

The Fairer Share contributions from parishes allow the Diocese of Southwark to support ministry and mission throughout South London and East Surrey.

At the beginning of 2012 we had...

365	Churches
294	Parishes
364	Stipendiary Clergy posts (full & part-time) of which 321 are funded through the Diocesan Budget
199	Non Stipendiary Ministers
277	Readers
201	SPAs
64	Chaplains
106	Church Schools

For more information contact...

Fairer Shares

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Fairer Shares – 2012

*- supporting mission and ministry
in our Diocese*



This booklet outlines how the Diocese of Southwark's Fairer Shares scheme works and what we ask you to do as part of your triennial review



Ensuring a Christian presence in every community



A message from Bishop Christopher



I would like to begin by thanking you for your continuing generosity, especially in these difficult times financially.

I give thanks for the way in which our clergy and people work together to ensure that everyone in the Diocese receives the ministry and pastoral care of a parish priest. This could not happen without the Fairer Shares system which puts into action a sound Christian principle: concern for the wellbeing of the whole body combined with a strong desire to share one another's burdens. It is through this mechanism that those parishes in the Diocese which are better off can make a very real contribution towards mission and ministry in the less privileged areas of our Diocese.

Your Fairer Shares contributions are the largest source of income that the Diocese has and are the main reason why we can continue to ensure that there is a priest in every parish carrying out the vital work of sharing the Gospel in each community in partnership with others.

I am aware how hard it can sometimes be to continue to give sacrificially to support the work in our parishes. With my colleagues in the Bishop's Staff Team, I place a very high value on your prayerful, prompt and regular giving. Without it many of the communities in the Diocese which are suffering the most in the current financial climate would be without the support of parish clergy.

May God bless you in his service, filling our hearts and minds with faith, hope and love, that we may be renewed in strength and courage to meet the challenges ahead.

Christopher Southwell

Fairer Shares—making a difference



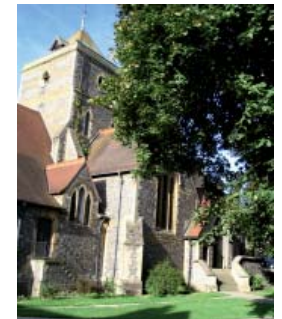
St Nicholas in Charlwood continues to be an important focus for both village and community life with a church family that is supporting local people today - just as it has done for nearly 1,000 years.



St Augustine's in South Croydon gave its young people a chance to see what it would be like



to experience life as people do in some of the poorest areas of the world by running their 'Slum Survivor' weekend.



St John's Church in Angell Town takes community outreach - especially to young people - very seriously. They also joined in the 'Words for Weapons' scheme which aims to reduce knife crime by placing a knife-bin outside the church.

From whom the whole body, joined and knitted together by every ligament with which it is equipped, as each part is working properly, promotes the body's growth in building itself up in love.

Ephesians 4:16 NRSV

What if we are having difficulty paying our Fairer Share contributions?

Please remember, holding back all or part of your parish's Fairer Share has consequences both for other parishes and for the Diocese.

If you fail to make regular payments other parishes in the Diocese will have to pay more in order to cover your missed payments and the Diocese may not be able to meet its commitments to parish clergy. 78% of the Diocesan income comes from Fairer Shares payments from parishes. See *Money Matters 2012* for more details on the Diocesan Budget.

If your parish is in financial difficulties, talk to your Archdeacon as soon as possible. You may wish to try and increase the regular giving by your congregation by running a stewardship campaign.



The Ascension, Lavender Hill has an increasing programme of activities. It has recently started The Lavender Circle which welcomes local people to weekly social groups as well as organising trips further afield.

But why do we need Fairer Shares?

Fairer Shares is how we pay for parish ministry - about 80% of our income comes through the Fairer Shares Scheme. The Diocese of Southwark aims to share the costs of ministry and support as fairly as possible with low average income parishes making smaller contributions than parishes with higher average incomes. In this way we share the costs of the church family fairly across all our churches.

- Each parish is asked to contribute to the common purse according to their ability to do so.
- Some parishes will pay more than the cost of their clergy, some less depending on their Fairer Shares Assessment.
- This is how we can ensure there are clergy in every parish – including those that could not otherwise support a minister.



St Saviour's in Eltham is a vibrant church with a rich and fruitful ministry, caring for those in the parish. St Saviour's simply wouldn't exist without support from other churches.

The Fairer Shares scheme ensures a Christian presence in this community touching the lives of many who would otherwise not hear of Jesus' faith, hope and love for all.



In 2012 we are reviewing Fairer Shares Assessments in the Croydon and Southwark Archdeaconries and this booklet outlines the information we need from you to ensure we make a fair assessment.

How does Fairer Shares work?

Each parish is asked for a contribution based on the number of people in the regular congregation and the average income of that congregation.

- A potential income from direct giving is calculated for all churches in Southwark based on:
 - an agreed membership figure (AMF)
 - the average income of the regular congregation (the financial profile of a parish is established from a confidential survey)
- The same proportion of this potential income is asked from each church as their Fairer Shares Assessments

Agreeing a parish's Fairer Shares Assessment is always done in consultation with the parish, members of which will have been responsible for providing all the relevant information.



St Saviour's, Peckham, also known as the Copleston Centre, has church space but is also a multi-purpose community centre providing a wide range of activities and services to local groups.

Activities available include music workshops, cooking sessions and gardening and the Centre also hosts a day centre for asylum seekers.



St Peter's, Woodmansterne has just started their 'Bus Stop Cafe' in the Village Hall. This, and initiatives like the 'Three O'Clock Special' service, geared to the needs of those with learning disabilities, reflects the comprehensive ministry they offer to the local community.



Using the potential income to calculate Fairer Shares Assessments

Fairer Shares Assessments are calculated each year as an agreed percentage of a parish's potential income. This percentage is calculated using the income required from the parishes to meet the Diocesan budget. It's important to remember that the Diocesan budget is reviewed and agreed by Diocesan Synod annually.

In 2012 the percentage of potential income asked for in Fairer Shares Assessments is just over 57%.

Phasing in a Fairer Shares Assessment

If a parish is asked for an unusually large increase in their Fairer Shares contribution, perhaps because of a large increase in the number in the congregation, this is generally phased in over 3 years. For some parishes a phasing in period of three years may result in a large percentage increase so a cap of up to 14% is applied. However, such parishes are urged to consult their PCCs with a view to agreeing a larger increase where possible to avoid a long phasing in period.

How to pay your Fairer Share contributions

Parishes are asked to pay their Fairer Share contributions regularly throughout the year as the Diocese relies on Fairer Shares payments to pay clergy stipends, housing costs and other commitments. Parishes paying in ten monthly instalments by direct debit are rewarded by a 1.2% discount on their contributions.

Working out a parish's potential income

The potential income from direct giving for a parish is calculated by multiplying the CIC rate (see p.9) by the Agreed Membership Figure.

An example calculation:

St Agatha, Anytown has an Agreed Membership Figure (AMF) of 98 and the average gross income of church members is £13,000.

This puts St Agatha's in the CIC category 5+ with a CIC rate of £518.

The potential income for St Agatha's is £518 multiplied by 98 which equals £50,764.

Achievement of potential incomes calculated on this basis should give parishes sufficient money to meet their own needs as well as pay the Fairer Shares Assessment.

St Andrew's & St Michael's, Stockwell has thriving children's groups where young people can meet in a safe environment and enjoy activities together while exploring their faith.



Christ Church, West Croydon was in a position to offer an immediate response to the local community during 2011's disturbances by offering food, drink and a refuge for the emergency services on duty, as well as free clothes for those who lost their homes in the fires.

The Fairer Shares scheme allows us to keep a church in every community so we can offer a quick response to local needs.

The Fairer Shares Review Process

There is a formal review of a parish's Fairer Shares Assessment every three years. Two Archdeaconries are reviewed each year. You can find the likely timescales for this year's review process on page 6.

Parishes being reviewed are asked to provide information on the number in the regular congregation (see page 8) and to undertake a confidential income survey of them. A form will be provided to help with the income survey together with guidance on how to get a good response. The only information the reviewers will have about the parish before the review meeting will have been provided by the parish itself.

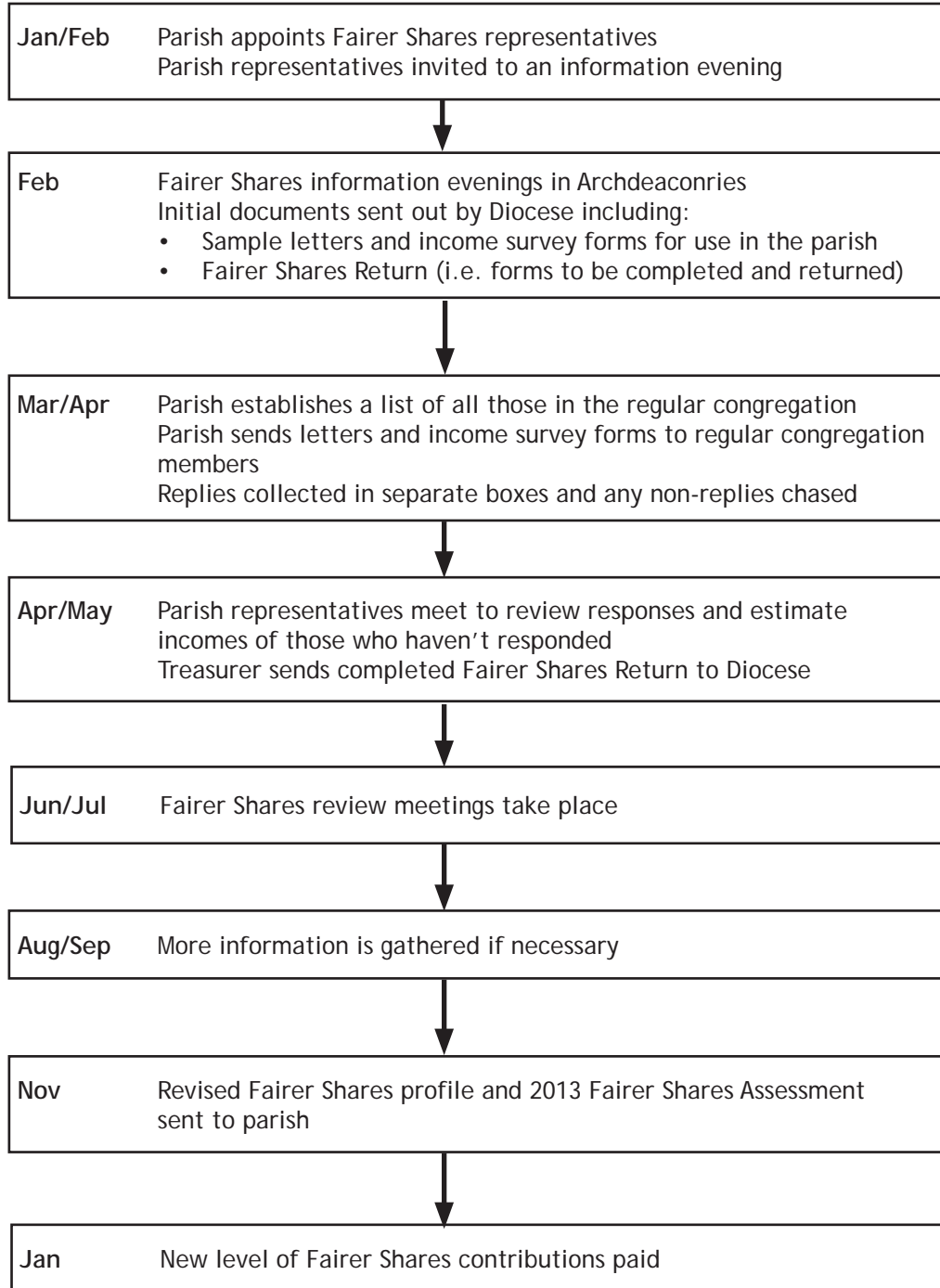
Once this information is available a review meeting is held with parish representatives and trained Fairer Shares interviewers to agree the AMF and average income in the parish. The Fairer Shares interviewers come to parishes as members of other churches in the Diocese and are quite likely to have been involved in their own parish's assessment.

The parish representatives should usually be the Incumbent, the Churchwardens and the Treasurer. It is important that the representatives are people with a good knowledge of the congregation so they can expand on the picture of the parish that the interviewers will have gathered from the information supplied by the parish.

Your Area Dean will normally attend review meetings to help ensure consistency between parishes in the Deanery. The Archdeacon usually attends so that their wider knowledge may be available as well.

When all the reviews are complete, the agreed parish information is used to calculate Fairer Shares Assessments. Any changes in a parish's profile will be used for the following three years.

Timescales for your Fairer Shares Review



Congregational Income Categories (CICs) & CIC rates for 2012 interviews

CIC	Average gross income	CIC rate	CIC	Average gross income	CIC rate
6- -	Up to £8,665	£337	3- -	£18,335 to £19,343	£753
6-	£8,665 to £9,141	£356	3-	£19,344 to £20,407	£795
6	£9,142 to £9,643	£376	3	£20,408 to £21,529	£838
6+	£9,644 to £10,174	£396	3+	£21,530 to £22,713	£885
6++	£10,175 to £10,733	£418	3++	£22,714 to £23,963	£933
5- -	£10,734 to £11,324	£441	2- -	£23,964 to £25,281	£985
5-	£11,325 to £11,947	£465	2-	£25,282 to £26,671	£1,039
5	£11,948 to £12,604	£491	2	£26,672 to £28,138	£1,096
5+	£12,605 to £13,297	£518	2+	£28,139 to £29,686	£1,156
5++	£13,298 to £14,028	£546	2++	£29,687 to £31,318	£1,220
4- -	£14,029 to £14,800	£576	1- -	£31,319 to £33,041	£1,287
4-	£14,801 to £15,614	£608	1-	£33,042 to £34,858	£1,358
4	£15,615 to £16,473	£642	1	£34,859 to £36,775	£1,432
4+	£16,474 to £17,379	£677	1+	£36,776 to £38,798	£1,511
4++	£17,380 to £18,334	£714	1++	£38,798 and above	£1,594

3. Income Profile of the Church Members

(These figures refer to the GROSS incomes of the members reported at 1e on p.8)

Please state the numbers of your regular congregation in each of the following gross annual income brackets:

	From Survey Returns	Extra From Estimates	TOTAL
a) £0-£3,000 per annum (£0-£250 per month)	_____	_____	_____
b) £3,001-£6,000 pa (£251-£500 pm)	_____	_____	_____
c) £6,001-£9,000 pa (£501-£750 pm)	_____	_____	_____
d) £9,001-£12,000 pa (£751-£1,000 pm)	_____	_____	_____
e) £12,001-£18,000 pa (£1,001-£1,500 pm)	_____	_____	_____
f) £18,001-£24,000 pa (£1,501-£2,000 pm)	_____	_____	_____
g) £24,001-£36,000 pa (£2,001-£3,000 pm)	_____	_____	_____
h) £36,001-£48,000 pa (£3,001-£4,000 pm)	_____	_____	_____
i) £48,001-£60,000 pa (£4,001-£5,000 pm)	_____	_____	_____
j) £60,001-£72,000 pa (£5,001-£6,000 pm)	_____	_____	_____
k) £72,001-£84,000 pa (£6,001-£7,000 pm)	_____	_____	_____
l) £84,001-£96,000 pa (£7,001-£8,000 pm)	_____	_____	_____
m) £96,001-£108,000 pa (£8,001-£9,000 pm)	_____	_____	_____
n) £108,001-£120,000 pa (£9,001-£10,000 pm)	_____	_____	_____
o) £120,001-£132,000 pa (£10,001-£11,000 pm)	_____	_____	_____
p) £132,001 pa or more (£11,001 pm or more)	_____	_____	_____
TOTALS	_____	_____	_____

Was a survey of individuals carried out in the form recommended in the Fairer Shares booklet? Yes / No

Was it possible to make meaningful estimates of the gross incomes of all the members who did not respond? Yes / No

Is there any other information which may be of use to the interviewers? Attention should particularly be drawn to changes in the make-up of the congregation since the last interview, high levels of turnover etc. *(Please use a separate sheet if necessary).*

The Agreed Membership Figure (AMF)

Establishing the number of people in your regular congregation is an important part of a Fairer Shares review and parishes are asked to complete a form on congregation numbers as a starting point for agreeing this number (see overleaf). Please note that question 1(a) will have been completed by the Diocese based on the parish return.

The review meeting will consider a number of factors before finally agreeing your AMF including:

- any congregational lists held in addition to the Electoral Roll
- those known to be regular members who are not on such lists

You should include as members those who:

- are over 16 and come to church at least once a month
- are in the Ministry Team, including Clergy
- only come to midweek services and are not involved in Sunday worship elsewhere
- are ill and unable to come to church
- are away on holiday or business
- have home communions
- are part of an established 'fresh expression' church
- live in care or residential homes and would consider themselves to be full members of your church

Do not include as members those who:

- have joined in the last year
- are visitors - holidaymakers, baptism parties etc
- receive ministry but have no other connection with your church such as residents of care or residential homes who receive Holy Communion simply because the home is in the parish.

1. Congregation

- a) Adults (16 & over) attendance on
- | | |
|------------------|---------|
| 2 October 2011 | 1. |
| 9 October 2011 | 2. |
| 16 October 2011 | 3. |
| 23 October 2011 | 4. |
| 30 October 2011 | 5. |
| 6 November 2011 | 6. |
| 13 November 2011 | 7. |
| 20 November 2011 | 8. |
| 27 November 2011 | 9. |

Average of these excluding special Sundays
(Declared average in the parish return)

a) _____

b) 2011 Christmas Communicants b) _____

c) 2011 Easter Communicants c) _____

d) Number on the Electoral Roll adopted at the Annual Parish Meeting in March/April 2011 d) _____

e) Membership Number (please include all who attend at least once a month and include clergy) e) _____

ALL the following questions, including sections 2 and 3, relate to the answer given to question 1(e).

f) Number of members who live in the parish f) _____

g) Number of members not in full time employment g) _____

h) Number of members who have joined since the last survey h) _____

i) Number in h) who have joined from other churches i) _____

2. Regular Giving

a) How many members * use regular methods of giving (e.g. envelopes/bankers orders)? a) _____

b) How many of those in a) use tax efficient methods (e.g. Gift Aid/GAYE/CAF)? b) _____

* A joint promise by husband and wife counts as 2

The Income Profile of Members of the Congregation

As part of this Fairer Shares review, you will need to undertake a *confidential* income survey of those in your regular congregation, for which sample forms will be provided. *The questionnaire should only be completed by those identified as being part of your regular congregation.*

The income survey form comes in two parts so you will know who has responded but will not be able to link any financial details to a named person. Ideally a parish should look to get an 80% return of survey forms. It should then be possible to make reasonable estimates of income for those not returning survey forms which will further help make sure the right financial profile for your parish is agreed.

The results of the survey will enable the parish to complete the form opposite and the average income for a regular member of your congregation can be calculated.

Once a reasonable estimate of the average income is established, and after discussion at the review meeting, your parish can then be placed in one of 6 main income categories – known as *Congregation Income Categories* (CICs). The Diocese currently further refines each of these 6 categories to 5 sub categories (e.g. 3++, 3+, 3, 3-, 3- -).

Associated with each regular CIC is an amount that is the expected average contribution of each church member (including recoverable tax). This is known as the CIC rate and is based on 4% of the average gross income of a regular member of the congregation. The figure of 4% of gross income is used because it is roughly equivalent to 5% of after tax income, which the Church of England challenges its members to use as a target for financial giving.

The CIC rate multiplied by your Agreed Membership Figure (AMF) gives the *potential income* from direct giving for your parish (see page 12 for an example calculation).