

Archbishops' Council 2022 budget

GS 2213

1. The Covid Response
2. Where are we now?
3. Looking ahead
4. 2022 Council Budget

CANON JOHN SPENCE

1. The impact of Covid

House of Bishops Statement on Government COVID-19 guidance

The House of Bishops has welcomed and commended the decision of the Government to open places of worship for public worship from 4 July, at a virtual meeting held on June 24th.

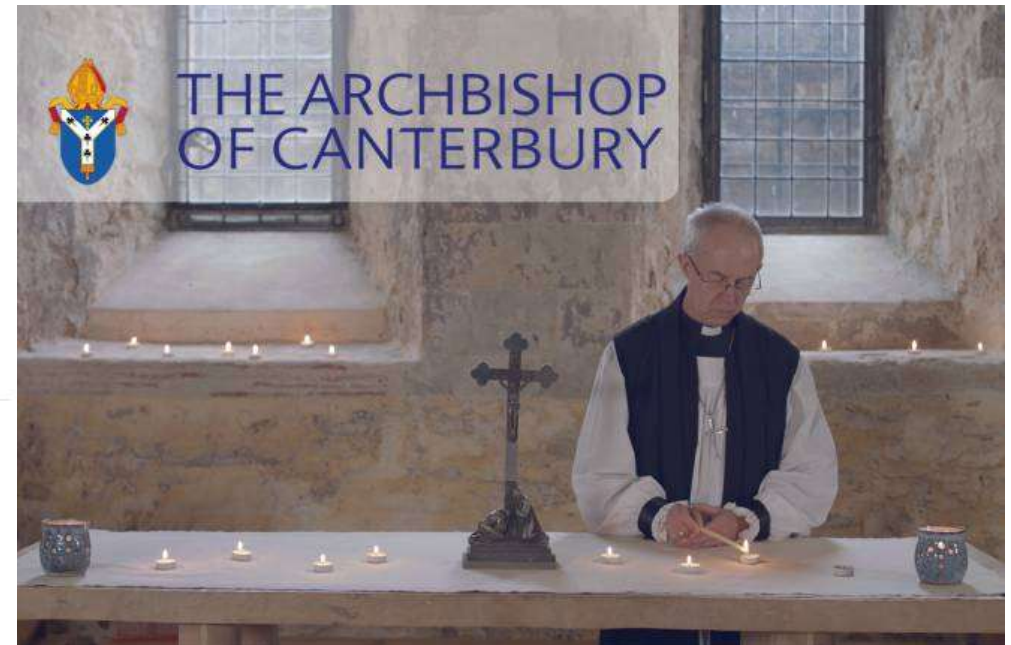
24/06/2020

News & Stories

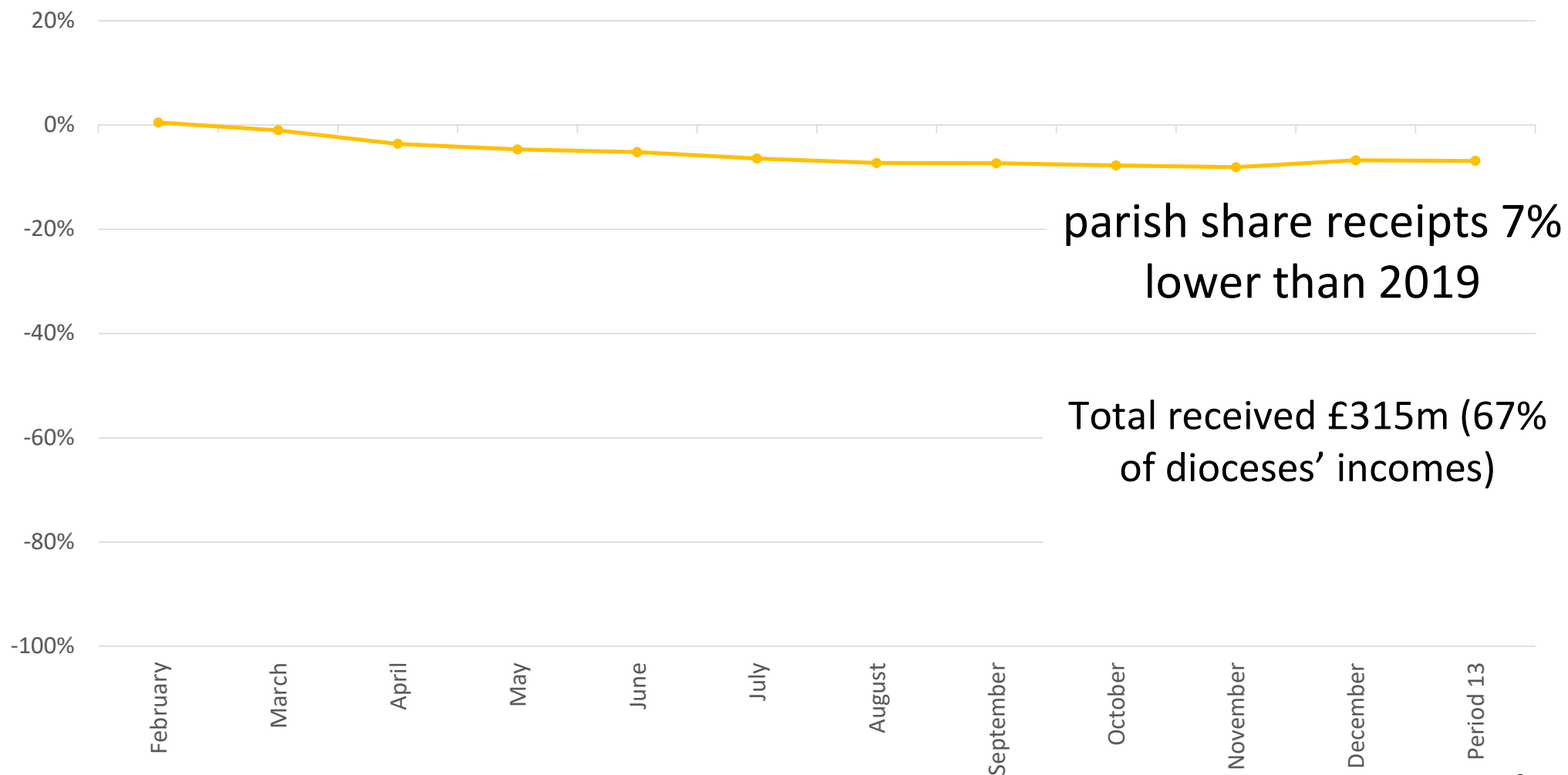


Church of England takes Sunday worship into people's homes in response to coronavirus

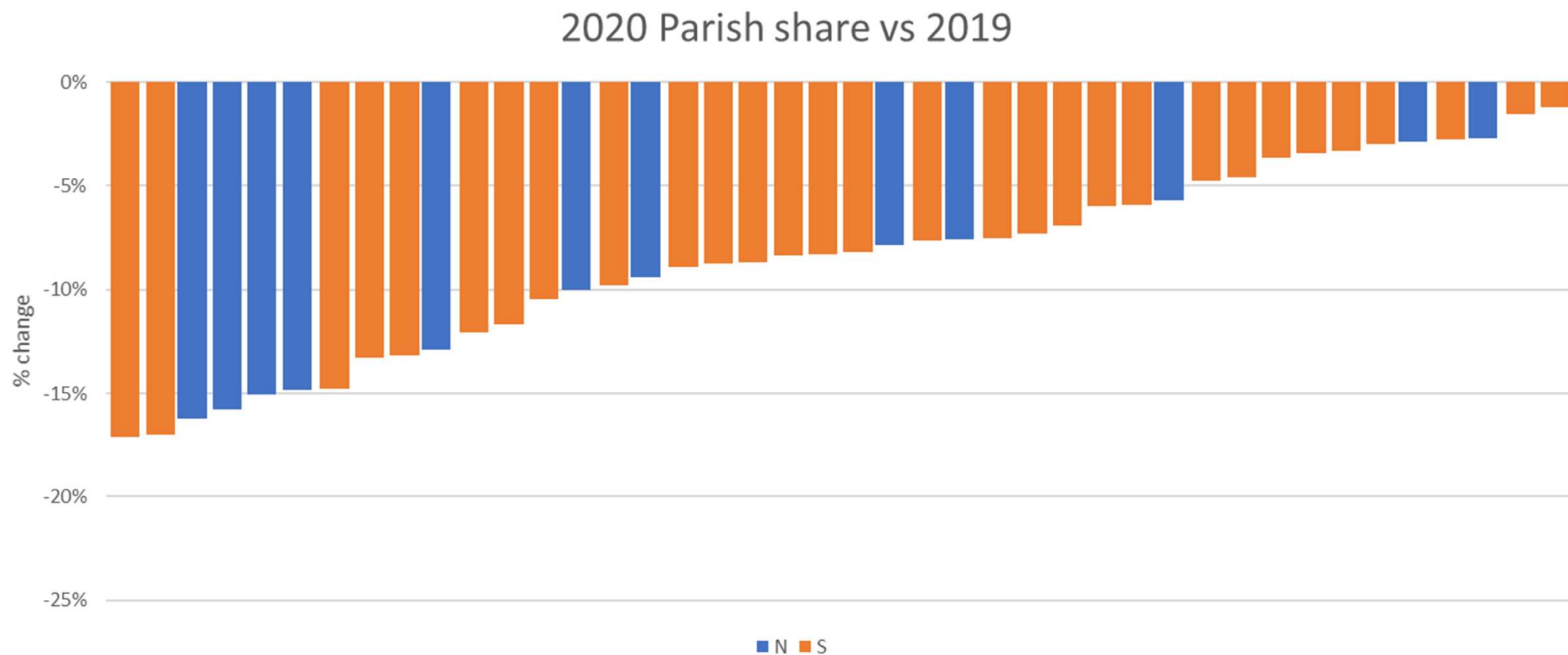
The Church of England is preparing to take the church into people's homes – through TV screens, laptops, computers and mobile phones – ahead of the first Sunday without public worship.



2020 parish share performance



2020 parish share: Covid impact



2020: hard choices required

- Reduction in planned expenditure:
 - Property: -12%
 - Diocesan office: 7% below budget
- Furlough scheme used:
 - 90 curates from 10 dioceses at some point
 - On average 1/3 of diocesan staff furloughed in H1 2020
- Redundancies
- Modest scaling back of clergy deployment plans

Planned new additional funding streams 2020-22

- **Strategic Transformation Funding (£44m)**
 - 2020: First main award: Sheffield £5.7m
 - Working with 20 dioceses on plans
 - £6.4m awarded to help develop strategy and transformation plans
- **Additional Ordinands Funding (2020: £2m, 2021: £4m)**

Strategic Ministry Funding	Grants awarded / forecast	No. of dioceses receiving grants	No. curates supported
2020	£5m	21	46
2021	£15m	29	117
2022	£12m	22	89

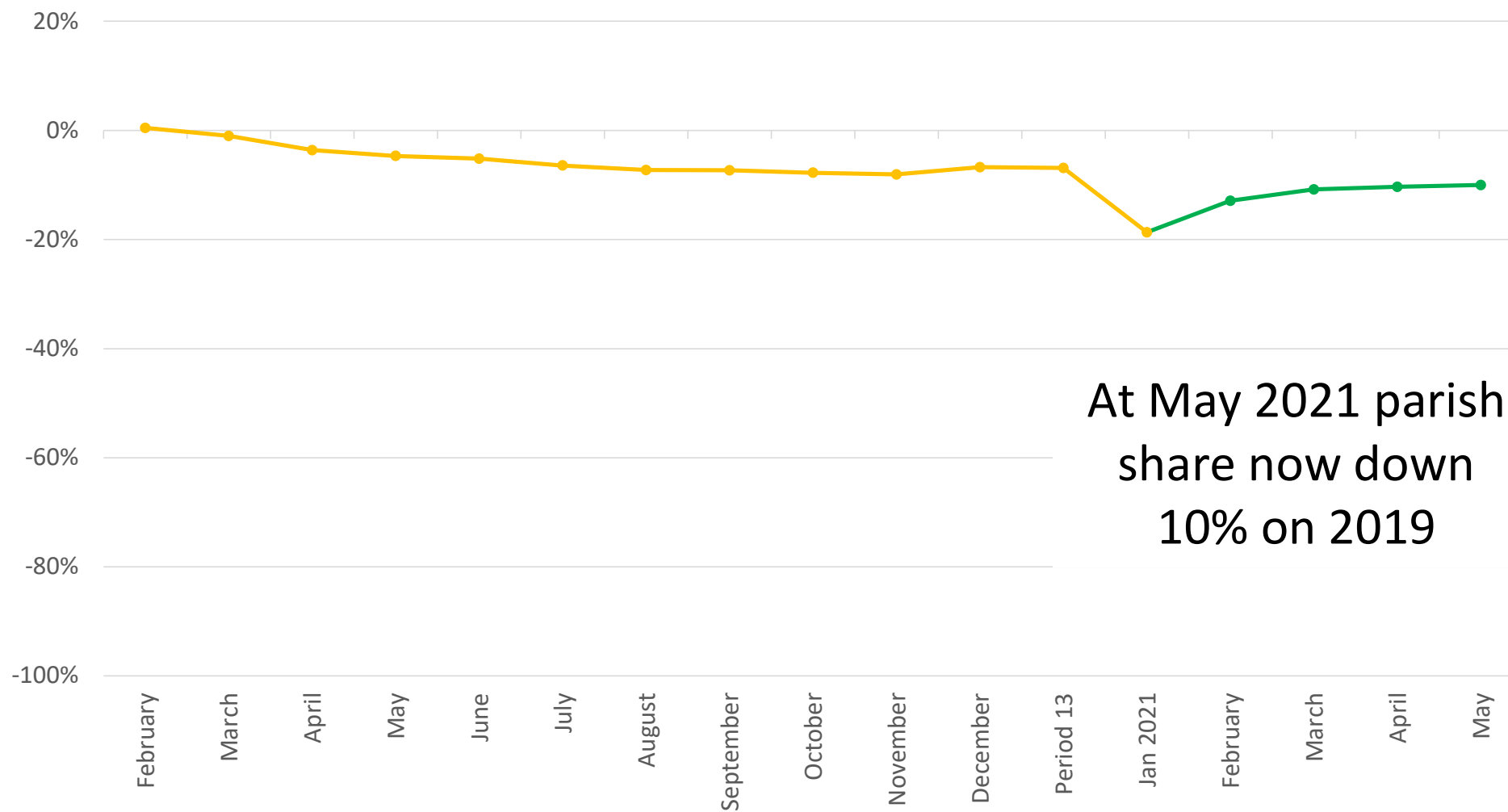
Responsive grants 2020: diocesan sustainability funding

- £35m sustainability funding made available
 - 2020: £14.9m distributed to 24 dioceses
 - 2021: Remaining £20.1m available
- Cashflow support:
 - LInC and transition grants: advance payment (repeated for 2021: £34m)
 - Clergy stipends accounts forbearance

2. Where are we now?

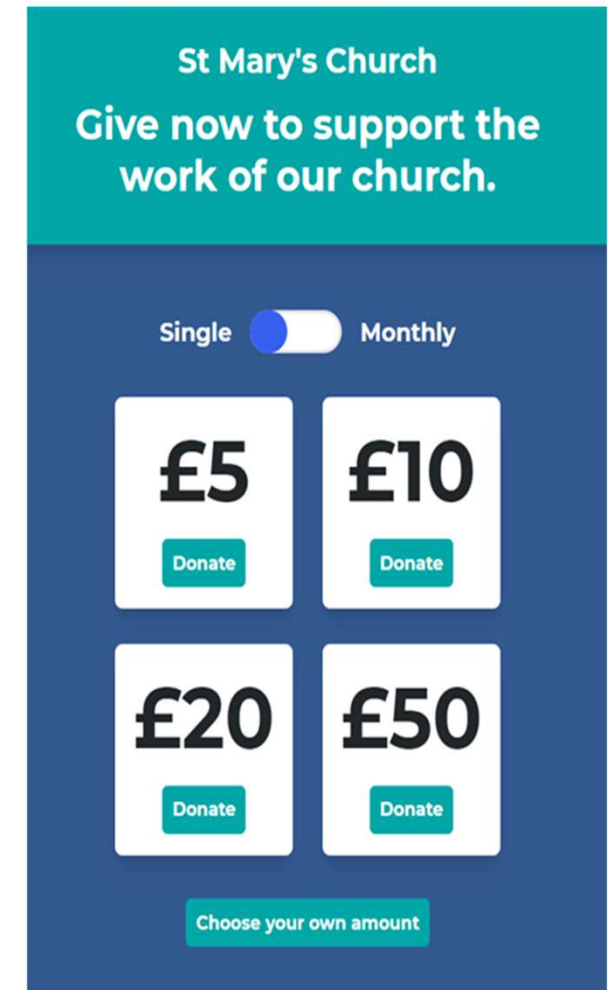


Parish share: financial strains remain



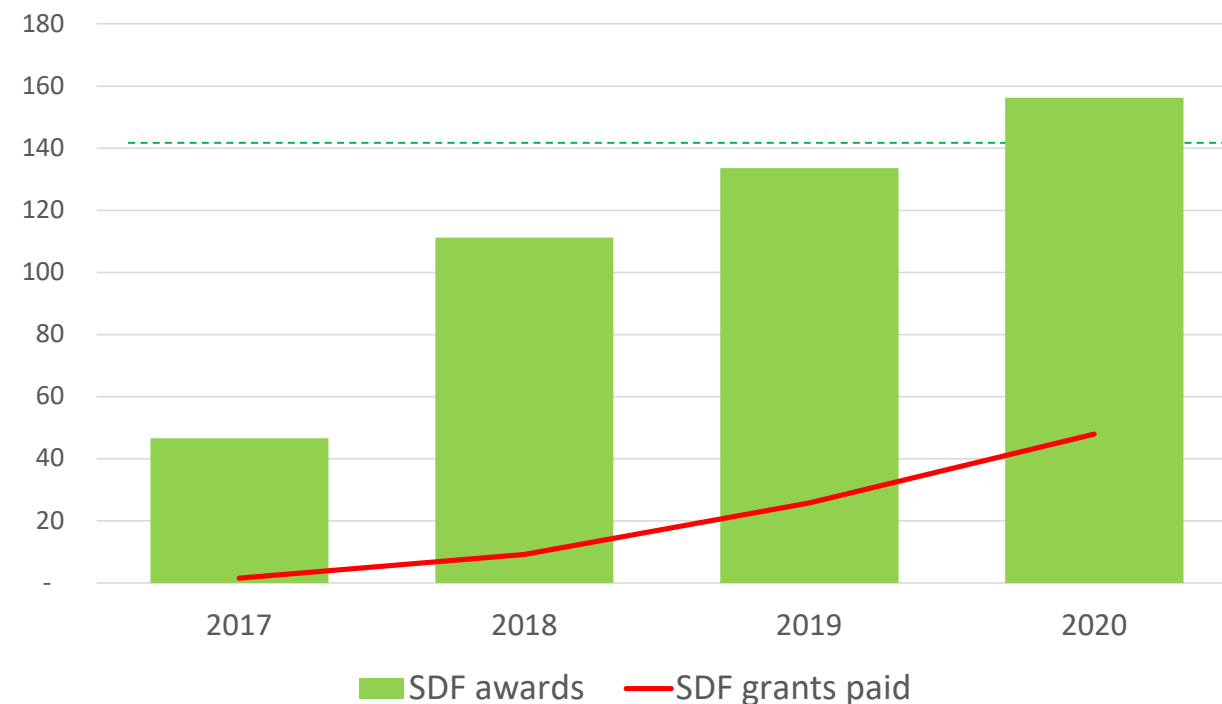
... alongside creative responses

- Parishes: centres of outreach & support for their communities
- 9,000+ people trained on digital
- Planned giving held up well
- Many parish giving initiatives underway
- Giving will remain key to parish and diocesan finances



Multi-year grants

Cumulative SDF grants awarded compared with sums paid



- Significant disparity between award and spend: expected but exacerbated by the pandemic
- Similar pattern for:
 - **Strategic Transformation Funding**
 - **Strategic Ministry Funding**
- **Social Impact investment:** Aim to make first investments in 2021.

Ordinands & Curates

- 2016-2021: new ordinands around the level needed to keep stipendiary clergy numbers broadly stable
- Modest scaling back of clergy deployment plans expected in next few years
- Plans will be reviewed in the light of the Vision and Strategy and its bold outcomes

3. Looking ahead



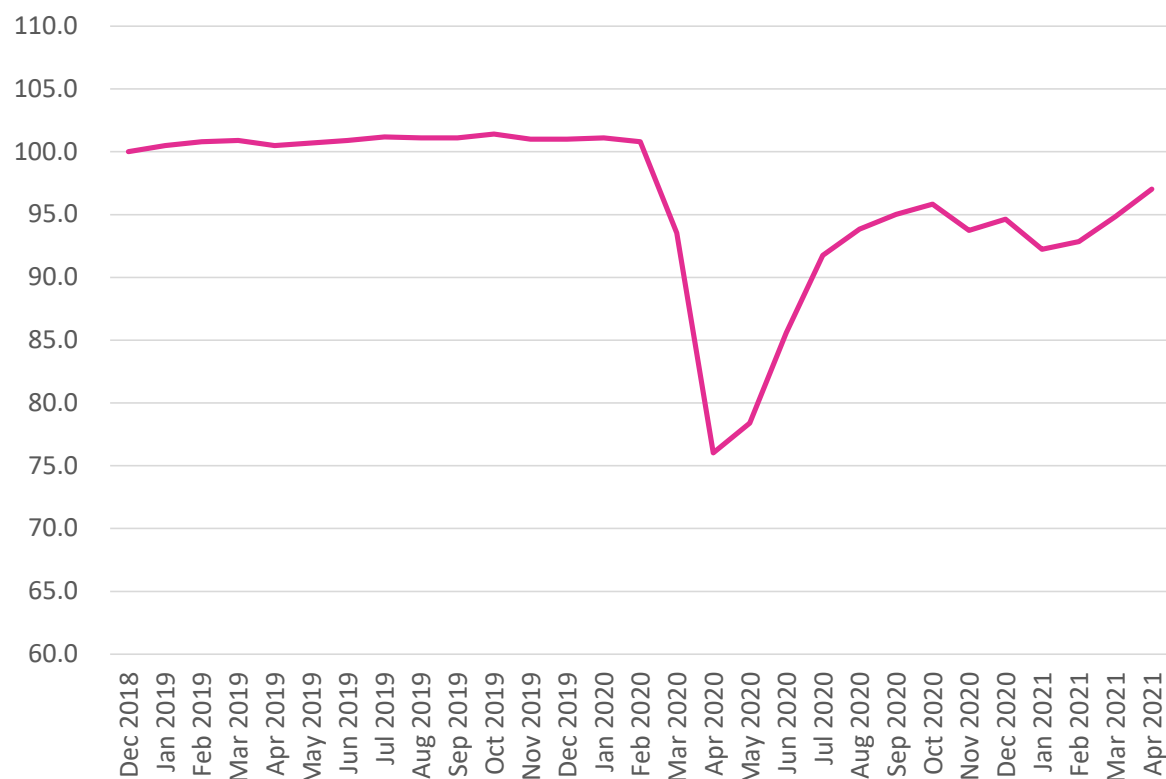
Emerging Church of England

- **Vision and Strategy:** will underpin future spending plans and decisions
- **Governance:** report expected autumn 2021
- **Transforming Effectiveness:**
 - Savings for the Church
 - Improve effectiveness
 - Progress to feed into future budgets and spending plans



Wider financial picture unclear

UK GDP: Dec 2018=100



- April 2020: GDP 25% below end 2019
- April 2021: GDP 4% below end 2019
- April 2021 GDP 27.6% more than April 2020: back to Nov 2016 level



Diocesan and Parish Finance

- **Parish share:** ongoing monthly monitoring
- **Engagement with dioceses:** ongoing
- **Parish finances:**
 - Impact of the pandemic to emerge
 - £266m added to parish reserves in 2010-19 will help
- **Gratitude:**
 - for giving and wider commitment of those in worshipping communities
 - for those providing useful data to inform decision making

Giving Strategy

Priority 1: Giving Advisor Fund

- £3m grants re additional giving advisors (23 dioceses)

Priority 2: digital giving

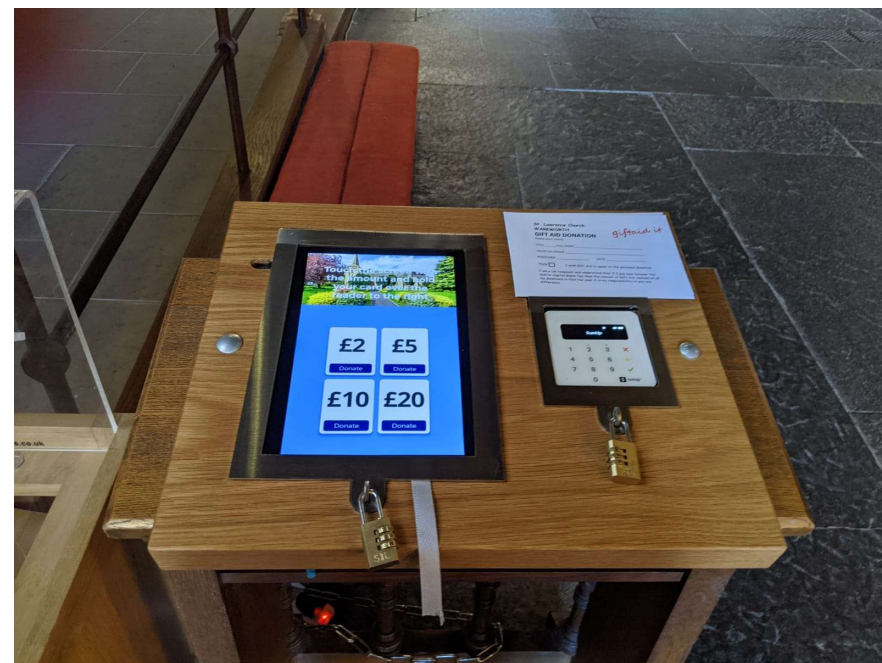
- £2m+ annualised online donations for 2,300 churches through GiveALittle
- Pilots:
 - Contactless giving: Carlisle & Southwark
 - Online will writing: Manchester and Winchester
- Funded online platform for Parish Giving Scheme:



Giving Strategy

Priority 3: guidance and advice

- Giving & generosity webinars delivered to 1,000+ churches
- Anglican Giving Survey completed - findings widely shared
- Clergy training: 12 dioceses
- New giving and generosity materials:
- New web guidance on 'building a generous church'



4. 2022 Archbishops' Council Budget



2022 Budget headlines

- Additional investment in several priority areas:
 - Safeguarding (including IICSA response, independence, redress scheme setup)
 - Racial Justice Unit (response to *From Lament to Action*)
 - Freedom of Religion & Belief and Addressing Modern Slavery (externally funded)
- Funding :
 - Diocesan apportionment: frozen at the 2021 level (1.6% below 2019/20 level)
 - Church Commissioners
 - Third party funding
- **The Council is grateful to all its funders for their support**

2022 Budget headlines

- Recognising uncertainties we wish to update Synod in November including:
 - Savings from Transforming Effectiveness phase 1
 - Associated investment
 - Any additional investment requested of the Council (e.g. para 6 of GS 2213)

2022 Diocesan Apportionment

Training for Ministry	£14.8m
National Church Responsibilities	£10.2m
Grants	£1.2m
Mission Agency Pensions	£0.6m
Clergy Retirement Housing	£5.6m
Total Apportionment	£32.5m (same as 2021)
Budgeted expenditure	£52.0m (2.9% more than 2021)

Additional investment in safeguarding and Racial Justice Unit possible through extra Church Commissioner funding and use of Council reserves (£2.4m: £0.4m, 21%, more than 2021).

2022 Budget Recommendations

14. Take note of GS 2213

15. Approve Archbishops' Council expected expenditure:

- | | |
|--------------------------------------|--------|
| i. Training for Ministry | £17.4m |
| ii. National Church Responsibilities | £27.1m |
| iii. Grants | £1.2m |
| iv. Mission Agency Pensions | £0.7m |
| v. Clergy Retirement Housing | £5.6m |

16. Approve Apportionment table and Pooling Adjustment (p.11)

17. Request the Council to provide a financial update in November.