

**Macclesfield Team  
Ministry  
Joint meeting of PCCs**

Wednesday 8<sup>th</sup> December 2010

# This presentation

- What are the facts and figures?
- Why are we in this situation?
- What are we going to do about it?

# The facts and figures – shortfall

	Total net costs	Total pledged	Short-fall
All Sts	42,975	33,000	(9,975)
St B	17,236	12,939	(4,297)
St M	133,879	90,138	(43,741)
St P	31,213	26,650	(4,563)
<b>Total</b>	<b>225,303</b>	<b>162,727</b>	<b>(62,576)</b>

# The facts and figures – total net costs

	Central costs	Local costs	Other income	Total net costs
All Sts	40,362	19,625	17,012	42,975
St B	15,794	8,742	7,300	17,236
St M	96,519	72,360	35,000	133,879
St P	22,813	13,600	5,200	31,213
<b>Total</b>	<b>175,488</b>	<b>114,327</b>	<b>64,512</b>	<b>225,303</b>

# The facts and figures – local costs, other income

- Local Costs
  - Light, heat, insurance and maintenance
  - Worship costs
  - Donations (away giving)
- Other income
  - Fees and rental
  - Cash on plate
  - Gift Aid
  - Open Door (St Michael's)

# The facts and figures – central costs

Parish Share	104,088
Clergy working expenses	8,700
Houses – water/rates	6,500
Salaries (incl. youth worker)	46,200
Courses for clergy and readers	500
Printing & stationery	2,500
Leased equipment	5,500
Telephone	1,000
Other office expenses	500
<b>Total</b>	<b>175,488</b>

# The facts and figures – Parish Share

Stipend (excluding payroll admin costs)	22,400
Pension, NI, retirement housing	10,100
Housing (excluding improvements & new houses)	4,700
Ordination selection & training (national)	2,600
Vocations, in-service training, ministry development, HR and other direct clergy support	2,800
Spread costs of curates in training	3,800
Savings made during vacancies, other income	(7,600)
Diocesan support to parishes	6,900
National Church	2,000
Provision for underpayment of parish share	2,500
<b>Diocesan costs per clergy</b>	<b>50,200</b>

# The facts and figures – sharing central costs

	2008 split	2011 split
All Sts	20%	23%
St B	4%	9%
St M	65%	55%
St P	11%	13%
	100%	100%

# The facts and figures – summary

	Central costs	Local costs	Other income	Total net costs	Total pledged	Shortfall
All Sts	40,362	19,625	17,012	42,975	33,000	(9,975)
St B	15,794	8,742	7,300	17,236	12,939	(4,297)
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# Why are we in this situation?

- Overall reduction in income
  - Reduced numbers giving: relocation, death
  - Reduced giving: retirement, redundancy
  - Failure to replace these reductions
  - New church members may not contribute financially at first

# Why are we in this situation?

- Increased costs
  - Locally
    - Energy costs
    - Insurance
    - Maintenance
  - Centrally
    - Parish Share
    - Administration to support fewer clergy
    - Youth Worker

# Why are we in this situation?

- Costs across the Team have exceeded income for a number of years
- We have been meeting the deficit from reserves
- Unsustainable – reserves will run out within the year
- Restructuring of Team has made the position clear
- Position had been masked by big building projects, and insurance claims

# Why are we in this situation?

- Problem more acute at St Michael's
  - Its budget is bigger than the rest of the Team combined
  - Large building
  - Has suffered bigger drop in income
  - Bearing 65% of Central costs for last 3 years
  - Too high: reduced to 55% from 2011
  - Burden being shared more fairly now

# What are we going to do about it?

- Tell people the facts
- Review all costs
- Approach Chester Diocese
- Explore all options for other income
- Monitor the situation

# Tell people the facts

- Draft letter and summary circulated
- More open and informative
- Making people aware of costs per household
- To be sent out as soon as possible
- Effective communication across all church members

# Review all costs

- Only pay essential costs
- Put replacement of youth worker on hold
- Review timing of away giving
- Review all central office costs

# Approach Chester Diocese

- Make them aware of Team situation now
- Raise questions about Parish Share
  - Their estimate for 2011 includes 5% increase
  - What steps are they taking to reduce costs
  - Consider our options

# Explore all options for other income

- Opportunity for all of us to review our pledging in light of new information
- Opportunity for new people to consider pledging
- St Michael's – plans for raising funds from Town Centre and visitors
- St Barnabas – income from Cre8
- St Peter's – increased income from hiring of building?

# Monitor the situation

- Team Council Finance group
- Meeting quarterly, reporting to each Team Council meeting
- Report back to PCCs in February or March
- Consider quarterly high-level reporting to congregations
- Keep split of central costs under review

# Concluding comments

- This is a shared problem for all of us
- Many churches are in this situation
- We are challenged to find a way to fund our ministry and mission
- We need to have an open and sensitive conversation
- We are very grateful for increased pledges
- We should approach the situation prayerfully, and with faith