

GENERAL SYNOD

FEBRUARY GROUP OF SESSIONS 2023

FOURTEENTH NOTICE PAPER

FINANCIAL STATEMENT PERSUANT TO STANDING ORDER 108

ITEM 511: DRAFT PAROCHIAL FEES (AMENDMENT) ORDER

1. This notice paper provides a financial statement on the amendments proposed to the draft Parochial Fees (Amendment) Order and should be read in conjunction with paragraphs 11-13 of the fifth notice paper.
2. Mr Walker's amendment in respect of the fee for services involving funeral director's premises (item 541) would have two impacts if passed and a Parochial Fees (Amendment) Order reflecting the changes was brought into force.
 - Firstly, it would decrease the DBF element of the fee for a "funeral service in premises belonging to funeral director, whether taking place before or after burial or cremation" from £227 to £124. The PCC, which currently receives no fee for this service, would become entitled to a fee of £104. We are unable to estimate the overall effect of this proposed change as we have no information on the number of such services in a typical year.
 - Secondly, it would also increase the fee for "cremation immediately preceding or following on from funeral service in premises belonging to funeral director" from £33 payable solely to the DBF to £228, £124 of which would be payable to the DBF and £104 payable to the PCC. Although it is clear both DBF and PCC incomes would increase as a result of this change we are unable to estimate this as we have no information on the number of such services in a typical year.

3. Mr Walker's amendment in respect of the "redistribution of fee for certain funerals between DBF and PCC" (item 542) would not alter the sum paid by individual fee payers or the overall income to the Church. However, for each service DBF incomes would reduce and income of PCCs would increase by the following amounts:

- (i) "Burial of body, or burial or other lawful dispatch of cremated remains, in cemetery immediately preceding of following on from service in church": £33
- (ii) "Cremation immediately preceding or following on from service in church": £33
- (iii) "Funeral service in crematorium or funeral service (including burial of body or burial or other lawful disposal of cremated remains) in cemetery": £227
- (iv) "Burial of body, or burial of other lawful disposal of cremated remains, in cemetery (committal only)": £33

4. We are unable to estimate the overall effect of the proposed changes (i), (iii) and (iv) as we have no information on the number of such services in a typical year.

5. In respect of (ii) if it is assumed that the same number of funeral services are held in 2023 as in 2019; the fees payable for 85% of funeral services in 2023 are at the rate that would apply once the Amendment Order had been brought into force (broadly assuming the Amendment Order is brought into force in early March and the frequency of funeral services is even throughout the year); and that 75% of funeral services include a cremation immediately preceding or following on from service it is estimated that the increase in PCC incomes and corresponding decreasing in DBF incomes would be around £1.5m in 2023 increasing to around £1.8m in 2024.

6. If Mr Bishop's amendment (item 543) is passed the PCC element of the fee for "burial of body in churchyard immediately preceding or following on from service in church" and "burial of body in churchyard on a separate occasion" would be increased to £1,000 when the Amendment Order comes into force.
7. For the purposes of this estimate it is assumed that the same number of funeral services are held in 2023 as in 2019; the fees payable for 85% of funeral services in 2023 are at the rate that would apply once the Amendment Order had been brought into force (broadly assuming the Amendment Order is brought into force in early March and the frequency of funeral services is even throughout the year); and that 25% of funeral services include a burial. If Mr Bishop's motion is passed and it is assumed that all non-cremation funerals lead to churchyard burials then it is estimated that PCCs would receive additional income in the region of £10m in 2023 increasing to around £12m in 2024, assuming this significant increase in fees did not discourage any such burials.
8. If the level of fees caused a reduction in the number of burials, the increase in PCC incomes would be offset by £180,000 for each 1% reduction in the number of burials. On the assumption that most burials occur immediately preceding or following on from a funeral service in church rather than on a separate occasion, DBFs' income would reduce by around £3,000 for each 1% reduction in the number of burials.

Canon John Spence

Chair, Archbishops' Council Finance Committee

February 2023