

Winchester Deanery Synod meeting 25th November 2009

Report by the Deanery Finance Committee Chairman

- 1. Parish Shares 2010:** The figures put forward by the deaneries in September fell short of the amount required to meet the budget of expenditure presented in May by £1 million more than had been allowed for through the 'Deanery Abatement' of £600,000. All deaneries fell short. The £193,000 deficit for Winchester Deanery (which had been approved at the special Deanery Synod on September 10th) was the second highest. As explained in the papers put to the Deanery Synod on 10th September, a significant part of our Deanery's shortfall was attributable to the difference between the implied assessment for Christ Church and the amount (2 x COPM) that Christ Church had committed itself to pay but the underlying problem was that the target set for this Deanery was 30% more than actually paid in 2008 and about the same more than is forecast to be paid in 2009 (see below).

The position taken by the diocesan Standing Committee is to accept the figures put forward for 2010 and not to ask for upward revisions, while expressing the hope that the outcome for the year will be better. For this Deanery there are some complications. The figures for St Cross & St Faith are being reviewed because of the reduction to a half-time post with the appointment as Master and Priest in Charge of the Archdeacon of Winchester, which may lead to a reduction in the Deanery total. There are also some signs that one or two parishes may have particular difficulties in meeting the figures to which they agreed. Although the fees abatement of £7,528 for 2010 has been reserved as a contingency, it may not be sufficient to cover all such shortfalls. Since the essence of the new system is that the Deanery figures are to be regarded as commitments, with none of the shortfalls of the past, we shall have to monitor the situation in 2010 closely and may have to look to some parishes to help in avoiding a Deanery shortfall.

The diocesan tables showing payments of Shares in 2010 will be based on the figures for parishes (not benefices) submitted by the deaneries. The details for Winchester have been given to the diocesan office.

- 2. The Diocesan Budget for 2010:** The revised budget was distributed on 20th November. I have attempted to summarise the main points in the 60-page document, in the attached paper. The papers are to be treated as "confidential to the Diocesan Family", which includes members of the Deanery Synod. Questions may be submitted up to 2 days before the meeting on 28th November; I intend to submit some points for clarification and there will be just an opportunity to add others after the Deanery Synod meeting. Although there is an invitation to submit amendments, there is no obligation to accept any.
- 3. Old Alresford Place:** The papers for the Diocesan Synod include a motion to wind up the Old Alresford Place Trust and for all its assets and liabilities to be passed to the Diocesan Board of Finance by 31st December 2009. That course of action was recommended in an independent report from the Church Commissioners. There will no longer be any residential courses and all members of staff have been made redundant. Other bookings for 2010 worth £30,000 have already been confirmed. Against the running costs, there will be the contribution from lettings. An overdraft from the Diocesan Board of Finance, currently £320,000, will be written off against the asset of the building, recently valued at £2.5-3.0 million. OAP has a loan of £2 million from the Clergy Welfare Trust, for the cost of refurbishment, which is due to be repaid by £100,000 pa from 2012. The impact on the 2010 budget will be cost neutral. The situation will be monitored monthly and will be reviewed in a year's time.
- 4. Payments of Share in 2009:** Up to 31st October, the total received for the Diocese was £7.9 million, against £7.6 million in the same period of 2008, an increase of 3.5% compared with the 5% budgeted. The shortfall for the 10 months was 15.6%, against 14.4% for 10 months in 2008. For Winchester Deanery, the total received for 10 months in 2009 was £675,000, compared with £707,000 in the same period of 2008. Nine of our 27 parishes had paid less than in 2008 but for three of them the amount due was less through pastoral reorganisation and they had paid in full. The largest reduction was £36,500 for Christ Church. The total Deanery shortfall from

assessment was £133,000, compared with £73,000 a year ago. The forecast shortfall for the year 2009 is £147,000, £37,000 more than in 2008. It should be noted that 14 parishes expect to pay their 2009 Share in full.

- 5. Shares in 2011:** So far, there is no indication about the arrangements for determining Shares in 2011, i.e. the timetable, the basis for Cost of Ministry, the factors prescribed for deaneries, 5-year projections, etc. I provided a paper drawing attention to this, which was considered at meetings of the Deanery Finance Committee Chairmen and the Finance & Property Resource Group. I hope that there will be information on this by February. It seems clear that there will be no move to create the Mission & Growth Fund. I also made some suggestions on the process to be followed within deaneries, covering consultation, factors to be taken into account, plans, problems, etc.. The Deanery Finance Committee (see below) plans to carry out consultations with every benefice/parish in the New Year.
- 6. Deanery Finance Committee:** The Committee has met five times since the beginning of June. The earlier meetings concentrated on the determination of Share figures to be submitted to the diocesan office. More recently, there has been discussion on 2009 Share payments and on how to proceed in determining Shares for 2011. It is planned to visit every benefice/parish early in 2010, with teams of two or three members of the Committee. The aim would be not only to discuss Share but also to discuss plans and problems. Visits would be preceded by a note of the information sought for a thorough explanation and understanding.

Lyn Clack (Otterbourne) has stood down from the Committee. Charlie Goodall (East Stratton) and Nick Goulding (St Lawrence c. St Swithun) have been co-opted, to join Paul Draper, Paul Kennedy and Martin Reid, with Alan Gordon and Simon Swindells ex-officio and myself. We are still seeking someone to act as Secretary to the Committee.

Hugh Podger
21st November 2009