The Church Commissioners fund mission in churches, dioceses and cathedrals throughout the Church of England. The returns on the Church Commissioners’ investments make a tangible difference to the lives of thousands across the country.

Our funding is targeted towards mission opportunities and those areas which are most in need. Having worked with the Archbishops Council as part of the Renewal and Reform programme, our funding for mission has been divided into two streams – Strategic Development Funding (for major mission projects) and Lowest Income Communities Funding (for dioceses serving lower-income areas).

### Mission projects

Whether funding city centre churches, community projects in low-income areas or research programmes to examine how the Church can grow, the returns on the Church Commissioners’ investments make a tangible difference to the lives of thousands across the country.

#### Strategic Development Funding

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total return</td>
<td>13.3%</td>
<td>10.4%</td>
</tr>
<tr>
<td>Total return (30 years average)</td>
<td>9.9%</td>
<td>9.5%</td>
</tr>
<tr>
<td>Supporting dioceses and the local church</td>
<td>£86.8M</td>
<td>£99.1M</td>
</tr>
<tr>
<td>Bishops’ and Archbishops’ ministry</td>
<td>£42.2M</td>
<td>£379M</td>
</tr>
<tr>
<td>Cathedrals’ ministry</td>
<td>£12.3M</td>
<td>£20.0M</td>
</tr>
<tr>
<td>Other activities</td>
<td>£6.0M</td>
<td>£5.5M</td>
</tr>
<tr>
<td>Total charitable expenditure excluding clergy pensions obligation</td>
<td>£1473M</td>
<td>£162.5M</td>
</tr>
<tr>
<td>Total cash paid on clergy pensions</td>
<td>£116.1M</td>
<td>£118.9M</td>
</tr>
<tr>
<td>Investment fund</td>
<td>£10.1BN</td>
<td>£9.2BN</td>
</tr>
</tbody>
</table>
Strategic Development Funding supports major projects within dioceses that can make a significant impact on their mission to the communities they serve.

The SDF programme, which is expected to distribute £270m from 2017 to 2026, has given nearly £140m since 2017. Distributions have been weighted to the early years of the programme to give it momentum.

In 2019, £19.4m was given to 11 projects in 11 dioceses across the country, working with families and children, hard to reach groups, prisoners and homeless people. Other projects included developing intercultural worshipping communities and deepening relationships in local communities.

**Case study**

**Leeds Diocese**

A £490,000 fund is to be shared amongst churches in Keighley to revitalise the Church's mission to this area of Bradford in West Yorkshire.

Plans include outreach work in the town centre, a reinvigoration of work with children and families, and a focus on communities on local housing estates.

The money is part of £1.03m from the Strategic Development Fund that will be shared between Keighley and four other church-planting churches in Bradford, following a successful bid by the Diocese of Leeds.

Each church is expected to have an impact beyond their parish boundaries, sharing expertise and resources, and sending people as part of church planting and revitalisation teams. Bishop of Leeds, the Rt Revd Nick Baines, said the SDF investment will make real differences in a town that faces many challenges: “This funding will add capacity and help the churches in Keighley reach out and engage with all its communities for the common good.”

**Lowest Income Communities Funding**

Lowest Income Communities Funding is designed to support dioceses in developing mission and growth in lower-income communities. LInC is given to 25 dioceses, determined by a formula that takes into account the local average income and population. It is designed to give dioceses extra capacity to serve less financially well-off communities.

In 2019, these 25 dioceses received LInC funding of £25.4m. An additional £9.7m was paid to support dioceses that are receiving less funding than they did under a previous formula.
The Church Commissioners support the ministry of bishops and archbishops by funding their stipends, office and working costs. How bishops spend their funding is at their discretion, ensuring they can meet needs specific to their dioceses.

This support also extends to bishops' houses. Some are historic properties, such as the two archbishops' palaces at Lambeth and Bishopthorpe. However, most have been bought or built more recently, and are regularly reviewed to ensure they provide appropriate accommodation to facilitate the bishops' work and mission.

**Cathedrals**

Cathedrals are focal points not only for the Church, but for the communities they serve, opening their doors to millions of visitors each year.

The Commissioners support the ministry of cathedrals through two funding streams. ‘Section 21’ funding is given to every cathedral, funding the stipends and pension costs of the dean and two residential canons at all cathedrals except Oxford. ‘Section 23’ funding is given to fund staff costs for cathedrals with the lowest incomes, freeing up local resources and helping to facilitate mission and ministry to their local communities.

**Pensions**

The Church Commissioners meet the cost of clergy pensions earned in service until the end of 1997, ensuring that those who have served the Church can be secure in their retirement.

Clergy pensions since 1998 are funded by dioceses, and managed by the Church of England Pensions Board.

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