

DIOCESE OF  THE CHURCH
CHICHESTER OF ENGLAND

BUDGET 2015

**APPROVED AT
THE DIOCESAN SYNOD ON 8th NOVEMBER
2014**

DIOCESE OF CHICHESTER THE CHURCH OF ENGLAND

THE BUDGET 2015

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Finance and Accounts
General Office, Governance and Administration
Communications
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Central Services and IT

DIOCESE OF CHICHESTER

Introduction to 2015 Budget

Our Diocesan Budget for 2015 shows further progress towards running our affairs at break even with a year-end deficit reducing to less than 1% of our operating costs. This will be achieved by continued careful control of expenditure and by a significant increase in income from our property portfolio. It also envisages, as endorsed by our Deanery Treasurers, that parishes will be able to increase their contributions by an average of 2% and that we shall continue to be successful in collecting these. Feedback from deanery financial consultations that have happened at the time of writing (about one third of them have taken place) has been supportive.

On the expenditure side, we are projecting an average of 27 parish vacancies during the year, which is our current run rate, and a likely decrease in stipendiary costs equivalent to five full time posts due to retirement, light duty and house for duty appointments. Clergy pension costs will increase by 3.9% from 1st January and stipends by 1.8%, ahead of CPI inflation. We will further invest in our clergy's housing, committing an extra £700,000 as part of a multi-year programme to upgrade our parsonages but will, thanks to recent legislative changes, be able to pay for this from the Pastoral Fund so that the costs will not be borne by parishes. This investment will add value to our housing stock which will henceforth be reflected more accurately in quinquennial valuations, strengthening our balance sheet. The Pastoral Fund is currently being replenished as various property assets are restructured and developed and we do not expect it to be depleted significantly from current levels as this investment programme progresses. Curates' housing costs will increase slightly and the pooling rebate we receive from the central church will fall considerably as we are currently exporting fewer ordinands to other dioceses, which will result in a rise in our training costs for the year.

The restructuring of Church House, Hove has reduced our cost structure in all but a handful of categories but there remain a few areas where we need to spend more to be effective. Most significantly we will need to invest further, over £80,000 more than in 2014, in our church schools to ensure our Education Department is adequately staffed and funded to meet changing legislative requirements. An overhaul and upgrade of our central IT will require modest further investment and legal fees are expected also to show a slight increase. Fees paid for managing our investments have risen in line with their increased size and this is now broken out as a separate category for greater transparency. Centralising the finance function has caused us to add a post which will improve controls and save money across other departments. We have also added for 2015 a part time officer to help parishes with fundraising and the releasing of grant support for investment in sustainability.

All of us at Church House, staff members and those who give their time in service to the Diocese, never take for granted all that our parishes do to support the centre, in addition to the vital work and witness in their own communities and their care for our historic and important church buildings. I would like to express personal thanks for the hard work and commitment of our devoted parish and deanery treasurers and especially to those parishes and deaneries that have supported my request to help reduce our 2014 deficit by sending additional voluntary contributions recently. This has demonstrated movingly that we are a family who support each other in times of need and your generosity will make a very positive difference as we close our books on the year: current forecasts suggest that we shall end 2014 with a deficit considerably below the figure we budgeted a year ago.

Bishop Martin's Visitation of the Diocese is now reaching completion and the strategic planning exercise for our future is well under way. These will help shape deployment and financial planning as we ready ourselves to renew the mission and growth of our church communities throughout Sussex. As we continue to plant and water, we pray that God will give the increase.

May I end by thanking all who have contributed to the budget process and to our financial governance this year? I am happy to commend the draft 2015 Budget as presented here for Diocesan Synod's approval.

John Booth – Chairman
October 2014

DIOCESE OF CHICHESTER

The 2015 Budget Explained – “What are you paying for?”

In 2015 the Diocese of Chichester will spend £18 million to support ministry and mission in our parishes throughout Sussex. Of this expenditure, the vast majority - 81% - is spent on the 377 people (334 clergy and 41 lay) who work for the Diocese. This covers clergy stipends, lay salaries, pension and associated employer taxes as well as the cost of housing our clergy.

The major source of income is the parish ministry contribution, which will account for 83.2% of the Diocese's total income. The 2015 budgeted figure of £14,248,091 represents an anticipated minimum increase of 2.0% on the actual deanery promises from the previous year.

	2015			2015	
<u>INCOME</u>	£	%	<u>EXPENDITURE</u>	£	%
Parish contribution	14,248,091	80.0%	Clergy stipend, grants and fees	7,590,000	42.2%
Investment income	1,213,200	6.8%	Clergy pension contributions	2,420,000	13.5%
Fees and local income	616,000	3.5%	Clergy and lay workers housing	2,696,662	15.0%
Housing and glebe income	640,900	3.6%	Training - ordination & other	1,117,579	6.2%
Grants and other income	397,000	2.2%	Church insurance premium	1,043,725	5.8%
			Parish support costs	2,345,431	13.0%
Transfer from Pastoral Account	700,000	3.9%	Exceptional items	50,700	0.3%
			National church responsibilities	715,712	4.0%
Total Budgeted Income	17,815,191	100.0%	Total Budgeted Expenditure	17,979,809	100.0%
			Projected (deficit) for the year	(164,618)	

Below is a summary breakdown of the activity and expenditure. More information about the Diocesan activities and budgets is given in the appendix.

Clergy stipends, grants and fees, clergy pension contributions and clergy and lay workers' housing are the direct costs of providing clergy and lay workers to our Diocese. These account for 70.7% of the budgeted expenditure. The average Parish Ministry Cost for a parish with one full-time stipendiary post will be £62,192 in 2015. Parish Ministry Cost includes stipend, pension and housing, and a share of training, parish and ministry support costs. The majority of clergy receive a stipend and contribution to a final salary pension scheme. In addition the Diocese pays employer's National Insurance contributions and housing costs, consisting of insurance, in-going works, repairs, surveyors and support staff.

Training – ordination and other is the cost of training future clergy and ongoing training, including vocational work and training for ordained and lay ministry and discipleship. This accounts for 6.2% of the budgeted expenditure, the major element of which is the contribution to the Church of England to support national training and support of ordinands.

Church insurance premium is the cost of insuring the parish churches. Although the insurance of the churches is a direct responsibility of the PCCs, the Diocese has arranged a group scheme with Ecclesiastical Insurance Group. This has a two-fold benefit in that each parish gains the price advantage of a group rate on its premium and can pay the premium via its monthly parish contribution, aiding cash flow for the parish over the year.

Parish support costs cover services provided by the Diocese to support both parishes and clergy and to assist in the development of ministry and mission. The advice and skills available enrich and support the Christian ministry in our parishes and deaneries and are provided by various departments and teams at Church House. The parishes are encouraged to make use of these Diocesan teams and advice can be obtained on matters such as:

- ▶ **Church growth** ▶ **Serving the community** ▶ **Legal matters** ▶ **Youth and Childrens' work** ▶ **Environmental responsibility** ▶ **Stewardship**
- ▶ **Finance and administration** ▶ **Safeguarding children and adults** ▶ **Community projects** ▶ **Evangelism** ▶ **Building works**
- ▶ **Overseas links**

Parish support costs also include the funding for the Schools department, which serves the 158 Church of England schools in the Diocese and supports chaplaincy work in both further and higher education establishments.

Also included under **parish support costs** is the cost of the legal and financial executive of the Diocesan Synod. This provides synodical, corporate, legal, financial and governance services to the Diocese and assists the parishes in a number of pastoral schemes.

The **exceptional items** relate to temporary financial support given to the Theological College at The Magnet Centre in Hastings and the final stages of the Land Registry project.

National church responsibilities encompass the costs associated with our support to the Church of England, except *National Training*, referred to in **Training – ordination and other**. The main element here is our contribution to the central administration of the church and other agreed national costs. These include funding for retired clergy housing.

How are we doing compared to other Dioceses?

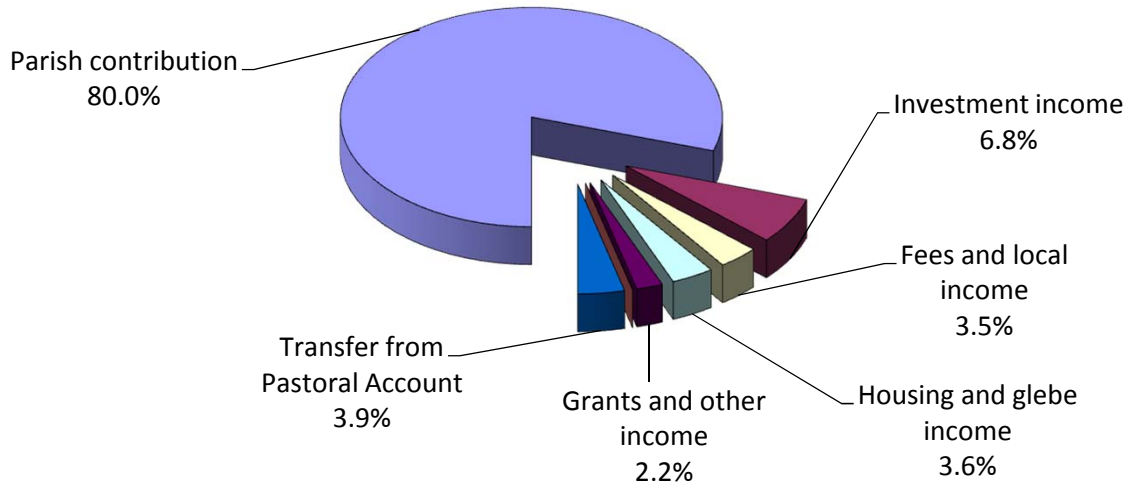
The Church of England has recently conducted a comparison of its 43 Dioceses, using a number of measures. Based on the 2011 statistical information (the most recent available), the Diocese of Chichester was ranked 4th out of 43 for financial strength and 13th out of 43 for Mission strength.

Whilst across the Church of England as a whole there are falling church attendances, the Diocese of Chichester's average weekly attendance figure per head of population was 2.8%, against a national rate of 2.0%. Average weekly attendance among the under 16s was also higher than the national average.

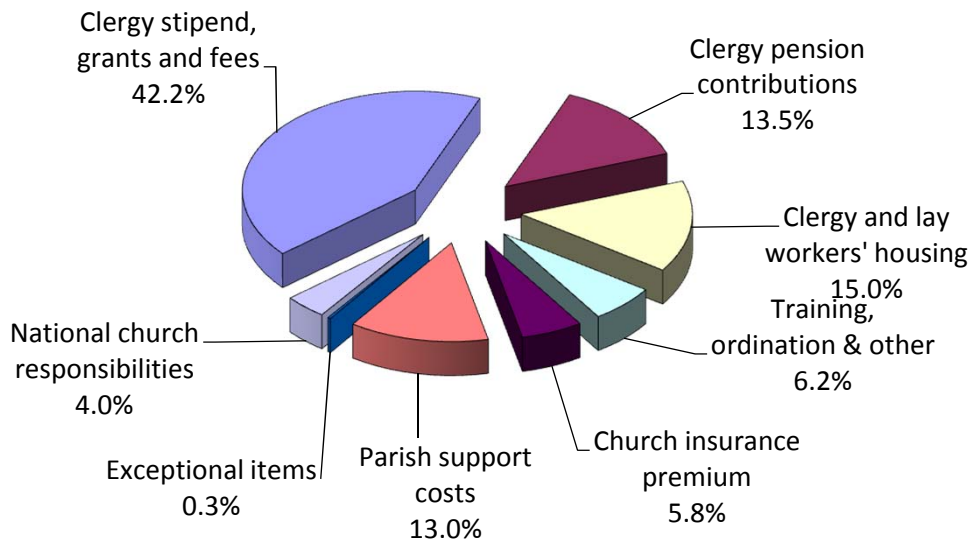
Less positively, although recent statistics show the level of giving within our churches is improving, our overall giving as a proportion of personal income, according to the 2011 data, remained at 3.0%, against a national average of 3.2%. This put us at 32nd out of 43 dioceses, even though we were the 12th least deprived. More encouragingly, preliminary 2012 data suggest that our tax efficient giving levels have increased from £10.20 per week to £11.10 per week, matching the national average.

In 2012, the weekly average regular Diocesan expenditure per Electoral Roll member was £12.10 for the Church of England as a whole, compared to £10.20 for the Diocese of Chichester.

BUDGET INCOME 2015



BUDGET EXPENDITURE 2015



Our Mission to the people of Sussex includes

363 Parishes	292 Stipendiary clergy	40 House for duty posts
491 Churches	40.9 Full time Lay staff	158 Church Schools serving 37,000 Children
361 Properties	2.5 Stipendiary Lay workers	

THE CHICHESTER DIOCESAN FUND AND BOARD OF FINANCE
BUDGET 2015

Actual 13		Budget 14	Budget 15	%age on 15	%age of total
£	<u>INCOME (excl. Parish Contribution)</u>	£	£		
1,189,915	Dividends & interest	1,280,300	1,213,200	-5.2%	42.3%
248,931	Grants from designated funds	219,800	235,500	7.1%	8.2%
255,198	Glebe	283,000	255,400	-9.8%	8.9%
270,996	Housing	238,000	385,500	62.0%	13.3%
616,351	Fees & local income	576,000	616,000	6.9%	21.5%
205,069	Miscellaneous grants and donations	159,500	161,500	1.3%	5.6%
2,786,460	TOTAL INCOME	2,756,600	2,867,100	4.0%	100.0%
	<u>EXPENDITURE</u>				
	<u>The Ministry</u>				
7,337,659	Clergy stipends, grants and fees	7,683,800	7,590,000	-1.2%	42.2%
2,320,788	Clergy pension contributions	2,329,900	2,420,000	3.9%	13.5%
2,018,988	Clergy and layworkers housing	1,939,320	2,631,362	35.7%	14.6%
96,150	Clergy widows & retired clergy housing	65,200	65,300	0.2%	0.4%
942,806	Training - ordination & other	973,098	1,117,579	14.8%	6.2%
12,716,391		12,991,318	13,824,241	6.4%	76.9%
	<u>Direct Support for parishes</u>				
1,015,317	Church insurance premium	1,057,332	1,043,725	-1.3%	5.8%
1,015,317		1,057,332	1,043,725	-1.3%	5.8%
	<u>Parish support services</u>				
621,094	Evangelism and Discipleship Development	657,630	566,210	-13.9%	3.1%
294,087	Diocesan Board of Education	344,440	428,145	24.3%	2.4%
189,818	Safeguarding - Children protection	246,180	212,580	-13.6%	1.2%
55,830	Diocesan Advisory Committee (DAC)	66,050	52,450	-20.6%	0.3%
64,916	Pastoral Committee	75,740	61,440	-18.9%	0.3%
62,217	Closed churches	90,000	90,000	0.0%	0.5%
29,630	Glebe administration	33,000	33,500	1.5%	0.2%
77,629	Investment manager fees	55,000	80,000	45.5%	0.4%
688,924	General office: Finance, Governance and Administration	736,016	821,106	11.6%	4.6%
2,084,145		2,304,056	2,345,431	1.8%	13.0%
116,551	Exceptional items	85,100	50,700	-40.4%	0.3%
715,164	National Church responsibilities	707,995	715,712	1.1%	4.0%
16,647,569	TOTAL EXPENDITURE ⁽¹⁾	17,145,801	17,979,809	4.9%	100.0%
	FUNDED FROM PASTORAL FUND	-	700,000		
13,631,696	PARISH CONTRIBUTION ⁽²⁾	13,968,717	14,248,091	2.00%	
(229,413)	DEFICIT FOR YEAR	(420,484)	(164,618)		

Note

(1) Excluding the £700k increase in Housing costs to be met from the Pastoral Fund, expenditure is budgeted to increase by 0.8%.

(2) The 2014 parish contribution figure is actual deanery promises for the year. The 2015 figure represents the anticipated increase for the year of 2.00%.

INCOME

Actual 13		Budget 14	Budget 15	%age
£		£	£	on 14
<u>PARISH CONTRIBUTION</u>				
13,545,480	Current year	13,968,717	14,248,091	2.0%
86,216	Previous years	-	-	
<u>13,631,696</u>		<u>13,968,717</u>	<u>14,248,091</u>	<u>2.0%</u>
<u>DIVIDENDS & INTEREST</u>				
89,341	Diocesan stipends fund	113,700	96,100	-15.5%
497,091	Clergy stipends fund	523,200	518,900	-0.8%
502,503	Diocesan pastoral account	576,400	568,200	-1.4%
100,980	Deposit and other interest	67,000	30,000	-55.2%
<u>1,189,915</u>		<u>1,280,300</u>	<u>1,213,200</u>	<u>-5.2%</u>
<u>GRANTS FROM DESIGNATED FUNDS</u>				
100,982	Diocesan welfare trust	74,700	81,400	9.0%
	Elfinsward Fund for:			
59,502	stipends	57,613	64,013	11.1%
10,545	retreats & conferences	10,458	10,458	0.0%
5,272	information	5,229	5,229	0.0%
30,630	Training Fund	29,800	32,400	8.7%
42,000	Aided Schools Fund	42,000	42,000	0.0%
<u>248,931</u>		<u>219,800</u>	<u>235,500</u>	<u>7.1%</u>
<u>GLEBE INCOME (Gross)</u>				
23,071	Rents from land in diocese	24,000	24,000	0.0%
172,227	Rents from properties in diocese	187,000	187,000	0.0%
59,900	Rents for diocesan officers' houses	72,000	44,400	-38.3%
<u>255,198</u>		<u>283,000</u>	<u>255,400</u>	<u>-9.8%</u>
<u>HOUSING INCOME</u>				
37,300	Other income for diocesan officers' hses	42,000	61,500	46.4%
168,435	Rents from parsonage houses	118,000	248,000	110.2%
45,821	Rents from retired clergy houses	51,000	51,000	0.0%
19,440	Rents from miscellaneous houses	27,000	25,000	-7.4%
<u>270,996</u>		<u>238,000</u>	<u>385,500</u>	<u>62.0%</u>
<u>FEES & LOCAL INCOME</u>				
577,700	Parochial fees assigned	520,000	578,000	11.2%
38,651	Parish trust income	56,000	38,000	-32.1%
<u>616,351</u>		<u>576,000</u>	<u>616,000</u>	<u>6.9%</u>

INCOME continued / EXPENDITURE

Actual 13		Budget 14	Budget 15	%age
£		£	£	on 14
<u>MISCELLANEOUS GRANTS & DONATIONS</u>				
125,000		127,000	129,000	1.6%
47,076	Rents from redundant churches	16,000	17,000	6.3%
20,823	English Heritage Grant	-	-	
1,152	Ordination & institution collections	6,500	5,500	-15.4%
11,018	Donations & annual subscriptions	10,000	10,000	0.0%
<u>205,069</u>		<u>159,500</u>	<u>161,500</u>	<u>1.3%</u>
<u>16,418,156</u>	TOTAL INCOME	<u>16,725,317</u>	<u>17,115,191</u>	<u>2.3%</u>

THE FULL COST OF PAROCHIAL STIPENDS

	Budget 14	Budget 15	
<u>Stipendiary posts</u>			
4.00 Archdeacons	136,320	138,840	1.8%
15.00 A benefices	507,200	387,450	-23.6%
34.00 B benefices	825,330	865,640	4.9%
173.80 Standard stipends	4,301,425	4,362,380	1.4%
50.00 Assistant curates	1,193,640	1,240,000	3.9%
2.50 Layworkers	109,140	61,505	-43.6%
15.10 Light duty (half/part stip)	355,700	379,010	6.6%
HFD in charge (40) honoraria	66,190	66,190	0.0%
Rural deans allowance (21)	28,350	28,350	0.0%
_____ Miscellaneous payments	14,510	9,880	-31.9%
294.40 Stipends gross total	<u>7,537,805</u>	<u>7,539,245</u>	<u>0.0%</u>
DEDUCT			
Church Commissioners annuities & grants	37,000	35,000	-5.4%
Chaplaincy fees	7,570	23,265	207.3%
Fees retained by clergy	10,000	16,925	69.3%
Parishes and other agencies	7,376	375	-94.9%
	<u>7,475,859</u>	<u>7,463,680</u>	<u>-0.2%</u>
DEDUCT			
Vacancies (27)	616,930	677,970	9.9%
Diocesan/dual appointments (7.00)	222,390	171,110	-23.1%
NET COST TO DIOCESE (c/fwd page 8)	<u>6,636,539</u>	<u>6,614,600</u>	<u>-0.3%</u>

EXPENDITURE

Actual 13		Budget 14	Budget 15	%age
£		£	£	on 14
<u>CLERGY STIPENDS, GRANTS AND FEES</u>				
Stipends				
6,428,862	Total chargeable to diocese (see page 7)	6,636,500	6,614,600	-0.3%
505,515	National insurance	564,100	529,200	-6.2%
Grants and direct support of clergy				
10,050	Suffragan bishops' housing & council tax	20,100	20,100	0.0%
32,830	Clergy administration	52,400	12,100	-76.9%
52,233	Archdeacons' operating expenses	72,000	72,000	0.0%
27,950	Archdeacons' housing & council tax	36,800	35,600	-3.3%
14,678	Bishops' chaplains' housing	17,900	17,900	0.0%
48,940	First appointments	57,000	57,000	0.0%
59,780	Removal	71,000	65,000	-8.5%
68,970	Resettlement	91,000	75,000	-17.6%
Fees				
87,851	For services & exps for vacancies	63,500	90,000	41.7%
0	For services etc during sickness	1,500	1,500	0.0%
<u>7,337,659</u>		<u>7,683,800</u>	<u>7,590,000</u>	<u>-1.2%</u>
<u>2,320,788</u>		<u>2,329,900</u>	<u>2,420,000</u>	<u>3.9%</u>
<u>CLERGY PENSIONS</u>				
<u>CLERGY AND LAYWORKERS HOUSING</u>				
Houses under the measure				
279,097	Quinquennial repairs	497,330	848,200	70.6%
127,142	Ingoing works	60,000	150,000	150.0%
594,745	Interim repairs	565,780	595,964	5.3%
291,009	Improvement & decoration grants	167,640	66,640	-60.2%
43,152	Insurance	64,300	67,515	5.0%
56,600	Fees	16,000	71,000	343.8%
26,275	Water rates and council tax	17,360	17,881	3.0%
<u>1,418,020</u>		<u>1,388,410</u>	<u>1,817,200</u>	<u>30.9%</u>
Houses not under the measure				
62,454	Quinquennial repairs	46,200	46,200	0.0%
132,367	Interim repairs	57,720	59,452	3.0%
14,577	Capital improvements	16,500	-	
7,387	Insurance	9,000	9,450	5.0%
38,592	Water rates and council tax	62,670	64,550	3.0%
58,801	Housing rental costs	130,000	210,000	61.5%
<u>314,178</u>		<u>322,090</u>	<u>389,652</u>	<u>21.0%</u>
Parsonages department				
220,652	Staff costs	198,700	335,100	68.6%
12,349	Office expenses	11,420	23,560	106.3%
4,321	Travel expenses	4,100	7,750	89.0%
49,468	Miscellaneous expenses	14,600	58,100	297.9%
<u>286,790</u>		<u>228,820</u>	<u>424,510</u>	<u>85.5%</u>
<u>2,018,988</u>	HOUSING TOTAL	<u>1,939,320</u>	<u>2,631,362</u>	<u>35.7%</u>

EXPENDITURE continued

Actual 13		Budget 14	Budget 15	%age
£		£	£	on 14
<u>CLERGY, THEIR FAMILIES, WIDOWS & RETIRED CLERGY HOUSING</u>				
5,152	Housing costs: quinquennials	5,100	5,100	0.0%
34,961	repairs	4,200	4,200	0.0%
-	Grant for mortgages	1,000	1,000	0.0%
-	Supplementary grants	2,000	2,000	0.0%
53,598	Family support incl convalescent grants	50,000	50,000	0.0%
2,439	Terry's Cross/insurance	2,900	3,000	3.4%
<u>96,150</u>		<u>65,200</u>	<u>65,300</u>	<u>0.2%</u>
<u>TRAINING - ORDINATION & OTHER</u>				
99,081	Staff costs	100,500	92,900	-7.6%
7,310	Office expenses	7,650	7,450	-2.6%
7,550	Housing costs	7,600	11,000	44.7%
4,534	Travel expenses	6,000	5,500	-8.3%
803	Projects & conferences	975	975	0.0%
0	Vocation & lay min advisers' expenses	3,000	3,000	0.0%
1,702	BAP conference fees & travel	3,000	3,000	0.0%
22,980	Ordination candidates - single	20,000	23,000	15.0%
285,083	Ordination candidates - family	345,000	275,000	-20.3%
-	Regional Training Co-ordinator/Partnership	200	200	0.0%
16,202	Post ordination training	17,950	17,950	0.0%
27,426	Continuing education for clergy	28,600	28,600	0.0%
3,644	Grants for conferences and retreats	4,000	4,000	0.0%
<u>476,315</u>		<u>544,475</u>	<u>472,575</u>	<u>-13.2%</u>
<u>466,491</u>	National church apportionment	<u>428,623</u>	<u>645,004</u>	<u>50.5%</u>
<u>942,806</u>		<u>973,098</u>	<u>1,117,579</u>	<u>14.8%</u>
<u>CHURCH INSURANCE PREMIUM</u>				
<u>1,015,317</u>		<u>1,057,332</u>	<u>1,043,725</u>	<u>-1.3%</u>
<u>EVANGELISM AND DISCIPLESHIP DEVELOPMENT</u>				
Directorate				
74,274	Staff costs	75,400	51,000	-32.4%
6,820	Office costs	7,100	5,920	-16.6%
15,200	Housing costs	15,200	11,000	-27.6%
6,310	Travel expenses	7,250	5,750	-20.7%
454	Resources & equipment	1,150	1,150	0.0%
1,089	Projects & conferences	4,950	4,950	0.0%
75	Pastoral care development	500	500	0.0%
<u>104,222</u>		<u>111,550</u>	<u>80,270</u>	<u>-28.0%</u>
Stewardship				
41,028	Staff costs	44,900	64,500	43.7%
3,197	Office costs	4,450	5,650	27.0%
1,704	Travel expenses	1,200	2,200	83.3%
0	Resources & equipment	1,250	1,250	0.0%
16,882	Projects & conferences	18,200	20,200	11.0%
<u>62,811</u>		<u>70,000</u>	<u>93,800</u>	<u>34.0%</u>

EXPENDITURE continued

Actual 13		Budget 14	Budget 15	%age
£		£	£	on 14
Children and Young people				
124,221	Staff costs	124,200	68,300	-45.0%
10,408	Office expenses	11,150	7,810	-30.0%
15,100	Housing costs	15,100	11,000	-27.2%
-	Grant to St Bartz Trust (children work)	-	23,000	
5,878	Travel & home office expenses	6,000	6,000	0.0%
550	Resources & equipment	500	500	0.0%
7,958	Projects & conferences	4,200	4,200	0.0%
164,115		161,150	120,810	-25.0%
Social Concerns				
32,433	Staff costs	32,800	5,500	-83.2%
2,424	Office expenses	2,550	750	-70.6%
8,150	Housing costs	8,200	-	
1,373	Travel expenses	1,500	1,500	0.0%
382	Resources & equipment	500	400	-20.0%
1,125	Projects & conferences	2,600	2,600	0.0%
45,887		48,150	10,750	-77.7%
Workplace ministry				
39,480	Staff costs	39,900	40,700	2.0%
7,050	Housing costs	7,100	7,100	0.0%
2,534	Travel & home office expenses	2,800	2,800	0.0%
45	Projects & conferences	350	350	0.0%
49,109		50,150	50,950	1.6%
Grants to other councils & organisations				
Diocesan				
7,266	Ecumenical Group incl Churches Together	7,400	7,400	0.0%
17,252	Diocesan Overseas Council (DOC)	15,300	26,000	69.9%
4,085	European Ecumenical Cttee + conferences	5,330	5,330	0.0%
303	University chaplains' expenses	1,200	1,200	0.0%
32,343	University chaplains' stipends & housing	32,800	27,900	-14.9%
Other				
36,000	Diocesan Assn for Family Support Work	36,000	36,000	0.0%
97,249		98,030	103,830	5.9%
Ministry and adult Christian education				
83,656	Staff costs	96,300	82,600	-14.2%
7,598	Office expenses	8,400	9,300	10.7%
23	Travel & home office expenses	3,000	3,000	0.0%
68	Resources & equipment	400	400	0.0%
316	Projects & conferences	500	500	0.0%
6,040	Diocesan Readers' Board initial training	10,000	10,000	0.0%
97,701		118,600	105,800	-10.8%
621,094	TOTAL FOR EVANGELISM AND DISCIPLESHIP DEVELOPMENT	657,630	566,210	-13.9%

EXPENDITURE continued

Actual 13		Budget 14	Budget 15	%age
£		£	£	on 14
Diocesan Board of Education				
368,978	Staff costs	416,900	456,000	9.4%
23,055	Office expenses	25,140	27,920	11.1%
8,786	Travel	9,500	11,925	25.5%
2,119	Resources & equipment	3,600	7,300	102.8%
14,788	Projects & conferences	9,300	45,000	383.9%
(123,639)	Less: sales of services	(120,000)	(120,000)	0.0%
<u>294,087</u>		<u>344,440</u>	<u>428,145</u>	<u>24.3%</u>
Safeguarding				
137,302	Staff costs	188,750	159,250	-15.6%
11,508	Office expenses	12,280	13,180	7.3%
1,783	Travel expenses	2,000	2,000	0.0%
738	Resources & equipment	1,150	1,150	0.0%
7,425	Projects & conferences	10,800	10,800	0.0%
31,062	Miscellaneous expenses	31,200	26,200	-16.0%
<u>189,818</u>		<u>246,180</u>	<u>212,580</u>	<u>-13.6%</u>
Advisory committee for the care of churches (DAC)				
42,565	Staff costs	49,200	34,900	-29.1%
5,143	Office expenses	5,900	5,600	-5.1%
6,028	Travel expenses	7,000	7,000	0.0%
997	Resources & equipment	1,250	1,350	8.0%
(417)	Projects & conferences	1,100	2,000	81.8%
1,514	Miscellaneous expenses	1,600	1,600	0.0%
<u>55,830</u>		<u>66,050</u>	<u>52,450</u>	<u>-20.6%</u>
Pastorial committee				
61,384	Staff costs	70,200	55,100	-21.5%
3,302	Office expenses	1,900	2,700	42.1%
148	Travel expenses	1,500	1,500	0.0%
-	Projects & conferences	500	500	0.0%
82	Miscellaneous expenses	1,640	1,640	0.0%
<u>64,916</u>		<u>75,740</u>	<u>61,440</u>	<u>-18.9%</u>
<u>62,217</u>	Closed churches	<u>90,000</u>	<u>90,000</u>	<u>0.0%</u>
Glebe administration				
13,714	Repairs & improvements	10,000	10,500	5.0%
750	Agents' fees	5,000	5,000	0.0%
1,272	Rent collection expenses	2,000	2,000	0.0%
-	Legal fees	13,000	13,000	0.0%
13,894	Planning costs	3,000	3,000	0.0%
<u>29,630</u>		<u>33,000</u>	<u>33,500</u>	<u>1.5%</u>
<u>77,629</u>	Investment managers fees	<u>55,000</u>	<u>80,000</u>	<u>45.5%</u>

EXPENDITURE continued**General office; Finance, Governance and Administration**

(Please note that this section also includes the costs of the Diocesan Synod, Bishop's Council, Board of Finance, Schools finance & stipends committees)

Actual 13		Budget 14	Budget 15	%age
£		£	£	on 14
332,007	Staff costs	354,650	431,650	21.7%
1,086	Staff training	4,000	4,000	0.0%
11,057	Postage and telephone	3,440	3,080	-10.5%
(30,571)	Printing and stationery	(18,080)	(18,530)	2.5%
26,156	Other office expenses	26,510	40,810	53.9%
27,320	Office equipment depreciation	22,000	22,000	0.0%
17,155	Hire of equipment	16,692	16,692	0.0%
3,489	Equipment maintenance	5,000	5,000	0.0%
83,024	Inter diocesan IT resource	87,184	92,184	5.7%
14,496	Building light, heat, repairs, cleaning	15,100	18,300	21.2%
1,590	Staff travel expenses	3,000	3,000	0.0%
127	Committee members expenses	500	500	0.0%
8,574	Diocesan synod /Bishops Council	4,700	8,000	70.2%
-	Election	150	150	0.0%
18,180	Audit - external	17,700	17,700	0.0%
-	Audit - internal	12,000	12,000	0.0%
6,000	Bank charges	6,000	6,200	3.3%
37,979	Legal fees - general	25,000	32,000	28.0%
45,518	Legal - Chancellor & Registrar	53,000	54,000	1.9%
603,187	Total central services	638,546	748,736	17.3%
	Communications			
56,315	Staff costs	56,500	36,900	-34.7%
7,087	Office expenses	4,610	3,010	-34.7%
1,143	Travel expenses	1,000	1,000	0.0%
8,263	Resources & equipment	12,860	13,360	3.9%
41,149	Diocesan leaflet & magazine - costs	44,000	44,000	0.0%
(25,567)	Diocesan leaflet & magazine - income	(27,000)	(25,000)	-7.4%
(3,709)	Directories & sundry (net)	3,800	(3,000)	-178.9%
222	Exhibitions	-	400	
834	Website development	1,700	1,700	0.0%
85,737		97,470	72,370	-25.8%
688,924	TOTAL FOR GENERAL OFFICE	736,016	821,106	11.6%
	EXCEPTIONAL COSTS			
61,501	Land registry project	30,000	10,000	-66.7%
16,454	Bishop's enthronement	-	-	
-	Deanery Visitation	15,000	-	
38,596	The Magnet Centre	40,100	40,700	1.5%
116,551		85,100	50,700	-40.4%
	NATIONAL CHURCH RESPONSIBILITIES			
507,778	National Church & General Synod Cost	488,239	486,945	-0.3%
23,095	Mission agencies & CPAS pensions	32,432	33,703	3.9%
172,181	Retired clergy housing scheme	173,824	181,564	4.5%
12,110	General Synod members' expenses	13,500	13,500	0.0%
715,164		707,995	715,712	1.1%
16,647,569	TOTAL EXPENDITURE	17,145,801	17,979,809	4.9%

SUPPORT FOR PARISHES AND CHURCH HOUSE STAFF
HEADCOUNT

<u>2014</u>			<u>2015</u>	
<u>Clergy and</u>			<u>Clergy and</u>	
<u>layworkers</u>	<u>Lay</u>		<u>layworkers</u>	<u>Lay</u>
EVANGELISM AND DISCIPLESHIP DEVELOPMENT				
2.0		Mission & Renewal	1.0	
	1.8	Stewardship (0.5 with parish appt.)	0.5	0.8
2.0	2.2	Children and youth (1 with parish appts.)	1.0	1.2
1.0	0.2	Social Concerns		0.2
1.5		Workplace chaplains (1.5 with parish appts)	1.5	
1.0		University chaplains (1 with parish appt)	1.0	
0.5		Diocesan Overseas Officer (0.5 with parish appt)	0.5	
1.0	1.0	Training - Ordination and Other (0.5 with parish appts.)	1.5	1.0
	3.9	Ministry & Adult Christian Education		2.3
	7.2	DIOCESAN BOARD OF EDUCATION		9.4
ADMINISTRATION				
	4.6	Property		8.2
	4.0	Safeguarding		3.6
	2.3	DAC/Pastoral/Closed churches		2.0
	2.0	Communications		1.0
	2.5	General office		2.5
	2.5	Central services		3.5
	0.4	Human resources		0.0
	2.7	Finance		3.7
	1.5	Clergy Administration		1.5
<hr/> <hr/>			<hr/> <hr/>	
9.0	38.8		7.0	40.9

Percentages are shown in terms of full-time equivalent

**THE CHICHESTER DIOCESAN FUND AND BOARD OF FINANCE
NOTES TO BUDGET 2015**

For 2015, diocesan income (excluding parish contribution) is set to increase by £111k (4.0%) compared to the 2014 budget, and expenditure is budgeted to increase by £834k (4.9%). However, the increase in budgeted expenditure includes an amount of £700k for housing, which will be funded from the Pastoral Fund. Excluding that sum, the increase in expenditure is just 0.8%, well below the budgeted increase in income.

To achieve a balanced budget, parish contributions would need to rise by £444k (3.2%). The 2014 figure for parish contribution (£13,968,717) represents the level of promises made by deaneries. It is proposed that a minimum 2% increase in this figure is requested and budgeted for. This would imply parish contribution pledges of £14,248,091, leading to a budgeted deficit of £164,618. It should be borne in mind that any failure to meet pledges would have a detrimental impact on the size of the deficit.

Major changes between the 2014 and 2015 budgets are as follows:

1. *Income – Glebe & Housing*

It is pleasing to note that increased efforts to rent out empty properties during vacancies is bearing fruit, and rental income is already running ahead of budget in 2014. We are budgeting for a further increase in 2015.

2. *Income – Fees & local income*

Parochial fees are budgeted to increase by £40k. An increase of £58k in parochial fees assigned to the Diocese and allocated to support stipends is offset by a projected £18k reduction in income on some of the stipend trusts.

3. *Expenditure – Clergy stipends etc.*

Expenditure on Clergy stipends, grants and fees is budgeted to reduce by £94k (1.2%). The clergy staffing figures show an overall decrease of 5 stipendiary posts. However those savings have been balanced by an increase in the stipend rate of 1.80% (which would see the standard stipend increase from £24,760 to £25,210). The 2015 budget assumes an average clergy vacancy rate of 27, up from 25 in 2014. It is important to emphasise that this change merely reflects historical figures; there is no policy to extend vacancies artificially.

4. *Expenditure – Clergy pension contributions*

The clergy staffing figures show an overall decrease of 5 stipendiary posts. However those savings have been balanced by an increase in per capita pension contributions of 6.6%, following an actuarial review.

5. *Expenditure - Clergy and lay workers housing*

A review of the Diocesan housing stock has shown that a significant programme of investment is required over the next few years to ensure the estate is fit for purpose. Proper maintenance of housing is important both to support the health and welfare of the clergy and lay workers whom we accommodate, to attract new incumbents and to preserve and enhance the value of our property assets. We are budgeting to spend an additional £700k in 2015 on repairs, maintenance and staff to manage the work. Following legal changes to the Diocesan Pastoral Measure, this investment can be funded from the Diocesan Pastoral Fund. New accounting regulations in effect from 1st January 2015 mean that all properties will be subject to a rolling 5 year revaluation program and any uplift in property values will be reflected on the Diocesan balance sheet.

6. *Expenditure – Training – ordination & other*

The £144k (14.8%) increase in costs reflects a decrease of £216k in the training pooling refund from the central church, partially offset by a decrease of £70k in our own costs of supporting ordination candidates. Both these movements are as a result of falling ordinand candidate numbers.

THE CHICHESTER DIOCESAN FUND AND BOARD OF FINANCE
NOTES TO BUDGET 2014 (continued)

7. *Expenditure – Church insurance premium*

The budgeted figure of £1,043,725 represents a 1.3% decrease against the 2014 Budget. The 2015 Budget figure is based on the actual renewal figure for 2014 with a 1.75% RPI increase to reflect increased building material prices and a £10 increase per policy to cover additional liability claims. The final premium will not be agreed by EIG until December 2014.

8. *Expenditure – Parish support services*

Church house underwent a significant reorganisation program in 2014 and modest savings were achieved. The reorganisation looked at working practices and created more centralised departments.

The overall increase in parish support service costs of £41k (1.8%) is the net result of the following:

- Evangelism & Discipleship Development – Costs are budgeted to decrease by 14%, principally due to changes in the departmental structures that have led to a reduction in headcount. Additional services for children and young people will be provided by the St Bartz Trust, a registered Charity, to whom the Diocese will make a grant of £23k. The work of the chaplains continues unaltered.
- Diocesan Board of Education – The running costs of the department are budgeted to increase by £84k to ensure that this department is adequately resourced to meet the changing legislative and operational requirements of schools and the department. This excludes the costs (and associated income) of the Diocese of Chichester Academies Trust, which is due to come into being early in 2015.
- Safeguarding – The apparent decrease of £34k comes about because a post budgeted for 2014 was not filled. It will be filled for 2015, albeit at a lower overall cost.
- Investment manager fees – The budget reflects the current run rate.
- General Office: Finance, Governance & Administration (including Communications, HR and IT) – Costs are budgeted to increase by £85k. The principle components of the rise are:
 - I. a new finance post (£44k) to provide a more robust internal audit regime, increased quality of management reporting, and to centralise financial functions currently undertaken in other departments;
 - II. provision for an additional administrative post (£30k), in recognition of increased workloads in some departments and the addition of the fourth Archdeaconry;
 - III. provision of a professional outsourced HR support service (£14k);
 - IV. increased legal costs, based on recent experience (£7k);
 - V. increased IT costs following a major upgrade (£5k);
 - VI. a reduction in communications costs, principally due to a reduction in headcount from 2 to 1 (£25k).
- A general staff pay rise of 1.80% has been budgeted, in line with the clergy stipend increase. An independently led project is currently underway to benchmark staff salaries; the budgeted 1.8% increase will not be awarded across the board but will be focused on staff members who are deemed to be underpaid compared to their peers, internally and externally.

9. *Exceptional items*

Two items are included here as being exceptional:

- The Land Registry project. This project has continued in order to meet the legal requirement to register all the Diocese's land assets with the government Land Registry Agency. The final phase relates to the registration of the land occupied by schools and should be completed in the first half of 2015.
- Financial support for the Magnet Centre theological library in Hastings. It is expected that all costs on this project will be recouped in the future.

INFORMATION ABOUT DEPARTMENTS AND THEIR ACTIVITIES

Evangelism and Discipleship Development

This new department will begin to operate in 2015 following the merger of the Mission, Renewal & Stewardship, Children & Young People and Ministry & Adult Christian Education teams, under the leadership of a new Director and Residentiary Canon.

It will take overall responsibility for the delivery of the diocesan strategy for evangelism and discipleship development. There will be a focus on equipping leaders, both lay and ordained, to be effective facilitators of mission to be delivered by the local church.

Ministry & Christian Adult Education

The team provides for and manages the training requirements of the diocese, including vocations work, training for the ordained and lay ministry and lay discipleship. Much of the remit of the work of the team is mandatory, relating to Church of England policy and – in the case of Reader training and IME 4-7 – to University of Chichester procedures (also University of Durham from 2014/15 year) and QAA standards. Mandatory work covers selection procedures for ordination; IME 1-3 (Phase 1 training); IME 4-7 (Phase 2 training) and Assessment at the End of Curacy; MDR/CARM; Reader training). Close collaborative working with the Senior Staff, university staff and others in the Diocese and region are key across most areas of our work.

The work of the department is shaped to a large extent by the academic year. This is true not just for the 'official' training courses but also for the 'Following Jesus' and 'Developing Discipleship' courses. Our work in 2015 will focus on:

- Ordination discernment process (c.80 people);
- Development of a vocations strategy (in conjunction with the Diocesan Strategy), including a focus on fostering young vocations;
- Candidates at Bishop's Advisory Panels and Candidates Panels (c.15-20);
- Support and maintenance for those in IME 1-3 training (27 stipendiary candidates, 20 NSM);
- Title posts (including housing and funding) for curates (10 stipendiary, 8 NSM);
- IME 4-7 training, support and formal assessment (51 curates in taught programme);
- Initial and ongoing support for training incumbents;
- CMD (c.15 undertaking transition courses, e.g. post of first responsibility; 12 clergy sabbaticals; c.60 individual grants);
- Reader training (16);
- Development and running FJ/DD courses;
- Implementation of Common Awards programmes for Readers and curates, with SEITE as our TEI but with delivery within the diocese;
- The launch of 'Engaging Christianity': a new study course for lay people written and delivered as a joint project with the University of Chichester;
- Lay Ministers of Communion courses (c.180 complete the training each year).

Mission & Renewal, Children & Young People

Key tasks to be continued/developed in 2015, in-house and in collaboration with the St Bartz Trust and others, include:

- Providing advice and consultancy for churches in children and youth work;
- Delivering May Camp as a flagship event;
- Preparing for the re-launch of the YES (You Equipped to Serve) scheme integrated with youth provision in the wider church; the goal is that experience of this scheme should allow credits against other nationally approved training;
- Building a network of local mission advisors who can mentor clergy and other leaders to deliver effective mission through the local church;
- Developing the diocesan strategy for church planting, Fresh Expressions and ministry in areas of new housing, in co-operation with our ecumenical partners;
- Providing a service to help people find spiritual directors;
- Running a year long training course for spiritual directors and facilitating local networks to resource those involved in this ministry;
- Parish consultancy on mission, preaching and teaching;
- Developing services to assist parishes preparing for and managing a vacancy.

Stewardship

The stewardship team supports local churches throughout the Diocese in their efforts to raise money – both regular income (planned giving) and occasional appeals for capital projects. Across the Diocese, regular income is about £25m per year and special appeals typically raise a further £7m. We also provide preaching and teaching resources on all aspects of stewardship, which includes the volunteering of energy, time and talents as well as money.

We will continue to respond to calls from local churches to visit and to encourage incumbents, councils, treasurers and finance teams as they develop and implement parish strategies. We have created (and will maintain and enhance) a toolkit of resources to support this effort. The toolkit is a work in progress and can be viewed at www.chichester.anglican.org/toolkit.

For local churches, there are many sources of financial income, while volunteer energy supports most activities and programmes. The stewardship team supports local churches in eliciting both the money and volunteer energy they need to continue serving their local areas, as well as helping with cost-effective procurement of essential services through www.parishbuying.org.uk.

Social Concerns & Workplace Ministry

In 2015 this area of work will be undertaken by a voluntary committee, overseeing the following activities:

- Providing advice, liaison and support to parishes and other relevant organisations seeking to engage with relevant social issues; encouraging appropriate practical and theological responses to social policy locally and nationally, in conjunction with the staff of the Mission and Public Affairs Division of the Archbishops' Council;
- Providing a support for churches in improving accessibility for disabled people through Diocesan Accessibility Advisers;

- A resources officer will act as Church Urban Fund officer for the diocese;
- Administering the Sussex Churches Together Plan for Emergency Response;
- Addressing Environmental issues across the diocese;
- Supporting rural ministry through the work of the Rural Officer;
- Offering advice on social matters to the bishops, senior staff and others as required.

Diocesan Board of Education

In 2012, the Diocesan Board of Education (DBE) agreed the following purpose statement:

The purpose of the Chichester Diocesan Board of Education is to support the work of all those involved in education within the diocese, developing and strengthening its Church Schools and Academies to serve their communities in the name of Christ, equipping them to strive for excellence in all things as they demonstrate an authentic experience of Christian community.

The DBE is a statutory body set up by the Diocesan Boards of Education Measure (1991). It sets the strategic direction for the work of the Schools Department. The DBE and Schools Department are responsible for sustaining and developing 158 Church of England Schools (151 primary and 7 secondary) in the Diocese, which educate over 37,000 pupils. Of these schools, 60 are voluntary aided and 98 are voluntary controlled.

Having appointed a new Diocesan Director of Education, our aims for 2015 are as follows:

The DBE will continue to develop and extend its services to church schools in the Diocese to enable them to strengthen their distinctive Christian character and the excellence of their provision; it will also be actively responding to the increasingly diverse and fragmented provision of education, especially in relation to the Government's academy and free school programme.

1. The Education Department will continue to provide a range of specialist services to clergy, governors, head teachers and teachers to improve the effectiveness of church schools. These will include:
 - Providing advice and up to date information on the telephone, by email, through regular mailings and on the Schools Department's area of the Diocesan website;
 - Professional advice and support throughout the appointment processes for new head teachers and other senior staff;
 - Assistance in all aspects of church school governance, including the appointment of foundation governors;
 - Access to the full range of professional development opportunities provided as part of the Schools Department's annual training programme, provided collaboratively with other dioceses and locally through bespoke training events for individual or groups of schools;
 - Specialist consultancy support on the full range of church school matters;
 - Assistance in preparing for church school inspections and in following up development priorities identified during these inspections;
 - Annual deanery based briefings for head teachers, chairs of governors and local clergy;

- Support for local collaborative initiatives involving church schools;
 - Working closely with the Local Authorities and Department for Education on behalf of church schools in the Diocese over a range of different issues which directly affect school assets, character, performance and provision.
2. In order to engage fully with the rapid and significant changes in education, the DBE will be developing new areas of work which will focus on:
- Establishing appropriate trust structures to sponsor schools forced to become academies because of continual underperformance and to relate to schools choosing to convert to academy status;
 - Establishing new services and systems which increase the capacity within the diocese to support church schools and academies on school improvement.

The staffing of the department will increase to enable it to begin to provide the level of system leadership now required. In addition we want to strengthen our links with the FE and HE sectors in the localities, particularly as we partner with HE institutions in the equipping of our teachers and other staff.

Safeguarding

The Safeguarding Department covers all aspects of safeguarding-related casework, for both children and vulnerable adults across the Diocese of Chichester. This includes liaison as appropriate with the public authorities, particularly police, social services and probation, and liaison with parishes or individuals where necessary. The Department also coordinates and delivers safeguarding training across the Diocese, and is responsible for producing and updating safeguarding policies, guidance and documentation.

In 2015, we will work with the newly-formed Safeguarding Advisory Panel to move forward Diocesan safeguarding policy and practice by:

- Renewing current diocesan safeguarding policy, particularly our child protection policy, aiming for a considerably simplified set of guidance for parishes that is available in easy-to-use formats;
- Overhauling the diocesan safeguarding website to incorporate the renewed and simplified guidance, with the aim of making good safeguarding standards far more achievable at parish level;
- Expanding the training programme, working with the newly-formed Diocesan volunteer safeguarding training team to deliver Foundation safeguarding training across the Diocese, with other modules (Safer Churches, Domestic Abuse, Working with those Presenting a Risk in Churches, Safeguarding Adults at Risk, etc.) being delivered by safeguarding staff;
- Implementing a bi-monthly safeguarding newsletter, providing updates for parish safeguarding representatives regarding training opportunities, policy changes, practice resources, and other relevant matters.

Property

The role of the property department is to manage, maintain and develop the property assets of the Diocese in order to promote the mission of the Church. It provides a

management service for all those houses (currently around 360) maintained by the Diocese.

In 2015 the activities will be as follows:

- Carrying out the quinquennial maintenance cycle in relation to clergy and lay worker housing; there is a requirement to survey, prepare specifications, tender and let the work to contractors for fabric and fitting maintenance and arrange inspection of electrical installations by a competent person on the same cycle;
- Dealing with any urgent repairs to all the properties required between the five yearly surveys (“Interims”);
- Ensuring that all central heating boilers are examined by a competent person on an annual basis (“Servicing”);
- Repair and preparation of vacant houses so properties are ready for clergy joining or moving within the Diocese (“Ingoings” - about 30);
- Replacement of life expired components (“Improvements”) such as window, kitchens, bathrooms etc. to maintain a satisfactory standard of accommodation (about 30);
- Replacement of life expired boilers and controls with more efficient ones to reduce the carbon footprint of the housing stock (about 25);
- Glebe land administration and essential repairs (circa 400 acres);
- Arranging buildings insurance and dealing with claims;
- Repair, maintenance and preparation of property that is let via the private rental market.

Our aims for 2015 include:

- Continuing with the Propman database development and preparation of cost modelling for forward maintenance planning using stock condition information; this will be used to inform decisions in relation to investment in replacement components and in budget setting;
- Positive steps will be taken to avoid property being empty by letting the house when it is vacated providing much needed extra income;
- Replace parsonages on the unsuitable list (about 3);
- Preparation for sale or renting out of property declared surplus to the requirement for mission (to be identified).

Diocesan Advisory Committee (DAC)

As stated in the Care of Churches & Ecclesiastical Jurisdiction Measure 1991, “every diocese must have an advisory committee for the care of churches.... The members of the DAC give their services free of charge, but the expenses enabling the DAC to discharge its functions properly and effectively are required to be met by the diocesan board of finance”.

There are approximately 500 churches in the Diocese, three-quarters of which are listed: 183 at Grade I. This highlights the historic importance of the majority of our churches and the need for parishes to receive careful guidance in the maintenance of their buildings and assistance in identifying ways to make their buildings relevant to modern worship, while preserving their historic and spiritual significance.

The main role of the department is to provide professional guidance and administrative support to the DAC and also to provide guidance and advice to

parishes, archdeacons and others on the care of church buildings, furnishings, fittings and churchyards.

Activities planned for 2015 include:

- Administrative work involved in running monthly DAC meetings, e.g. collating and processing applications from parishes, preparing agendas, recording and implementing decisions taken at the meeting and informing applicants;
- Visiting churches and attending meetings with parochial representatives, together with representatives of the DAC, to provide support and answer questions, to be a source of procedural advice and to offer guidance on sources of technical advice;
- Arranging site visits by DAC members to help parishes identify ways in which their church can become more relevant to the community;
- Guiding & advising the chairman and members of the DAC concerning measures etc. relating to their responsibilities;
- Liaising with the diocesan Registrar, archdeacons, solicitors, parishes and other outside bodies with an interest in church buildings and their environs.

Applications for advice from the DAC (the first stage of the faculty procedure) are generated by the parish in response to their specific needs, for example necessary maintenance of the building, improving the facilities provided or adapting the church to make it more relevant to modern needs, both liturgically and within the wider parish. It is therefore not possible to give a precise target of applications to be completed during the year.

Pastoral Committee (including Closed Churches)

The remit of the Mission and Pastoral Committee, as set out in the Mission and Pastoral Measure 2011, is that 'from time to time as may be directed by the bishop or as the committee consider necessary to review the arrangements for pastoral supervision in the Diocese or any part thereof.....and, in cases where they consider it to be desirable, to make recommendations to the bishop for change'. The Committee must 'have particular regard to the making of provision for the cure of souls in the Diocese as a whole' and 'have regard to the traditions, needs and characteristics of individual parishes'.

All other pastoral work is considered by the three Archdeaconry Pastoral Subcommittees. Chaired by the respective archdeacon, the Subcommittees are made up of elected members, rural deans, deanery lay chairmen, ex officio and co-opted appointees and consider proposals for pastoral reorganisation – whether it be boundary alterations, group or team ministries, buildings opening or closing, suspensions of presentation, vacancies or fresh expressions of Church – within the archdeaconry. It is expected that the Subcommittees will be busy over the coming months in considering proposals arising from the pastoral strategy currently being developed and considered by deaneries throughout the Diocese.

The Diocesan Mission and Pastoral Committee is also charged with making every endeavour to find suitable alternative uses for churches closed for public worship throughout the Diocese. Currently three are four churches in the various stages of consideration of closure, three where uses have been found and legal proceedings are underway to bring these to fruition, and five other cases where there are established uses for the building but continuing input by the diocese is necessary. A

number of other cases are ongoing but are more complex because of the nature of the building, their state of repair or their location.

General Office: Finance, Governance & Administration (including Communications, HR & IT)

The Department budget consists of the four separate departments and covers various legal and statutory requirements.

Finance

The Finance Department provides financial support services to the Diocese and to deaneries and parishes. At the core of this service the department is responsible for maintaining the books of account, paying the bills, securing the assets, and ensuring the Diocese and various bodies are legally compliant in terms of statutory reporting and tax and charity law. This includes the production of management and statutory accounts and managing the Diocese's budget process.

Major monthly tasks also include the collection of the monthly parish contributions and paying the monthly payrolls for clergy and lay staff. The department provides advice and support for the PCC treasurers including training sessions which in 2014 attracted over 400 delegates from parishes. The department also administers parish trust accounts valued at £13 million and prepares parish and deanery statistics based upon the parishes' financial and mission submissions. Included in the budget are the staffing costs and the costs for the statutory audit of the diocesan financial statements, the internal audit function and the provision for the depreciation charge on diocesan assets.

Our aims for 2015 include:

- Ensuring that the accounting and treasury functions of the Diocese are run in accordance with agreed financial procedures;
- Ensuring that budget holders have the appropriate financial information to ensure that budgets are adhered to and management decisions are made in a timely way;
- Recruiting a management accountant to improve the management information available to the senior management team and deaneries, and to consolidate financial tasks currently undertaken in other departments (e.g. service invoicing; payroll processing);
- Assisting the archdeacons and deanery treasurers by providing management information on the collection of Parish Contribution.

The Diocesan Secretary, Governance & Administration:

The Diocesan Secretary is secretary to the Board of Finance, Bishops Council, Board of Patronage and a member of the Bishop's staff. The Diocesan Secretary is responsible for the coordination of overall pastoral and financial strategy of the Diocese. The administration of the governance of the diocese and the supporting papers for diocesan meetings are provided from this office. There is also a responsibility to advise deaneries and parishes on local governance matters. As well as the staffing costs this department budget includes the cost of the statutory appointments of the Diocesan Registrar and Chancellor.

Since the departure of Angela Sibson in August 2014, the role has been covered by an interim Diocesan Secretary. Recruitment of a permanent successor is underway and it is hoped that the new person will take up the role in early 2015.

Priorities for 2015 include:

- Effecting a smooth handover to the new Diocesan Secretary;
- Transitioning to new committee structures;
- Managing the Diocesan Synod elections;
- Working to ensure that the Diocesan Strategy is properly resourced;
- Implementing new data management protocols and financial controls;
- Supporting the other departments in the fulfilment of their objectives.

Communications

The Communications Department is the first point of contact for media relations for the Diocese and reports to the Diocesan Secretary.

Speaking to stakeholders helps to build new relationships within the church and its congregations and managing the message of the church plays an important role in bringing the mission of the church to a wider community.

Promoting our values and resources and responding well to difficult situations, through targeted and timely messages using all available mechanisms, the department communicates the good news to existing and new audiences building a positive profile of the church in the Diocese.

A key responsibility is the development and review of the communications strategy in liaison with the Diocesan Secretary and a working group chaired by the Archdeacon of Hastings. This enables the team to support the Bishop and senior staff and the work of Church House in promoting key messages that relate to the vision of the Diocese and underpins all that is communicated to support parishes in their mission.

Of the key activities to be undertaken in 2015, some will necessarily be reactive (although some will be capable of forward planning) but a key focus will be communications around the launch of the Diocesan Strategy in May.

Human Resources

Following a review, HR support for lay staff has now been outsourced to a professional provider. This gives us access to wider range of specialist expertise than we could support internally. Two projects are being undertaken, one to update our standard terms of employment and upgrade our documentation of policies, and a second to benchmark skills and salary levels for all Church House employees. Anomalies will be addressed gradually, balancing fairness with budgetary constraints.

Clergy HR advice and support services are still provided internally, in conjunction with the Registrar where required.

Central Services and IT

The Central Services and IT department deals with the facilities and office management of Church House. Some of its main functions include:

- Management of Church House involving building maintenance and management of all services required including caretaker services;

APPENDIX

- Management of day to day office needs, computer and office equipment, stationery, and all normal office supplies;
- Photocopying and finishing service for both internal and external customers' needs;
- Technical management of the diocesan website, the diocesan database and other specialist items of software;
- First point of call for all minor IT issues for Church House and remote offices;
- All telephone systems management, both landlines and mobiles.

Following a major review, the arrangements for IT service provision which we share with the dioceses of Guildford, Portsmouth & Winchester are being changed and upgraded. Managing the transition will continue into 2015.

Help for local churches seeking to resource their ministry:

The Diocesan Church Growth team is here to help you:
please call 01273 421021 and ask for 'Church Growth'

Online resources:

www.chichester.anglican.org/money

- a good starting point for all Diocesan money matters

www.parishresources.org.uk

- an excellent website setting out all aspects of stewardship in the local church

www.churchlegacy.org.uk

- a site with information about gifts in wills, or legacies

Four key points from *Giving for Life*

1. Preach and teach generous giving
2. Link giving to mission and ministry
3. Encourage annual review of giving
4. Thank givers annually

Please contact Church House if you would materials to support *Giving for Life* – we have booklets for PCCs, a special leaflet for clergy and pew leaflets available.

Call 01273 421021 and ask for Church Growth

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