

GENERAL SYNOD

Clergy Remuneration Review: Progress Report

History and evolving context

1. The Archbishops' Council has asked the Remuneration and Conditions of Service Committee (RACSC) to carry out an assessment of the adequacy of clergy remuneration, in response to a request from the House of Clergy in July 2018.
2. In order not to take an overly short-term review and to make recommendations that will shape clergy remuneration for at least the next decade, the review aims to take account of work commissioned by the Archbishops and House of Bishops on the Emerging Church including Vision and Strategy and the effect of the coronavirus pandemic.

Work done

3. Work carried out by RACSC includes the following:
 - A survey of clergy survey, diocesan consultation and focus groups
 - Commissioning a report on pensions options
 - Other evidence gathering, including looking at the value of the package (stipend, housing and non-contributory defined benefit pension scheme)
 - Revisiting the theology behind clergy remuneration
 - Mapping the components and value of the current package (stipend, housing and pension)
 - Assessing the adequacy of the package by means of minimum income standards, and comparisons with wage and other economic data and comparisons with other provinces and denominations
 - Looking at issues around clergy experiencing financial hardship
 - Considering options for greater flexibility about the level of stipend, particularly in the light of the large number of clergy who do not receive the full stipend-housing-pension package, or who minister holding part time office or on a self-supporting basis
 - Looking at alternatives to the provided house, and guidance about the flexibility that is possible in cases where clergy might prefer not to live in the provided house or to receive an additional payment instead (particularly when holding a part-time office).

Emerging themes

4. RACSC is still at the stage of reviewing the evidence received from its consultations and considering possible policy recommendations in the light of. As a result, we are not yet in a position to share that evidence or to indicate even provisional conclusions. However, there are a number of themes – some not surprising - that have emerged which we shall address in our later report, which we hope the Synod will consider in July. Some of these themes have emerged from the point of view of the mission and new context of the Church and its need for new models of ministry; some from diocesan views on clergy and lay roles and pragmatic choices; and some from the point of view of individuals, their needs, their understandings and their perceptions.

- i. Although many clergy are doing all right¹ or living comfortably, the number of clergy experiencing financial hardship and anxiety continues to be a matter for concern.
- ii. Although the current final salary pension scheme is unusually generous, it needs to be acknowledged that those clergy who do not already own their own house (or who have been unable to save for one during the course of their ministry) will face additional costs and reduced income, as they will need to pay for housing in retirement.
- iii. At a time when clergy have been under considerable strain, clergy wellbeing – including financial wellbeing – remains an important issue.
- iv. The value of the package needs to be better understood, particularly over the housing costs that clergy are not having to meet, and how clergy with provided houses compare with diocesan employees (including clergy) who do not have a provided house.
- v. It is desirable to help clergy plan and save for retirement whilst reducing dependency.
- vi. Greater flexibility in the package particularly for new forms of mission and ministry and part time roles and further guidance about the existing flexibility around provided housing (for example living in a different house that it is more suitable for the needs of the individual cleric) would be helpful.
- vii. Some parishes and some dioceses are facing severe financial pressure (exacerbated by COVID-19) giving rise to a degree of concern about the cost and long-term financial sustainability of aspects of the package, particularly pensions and housing maintenance.
- viii. These pressures may lead in some dioceses to a possible reduction in the number of stipendiary posts.

Next steps

5. Work will continue on the review with a view to producing a report for consideration by Synod in July 2021. This will include:
 - completing the analysis of evidence collected from the clergy survey, focus groups and diocesan consultation;
 - developing and testing emerging potential recommendations;
 - further analysis of the affordability and sustainability of the current package and any potential recommendations.

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Secretary to RACSC

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¹ 'doing all right' terminology from Living Ministry survey.