee for a wedding should be increased to the same level as that for a funeral service in a crematorium or cemetery without a service in church.
2. The 2000 Order was approved by Synod at the July 2000 Sessions without a debate. Subsequently, the 2000 Order has not attracted adverse comment, suggesting a broad level of agreement within the Church about the general level of parochial fees.

THE CURRENT DRAFT ORDER

The Increase from 1 January 2002

3. Members of Synod will recall that last year's memorandum reported that the Archbishops' Council had proposed that future increases in parochial fees should be linked to increases in the Central Stipends Authority's recommendations for the National Stipend Benchmark. This replaced the previous formula under which increases in fees were pitched mid-way between forecast increases in RPI and Average Earnings, and acknowledged that the incumbent's fee is, in effect, a contribution to clergy stipends.
4. As a result of the first triennial actuarial review of the new clergy pensions scheme, the Pensions Board has asked for the contribution rate to be increased from 21.9% to 29.1% of the previous year's National Minimum Stipend in 2002. Parishes will be faced with having to raise a further £11m per year for clergy pensions. This is estimated to have the effect of increasing the combined stipends and pensions bill by around 5% *before the annual stipend increase is made*. As the incumbent's fee is a contribution to stipends, and, therefore, to pensions, which are deferred stipend, it seemed right to take this additional burden into account when setting the level of parochial fees.
5. It is therefore proposed that the general increase in the level of parochial fees should be 8.5% from 1 January 2002. The maximum increase, arising from

the general increase alone, is £10 on the previous year's fee. In most cases, the increase is well below this figure, and in some cases there is no increase at all.

Changes to the fees for memorials

6. In addition to the general increase, following discussions with the Council for the Care of Churches, it is proposed to change the structure of fees for monuments. The changes, which are reflected in the Order now before Synod, are as follows.

- The fee for a small vase not exceeding 305mm x 203mm x 203mm (12" x 8" x 8") should be the same as that for a tablet.
- The maximum dimensions specified in the fee for a tablet should be changed from 533mm x 533mm (21" x 21") to agree with those specified in the new edition of the Churchyards Handbook, that is 450mm x 300mm (18" x 12").
- The incumbent's fee for a tablet should be the same as that for an additional inscription on an existing monument.

OTHER MATTERS

Review of Guidelines for the payment of Parochial and Casual Duty Fees to Retired Clergy, non-stipendiary ministers and Readers

7. Last year's memorandum indicated that a review of the *Guidelines for the payment of Parochial and Casual Duty Fees to Retired Clergy, non-stipendiary ministers and Readers* would be carried out. This included a survey of dioceses to find out the extent to which dioceses made use of the Guidelines. It was decided not to reissue the Guidelines at this stage, and it is hoped to make the results of the survey available shortly.

Consultations about changes to the Destination of Parochial Fees

8. Last year's memorandum also referred to consultations about whether further consideration should be given to making the whole of the parochial fee payable to the PCC. The matter was raised at the meeting of the Inter-Diocesan Finance Forum last October, at which clergy and General Synod representatives were present, in addition to Diocesan Chairmen and Secretaries. In the light of the discussion at the Forum, it has been agreed not to proceed further with consultations on the destination of parochial fees.

NOTIFICATION OF OTHER BODIES

9. In accordance with previous practice, we have notified certain other bodies of our intention to seek approval to this draft Order. These include other Churches represented on the Churches Main Committee, the Registrar-General, Local Authority Associations, and the National Associations of Funeral Directors, Crematoria Operators and Memorial Masons.

CONCLUSION

10. The General Synod is invited to approve the draft Parochial Fees Order 2001 (GS1422) which the Council has submitted. If it is so approved, the Council will make the Order by sealing it. It will thereafter need to be laid before both Houses of Parliament in accordance with legal requirements.

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