

Meeting the Financial Challenge

DIOCESAN FINANCIAL PROJECTIONS TO 2030

Canterbury Diocesan Synod
7 July 2025



Diocese of Canterbury
CHANGED LIVES ➔ CHANGING LIVES

How did we get here?

In November 2023 Synod tasked the Board to achieve a sustainable balance of income and expenditure by 2030



In July 2024 the Board set out how a **balanced budgeted** could be achieved



In November 2024 the Board set out ways in which income could be generated to reduce the dependence on **Parish Share**



In March 2025 a Canterbury **Diocesan Review of Finances** was begun



A generous church...

Parish Share is the amount of money that a parish is asked to contribute to support mission and ministry, specifically for **clergy stipends and their housing**.

This model is used to share the costs of mission and ministry among all parishes, emphasizing **Christian generosity and mutual support**.

Parish Share is and always will be our main source of income.



Income and expenditure...



In 2024

Parish Share paid in 2024 including LInC was £7,156k

The shortfall for 2024 was £1,091k

The rental and other income for 2024 was £1,906k

Total unrestricted income was £9,062k

The unrestricted deficit was £1,166k

As we reported in July, the deficit will continue in the coming years – we will need to manage this through sales of assets while the effects of the proposed changes begin to work.

Balancing the Budget...

We presented plans in March that set out FIVE ways the Diocesan Board of Finance could secure a sustainable missional and financial future:

- Balancing the budget by 2030
- Selling unused housing and bringing together a programme of Glebe sales
- Submitting a funding request to SMMIB
- Seeking a settlement with the National Church Institutions
- Controlling costs

To succeed, all five challenges must be met.



The Parson's Prologue...

THE NATIONAL FINANCE REVIEW HAS NOW CONCLUDED AND WE CAN REPORT AS FOLLOWS:

A 30% increase in
Lowest Income
Community funding

Removal of
significant costs
meaning savings of
£371,000 per annum

“Cliff-edge” funding
of £2million, tapered
over nine years

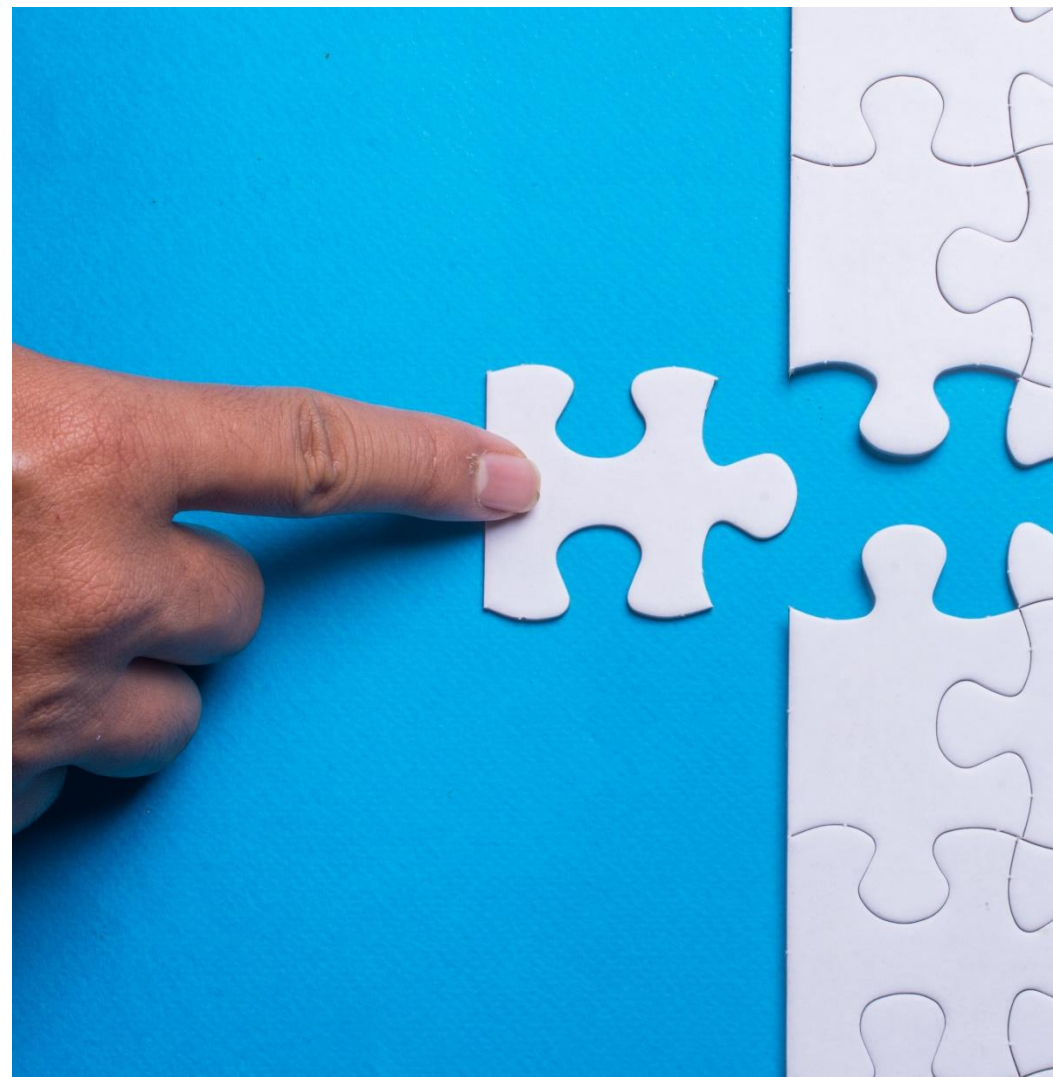
Access to additional
funding over the next
six years to achieve
sustainability

Clergy stipend and
pension increases



Settlement in detail...

- OVERALL SAVINGS OF £371,000 A YEAR WITH COSTS NOW MET FROM CENTRAL FUNDS
- STIPEND AND PENSION INCREASES TO COST £382,000 PER YEAR
- LInC FUNDING TO INCREASE TO £1,145,000 A YEAR FROM 2026 (INDEXED)
- OVER THE NINE-YEAR CYCLE OF THE ANNOUNCED FUNDING, ADDITIONAL “CLIFF-EDGE” FUNDING OF £222,000 A YEAR
- ACCESS TO OTHER FUNDING – DETAILS TO BE CONFIRMED



The key financial challenges remain...



- INVESTMENT IN GROWTH
- INVESTMENT IN CLERGY HOUSING
- NET ZERO CARBON
- THE COST OF RUNNING A CHURCH
- MINISTRY COSTS
- UTILITY AND INSURANCE COSTS FOR PARISHES
- THE COST OF PROVIDING THE SERVICES THE DBF IS REQUIRED TO OFFER

Next steps...

Analysis and report – July

Budget reviews – September

Draft Parish Share – October

Budget Approval – November



OVERVIEW...



- The financial settlement helps to put Canterbury DBF on the road to a secure future
- The next funding bid to SMMIB will aim to support parish-led objectives
- As further details of how to access further funding to support sustainability in Dioceses is released this will be pursued
- Work to bring in funding from assets owned by the DBF is coming on stream