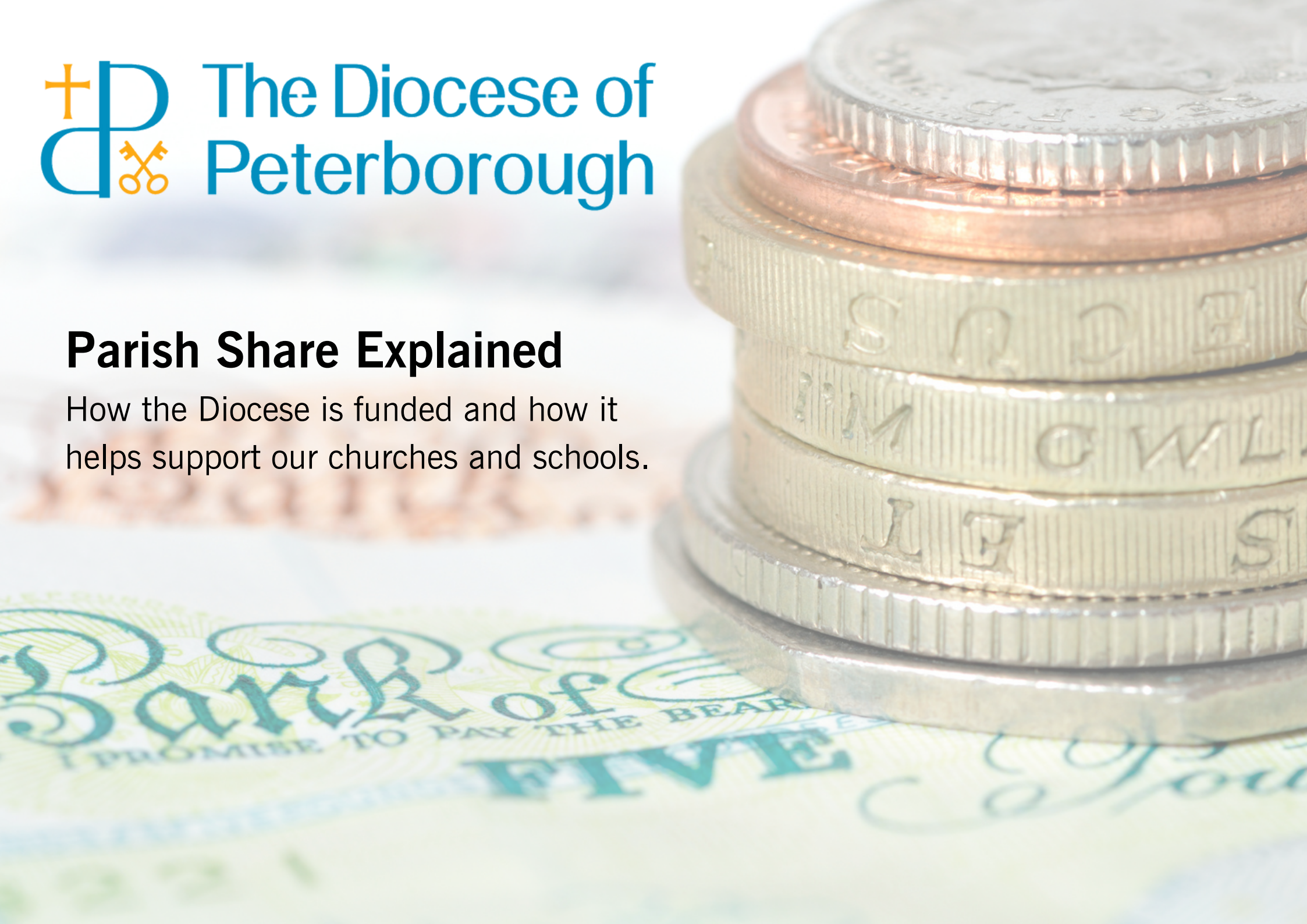




Parish Share Explained

How the Diocese is funded and how it helps support our churches and schools.



Dear friends,

One of the great joys of belonging to the Church of England is that we bring a Christian presence to every community. This offers us a unique and special opportunity to share the Good News with every member of our communities.

I long for every person to experience the love of Jesus that transforms lives. But for us to do this well, we need to be able to fund stipendiary clergy, offer high quality lay training, develop projects that support mission and continue to provide centralised functions, such as safeguarding.

Talking about money is always difficult, but as an organisation it is important that we acknowledge that we do need to raise funds to continue to support mission and ministry in our area.

It isn't always easy or exciting, but it is necessary.

I know that things haven't always been done well in the past. Share has been requested and received without enough discussion or thanks. We are doing all we can to change that, to work together to make sure that we give you what you need to build generosity in your communities and provide you with the right support and the right resources to flourish and make God known in your place.

We are committed to reviewing parish share – a process that was discussed at Diocesan Synod in October. This process will continue throughout 2026 with changes to be made to the 2027 requests.

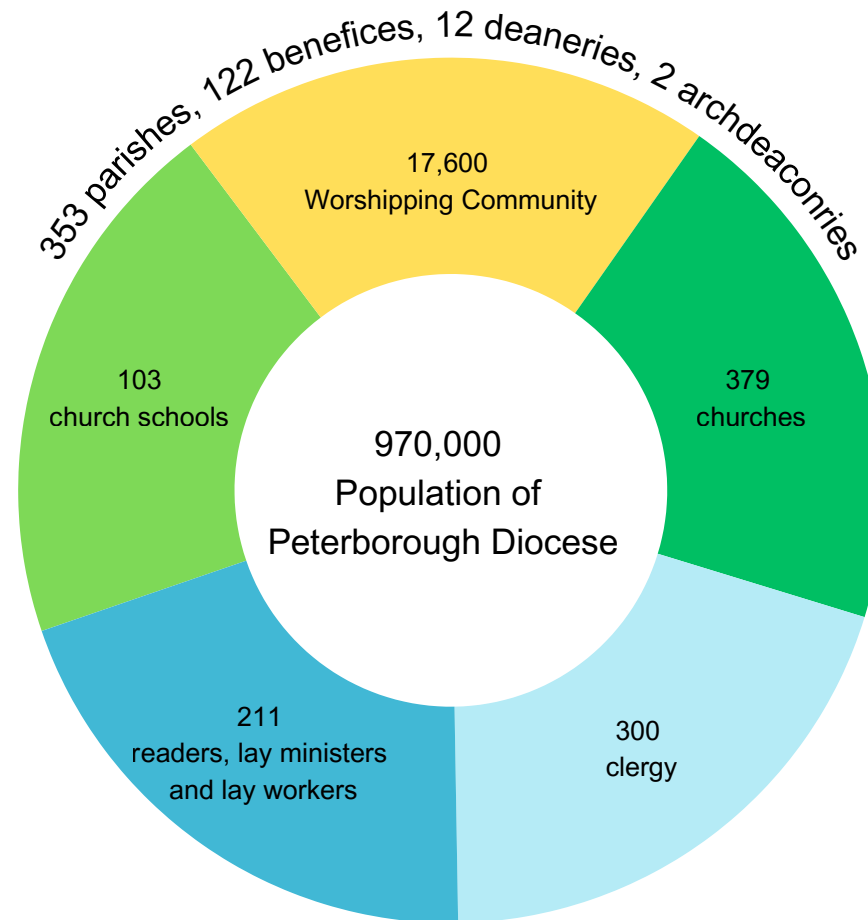
This document is designed to share with you the current position of our finances, where that money is currently allocated and how your contribution helps support our mission as a whole.

With grateful thanks

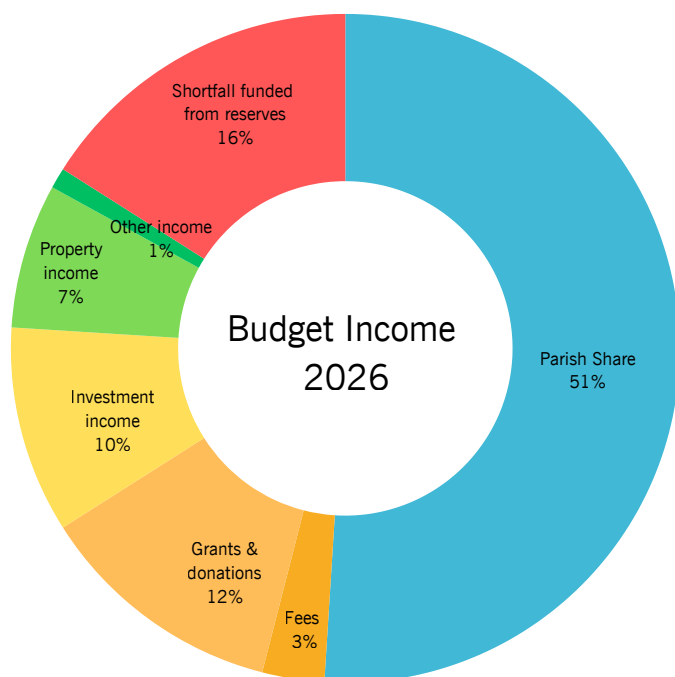


The Rt Revd Debbie Sellin,
Bishop of Peterborough

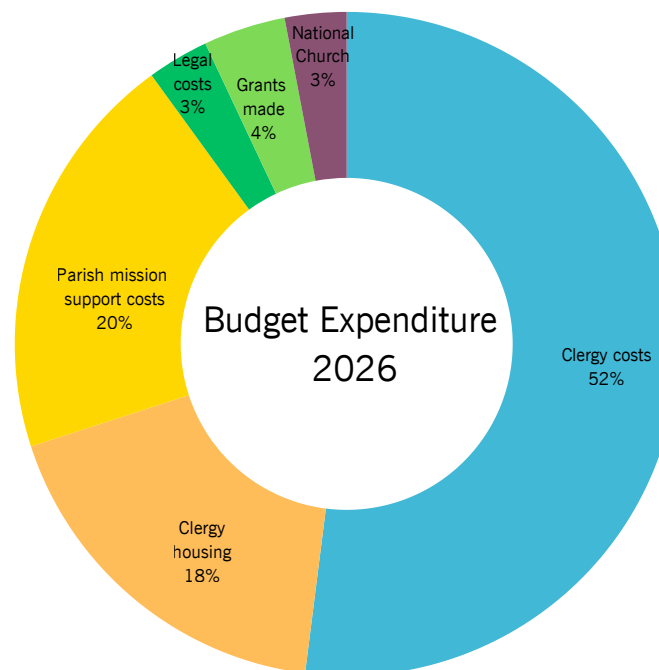
Who we are



Income & Expenditure



	£	%
Parish Share	6,500,000	51
Fees	340,000	3
Grants & donations	1,578,692	12
Investment income	1,248,640	10
Property income	884,319	7
Other income	171,622	1
Shortfall funded from reserves	1,985,611	16
	12,708,884	100



	£	%
Clergy costs	6,727,613	52
Clergy housing	2,240,065	18
Parish mission support costs	2,498,567	20
Legal costs	422,770	3
Grants made	482,843	4
National Church	337,026	3
	12,708,884	100

Where the money comes from

The Parish Share, raised by our church congregations, will account for around 64% of the money the Diocese receives to fund the core budget in 2026. Taken together, the Parish Share, Fees, Glebe and other investment income means that we can support, house and train our clergy.

But the money goes beyond simply maintaining the status quo. It means we can be a generous, self-sustaining and growing community of Christians – one that's capable of funding the level of change required for the future Church together with many new ministry and mission projects each year.

Parish Share

The Parish Share is the amount of money that each parish is asked to contribute to support the cost of provision of mission and ministry of the Church in the Diocese and beyond.

It's the responsibility of us all, an essential part of our discipleship and how our clergy are funded.

We are in the process of reviewing the parish share system with changes planned for implementation in 2027. The review will be undertaken in 2026 and parishes will be consulted. There will be an update report to Diocesan Synod in March 2026.

Investment income

Our investments in stocks and shares and bank deposits generate £1.2m of income. The Diocese also holds land, known as Glebe, which accounts for £0.5m of our annual income. This is held as an endowment fund to pay our clergy centrally.



Property income

During a vacancy, the property team in the Diocesan office works to prepare the vicarage for the next incumbent.

Where the money comes from

Parochial Fees

It is a statutory requirement for diocesan boards of finance to collect a nationally agreed portion of the parochial fees (the monies charged by parishes for occasional offices) each year.

Church Commissioners

The Diocese receives various funding from the Church Commissioners. Around £1.6m is provided – this helps support mission and ministry in areas of lowest income. In addition, we receive time-limited income to support certain initiatives, such as first incumbent posts and additional curates.

Use of reserves

There is insufficient income to fully meet the level of resources we need for 2026.

The gap, referred to as the budget deficit, of £1.99m is being met from general reserves.

These reserves are finite in nature and only allow for budget deficits to be met in the very short term.

Unless income rises to close this gap, tough decisions will need to be taken on the future level of resources we can afford to deploy.

The financial challenge section talks about this in more detail.



How we allocate the resources

Clergy costs

Clergy stipends are by far the biggest area of our expenditure and accounts for 52% of budget, some £6.7m before other contributions to clergy resourcing such as grants, training and housing.

Grants are available for resettlement and removal costs when joining the Diocese, and for clergy in their first incumbent appointments.

We fund ordinands in training and pay curate stipends. We also fund retired clergy fees who are responding to ministry in vacant parishes.

Church and society are changing rapidly. We support those who are discerning a call to ordained or lay ministry and equip them to respond well to the challenges of ministry today: community outreach, ministering to more than one church, and handling conflict.

It is vital to the future of the Church that we select and prepare great people for ministry, whatever form that takes.

Clergy housing

Our property team oversees the repair and maintenance of almost 200 clergy houses and other properties. Together with rental costs, housing allowances, council tax, buildings insurance and other bills, gross costs in this area are around £2.2m each year.

Mission and support costs

Mission and ministry staff support all our clergy and offer ongoing support to every parish, including parish development work in vacancy, parish planning and strategy work.

A centralised team of staff provide support and centralised functions for the whole Diocese including finance, safeguarding, communications and governance.

DAC faculties and the support to apply for them are fully funded and parishes are also able to access book keeping and payroll services if needed.

Legal costs

This expenditure relates to legal advice, the Diocesan Chancellor's office, and faculty fees.

The Diocesan Registry provides legal advice relating to parish officers, diocesan officers and bodies and members of the public on church law and relating to property matters.

Grants made

In addition to grants made under resourcing ministry and mission, £483k has been approved to allocate to our schools (£260k) and across the Diocese (£223k).

National Church costs

This relates to our contribution to the workings and ministry of the national church. It takes into account the contribution to the operational budget, mission agency pensions and grants that are made by the national church and to the Retired Ministry Housing Scheme.

How we allocate the resources

The majority of our total costs is spent on clergy expenditure. Here is a breakdown of those costs:



Stipend related costs for each post

	£
Stipend	34,102
National Insurance	4,313
Pension	7,502
Moving & resettlement grants	3,033
Total	48,950



For each diocesan house used by clergy

	£
Council tax & water	5,008
Planned and reactive maintenance	8,640
Other property costs	3,583
Total	17,231



Training & support for clergy

	£
Ordinand & clergy training	4,773
National church support	2,675
Total	7,448

Additionally the parish mission support costs are £7,384 per clergy person.

This means that the total expenditure for each member of clergy is £81,013.

The financial challenge

In the income and expenditure section, we highlighted the budget gap of £1.99m for 2026. We also mentioned that using reserves to plug the gap can only be a strategy used in the very short term. In the current financial climate, we estimate there may be 5 years of general reserves available.

Income is reducing overall, or in some areas at best remaining stable. We need to explore how we grow our income base, at the same time as ensuring that our outgoing resources are examined to become the most efficient. We are currently undertaking a governance review looking at structures within the Diocese.

At the same time, inflationary pressures are growing, including the need to meet annual pay awards to partly mitigate the effect of the cost-of-living crisis for our clergy and staff.

We know growing – and growing younger – will help build a financially stable future. We are committed to helping parishes do this.

Parish Share

We need to protect and grow the current level of Parish Share receipts. This can best be achieved by improving the financial stability of our parishes, in terms of:

- Growth in volume – through growing congregations who are engaged in generous giving;
- Asking congregations to prayerfully review their giving;
- Exploring new and returning income streams through trading, fundraising and grants;
- Helping reduce expenditure costs through joint purchasing etc.

In 2016, parishes contributed 91% (£7m) of the Parish Share requested. We need to work towards returning to this level of financial sustainability.

Grant income

We receive funding annually from the Church Commissioners. We are also bidding for strategic funding to deliver our strategic aims, including driving for growth across the Diocese, which in turn should support parishes' ability to readily afford their Parish Share requests.

What next?

The reality is that if we as a Diocese are unable to close the financial deficit gap using central efficiency savings, increased grants and generous giving, collective decisions will have to be made about which resources can be financed going forward.

Support for Generous Giving

The Generous Giving Team work with parishes to provide support and resources to encourage members of our churches to respond to God's call on every part of our lives including our finances. Contact the team by emailing nuala.salter@peterborough-diocese.org.uk to find out more.

Generous Giving Campaigns

The team can provide you with materials that can be distributed within your parish detailing what it costs to run your church alongside details of your vision for the future.

Contactless card readers

The team can help you set up contactless card readers - a great way to make it easy for people to give generously in a world that is increasingly cash free. Contactless card machines can also be used to raise money from refreshment sales, or ticket sales.

Parish Giving Scheme

The team can help you set up the Parish Giving Scheme, making regular direct debit giving easy. It reduces the burden of work on church volunteers and provides a simple and secure service to donors

Cornerstone

Developed by the National Giving Team, Cornerstone is an online generosity tool available free of charge to all Church of England churches. It offers three distinct functions: Insights, Pathways and a comprehensive Grants database.

Insights

Cornerstone is designed to help churches develop the most detailed picture they've ever had of their financial situation – whether that's a source of joy or concern. Using Parish Returns data, Cornerstone identifies different types of giving and shares comparisons with other churches both in the same diocese and nationwide.

Equipped with detailed information, churches can then pursue two different ways of changing or enhancing the picture – Pathways and Grants.

Pathways

The information a church receives from the Insights phase gives them a picture of where they can focus their efforts. Some may only have capacity for one or two 'quick wins', while others are ready for a full-on campaign. There are almost 50 Pathways on the platform and churches can undertake as many or as few as they wish.

Grants Database

All churches have completely free access to over 650 grants, curated for churches. Covering a range of purposes, values and geographic areas, this searchable, filterable database is updated weekly and is the biggest range of grants currently available to churches. Each grant is described and there is a link to the grant making body so you can read further and apply.