

DIOCESAN BUDGET 2026

Diocesan Synod
15 November 2025



Diocese of Canterbury
CHANGED LIVES ➞ CHANGING LIVES

How did we get here?

- Our journey began in November 2023 when Synod tasked the Board with providing credible proposals to achieve a sustainable balance of income and expenditure by 2027
- Archbishop's Council extended this to align with the strategic imperative of the **Three Bold Outcomes**
- In July 2024 the Board presented the first of those projections setting out how a balanced budgeted could be achieved
- The Board agreed to continue that work and to develop ways in which all strands of the Diocese of Canterbury (our Bishop and Clergy, our lay leaders, our congregations and PCCs, Diocesan Synod and the DBF) – working in partnership - could achieve those aims



2026 Budget – Income & Expenditure

UNRESTRICTED INCOME	2026
Parish Share	8,017,386
LinC funding	1,145,415
TOTAL OTHER INCOME	2,232,000
TOTAL INCOME REQUIRED	11,394,801
UNRESTRICTED EXPENDITURE	2026
PARISH MINISTRY	5,931,051
SOCIAL JUSTICE NETWORK	110,230
CHILDREN AND YOUNG PEOPLE	454,624
LOCAL CHURCH DEV.	233,216
LICENSED MINISTRIES	1,579,131
SENIOR CLERGY	184,627
DIOCESAN STRATEGY	50,000
SUPPORT SERVICES	2,193,991
GRANTS TO PARISHES	32,000
UNPAID PARISH SHARE (10%)	801,739
TOTAL EXPENDITURE	11,570,610
TOTAL PROFIT/(LOSS)	(175,808)
If 15% unpaid	(576,678)
If 12% unpaid	(336,156)
If 8% unpaid	(15,461)

- A flat 1.25% increase in Parish Share
- Expenditure assumes Parish Share payment rate of 90%
- Non-payment of £802k is treated as deemed cost
- Deficit of £176k unless more is paid

Parish Share is used to meet the cost of Parish Ministry across the Diocese



2026 Budget – Unrestricted Income

UNRESTRICTED INCOME	2026
Parish Share	8,017,386
LinC funding	1,145,415
1/3 of receipts from house sales	250,000
Cliff edge funding	222,000
Parochial fees	260,000
Investment income	300,000
Rental income	950,000
Income from subsidiaries	130,000
Other income	120,000
TOTAL OTHER INCOME	2,232,000
TOTAL INCOME REQUIRED	11,394,801

- Using one-nineth of the nine-year “Cliff-edge” funding
- Using one-third of the proposed house sales
- Various income increasing measures with realistic expectations

2026 Budget – Unrestricted Expenditure

UNRESTRICTED EXPENDITURE	2026
PARISH MINISTRY	5,931,051
SOCIAL JUSTICE NETWORK	110,230
CHILDREN AND YOUNG PEOPLE	454,624
LOCAL CHURCH DEV.	233,216
LICENSED MINISTRIES	1,579,131
SENIOR CLERGY	184,627
DIOCESAN STRATEGY	50,000
SUPPORT SERVICES	2,193,991
GRANTS TO PARISHES	32,000
UNPAID PARISH SHARE (10%)	801,739
TOTAL EXPENDITURE	11,570,610
TOTAL PROFIT/(LOSS)	(175,808)
If 15% unpaid	(576,678)
If 12% unpaid	(336,156)
If 8% unpaid	(15,461)

- 10.7% stipend increase
- 3.5% salary increase
- Various cost cutting measures
- Focus on improving on % parish share received



What we need to do?



We need to look for realistic cost reductions



Our strategy **will** help with the financial position in the growth scenarios



Focus on giving and generosity and help PCCs build financial resilience



We can only influence parishes and find investment to support growth



Mutuality and generosity are key – **we are one body!**

A sustainable future

Key Financial Opportunities & Challenges



Diocese of Canterbury
CHANGED LIVES ➔ CHANGING LIVES

THE NATIONAL FINANCE REVIEW

	Effect of Diocesan Finance Review & other savings
UNRESTRICTED INCOME	
LinC funding	251,895
1/3 of receipts from house sales	250,000
Cliff edge funding	222,000
Other income	5,000
TOTAL OTHER INCOME	477,000
TOTAL OTHER INCOME (EXC PS & LINC)	728,895
UNRESTRICTED EXPENDITURE	
PARISH MINISTRY	305,905
LICENSED MINISTRIES	(104,172)
DIOCESAN STRATEGY	(50,000)
SUPPORT SERVICES	(7,000)
TOTAL EXPENDITURE	144,733
TOTAL PROFIT/(LOSS)	584,162

- LinC funding of £1,145k from 2026
- SMMIB funded projects amount to £4.7million
- £2,080k “Cliff Edge” funding for our diocese over 9 years
- Costs paid to the national church (including pension contributions) have been significantly reduced



PROJECTIONS 2026-2030

UNRESTRICTED INCOME	2026	2027	2028	2029	2030
	Budget	Projection	Projection	Projection	Projection
Parish Share	8,017,386	8,418,255	8,839,168	9,281,127	9,745,183
LinC funding	1,145,415	1,192,148	1,238,761	1,288,311	1,339,844
TOTAL OTHER INCOME (EXC PS & LINC)	2,232,000	2,187,100	2,204,876	2,222,830	2,240,963
TOTAL INCOME REQUIRED	11,394,801	11,797,503	12,282,805	12,792,268	13,325,990
UNRESTRICTED EXPENDITURE	2026	2027	2028	2029	2030
	Budget	Projection	Projection	Projection	Projection
PARISH MINISTRY	5,931,051	6,224,134	6,476,370	6,740,038	7,015,687
SOCIAL JUSTICE NETWORK	110,230	115,808	118,124	120,487	122,896
CHILDREN AND YOUNG PEOPLE	454,624	477,628	487,181	496,924	506,863
LOCAL CHURCH DEV.	233,216	245,017	249,917	254,916	260,014
LICENSED MINISTRIES	1,579,131	1,792,489	1,850,887	1,911,580	1,974,670
SENIOR CLERGY	184,627	193,969	197,849	201,806	205,842
DIOCESAN STRATEGY	50,000	52,530	53,581	54,652	55,745
SUPPORT SERVICES	2,193,991	2,305,006	2,351,107	2,398,129	2,446,091
GRANTS TO PARISHES	32,000	33,619	34,292	34,977	35,677
UNPAID PARISH SHARE (10%)	801,739	799,734	795,525	788,896	779,615
TOTAL EXPENDITURE (UNRESTRICTED)	11,570,610	12,239,935	12,614,831	13,002,404	13,403,100
TOTAL PROFIT/(LOSS) (UNRESTRICTED)	(175,808)	(442,432)	(332,026)	(210,137)	(77,110)

- 5% increase to Parish Share 2027-2030
- £222k “Cliff Edge” & £187.5k house sales each year
- 5% stipend increases
- 3% in 2027 and then 2% staff increases
- Parish Share collection rate improving by 0.5% each year



Challenges

- To put the Diocese at the front of opportunities offered by the national church
- We must rebuild the trust between the Board of Finance and the wider diocese
- We must repurpose the DBF to support parishes, schools, children and young people and those whose circumstances mean they depend on the work of the Social Justice Unit

Opportunities

- We must maximise the opportunities open to us
- We will seek grant and other funding
- Our aim cannot be to accept or manage decline



Further opportunities to improve finances

- Exploring the use of restricted funds
- Submitting a request to the National Church Institutions for additional funding
- Glebe and Land Sales
- Exploring the use of Total Return
- Working with budget holders to identify savings and have this work peer reviewed

