



THE CHURCH
OF ENGLAND
BIRMINGHAM

COMMON FUND

Sharing God's Generosity

PEOPLE
&
PLACES

Common Fund is a contribution from every church in the diocese towards the costs of our mission across the city

region. This booklet explains its basis and recent changes. It comes commended by Bishop David and his team and we hope it will inform the generosity, prayers and discussions of individuals and churches. We are always glad to hear from you with any comments or questions.

God of Generosity

Christians have always been inspired by a transforming vision of God. As the Bible puts it: God so loved the world that he gave... (John 3:6). God's character is intentionally generous to redeem the world one heart at a time. We are generous because God is generous. Not by accident, but by decision.

Legacy of Generosity

The first Christians were not particularly wealthy or powerful, they were often poor and on the margins. But this transforming vision of God inspired them to give and share between churches as an expression of generosity, love and unity in Christ. Across the divides of creed, nation, city and culture they gave. We are called to the same generosity.

An Inspiring Letter to Corinth

St Paul writes to two communities about their need to share. (2 Corinthians Ch.8). It's a powerful, practical application of God's generosity where people first have their hearts changed as they give themselves to God, the first gift (vs.5).

That inspires them to give to others they don't really know but with whom they share the faith (vs.2). They do so with costly sacrifice with joy (vs.2-3) in privileged service (vs.4), exceeding expectation (vs.5), from grace not duty (vs.6-7) and aim for equality among Christians whilst trusting in God's provision (vs.13-14). Wow!

Our Track Record

That is what the Common Fund in Church of England Birmingham is all about: Godly generosity and gospel giving. Like the early churches we have few historic resources, but we share faith in a limitless, generous God so we are far from poor.

Our churches in Birmingham have a track record of generous giving of both time and money and believe that God blesses each endeavour. Every minute and penny counts. Thank you for your part in that.

Sharing

Common Fund is not a limited payment for services received, but a sharing of life together that the good news might be proclaimed everywhere with an equal voice. We face divisions of creed and culture, wealth and resources across our city region and the call is on us to be the transforming difference for others.

Common Fund is a voluntary contribution not an ecclesiastical tax demand. Periodically the way we suggest what contribution might be appropriate changes. Each time we hope to better reflect contemporary circumstances and the needs of our churches. Most of our ministry is funded by these gifts so they are crucial to our presence in every community.

People & Places

Within our new People & Places framework the time has come again to better embody the principles outlined above. We want to encourage CofE Birmingham to think of Common Fund in four ways, outlined below:

- 1. Financial Contribution**
 - 2. Exceptional Offering**
 - 3. Gifts in Kind**
 - 4. Partnerships**
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1. Financial Contribution

This contribution contains both a Sum Requested and a Gift element.



A. Sum Requested

It begins with being honest about the cost of paid ministry in each place as determined by the People & Places deployment framework. The framework uses population as a means of deploying paid stipendiary oversight and lay context resources on a just basis, with the opportunity to retain the current level of stipendiary ministry if local resources allow.

A church's ability to contribute is taken into consideration by an assessment of its level of annual unrestricted income. No church will be requested to contribute in total more than 60% of its annual unrestricted income, otherwise local mission could be stifled. However, the Sum Requested needs to be the first priority for the church.

B. Gift

Common Fund is a commitment to our shared mission as one family in Christ, not just covering our own local costs. Churches are encouraged to consider intentional generosity towards those who cannot afford their oversight costs, towards all the curates -in-training and central parish services.

The expectation is that the suggested Gift plus the Sum Requested should not exceed 60% of the annual unrestricted income. The level of this Gift is ultimately a locally made decision in each place. Each year Gifts will need to be notified to

the diocesan team by 31st October to enable the finalisation of the overarching diocesan budget for the forthcoming year. For 2018 we understand that this may be difficult, but we would appreciate a prompt indication of Gifts.

A worked example with accompanying notes of the Financial Contribution appears later in this booklet.

2. Exceptional Offering

It may be that a church receives extra unexpected resources in any given year (legacies, gifts etc.). Where these are not included in unrestricted income, or where there is simply a desire to do so, it is always possible to make an extra one-off contribution.

3. Gifts in Kind

Whilst every church always has gifts and skills given by God, sometimes a little help from our friends is needed. There are great examples across the diocese of such gifts for mission, not of money, but people, time and talents. One of our estate churches was 'gifted' a treasurer by a larger more resourced parish. Over a few years they helped get the church back on track financially so in turn they are now able to contribute to their own ministry costs and to those of others.

What could your church give? Offers and needs can be made known to your Area Dean or Archdeacon who will connect them as appropriate.

4. Partnerships

For some simply being Anglican or their relationship with the Bishop reflects their sense of partnership. Others form additional networks according to interest, theology, mission or context.

But we want to encourage new partnerships to better understand and support each other. Some churches have done this, and it has often enriched their mutual life and witness.

Your deanery may already provide such relationship. But you may be helped by considering it afresh. It may be geographically local as People & Places encourages us towards, or between different contexts such as urban and rural, or where there are pre-existing relationships.

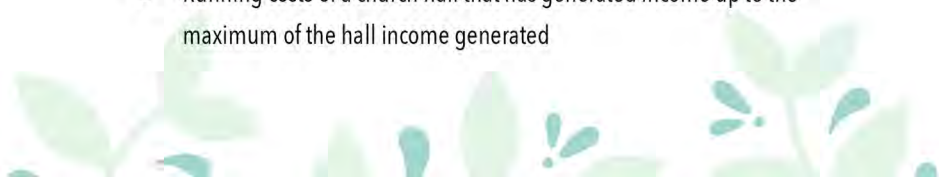
We do not think this should be a financial relationship, but one of understanding, prayer and exchange: a little like twin towns! Speak with your Archdeacon about how to proceed.

Contribution, offering, gift in kind and partnership take Common Fund beyond simply a financial transaction to an expression of our life together and our mutual love.

Common Fund - Financial Contribution: a worked example

Principles

Our guiding principle is the maximum that we should expect a church to contribute is 60% of its assessed annual unrestricted income. The assessed annual unrestricted income is the total of general/unrestricted fund income + designated fund income as disclosed in the annual statutory accounts with adjustments for the following items:

- One-off significant legacies;
 - Unrestricted income that has been incorrectly accounted for – such as DBF element of statutory fees, collections for others, grants that should have been classified as restricted income;
 - Running costs of a church hall that has generated income up to the maximum of the hall income generated
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Sum Requested – the calculation

Using the People & Places framework of allocating resource on the basis of population*, we calculate the associated costs of deployment in a particular place at the three levels of ministry – oversight, context and current:

- **Oversight Ministry** – the cost of ordained paid ministry justly spread for everyone. Being Anglican, just like God everywhere.
= Cost of a full-time paid minister x Oversight ministry allocation to diocesan population of 1,499,646
Where Oversight ministry allocation is = (parish population excluding other faiths x 65 ÷ 1,150,349) + (parish population of other faiths x 7 ÷ 349,297)
- **Context Ministry** – the cost of lay, specialist ministry such as children, youth, inter faith workers
= Cost of a full-time paid minister x Context ministry allocation
Where Context ministry allocation is = (parish population excluding other faiths x 28) ÷ 1,150,349
- **Current Ministry** – the cost of the current level of paid stipendiary ministry.
= Cost of a full-time paid minister x current number of stipends in parish

* The 2011 Census population allocation framework is covered in our 'Frequently Asked Questions'

Note: The cost of a full-time paid minister is made up of Stipend + National Insurance + Pension + Housing + Council Tax

To produce a sustainable level of Sum Requested, 60% of assessed annual unrestricted income (as a maximum expectation), is compared with the deployment costs in the following order:

- Oversight deployment
- Oversight + Context deployment
- Current deployment
- Current + Context deployment

Gift – the discernment

Churches that are able to contribute to at least the Current deployment level will be asked to discern a gift offering as intentional generosity towards those who cannot afford their oversight costs, towards all the curates-in-training and towards central parish services.

We will suggest that the gift plus the current and context paid ministry costs should not exceed 60% of the assessed unrestricted income, nor should it exceed the cost of an additional 1 full-time stipendiary minister and curate (if any). The level of this gift is ultimately a local decision.

For those churches that pay one-twelfth of their full Sum Requested by monthly standing order and where the first payment of each year is received by 31st January, a 2% discount is offered.

Example Scenario

The Parish of St Jude has total unrestricted income of £150,000 which includes hall lettings income. The cost of running the church hall is £10,000. It has also received a legacy of £15,000 which is included in the £150,000 above. It has a population of 15,000 with 10,000 who self-identify as Christian or of no faith and the remaining 5,000 of other faiths. The cost of a full time paid stipendiary minister is £48,760.

Example Calculation

	£
Unrestricted income	150,000
Less Legacy income	-15,000
Adjust for church hall expenditure	-10,000
Adjusted income	<u>125,000</u>
FTE cost of one paid Minister	48,760
P&P Oversight Ministry Allocation ¹	0.66
P&P Context Ministry Allocation ²	0.24
Current Paid Ministry	1
60% of unrestricted PCC income	75,000
Cost of Oversight	32,424
Cost of Oversight + Context	44,317
Cost of Current	48,760
Cost of Current + Context	60,653
Financial Contribution- Sum Requested	<u>60,653</u>
Financial Contribution - Suggested Gift	<u>14,347</u>
Total Financial Contribution	<u>75,000</u>

Note 1:

Oversight ministry allocation = $(10,000 \times 65 \div 1,150,349) + (5000 \times 7 \div 349,297)$

Note 2:

Context ministry allocation = $(10,000 \times 28 \div 1,150,349)$

The calculations show that St Jude's 60% of assessed unrestricted income is £75,000. Working down the deployment framework, St Jude is able to sustain its current ministry of 1 full time stipend plus Context ministry with a Sum Requested of £60,653.

It is also asked to consider prayerfully a Gift to support others with a suggestion of up to £14,347 taking its total financial contribution to £75,000- which is 60% of its assessed unrestricted income.


Frequently Asked Questions

How does the People & Places framework for deployment work?

People & Places allocates resource justly by population declared in the 2011 National Census. The overall population served by the Diocese of Birmingham is 1,499,646, including 349,297 persons of declared other faiths. Our total oversight ministry allocation is 72 – split as 7 to the population of other faiths (349,297) and 65 to the remaining population (1,150,349). We allocate our 28 context ministers to the population excluding other faiths (349,297).

What is unrestricted income?

Unrestricted income is given to the church freely on the understanding that it will be used at the discretion of the PCC for the furtherance of the ministry and mission of the church. The donor or giver of the funds has not restricted its use for a specific purpose. A PCC may decide to put some of its unrestricted income aside for a particular project. This money is designated for administration purposes only. Designated funds are still unrestricted and can be moved or un-designated by the PCC at its discretion at any time.



We have a listed building to care for and repair and we can't keep up our financial contribution as well as look after the building. Is there anything we can do?

The Common Fund financial contributions needs to be the first priority for the parish. If there are problems, please talk to your Area Dean/Archdeacon or the Finance Team as soon as possible. The Property team at 1 Colmore Row can advise on grants available for buildings.

We would like to employ a youth worker/administrator/pioneer minister which we could do if we reduced our Common Fund financial contribution. Would that be possible?

One of our biggest culture changes is to make Common Fund better meet costs of ministry whilst sustaining mission in poorer areas. We all have difficult ministry/financial decisions prioritizing clergy costs within many aspirations. It's often not possible to afford everything everywhere. Reducing Common Fund only in effect asks other parishes to make up the shortfall in your ministry costs. We need new mission so would explore P&P Context Ministry allocations or look at other funders or specific stewardship, but Common Fund needs to be a first priority in prayer, giving and strategy.

We need some help in raising our giving. What help is there?

In the first instance talk to Amanda Homer in the Parish Services Finance Team about advice and ideas to encourage giving. The Parish Giving Scheme has been set up to help parishes nationally to manage their regular donations. The scheme enables churches to inflation-proof giving, maximise cash flow and minimise administration.

For more information and advice contact Amanda Homer:

amandah@cofebirmingham.com

Or visit: www.parishgivingscheme.org.uk

*In common with the church in Corinth
God calls us to generosity, sacrifice,
joy, service, grace & equality
as we participate in
the generosity of God.*

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