

Paper 2:

Parish Share Review – Formula for 2022

Introductory Principles

Our parish share system has always been based on two important principles: -

- a) The provision of ministry for all
- b) Ability to contribute

Therefore, Portsmouth has never had a system whereby parishes receive the level of ministry provision they can fund themselves.

As a consequence, parish share in Portsmouth is allocated by a formula. The overall parish share ask for the diocese is determined by the priorities in the diocesan budget but how that overall figure is allocated across the diocese is based upon the formula.

The Formula

The formula has the following key elements: -

- Affluence factor
- Average Weekly Attendance
- Parish Factor

Affluence Factor

The affluence factor is the element of the formula which indicates the ability to contribute for each parish. This is derived from Experian data which uses wealth indicators of which there is a wide range. It was a move to this data which was the major out working of the last review in 2014. Care was taken at that time as to which indicators we would rely upon. The decision was taken that only income indicators were relevant if we were to genuinely achieve an indication of 'ability to contribute'. This means that factors such as house value are not considered. This is important because there are people in some areas who would consider themselves asset rich but income poor.

There is a weighting within the formula which means that wealthier parishes contribute 3 times more than poorer parishes. This was a change made in the last review when the ratio moved from 1:5 to 1:3.

Average Weekly Attendance (AWA)

This data is derived from the Mission Statistics collected each October. Each year parishes submit their AWA figures for October. These are based on a count taken each week during the month. These are checked individually to make sure they are as accurate as possible with any exceptional services such as harvest or baptisms removed. Parishes also give an indication of usual Sunday attendance (USA) which helps us check the accuracy. Where there are large increases or decreases shown these too are checked with parishes before the numbers are used in the formula.

For the purposes of parish share, these annual AWA figures are added into a ten-year rolling average. This ten-year figure is designed to smooth out peaks and troughs for parishes. It does penalise decline as the higher numbers are held in the formula until they work through the ten-year period but importantly it also subsidises growth as lower numbers are held until they work year on year. This is designed to help the giving journey for new members.

At the last review, a 5-year rolling average was considered but it resulted in too many spikes in monetary outworking that a ten-year model was supported.

Parish Factor

Affluence / Experian factor X AWA = Parish Factor

Calculation of Individual Share Allocations

Parish share allocation = (parish factor/total parish factors) X total diocesan share ask for the year.

Solving the Challenge for 2022

In terms of 2022 parish share the aim is not to review the entire formula at this stage of the review. The approach for 2022 is not in question (that is stage 2 of the review) but before the allocations can be calculated after the budget is approved, a solution is needed for the AWA challenge to enable the formula to be applied.

Context of AWA Challenge

The parish share allocation for 2022 would be based on AWA cover 2011-2020. The AWA figures from the mission statistics for 2011-2019 are sound but 2020s figures are heavily impacted by Covid restrictions. The mission statistics sought to capture some of what occurred in 2020 to tell the story of the church in 2020 and while data has been captured for those that were able to attend physical church when this was possible and those attending digital church there, they are not a reliable solution for inclusion in the ten-year rolling average. This is for a number of reasons: -

- Churches reopened for worship at different stages;
- The physical size of the building put different limits on numbers;
- Some parishes did multiples services in one church;
- Not all churches had digital services during lockdown;
- The statistics for online worship are difficult to analyse as the number of views does not necessarily indicate engagement with a full act of worship as platforms register a view after only a few seconds.

The group agreed that the best solution moving forward for 2022 only would be to calculate the share ask on a 9-year basis, dropping the 2010 AWA figures from the rolling average. This allows for a fair and easy to explain calculation without external factors and avoiding unnecessary spikes in numbers for parishes.

Recommendation

Following the recommendation of the Parish Share Review Group Bishop's Council agreed that the parish share apportionment for 2022 be calculated using the 9 year rolling average of AWA figures from 2011-2019, with adjustments for parishes if there are large swings of more than a 5% increase or decrease for any parish as a consequence of this formulaic change.

Motion:

Synod is asked to adopt the approach for 2022 such that a 9 year rolling average of AWA is used taking existing figures from 2011-2019, with an adjustment for any parish which sees an increase or decrease of 5% or more as a consequence of this formulaic change.