

Giving As Partners

Paying the Quota.
Changing the Church.



Giving As Partners

Paying the Quota. Changing the Church.

The Contemporary Situation

The Church of England is undeniably an institution in crisis — or to be more accurate, an institution in several crises at once. Internationally, the crisis over human sexuality is so great that a Commission has been set up under the Archbishop of Armagh to seek a way forward. The same crisis affects the Church at home, with divisions growing deeper every day. Meanwhile, membership and attendances in this country continue to decline steadily, with recent evidence showing that in rural areas they are in ‘free fall’. Inevitably, there is pressure on the Church’s finances, which in turn puts further strain on its structures. The Diocese of Derby, for example, is undergoing a total restructuring of its parish system in order to address the converging difficulties in numbers and funding.

Many observers have perceived a link between the theological issues facing the Church and the way it is funded. Often this link is presented in negative terms. Theologically ‘Liberal’ commentators accuse “rich Conservatives” of “holding the Church to ransom”, whilst frustrated ‘Traditionalists’ resort to capping the Quota — their contribution to centralized funding — in the face of what they see as abuses. Acrimony and bitterness are increasing on both sides in a fraught situation.

Funding

The stark reality is that Anglicanism no longer holds to the theological outlook of its confessional basis. As a result there are quite different, indeed contradictory, notions of mission and ministry driving the life of various congregations within the same Diocese.

In the meantime, however, dioceses must continue to deploy ministers and set budgets. Today, these budgets consist largely of ministry costs which are typically met by a system of ‘centralized pooled funding’. Money raised as ‘Quota’ from parishes is sent to the administrative centres of dioceses, from thence to the Church Commissioners and finally back to parishes in the form of clergy stipends. Within this system, some parishes are nett contributors and others nett receivers,

but all contribute something and all receive something — including much of their own money in return. Typically, a full-time minister is reckoned to cost £30,000, representing almost 90p in the pound of Quota. A parish that pays out £20,000 in Quota will thus receive about £18,000 back directly and indirectly in ministry costs, with the remainder being borne by other parishes who pay a higher Quota.

Unfortunately, this ‘round the houses’ form of raising and distributing funds rarely works effectively. A significant shortfall in Quota is almost a way of life for some dioceses, whilst in most parishes the Quota is regarded with about as much enthusiasm as Income Tax.

Moreover, the resentment in the parishes is increased by the theological difficulties facing the Church, as some parishes feel they are being asked to fund things with which they deeply disagree. Quota-capping has been one response, yet this brings its own problems, both morally and ecclesiological. Morally it gives the appearance of meanness, since only the ‘better off’ churches can act this way. Ecclesiological, it seems unreasonable to refuse to share the burden of funding which maintains the wider Church.

Yet even though Quota-capping has not become widespread, the frustrations remain. And indeed, insofar as they arise out of a genuine concern for the truth of the gospel, there is every reason why they should. The Apostle Paul was adamant about the need for unity, but even he could write in a desperate situation, “No doubt there have to be differences among you to show which of you have God’s approval” (1 Cor 11:19). We must recognize that divisions within the Church may sometimes be godly (although we should equally be very wary of our own sinfulness in this regard). To insist, by contrast, that everything claiming to be Anglican must be acceptable to all Anglicans is to indulge in an ecclesiological fundamentalism which in the end may destroy the denomination itself.

Accountability

There is, however, one other factor which needs to be taken more fully into account in the present situation and that is the issue of accountability. Whilst some would no doubt wish to differ, a strong case can be made that there is an insufficient balance between the powers of the few and the views of the majority within the Church of England. This imbalance is

partly a result of developments during and subsequent to the English Reformation, but the outcome is that powers which were once delegated by the monarch, and later controlled through Parliament, are now exercised by church leaders who are answerable in practical terms to no-one but themselves.

Thus, for example, although diocesan bishops and cathedral deans are technically still 'Crown Appointments', their ranks are filled from people recommended for promotion by those already in positions of power. Again, suffragan bishops, from whose ranks the vast majority of diocesan bishops are now chosen, are themselves chosen entirely by existing diocesan bishops. Again, the General Synod is outwardly a forum where many representatives of the Church can contribute, but in practice its agenda and the conduct of its business is controlled by a very small group of people. Or again, within dioceses the policy making and many of the appointments lie in the hands of bishops and their small group of 'staff'. By contrast, the parishes and the vast majority of clergy, have little or no influence on the 'big picture'. Moreover, the lack of accountability produces within the hierarchy a resistance to changes taking place in the Church. Without, for example, some way of reflecting wider opinion, the bishops of the future will inevitably resemble closely the bishops of the past.

'Giving As Partners'

It is in this crisis situation that we wish to propose a small yet radical change in the approach to funding the Church. It is a proposal which seeks to take account of the sincere disagreements within Anglicanism. Yet it also entails a full commitment to existing structures and the need for mutual support in ministry currently embodied in the Quota system.

Quite simply, the payment of Quota would be transferred from 'centralized pooled funding' to 'Giving As Partners' (GAP). Parishes would still contribute to the central costs of the diocese. Money for ministry, however, would largely be paid directly to the recipient ministers in 'partnerships' established by the giving and receiving parishes.

Under this proposal, dioceses will still be able to set budgets, and parishes will continue to pay an assessed contribution towards these costs. In this respect, there is no change from the present system. The key change will be that, within the parameters set by the diocesan budget, parishes will be responsible for establishing the partnerships within which they

meet their obligations. Thereafter, monies previously contributed to stipends via centralized pooled funding will be paid directly to the minister in the partnership parish.

The proposal itself is simple enough, but of course there are a large number of questions which need answering.

1. Why bother?

The first question must inevitably be why bother — why change the existing system to achieve much the same ends?

The answer is that this proposal would radically affect the way we experience Church. Whilst providing for existing ministry and working within the present structures, it would introduce a new force for change within the Church itself.

It cannot be overemphasized that the present system is failing, although it is failing quietly rather than dramatically. Numbers of members are down, numbers of ministers are down and income is down. Where Derby diocese is leading in restructuring to take this into account, others must inevitably follow. In some rural areas, churchgoing has declined by over 40% in 15 years. Christ promises to build his church, but he works through our decision-making and our structures. To insist on doing only what we are already doing means we will only achieve what we are already achieving, namely the failure of the Church's mission.

By contrast, 'Giving As Partners' would generate active interest between partnership parishes. We may confidently predict that parishes who are nett givers would provide more than just money to their Partner parishes. There would also be more active involvement in prayer and practical ministry, not least because they would be within the same diocese and therefore within reasonable geographical proximity. We may imagine also the positive effect on parish finances when, instead of a lump-sum for Quota, parish treasurers are able to identify specific ministries within the diocese as recipients of funding for that year.

2. Is it practicable?

Where direct payments are made to a minister's stipend these are declared on an annual 'Return of Income'. The following year, the Commissioners' contribution, and therefore the contribution from centralized diocesan funds, are automatically adjusted. The Church Commissioners have recently acknowledged that any payment of a minister's

stipend is, in effect, a payment of ‘Quota’ (*Church Times*, 14th May 2004). No changes would therefore need to be made to the Church of England’s existing financial structures for GAP to work.

3. How can this be introduced?

It is unlikely in the extreme that dioceses would immediately be able or willing to adopt the GAP proposal as the basis for their ministry funding in its entirety. Quite apart from the practical problems involved in such a sweeping change, it would be wise to see how the proposal works on a smaller scale before attempting to implement it on a larger scale. It would thus be quite desirable, as well as more practical, for parishes to adopt the GAP proposal ‘unilaterally’, as their chosen way of paying Quota. In some cases it would also make sense for GAP parishes to introduce this in phases rather than in one fell swoop.

4. Won’t it reduce Diocesan income?

There would obviously be a long-term reduction in monies handled by Diocesan Boards of Finance as a result of the GAP proposals. In terms of money used to support ministry, however, there would be no decrease. Indeed, there might actually be an increase, insofar as Quota payments might be more likely to be met in full between partnership parishes. Money for central diocesan costs (as distinct from money contributed to centralized pooled funding) and costs for the national church would continue to be paid as at present. Dioceses would in any case still have available all the money from non-GAP parishes.

5. Shouldn’t the money go to the parish, not the minister?

The existing Quota is a payment for *centralized* costs. These do not include ‘parish costs’, other than the provision of ministry (and very occasional grants for specific needs). As we have indicated, around 90% of Quota is ministry costs and most of that is stipend. Contributing towards a stipend through GAP achieves exactly the same in financial terms as is currently done through centralized pooled funding.

6. Isn’t this ‘Quota Capping’ by another name?

Not at all. There is no proposal to reduce the overall amount of funding, and parishes remain liable for central ‘assessment’. The only difference from the present system is that parishes

can choose to be GAP parishes and also choose which ministries they fund on this basis.

7. Isn't this just for rich parishes?

No. All parishes pay Quota. It is therefore possible for any parish to distribute some of its Quota in this way.

8. Won't some parishes miss out?

In the short term this is unlikely to be a problem, especially if, as has been suggested, parishes initially opt into this proposal 'unilaterally'. With a small number of GAP parishes within a larger diocese, the majority of funds will continue to be administered centrally and no minister is likely to experience a shortfall in stipend.

9. What if a parish can't find enough funding?

Strictly speaking, a 'parish' would never be at risk, since GAP is about funding ministries, not parishes. But if GAP is widely adopted then it is technically possible there may be difficulty finding money for a specific minister or ministry. This, however, is where the element of accountability comes in. In particular, if a newly-proposed appointment really cannot attract funding from the wider church, then it may have to be rethought. On the other hand, insofar as giving is a spiritual issue, we should surely be confident that funding will be found in the long-term for the work God inspires. History gives us many examples of this, the future may supply many more.

10. Why should parishes be allowed to choose?

The emphasis here is on 'Giving as *Partners*'. People may bewail the theological pluralism of the Church of England, but for the foreseeable future this is unlikely to change. In these circumstances, however, it is unreasonable and unrealistic to insist that 'everyone should pay for everything'. All parishes currently make choices about giving to mission. GAP simply brings that choice into the structures of the Church of England itself. Once again, accountability is also an important consideration. Parishes will not be able to choose *not* to give, but they will have a greater choice about what they give to. Unlike much of their general giving to mission, however, the choice is not simply to give money but to enter into partnership.

11. Doesn't this suggest a lack of trust?

Trust must often go hand-in-hand with a healthy realism. To take a related example, diocesan clergy are entitled to grants

from central funds for ‘Continuing Ministerial Education’. However, they do not handle this money themselves, but apply to the CME officer who sends the appropriate cheque to an approved course or project. It would be simpler to send a lump-sum cheque for CME to the clergy each year, but it is obvious why this is not done! Not that the clergy are dishonest, but the CME arrangement certainly helps ensure that the grant money is spent appropriately. Centralized pooled funding is certainly simpler than GAP, but this does not mean that GAP would not improve the way funding operates.

12. Isn’t it demeaning to make one parish directly depend on another?

Perhaps we should really ask whether taking money from the Church Commissioners or the DBF isn’t a way of protecting recipient parishes from admitting this is really *other people’s* money. Sometimes the refusal of ‘charity’ is a thinly disguised pride. Yet parishes do not feel embarrassed when their own parishioners give financially. Why should they feel embarrassed when others from outside the parish do so?

13. What if a contributing parish suddenly can’t pay?

There would clearly have to be a safety net if a parish couldn’t meet its commitment to a partnership. However, all dioceses have contingency mechanisms to cope with crises of funding and others could surely be developed to allow for short-term difficulties arising under this proposal. It would also be wiser for both giving and receiving parishes to have several smaller GAP commitments rather than one or two very large commitments, so as to spread the ‘risk’ as well as the involvement. Typically, having four or five partnership parishes would probably be ideal.

14. What if a giving parish can’t find a suitable partnership?

This scenario may happen occasionally, perhaps to parishes with very large budgets. GAP involves a commitment to meet Quota payments in full. However, where there really is no suitable minister or project to which a parish can contribute, it would have the option to place money in trust until such time as an agreeable outlet could be found. Since the emphasis of GAP is on partnership, it would be improper to force a parish into an unwelcome relationship, although a nett-giving parish

could perhaps become an influential partner in some unlikely situations!

15. Won't it create chaos?

Anxieties have been expressed over parishes which make very large contributions to central funds. Won't it create chaos if these have to be reallocated to individual areas of need? The answer is that there is no reason why changes cannot be phased in over several years and in consultation with the DBF, so as to create minimum disruption.

Proceeding with GAP

GAP could be introduced in a parish by following these simple steps:

1. The PCC passes a resolution to adopt the GAP proposals and ascertains from the DBF what proportion of Quota contributes to clergy stipends.
2. The parish finds one or more partnership parishes or projects within the diocese currently funded through Quota.
3. The parish informs the Diocesan Board of Finance of its decision to operate as a GAP parish and the sums involved.
4. The necessary sums are paid to the receiving partners and the balance of Quota is paid to the DBF (see also Question 14 above).

Credits

The proposals in this paper result from consultations amongst clergy and laity in the Diocese of Chelmsford. The final paper was worded by Revd John Richardson, Assistant Minister to the United Benefice of Henham, Elsenham and Ugley. Any questions or comments may be directed to him by e-mail at j.p.richardson@virgin.net, by phoning 01279 813703, or writing to 39, Oziers, Elsenham, Bishop's Stortford, HERTS, CM22 6LS

© John P Richardson, 2004

Giving As Partners

The Church of England is an institution in crisis. Contemporary pressures are mounting to change the Church's practices and teaching. At the same time, historical factors mean the leadership of the Church is rarely answerable to the 'membership in the pews'. In this crisis, money plays a key part. On the one hand, the funds available to the Church are declining in parallel with the membership. On the other hand, there are regular calls to 'Quota Cap' as a response to perceived abuses within the Church.

'Giving As Partners' addresses these issues in a radical way. Rejecting Quota Capping, it nevertheless offers a proposal which could change the Church by changing the way churches relate to one another.

Simple in principle, it would create dynamic mission partnerships which would improve the effectiveness of the Church whilst at the same time increasing the likelihood that Quotas would be paid in full.

This could well be 'an idea whose time has come'.