

# How Church of England Funding Works: Answers in Brief

## 1. Why Parishes Are Asked to Contribute

Most of the cost of local ministry is funded **locally**. Benefice Share (or the Common Fund) pays for:

- **Clergy stipends and pensions (post-1998)**
- **Clergy housing, maintenance, and insurance**
- **Training and support for curates**
- **Safeguarding, legal, HR, and governance services**
- **Mission and ministry support across the diocese**

These are costs that **every parish benefits from**, even if indirectly.

## 2. Are Diocesan Central Costs Excessive?

Diocesan central teams provide the **minimum legally required infrastructure** for a diocese: safeguarding, clergy payroll, property management, education, vocations, finance, and governance. Across the Church of England, these costs typically represent **7–9% of diocesan budgets**, and dioceses are under pressure to keep them lean. Without these shared services, parishes would face **higher costs** and greater administrative burden.

## 3. Why the Church Commissioners Don't Pay for Parish Clergy

The Church Commissioners (CC) manage a **historic, restricted endowment**. They fund:

- Bishops and cathedrals
- Pre-1998 clergy pensions
- Strategic mission funding
- Support for poorer dioceses

They **cannot** legally use the endowment to pay for the day-to-day costs of parish clergy. Parish ministry is sustained by **local giving**, not national funds.

#### 4. “The Church Has Lots of Money — Why Should We Give?”

- The CC’s money is **not available** for ordinary parish ministry.
- Most parish costs must be met **locally**, just as they always have been.
- The CC already subsidises the wider Church so dioceses can direct more of their own income to parish ministry.
- Without local giving, **local ministry cannot continue**.

#### 5. Fairness and Benefice Share

The system relies on **mutual support**: wealthier parishes help sustain ministry in poorer areas. Where parishes withhold share, dioceses engage pastorally, but the aim is always to maintain ministry across the whole diocese. Paying in full does not guarantee a parish will avoid reorganisation, because deployment depends on **population, mission need, and overall clergy numbers**, not just finances.

#### 6. “Pay for What You Get”

Some dioceses are moving toward clearer cost-based models. A benefice may request a **part-time post** if it cannot sustain a full-time one, but this must fit the **diocesan deployment plan**. Parishes cannot set clergy stipends themselves — stipends are set **diocesan-wide** to ensure fairness and clergy mobility.

#### 7. Parish Assets

Parish assets today remain **parish property** unless legally transferred. There is **no mechanism** for dioceses to reclaim parish assets as happened historically when Diocesan Stipends Funds were created. Parishes can safely build reserves, though dioceses may expect well-resourced parishes to contribute appropriately to ministry costs.

#### 8. Statutory Fees

Statutory fees (weddings, funerals) are set nationally and shared between PCC and DBF. The DBF share contributes to the **overall cost of ministry**, including housing, safeguarding, training, and legal support. If parishes kept all fees, Parish Share would need to **increase** to compensate.