

## LEDBURY DEANERY SYNOD

Minutes of the Meeting of the Standing Committee held on  
3 March 2010 at 2.30 pm  
at The Old Cottage Hospital, Ledbury.

**Present:** Rev'd Prebendary M.D.Vockins (Rural Dean), Mr. I.D.S.Beer (Lay Co-Chairman, in the Chair), Mr.M.W.Brothers Mr.M.W.Greensmith, Mr.G.W.Hopkinson (Secretary), Mr G.Probyn (Treasurer), Mr.B.Speakman, Rev'd R.Ward.

1. **Welcome and opening prayers.** The Lay Co-Chairman welcomed all present and prayers were said by the Rural Dean.
2. **Apologies.** Rev'd M.Horton, Rev'd Prebendary S.Strutt.
3. **Minutes of the Standing Committee** held on 4 November were approved.
4. **Matters arising:**
  - a Item 6b - Letter to Chairman DBF; a reply had now been received, dated 9 February, and circulated to SC (Annex A to these minutes). It was agreed that it was satisfactory and should be circulated to Synod.
  - b Item 9 - Appointment of Mr R. Hunter. Noted.
5. **Deanery Synod Minutes of Meeting 26 November:** Noted.
6. **Finance.**
  - a. Treasurer's Report on current year: It was still early in the year; there had been a few problems with receipts but these were not thought to be significant.
  - b. Budgets for 2010: No formal objections to the 2010 Deanery Budget had been raised but it was noted that there was some concern about the processes involved. After a useful discussion linking with Item 8b below (Communications), it was agreed that the Treasurer would hold a meeting with PCC Treasurers (or their representatives). Meanwhile copies of the note by the Diocesan Secretary on the Diocesan budget (Annex B to these minutes), together with the DFB letter (Annex A) would be circulated to them.

**7. Parish Plans:** The Lay Co-Chairman had written a paper summarising the fruits of the discussions at the penultimate Synod. He had considered whether there were any common themes with which the Deanery might assist and which might be reflected in the Deanery 5 Year Plan. The only candidate was connected with work on Towards 2015. SC agreed and, bringing together discussions on this Item, Item 8 and Item 11, SC directed the reordering of the presentation of work on the Deanery 5 Year Plan as in Item 8 below.

**8. Deanery 5 Year Plan:** The current state of play is summarised below:

- a.** Towards 2015. This would provide the framework for much Deanery and parish work. The Rural Dean (RD) proposed the formation of a small group to provide a lead and oversight. Names that he had in mind included Debbie Davies, James Barnes, John Lindeck, Selina Marcon, Sue Strutt, and Paul Dunthorne; names of other potential members would be welcomed. SC agreed that Synod should be invited to endorse this proposal.
- b.** Pastoral work. This would be subsumed and amplified by looking at local training needs to assist ministers, both lay and ordained, in the context of **a** above.
- c.** Communications. SC agreed that this was a vital subject, going much wider than electronic links and the website. The latter were important and more needed to be done to foster their use. The website should be used as familiarly as a parish notice board, both in putting matter on for general information and as a source of information. There was also a need to inculcate a better sense of belonging between parishes and the Deanery and diocese, not least in matters of finance. The meeting with Treasurers was a step in that direction and consideration might need to be given to the pattern of SC and Synod meetings. That would be kept under review.

Mr Greensmith agreed to consider with the webmaster the possibility of assimilating the Deanery website to the Diocesan one, and also whether it might be possible to have the Deanery Directory on the site as well as encouraging all parishes to place their items of news etc on the web.

- d. Children and Young People. There had been exciting progress. Nicky Seabright had taken the lead. Open the Book- was now expected to start in schools from September. Volunteers had come forward, some looking to extension of the work into secondary schools.
- e. Social Event. Planning was still underway; the aim remained to have an event after Easter and dates should be fixed within a week or two.

**9. Diocesan Synod Elections:** The Rev'd R Ward reported that he had found a potential candidate, Mr Nick Walker, to fill the remaining vacancy. SC agreed to put his name forward to Synod. If they agreed the Deanery would fill its full allocation of places.

**10. Bishop's Council and Diocesan Synod:** The Secretary noted that Diocesan synod was to have a whole day meeting on the following Saturday. Business included a policy on Vulnerable Adults. It was obviously necessary to endorse the policy in present circumstances but the resource implication were considerable and he felt that a considered scepticism was necessary for the future. If the benefits proved to be outweighed by the opportunity costs, that should be made clear within the Church and outside in wider political circles.

Diocesan Synod would also have a session on the budgetary process and one on the standard of debates and decision taking. Given past performances these were potentially very important sessions but needed good handling to be of benefit.

**11. Towards 2015:** See Item 8 a above.

**12. Deanery Synod Meetings:** The 2010 Synod meetings were confirmed as -

- a. 25<sup>th</sup> March, at Lady Edith Hall, Tarrington
- b. 29<sup>th</sup> July, at the Parish Hall, Bosbury
- c. 23<sup>rd</sup> September, at Ledbury Chapter House
- d. 25<sup>th</sup> November, at Colwall Ale House.

**12. A.O.B.** None



I D S Beer CBE Esq  
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South Parade  
Ledbury  
HR8 2HB

9<sup>th</sup> February 2010

Dear Mr Beer

Thank you for your letter of the 30<sup>th</sup> November, which took some time to reach me.

I am aware of the feeling of some deaneries about the clergy pay being phased in, I have also had letters from several deaneries expressing their concern that the clergy should have had a zero increase as many, who pay the share, have either lost their jobs or had to take a pay cut.

Which ever way we turn it is difficult to meet all options. This particular year has been a very difficult budget to juggle with, and the options have been severely limited. The major concern has been the steep increase in clergy pension contributions from 39.7% to 45% of national minimum stipend. This increase has meant that we have had to take some difficult decisions, one of which was the clergy stipends.

We have taken steps to reduce our Diocesan costs by c£27k but this has been more than offset by an increase in national costs of c£115k of which the pension issue, mentioned above, accounted for c£101k. It was therefore particularly gratifying to learn of Ledbury Deanery's decision to forego 50% of the planned "phasing subsidy" for 2010 thereby saving the budget some £3,000. I would be most grateful if you would pass on to the Deanery the Board's deep appreciation of this generous and helpful gesture.

We hope and pray that in 2011 we will not be lumbered with further pension problems. We will have to await the outcome of the next actuarial valuation and the pension debate at General Synod.

I must apologise that this letter did not get posted and that you have had to chase Gordon.

Yours sincerely

Charles Hunter  
Chairman, Hereford Diocesan Board of Finance

## WHY THE PARISH SHARE INCREASE IS GREATER THAN INFLATION

### Introduction

- 1.1 For 2010 the Parish Share increase is 2% with a request that each Deanery consider contributing up to 5% to help close the gap between the cost of the national, diocesan and benefice ministry it receives and the amount each Deanery would have paid under the old share system.
- 1.2 With inflation at less than 1% and interest rates at 0.5% many parishes do not understand why the 2010 Share increase is so much greater than inflation.
- 1.3 However, Dioceses are not entirely masters of their own finances and this paper intends to explain some of the factors that impact on the budget and why the Share increase is as it is.
- 1.4 The Diocesan Budget can essentially be split into two parts; that which is **outside** the control of the Diocese and secondly that which is **within** the control of the Diocese. These can further be split into **Expenditure** and **Income** as follows:-

### Expenditure Outside the Control of the Diocese

- 2.1 This deals, in the main, with matters relating to our clergy and with funding central church structures and with meeting the various professional fees common to every Diocese. For Hereford this expenditure is:-

Expenditure Outside the Control of the Diocese	2009 £	2010 £	£ Increase (Decrease)	Total £ Increase (Decrease)
Parish Clergy Pensions	682,500	783,200	100,700	
Removals etc	43,000	48,000	5,000	
Training New Clergy	138,338	136,520	(1,818)	
Share of Clergy Candidates Costs	17,826	26,729	8,903	
Retired Clergy Housing	33,982	37,763	3,781	
Maintenance of Ordinands	17,000	11,000	(6,000)	
Share of Central Costs	135,835	136,933	1,098	
Share of Mission Agency Costs	9,196	9,605	409	
Audit Fees	7,800	8,500	700	
General Synod Costs	5,500	5,500	0	
Investment Management	16,900	18,810	1,910	
Property Agents Fees	19,500	19,500	0	114,683

- 2.2 You will note that this expenditure has increase by £114,683 over the 2009 figure and of this £100,700 was for clergy pensions alone. Just this increase by itself would have required a 2.74% increase in Parish Share.
- 2.3 The issue of clergy pensions has been under discussion for some time and has yet to be finally resolved. The history and latest situation is set out in the attached clergy pension briefing paper.

### Expenditure Within the Control of the Diocese

- 3.1 This deals, in the main, with the things that we have, as a Diocese, decided that we need or want to do. The bulk of this (70%) is spent directly on parishes while the remaining 30% is spent on Support Ministers and the general running costs of the Diocese. For Hereford this expenditure is:-

<b>Expenditure Within the Control of the Diocese</b>	<b>2009 £</b>	<b>2010 £</b>	<b>£ Increase (Decrease)</b>	<b>Total £ Increase (Decrease)</b>
Parish Clergy Stipends & Expenses	2,049,300	2,042,035	(7,265)	
Parish Clergy Houses	488,935	512,991	24,056	
Diocesan Houses	75,200	71,700	(3,500)	
Sequestration Expenses	28,000	42,000	14,000	
Archdeacons	65,512	67,034	1,522	
DAC/Church inspections	58,500	58,550	50	
Readers Training	8,800	8,300	(500)	
Parish Share Rebate	53,000	57,500	4,500	
Social Responsibility	51,946	50,190	(1,756)	
Community Partnership & Funding	47,600	52,750	5,150	
Communications Officer	40,704	45,814	5,110	
Missioner for the Env, Ag & Rural Life	39,890	60,083	20,193	
Child Protection	20,450	19,370	(1,080)	
Stewardship Adviser	41,003	0	(41,003)	
Director of Ordinands	45,685	53,767	8,082	
Local Ministry	90,923	89,098	(1,825)	
Continuing Ministerial Development	82,320	88,517	6,197	
Adult Training	42,550	42,190	(360)	
Hereford Training Office	24,200	24,300	100	
Part Time Support Ministers	33,397	30,817	(2,580)	
EcoPark Office costs	40,000	36,000	(4,000)	
Education Salaries etc.	216,970	169,270	(47,700)	
Hereford Office Costs	35,300	33,210	(2,090)	
Postage/Telephone/Depreciation etc	50,800	48,200	(2,600)	
Administration Staff salaries etc	227,000	232,100	5,100	
Expenses of committees	17,040	18,500	1,460	
Newspaper/Prayer Diary/Directory	14,600	16,400	1,800	
Conferences + GIS	11,800	11,010	(790)	
Grants & Donations	35,530	27,880	(7,650)	
Legal Fees	44,800	45,200	400	(26,979)

3.2 You will note that this expenditure has been reduced by £26,979 from the 2009 figure.

### ***Income Outside the Control of the Diocese***

4.1 This income is:-

<b>Income Outside the Control of the Diocese</b>	<b>2009 £</b>	<b>2010 £</b>	<b>£ Increase (Decrease)</b>	<b>Total £ Increase (Decrease)</b>
Allocation from Central Church	388,719	372,973	(15,746)	
Guaranteed Annuities	3,662	3,662	0	
Trust Income	5,900	6,100	200	
Investment Income	610,450	541,000	(69,450)	
Grants and Donations	67,500	69,900	2,400	(82,596)

### ***Income Within the Control of the Diocese***

5.1 This income is:-

<b>Income Within the Control of the Diocese</b>	<b>2009 £</b>	<b>2010 £</b>	<b>£ Increase (Decrease)</b>	<b>Total £ Increase (Decrease)</b>
Assigned fees	154,000	188,000	34,000	
Sequestration fees etc	91,800	69,800	(22,000)	
Cathedral	10,000	0	(10,000)	

Rental Income	168,400	168,400	0	2,000
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### Overall Effect

6.1 Given the changes in both Expenditure and Income the overall effect on the budget is as follows:-

Overall Effect of Changes	Net Change
Total change in Income/Expenditure outside the control of the Diocese	(197,279)
Total change in Income/Expenditure within the control of the Diocese	28,979
Shortfall	(168,300)

### Funding the Gap

7.1 This £168,300 shortfall would have required a 4.59% increase in share or further cuts in Diocesan costs above the £26,979 shown at paragraph 3.1

7.2 Given this shortfall the budget was presented to the October 2009 Diocesan Synod with a number of options including a 0% increase in stipends and salary for Clergy and Diocesan employees. In the event the Synod approved the budget as follows:-

**81 votes FOR, 1 vote AGAINST and 2 ABSTENTIONS**

And the following means of funding the gap:-

How we fund it ...	2009	2010	% Change	Net Change
Transfer from Equalisation Account	38,611	36,949	- 4.30%	(1,662)
Mission & Ministry Fund Reserve	0	40,000	0.00%	40,000
Parish Share	3,670,09	3,800,052	+ 3.54%	129,962
			Total	168,300

### Conclusion

8.1 The Budget that the Diocese operates is that approved by your representatives at the Diocesan Synod. As may be seen in paragraph 7.2 your representatives overwhelmingly approved the Budget including the shortfall and the means of closing the gap.

8.2 Discussion within the Revenue Advisory Panel (a group comprising Deanery Treasurers that advises the Board of Finance on Share matters) lead to a decision that Deaneries would be asked for a 2% increase with a request that each Deanery consider contributing up to 5%. Many Deaneries have agreed to contribute more than 2% with an overall average of 3.54%

8.3 I hope this paper goes some way to explain why share increase is greater than inflation and the factors that have impacted on your budget.

8.4 If you have any questions about anything to do with the budget please contact either:-

**John Clark, Diocesan Secretary; 01432 373312; [j.clark@hereford.anglican.org](mailto:j.clark@hereford.anglican.org)**

**Gordon Powell, Finance Secretary; 01432 373305; [g.powell@hereford.anglican.org](mailto:g.powell@hereford.anglican.org)**

