

DBF Budget 2020

Diocesan Synod 19 October 2019

Prebendary Harry Musselwhite,
DBF Chair

#DioSynod



Budget plans from 2018-2022

Common fund increases

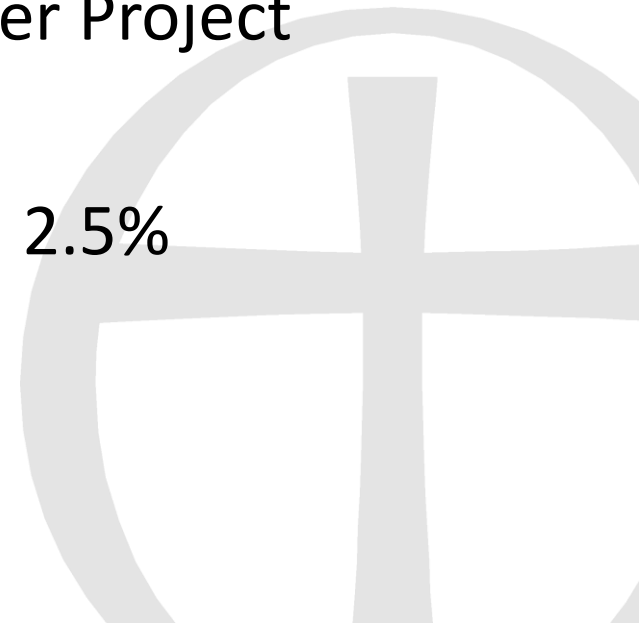
- 2018 – a budget for mission 4.5%

“Seize the moment, equip God’s people, invest for growth “

plus £2.5m over 5 years for the Pioneer Project

- Plan to hold to CPI 2019-2022
- 2019 – CPI

2.5%



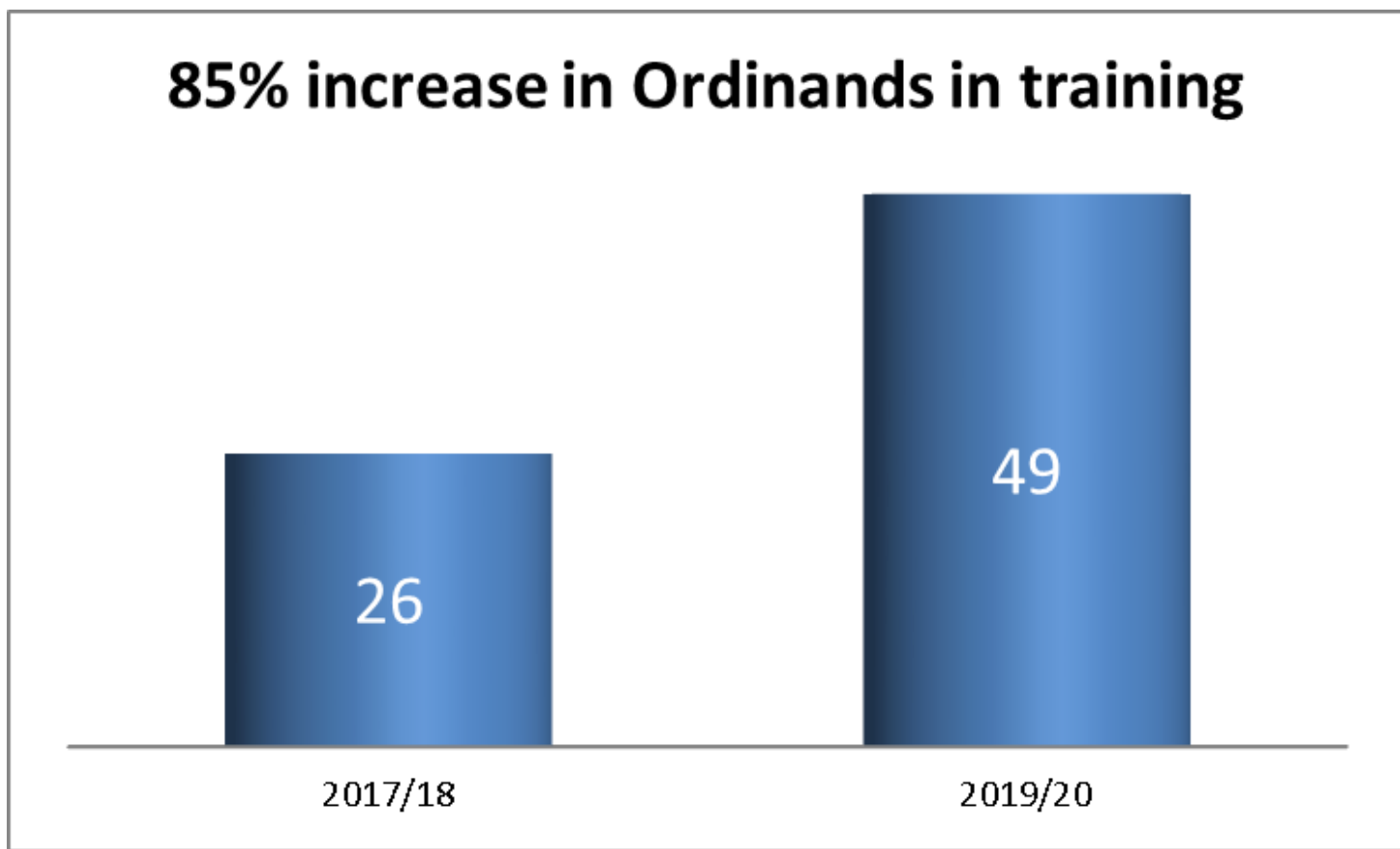
Common Fund 2019 to 2022

Planned increase limited to CPI inflation

- 2019 Budget increase of 2.5% (CPI inflation)
- 2020-2022 Proposed Plan: CPI increases for three years

Investing for growth through vocations and ministry- the story so far

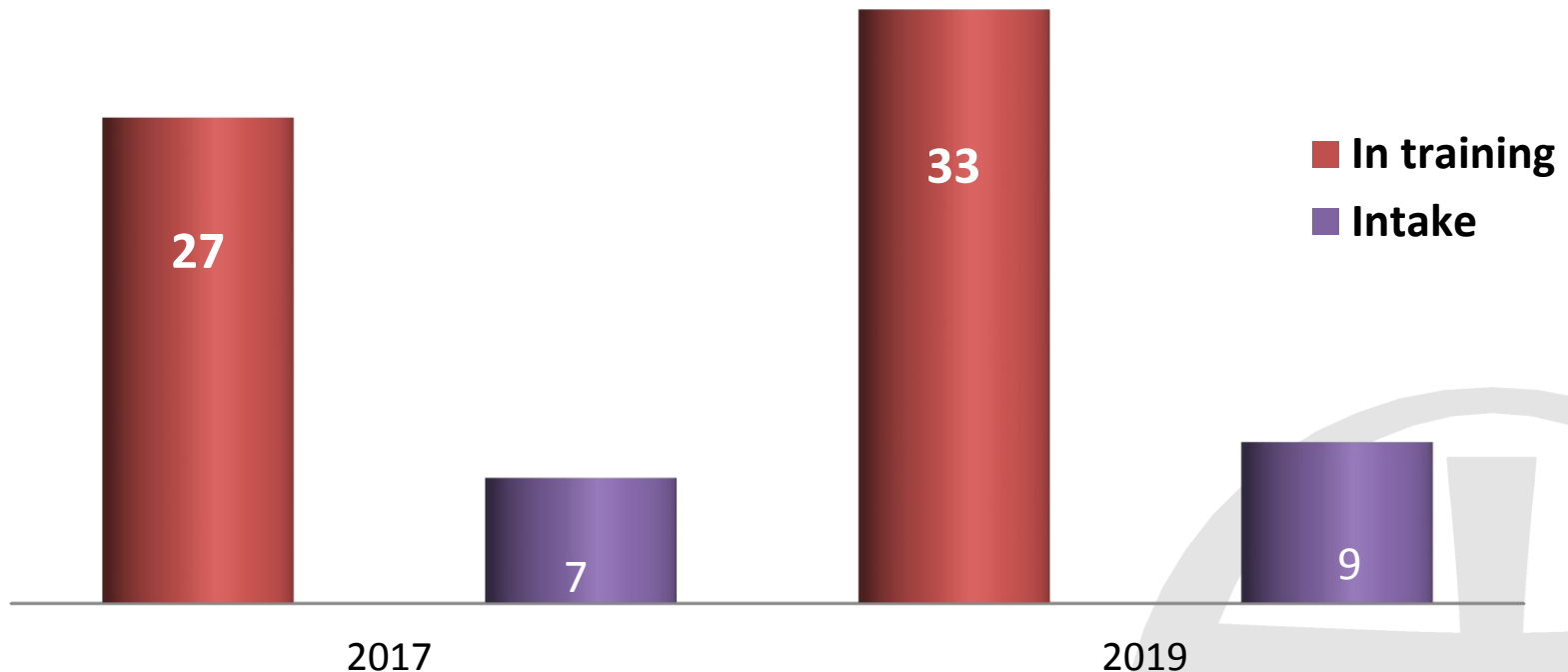
Ordinands



Curates in training

30% increase in Curate intake in July

11% increase in Curates in training at September

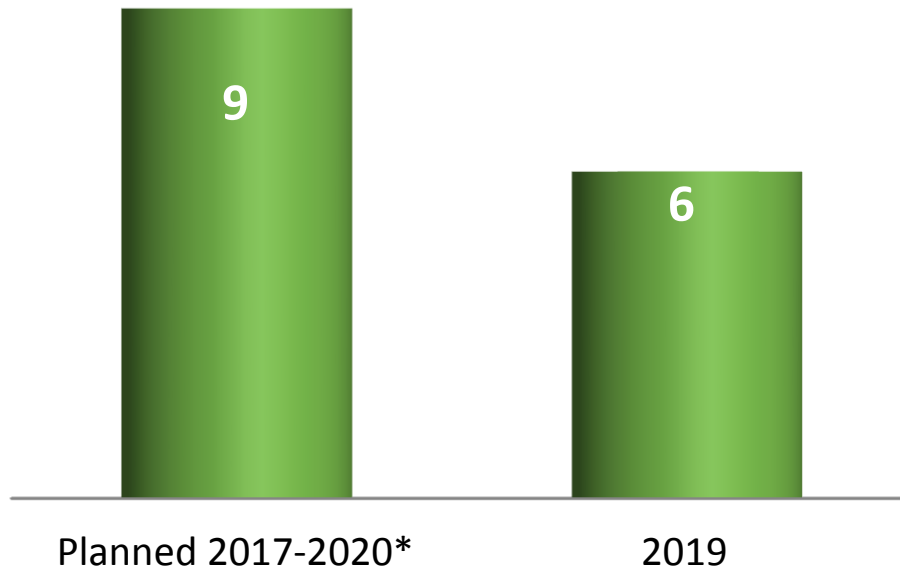


Training 6 additional curates costs around £1m in total. From July 2020 some national funding may be granted for future additional curates

Pioneer project

Funded from DBF Mission Development Fund and National Strategic Development Fund

Pioneer posts

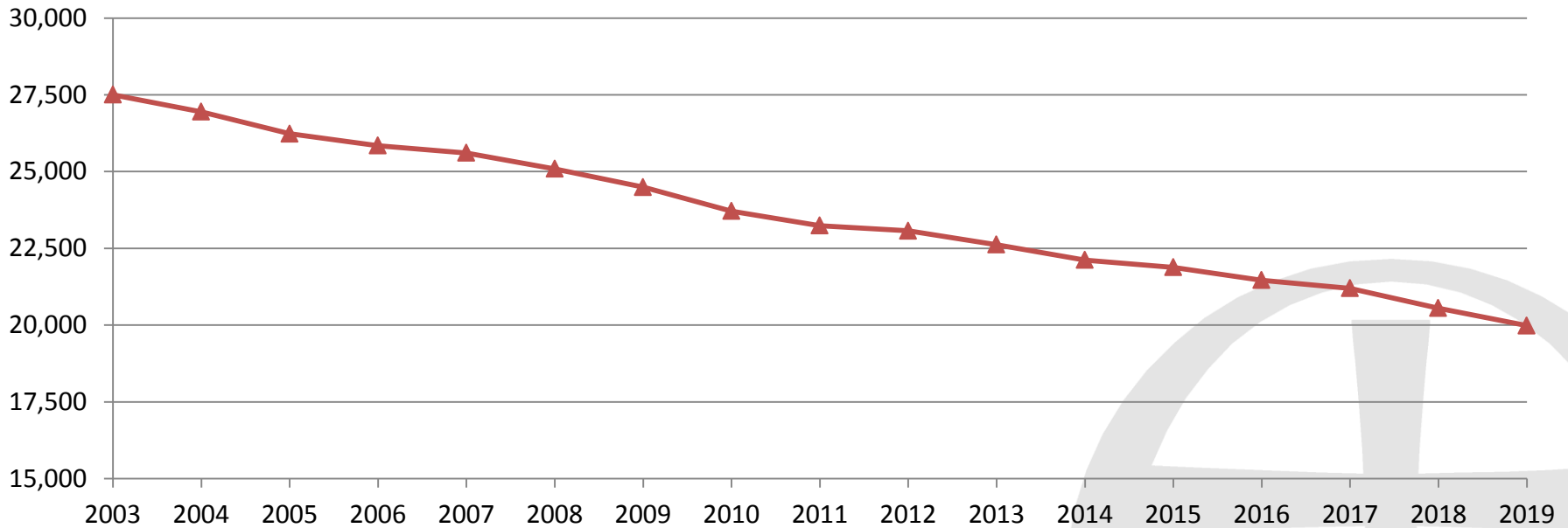


* Plus one existing DBF funded post



Membership 2003 to 2019

Average decline - 1.7% pa; 2019 - 3%



Budget setting principles

- ✓ Realistic
 - ✓ Levels of clergy vacancies- allowing a buffer to support parishes in vacancy
- ✓ Scrutiny and savings
 - ✓ Departmental budgets – set below inflation; further realignment to fund additional posts in safeguarding, HR & Property
- ✓ Using new freedom- Total return
 - ✓ Funding some of historic clergy pension deficit from historic investment gains

Common Fund 2020

Recognising the impact on membership decline in parishes

- 2020 Budget increase of 2.0% (CPI inflation)
- Offset by 1.5% funding from reserves for some of the historic clergy pension deficit
- **Giving net increase in Common Fund of 0.5%**

Parish share increases

	2020 Proposed %	2019 %	2018 %
Increase in the Common Fund	0.5	2.5	4.5
Decrease in adjusted church membership	3.0	2.8	1.8
Net movement down in socio-economic categories & change in 'S' categories	0.1	0.6	0.1
Net movement in max/min caps & collars	0.0	(0.2)	0.9
% increase per member across the diocese *	3.6	5.7	7.3

* % change for individual parishes will depend on parish changes in category and membership ,together with caps and collars in the current and previous years.

Questions

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Diocesan Synod Motion

To approve the Diocesan Board of Finance budget for 2020 providing

- a Common Fund increase of 0.5%;
- net expenditure of £12.5 million;
- a General Fund operating break-even position (after using £0.15m of Unapplied Total Return to part-fund the clergy pension deficit contributions)