

GENERAL SYNOD

UPDATE ON DELAY TO JANUARY CLERGY STIPEND PAYMENT

1. Due to a regrettable processing error within our National Church Institutions Finance team, all clergy stipend payments that were due to be made on 31 January 2024 were unavoidably delayed by 24 hours. All payments to clergy were successfully made on 1 February.
2. We are very sorry for this error and have apologised to all those impacted. We know that this delay in stipend payments has caused distress and will also have had a financial cost to some. We would like to thank clergy for their understanding and for the many kind messages that we received. We also apologise to clergy families and to colleagues in diocesan teams who helped to answer queries and support clergy at this time.
3. Emails were sent to all impacted clergy, firstly on 30 January and then a second email on 31 January, apologising for our mistake which led to the delayed payments. We have given assurances that any bank charges incurred as a result of the delay will be reimbursed and directed clergy to contact the Clergy Payroll team directly. The second email, from the Church Commissioners' Chief Executive, Gareth Mostyn, acknowledged the need for us to rebuild trust with clergy as a result of this incident and stated that a review of processes and controls would be carried out to ensure that 'all possible actions are taken to avoid this happening again in future'.

Background

4. The national clergy stipend is paid via BACS¹ on the last working day of the month. In order to ensure that payments are made on time, a BACS payment file needs to be received by our bank for processing two working days before the payment is made. For the payments due on 31 January, the payment file needed to be submitted on 29 January but unfortunately a check was not completed to confirm the file had been shared with the bank. This error was identified late on the afternoon of 30 January and the payment file was then sent urgently to the bank on the same day.
5. The management team immediately attempted to agree a 'faster payment' with the bank, however we were unable to confirm this could be delivered in time and accurately with sufficient certainty. After exhausting this as an option with the bank, it was considered safest to process the clergy stipends in the normal way, albeit 24 hours late.

¹ Bankers' Automated Clearing System: responsible for the clearing and settlement of UK automated direct debit and direct credits. It is used to pay around 80% of UK employees.

What action did we take?

6. A short message to inform all those affected was sent from the Director of Finance, Mark Barker, on the evening of 30 January. This notified clergy of the 24 hour delay in payment, apologised for the delay, gave assurances that any bank charges incurred as a result of the delay would be reimbursed and provided contact details of the Clergy Payroll team.
7. Due to the number of stipendiary clergy who were affected (circa 8,000), our e-mail messaging to inform them had to be managed by mail-merging messages with the clergy e-mail contact details that we hold within our People management system. We also had to make sure that these were released in manageable batches to avoid e-mails failing to be sent. As a result of this, the messages sent to clergy had to be checked and released over several hours.
8. The staggered release of e-mails did result in some clergy receiving messages before others, a few may have received messages but not seen them if they were received as "spam", and others may not have been received at all if their e-mail addresses on the People management system need updating.
9. A follow-up email was sent on the evening of 31 January from Gareth Mostyn, Church Commissioners' Chief Executive. It carried an apology for the stress and inconvenience caused, confirmation that stipend payments would be made the following day and outlined the support available. The message concluded with an acknowledgement of the need to rebuild trust with clergy and that a review of processes and controls will be carried out to ensure that 'all possible actions are taken to avoid this happening again in future.'
10. We would like to extend our thanks to bishops and diocesan offices who offered immediate and responsive local help to clergy if needed. This provided valuable support to all and at a local level.
11. With payments to all clergy confirmed and completed on 1 February 2024, we are now reviewing all queries received from clergy to ensure that we can resolve these quickly. At the time of writing, most requests received have been very helpful suggestions on possible improvements that will be explored as part of our lessons learned. All queries are being logged to ensure urgent issues can be addressed in a timely manner.

What we are doing to reduce the risk of repetition

12. The error in stipend payment processing was an oversight, and not caused by our finance payroll system itself. It did highlight the need to make sure that our staff processes are far more robust in future. Changes are being introduced with immediate effect, such that all payroll BACS files will be processed by two members of staff, a processor and a reviewer. The reviewer will be a senior member of the payroll team confirming the file has been processed for payment. Further training will be provided to the relevant teams.
13. As a contingency, and in the event of being in a similar emergency in future, we will explore the option of generating a faster same-day payment file from the

People management system. We are investigating the feasibility, reliability and accuracy of this together with our banking partner.

14. Where clergy have been identified as not having received the e-mails, we will be working with them to identify any corrections to the contact details held in the People management system and any support required to avoid future lost communications.
15. As soon as the lessons learned review has been completed, we will ensure relevant details are shared with the Audit and Risk Committee of the Church Commissioners to inform any further improvements that can be made and to provide further assurance that all key issues have been addressed.
16. A number of clergy have raised the possibility of moving to paying the stipend on a fixed date every month. We will investigate this option and consider it as part of the lessons learned review.
17. We would like to reiterate our apology and thank our clergy colleagues for their patience and the many helpful and kind messages that we received.

Rosie Slater-Carr, Chief Operating Officer and Mark Barker, Director of Finance,
National Church Institutions

February 2024

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Annex 1: Email communications

Two communications were sent by email to Stipendiary Clergy about the delay in payment. Emails were also sent to senior clergy, senior diocesan staff and communications teams to notify them of the delay.

First Email

The first email, notified Clergy of the 24-hour delay in payment, apologised for the delay, gave assurances that any bank charges incurred as a result of the delay would be reimbursed, and the contact details of the Clergy Payroll team.

To: All stipendiary clergy

Date: 30 January 2024

Subject: 24-hour delay to clergy stipend payments

Dear colleague,

As a result of human error, payments to clergy due on Wednesday will be delayed by 24 hours. We are sorry for any inconvenience this may cause. Any bank charges incurred as a result will of course be reimbursed.

If you need to get in touch or have any queries, please contact clergy.payments@churchofengland.org.

Mark Barker, Director of Finance

Second Email

A follow-up email was sent on the evening of **Wednesday 31 January** from Gareth Mostyn, Chief Executive of the Church Commissioners for England. It carried an apology for the stress and inconvenience caused, confirmation that stipend payments would be made on Thursday 1 February, and outlined the support available.

To: All stipendiary clergy

Date: 31 January 2024

Subject: Delay to clergy payments – an update and an apology

Dear colleague,

First and foremost, I would like to say how sorry I am for the delayed payment of clergy stipends that had been due today. I can confirm that stipend payments will now be paid on Thursday 1 February.

Your January payslip is available in the People System. If you need help accessing the People System, please email peoplesystemsupport@churchofengland.org. Please bear in mind that payments are processed at different speeds by different banks, so some people will see their stipend payment in their account before others during the day.

I am truly sorry that this has happened, as are all the members of our team, and for the stress and inconvenience this has caused for you.

The error was picked up on Tuesday afternoon. Our first priority was to minimise the delay in paying you. We explored an urgent same day (faster payment) method of payment, but this was not possible. As soon as possible on Tuesday evening we then sent an email to all stipendiary clergy to explain that

there would be a delay in processing payments, having first exhausted all options to meet the Wednesday payment date. This email was sent in batches throughout the evening. A short message was also posted on the clergy payroll page of the Church of England website.

Support for you

We are acutely aware that any delay in payment can affect an individual's finances, particularly where planned payments are due.

Please contact us if you have been adversely affected by this delay. We will, of course, reimburse any clergy who incur bank charges as a result of the delayed payment. We are prioritising responding to enquiries relating to the delay in payment and working through requests as quickly as possible. If you want to speak with someone about your situation, please call the number below or contact us by email. Our offices are open Monday to Friday, from 9am to 5pm.

- *Phone: 020 7898 1618*

- o This is the best option for urgent queries*

- *Email: clergy.payments@churchofengland.org*

- o This is the best option for less urgent queries*

If you have any concerns, please get in touch using one of these methods.

My colleagues and I are acutely aware that we need to work hard to rebuild your trust so that you can have confidence that all future payments will be processed on time. We will be carrying out a review of our processes and controls to ensure that all possible actions are taken to avoid this happening again in future.

Thank you for your forbearance and again, please accept my apologies

Gareth Mostyn,

Website

A notice about the delay in payments and copies of the email were also made available on the Clergy Payroll pages on the C of E website.