

Dear Treasurers

Practical Issues for Treasurers During the Covid-19 Crisis – Issue 1, 27 March 2020

We pray that you are keeping well during these very uncertain times. We recognise that the coming weeks and months may prove very challenging for many of you on a personal level, and that they will also create some of the most challenging circumstances you have known in your roles as treasurers. We aim to support you as much as we can.

Covid-19 is a rapidly changing situation and so our response as churches and as a Diocese must evolve as the crisis unfolds. We will try to keep in touch with you as often as we can.

Enclosed in this letter you will find some initial important information. We also recommend that you keep an eye on news coming from the Diocese via our eNews which you can subscribe to at the bottom of this webpage: <https://www.carlislediocese.org.uk/>

2020 Parish Offer Payments

We ask that you continue to be committed to making Parish Offer payments wherever possible. 100% of the Parish Offer received by Carlisle Diocese goes towards paying for local ministry in your parishes, and so a large decrease in Parish Offer will significantly impact our ability to resource the Church now - as it seeks to work at the frontline in our communities during the covid-19 pandemic - and our longer term ability to provide ministry in our communities once this crisis has passed.

Our clergy are working extremely hard up and down the county to support our congregations and communities during this time. We are still required to pay for clergy housing and stipend costs in full, and so very little of our ministry costs have reduced at this time.

However, we are aware of the significant impact church closures will be having on your PCC income at this time, and so as treasurers we ask you to help your church take a few important steps to mitigate these financial repercussions as far as possible.

1. Communicate with every church member about the impact of social distancing measures on church finances and steps they can take to help.

Yesterday a letter was sent from Bishop James and Bishop Emma to every incumbent in the Diocese. The letter signposted a resource that has been produced by Carlisle Diocese to help parishes talk sensitively to church members about their commitment to giving in the context of social distancing and the covid-19 crisis, and is now on the Diocesan website. This template letter can be downloaded here: <https://www.carlislediocese.org.uk/coronavirus/finance/> and your vicar can edit the template in order to fit your parishes' context. Advice can be sought from our Stewardship Enabler, Sophie Hodge, contact details below. On the same webpage you can also view the letter that was sent from Bishop James and Bishop Emma to incumbents.

We are asking every parish to communicate on church giving, so as to mitigate against serious financial losses. That said, we would implore you to only communicate in ways that uphold the clear advice from Government on social distancing – we too must do all we can to protect the NHS and ultimately save lives. Clearly e-mail and telephone are the most compliant methods to communicate.

2. Monitor your cash flow and use your cash reserves.

At this time, it is really important that you monitor your cash position, think about which necessary payments will be going out, and try to stop all discretionary spend. Try to think about how much income will, and will not be coming in during this period with closed churches.

While there is a strong case not to liquidate equity-based investments when the market is low, if any of your churches have cash reserves saved for a rainy day, then we can be confident that we are currently in the midst of a monsoon. These reserves can be used to ensure that local church and ministry can continue during the crisis.

3. Access any CCLA deposit funds you have

Many of you have deposit accounts at CCLA - some directly and some via the Diocese (as custodian Trustee). You may well need to draw these down to use the money. Keep in mind if it is restricted or endowment – we can't break charity law with how we use money. If you do need to draw down deposits via us, please send an e-mail to finance@carlisediocese.org.uk and we will see to that. Bear in mind it can take a few weeks and we will be reliant on CCLA operating as well as they are able to.

Endowments which have a capital of under £10,000 can be 'cashed' and used for the appropriate use – by passing a resolution. Information on how to do this can be viewed at <https://www.parishresources.org.uk/wp-content/uploads/restrictedfunds.pdf> (see section D5 on pages 13 and 14). Contact our Stewardship Enabler, Sophie Hodge, if you need further advice on how to do this (contact details below).

What if after taking these steps, you are still unable to keep up with Parish Offer payments?

Some of you may feel that even after taking all the steps above, you are unable to keep up with Parish Offer payments. Where this is the case, please contact our Stewardship Enabler, Sophie Hodge, who will be able to discuss various options with you such as:

- Reduced Parish Offer payments for a limited period (we would always urge parishes to pay something rather than nothing if it's possible)
- Delaying Parish Offer payments for a period
- Reducing your 2020 Parish Offer commitment where there are no alternatives

We know that all parishes will be facing significant financial challenges at this time, but some of you may be in a position where you are particularly concerned about your future viability and the possibility of bankruptcy. Where this is the case, we encourage you or your incumbent to contact Sophie Hodge (contact details below), at the earliest possible opportunity so we can discuss ways to help you. The sooner we know there is a serious problem the better.

Please be assured that everything we are asking you to do as local church, we are also doing ourselves at Carlisle Diocese. We want to encourage you that you are not in this alone, and we are working hard to develop ways of supporting our parishes through this testing time.

In the same way we are asking you to look to your liquid reserves, the Diocesan Board of Finance is already drawing on its cash reserves in order to keep the local church functioning through this turbulent time. The Board will be doing its utmost to continue to fulfil its financial responsibilities and is already exploring every opportunity both to make savings and to access the Government support that has been announced so far.

We will continue to communicate to you regularly on the financial situation facing the church in Cumbria, as more information becomes available.

Some practicalities of paying Parish Offer

If you sent us a **Standing Order** form and that money comes out of your bank account each month, that will continue unless you cancel it. Banks will only act on your instruction – in writing or via internet banking signed or authorised in accordance with your bank mandate. So, if you are not able to meet this monthly commitment and need to reduce it (or cancel it) you will need to contact your bank direct - online or by post. You must comply with government advice on social distancing etc so getting signatures and posting it may prove challenging depending on your circumstances. I understand that if there are insufficient funds for a standing order to be paid, it will not be paid out but you are likely to face a charge from your bank for a failed payment each month.

If you currently, or plan to pay by **internet banking payments**, then please continue to do so as much as you are able. This is the best way to stay in control if a standing order is not appropriate and means we don't have to try to bank cheques. Please make sure you quote your PO Reference number (eg P1234) so we can see who is paying us.

You can continue to pay by **cheque** posted to Church House – although we are uncertain how often we will be able to bank these – we will do so as soon and often as we can do so safely – and we would rather you send us a cheque than not pay – but be aware there may be a delay in this being banked and so coming out of your bank account – try to keep track on cheques you have sent but that have not been banked yet.

Making 2021 Parish Offers

We recognise that parishes are facing an exceptional level of uncertainty at the moment, not least because it is unclear at this stage how long these social distancing measures are likely to last. For this reason, the Diocese will not be asking you to make a decision about 2021 Parish Offers for the foreseeable future. We will need to be in touch in due course to seek Parish Offer 'indications' for 2021, but that is for another time.

Other considerations

Church House

You will appreciate that Church House is now closed until further notice, with staff working from home. Post will for now be delivered to Church House, so if it is safe to post us things, that is fine – but be aware that it is uncertain as to when this will be opened and actioned, and whether the Royal Mail will at some point stop delivering to us. We will keep you informed. The most reliable way of contacting us is via email using the contact details listed below.

Payments from Church House

If we have to make a payment to you, we can still do so by BACS (from our homes) but please be aware it may take some time. We can't get cheques written and signed so you will need to provide bank details.

Parochial Fees

It would be really helpful if you are able to get up to date with Fees forms and payments although we appreciate this may not be possible depending on where documents and cheque signatories etc are located. Don't break government advice on contact!

There will be very little if any activity in the months ahead, just keep recording anything that does lead to a fee and do the paperwork etc when you can.

Please use our dedicated e-mail address for Fees issues – fees@carlislediocese.org.uk

APCMs

Please note that the deadline for holding parishes' Annual Parochial Church Meetings (APCMS) and Churchwardens' elections has been extended from 31st May 2020 to the 31st October 2020. Your annual Finance Returns can be filed online this year if ready before an APCM.

Important contacts during this time

To discuss Parish Offer or Stewardship please contact, Sophie Hodge, Stewardship Enabler on Sophie.hodge@carlislediocese.org.uk or 07988 090 477

Finance enquiries can be made to: finance@carlislediocese.org.uk

Archdeacons can be contacted on:

archdeacon.north@carlislediocese.org.uk

Archdeacon.South@CarlisleDiocese.org.uk

Archdeacon.West@CarlisleDiocese.org.uk

Subscribe to the Diocesan e-news here: <https://www.carlislediocese.org.uk/>

We are always tremendously grateful for the faithful service of our treasurers, but this is even more true during this time of crisis. We thank you for all you are personally doing to ensure the continued work and witness of the Church. Please be assured of our continued prayers for you, your families, and your communities at this time.

With best wishes

Ric

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Sophie

Sophie Hodge
Stewardship Enabler