We distribute this funding for mission in communities with the lowest incomes. It goes to those dioceses which have the greatest number of people living in these communities. It does not go directly to parishes.

Twenty-six dioceses receive Lowest Income Communities Funding and they know the amounts they will receive in 2021 and 2022.

Some dioceses are receiving less money than they did through the previous funding model, some will receive more money. We are providing transitional funding to dioceses receiving less funding than they used to. This is likely to last for up to ten years to protect mission in the most deprived communities. In addition, these dioceses have received a one-off amount to help them to adapt to the changes.

In the winter of 2021/22 the SIB commissioned an independent review of Lowest Income Communities Funding and Strategic Development Funding, chaired by Sir Robert Chote. The review published its findings in March 2022 and the full report is available below. The SIB welcomes its findings and is considering how best to implement them to help the mission of the Church.

- Independent Review of LInC & SDF Report (1.11 MB)
Lowest Income Communities

Allocation formula

The allocation method begins by assessing the average income of the residents of each diocese. The funding goes to dioceses whose residents have an income below the national average.

Some dioceses have greater extremes of wealth than others. The allocation method therefore modifies the average income figure by taking income deprivation into account. This is done by counting all the people who are reliant on the government for a basic income. If two dioceses have similar average income figures, the one with more people in income deprivation will receive more funding. The method also ensures that every individual with a low income affects the calculation, no matter how small or large the pocket of deprivation.

The allocation method then takes into account the total number of people in each diocese. This means that individuals are treated equally. It does not matter where they live or how close they are to a church building. Their religion, age and other factors do not matter.

The calculation therefore depends on a diocese's population and its average income, as modified by the number of people in income deprivation. We only give funding to those dioceses with below average incomes, modified by income deprivation. It is focused on the dioceses who most need help to support mission in the communities with the lowest incomes. The funding represents around 2% of the Church's total expenditure.

This parish map shows census information and deprivation data for Church of England parishes.

Source URL: https://www.churchofengland.org/about/vision-strategy/funding-mission-and-growth/lowest-income-communities-funding