

CARLISLE DIOCESAN BOARD OF FINANCE LIMITED

Minutes of a Meeting of the Carlisle Diocesan Board of Finance, held at Newbiggin Village Hall, Newbiggin on Saturday 11th March 2023

Chair's Remarks

The Chair, Mr Jim Johnson, introduced the meeting. As far as last year was concerned, there were no real surprises, despite it being the first year after Covid-19, and he thanked everybody involved in making that happen.

Parish Offer continued to come in well. It was still a couple of percentage points short when compared to the Offers, but that was not unusual, and it was higher than it had been in previous years. There were always unexpected savings that are not budgeted for, for example extended vacancies, so over the 6-year period to the end of 2022 there was a moderate surplus. That surplus had been fed back into the next five-year budget to support a profile of approximately breakeven over the 11-year period.

The Chair drew attention to exciting opportunities that were developing within the diocese. The first of these was the Restore charity shop network. This excellent outreach opportunity provided practical and spiritual support for the local communities where the shops were based. Their business plan was expected in the next few months showing how the network would continue to operate and develop. We expected Restore to have broken even over 2022 as a whole. The opening of the Penrith Restore shop had proved a great success and that success was reinforced by the relatively new Petteril Bank Road shop in Carlisle. If Restore was to expand its operation further, either geographically or in terms of its general offer it would require stronger management and systems. That might necessitate further financial support for a short while until the benefits were fed through.

The second opportunity was Rydal Hall who would also be presenting a 5-year business plan to the DBF Trustees later in the spring. That would indicate where the funds that were already committed by Diocesan Synod would be drawn down.

Meanwhile the Diocesan property team had been strengthened by the addition of Nick Paxman. Nick has vast relevant experience of working in estate agency, construction and as a volunteer Chair of a Cumbrian housing association. His recruitment, along with a catch-up project being implemented by Jayne Potts was resulting in a rapid reduction in the back-log of housing maintenance caused in part by work being deferred during Covid-19.

Minutes

The minutes of the meeting of the Diocesan Board of Finance held on Saturday 15th October 2022 were approved.

Minutes of the Finance Committee & Questions to the Chair

The minutes of the meeting of the Finance Committee held on Wednesday, 21st September 2022 and Wednesday 16th November 2022 were received.

Update on Ministry Offer: Sophie Hodge, the Stewardship Enabler, gave an update on the Ministry Offer process. Ministry Offer, previously known as Parish Offer, was the subject of received a new focus since the 5-year Vision and Budget was agreed at the last Diocesan Synod.

Ministry Offer remained our single largest source of income and funds over 75% of our mission and ministry in local churches and Mission Communities across the Diocese. The 5-year budget made the ambitious assumption that Ministry Offer would start to increase in line with inflation in stipends throughout the budget period. This was estimated to be approximately 4% for 2024.

This clearly represented a big challenge to the local church given the trends in Ministry Offer of the previous 14 years and the current economic circumstances including hikes in energy costs. But early indications were hopeful, with 2023 seeing a 2% increase in Ministry Offer, that being the highest increase we had seen since moving to an Offer system in 2019, and with Offers appearing to increase more in the Mission Communities that had engaged with the new Ministry Offer process. With that in mind, since Autumn last year the team had been working to continue to evolve the Ministry Offer process and bring more parishes on-board.

Over the next two years, the intention was to move all Mission Communities to a place where they are making an Offer in the context of a wider conversation between the Mission Community and the Diocese about resourcing mission and ministry and agreeing signing-up to a three year 'partnership agreement'. A partnership agreement was a genuinely two-sided partnership between the local church and the episcopate. The partnership included a local commitment through the mission community to provide a certain level of financial income through the Offer. The other side of the partnership was an episcopal commitment to an agreed model of deployment, with vacancies filled as soon as possible, and, if appropriate, a level of Diocesan financial or other investment.

The transition to this new way of setting a Ministry Offer was a gradual process, largely depending on how developed a Mission Community was. This year there were 9 Mission Communities continuing to set their Ministry Offer at parish level and 25 Mission Communities setting a Ministry Offer at Mission Community level, with the hope that up to 14 of these might enter a Partnership Agreement.

The first stage of setting a Mission Community Offer was a meeting involving the wider Mission Community and the Diocese. There had so far been 9 of those meetings in 2023, with 14 more set to take place in the coming weeks. Meetings had varied considerably according to factors such as how developed a MC was, the extent to which they had engaged with a Mission Community Offer in the past, the ministry situation on the ground and the socio-economic context of the MC.

So far, every meeting had involved a positive and meaningful conversation around resourcing ministry in the Mission Community and appeared to have helped foster a genuine sense of partnership. In addition to these face-to-face meetings other communications had been undertaken including online training for Mission Community Leaders last autumn, and an

online webinar for treasurers and others in early January which was attended by 140 people. The finance team was also in the process of writing to all PCC treasurers and emailing all clergy.

2024 Ministry Offers were due to be submitted to the Diocese by 29th July, which would provide early signs as to whether the Ministry Offer assumptions in the 5-year Diocesan budget were attainable.