

## COMMON FUND

*'All who believed were together and held all things in common; they would sell their possessions and goods and distribute the proceeds to all, as any had need. Day by day, as they spent much time together in the temple, they broke bread at home and ate food with glad and generous hearts, praising God and having the goodwill of all the people.'*

Acts 2.44-47

The Common Fund of our Diocese reflects our common life in Jesus Christ our Saviour. It is rooted in the mutual support which the first disciples offered each other (Acts 2). It finds expression in St Paul's image of the Church as the Body of Christ: each member, each cell of the Body has a contribution to make to the well-being of the whole, and that includes our gifts, our skills and our money. Some parishes/Mission Communities are able to give over and above the cost of their clergy. Other parishes/Mission Communities are, in effect, subsidised in relation to the cost of their clergy. Within the Body of Christ, whether we are rich or poor, the invitation is to be generous and joyful in giving the full amount that is asked of us.

Over the years the majority of parishes in the Diocese live out this calling and meet their Common Fund request in full and in a spirit of generosity. Nonetheless, we have a substantial shortfall in Common Fund receipts, which in recent years has amounted to approximately £500,000 p.a. This deficit is unsustainable. If we do not address it, our only recourse will be to cut a swathe of stipendiary posts to balance the books and that would be self-defeating. We need financial stability in order to sustain growth.

We are tackling our deficit by:

- increasing our stewardship resources to support parishes in their giving;
- encouraging parishes to join the Parish Giving Scheme;
- recalibrating our central resources so that they are better tailored to the needs of parishes and correspond to our diocesan priorities;
- undertaking a comprehensive review of our Parish Share Scheme;
- engaging with parishes where there is a shortfall in Common Fund or historic arrears, particularly when a vacancy occurs.

### Vacancies

When a vacancy occurs, the appointment process for filling the post, be it full-time stipendiary, part-time, or house for duty, begins once a satisfactory review of the parish/Mission Community finances has been completed by the Archdeacon and the Director of Finance. Such a review includes:

- a check that Common Fund for the previous calendar year and the appropriate percentage of the current year has been paid in full;
- a commitment from the parish/Mission Community to the full payment of Common Fund in future years;
- agreement by the parish/Mission Community to make regular Common Fund payments, preferably by standing order every month;
- a commitment from the parish/Mission Community to explore the Parish Giving

Scheme if it has not already done so;

- a satisfactory resolution of any historic arrears (see below).

Thus a parish/Mission Community falling vacant in 2023 will need to have:

- paid their Common Fund in full for 2022;
- paid the appropriate percentage of Common Fund for 2023 (e.g. 50% if the post were advertised on 30 June 2023) or demonstrate how Common Fund will be paid in full for that year;
- discussed with the Archdeacon and Director of Finance any historic arrears from 2020 and 2021, as outlined below.

See the table in the appendix for further details year on year.

### Shortfalls

If a parish/Mission Community is struggling to clear its shortfall in Common Fund for the current or previous year, the Archdeacon will explore the reasons behind this. Having identified with the PCC the challenges, various options will be considered in consultation with the Suffragan Bishop and the Director of Finance:

- a Parish/Mission Community Recovery Plan (see below);
- in a multi-parish benefice, encouraging other PCCs to cover the shortfall on behalf of the parish in difficulty;
- suspension of the patron's right of presentation for up to five years after statutory consultation, on the grounds that the current pastoral arrangements are financially unsustainable<sup>1</sup>;
- restriction of the patron's right of presentation for up to one year without consultation, on the grounds that the current pastoral arrangements are financially unsustainable<sup>2</sup>;
- delaying starting the appointment process until the Common Fund is up to date (if the right of presentation is suspended or restricted);
- appointing an interim priest-in-charge with a brief to revitalise the mission and ministry of the parish/Mission Community with support from relevant Diocesan

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<sup>1</sup> Under the Mission and Pastoral Measure 2011, section 85, the Bishop can **suspend** the right of presentation for up to 5 years after statutory consultation. This can happen in the 3 months prior to a vacancy or during a vacancy. Though the accompanying Code of Practice Vol 1, section 11.25 provides that *"use of these powers should, in the main, be confined to benefices where pastoral reorganisation is under consideration or in progress..."*, the Bishop can suspend the patron's right of presentation for any reason, as long as that reason is stated in the consultation. In any case, the 2011 Measure requires those responsible for the pastoral organisation of parishes and deployment of clergy to have regard to 'the financial implications for the diocese...' as a priority (Section 3(2)(a)), and therefore a sustained inability to pay the Common Fund in full indicates a need for pastoral organisation to be considered.

<sup>2</sup> Under the Mission and Pastoral Measure 2011, section 87 (2), the Bishop can **restrict** the patron's right of presentation for up to one year without consultation, if the Bishop and the Diocesan Mission and Pastoral Committee are considering pastoral reorganisation as defined under sections 31, 32, 34, 35 and 36 of the measure.

officers, including those working in the Mission & Ministry and Mission Resources teams, etc.

A parish/Mission Community will not be offered a Diocesan loan to cover a shortfall in Common Fund.

### **Historic Arrears**

A few parishes/Mission Communities in the Diocese have failed to pay Common Fund in part or at all for a number of years and have accumulated a considerable shortfall with no realistic prospect of clearing it. In the spirit of a Biblical Year of Jubilee, their shortfall will be investigated with a view to setting it aside so that as a family of churches across Devon we can move forward together responsibly.

Our aim is to create a forward-looking policy; so arrears *before* 1<sup>st</sup> January 2022 will not be taken into account in relation to filling vacancies and will not delay an appointment process. However, arrears accrued *after* 1<sup>st</sup> January 2022 will be taken into account and, where possible, a repayment schedule agreed with the PCC.

If a repayment schedule cannot be agreed, but the Suffragan Bishop, the Archdeacon and the Director of Finance feel that there are extenuating circumstances to account for the historic arrears, they may propose to the Bishop's Staff that the appointment goes ahead, but only with either a Parish/Mission Community Recovery Plan and/or as an interim post. In cases of dispute, the Diocesan Bishop will make the final decision.

### **Parish/Mission Community Recovery Plan**

A Parish/Mission Community Recovery Plan will include Diocesan support from the Mission & Ministry and Mission Resources teams and other officers as appropriate. Once agreed, the appointment process will go ahead, but with the clear understanding that it is not 'business as usual'. The Archdeacon will visit on a regular basis to review the situation and support the incoming priest until things have stabilised and agreed goals achieved.

### **Pastoral Reorganisation**

Occasionally a Common Fund shortfall in one parish hinders pastoral reorganisation e.g. a benefice may be reluctant to take on an extra parish if that parish has a shortfall or historic arrears. To allow the pastoral reorganisation to proceed, the Archdeacon and the Director of Finance may seek the approval of the Assets Group to set aside some or all of the current shortfall and historic arrears.

### **Curates, loans and grants**

Parishes/Mission Communities which have a Common Fund shortfall in the current or previous year will not normally be eligible for a stipendiary curate or a Diocesan loan or a grant from the Mission and Growth Fund. Any exception will need to be agreed by the Bishops and/or Assets group as appropriate. Whilst recognising that providing a healthy training base for a curate is much more than being financially sound, it gives the Bishops confidence that the benefice will be able to meet the expenses of a curate and assures them that the curate in training is in a context where there is a shared commitment to the mission and ministry of the whole Diocese which is enabled via the Common Fund.

## Appendix: treatment of Common Fund shortfalls year on year

	Parish/MC falls vacant in 2023	Parish/MC falls vacant in 2024	Parish/MC falls vacant in 2025	Parish/MC falls vacant in 2026
CF shortfall from 2021/ earlier	Not taken into account	Not taken into account	Not taken into account	Not taken into account
CF shortfall from 2022	Should be paid in full	Explore the reasons	Explore the reasons	Explore the reasons
CF shortfall from 2023	Percentage of CF for year to date should be paid	Should be paid in full	Explore the reasons	Explore the reasons
CF shortfall from 2024	N/A	Percentage of CF for year to date should be paid	Should be paid in full	Explore the reasons
CF shortfall from 2025	N/A	N/A	Percentage of CF for year to date should be paid	Should be paid in full
CF shortfall from 2026	N/A	N/A	N/A	Percentage of CF for year to date should be paid
Key		= CF not taken into account prior to 1 Jan 2022		
		= historic arrears		
		= current shortfall		

Policy Date: 1 December 2023