

Why is the Church always asking for money?



A question that I am often asked is, 'Why is the Church always asking for money?' It is a question that is far from straightforward to answer. Structurally the Church of England is a complex organisation that requires a mathematician with a doctorate in history to understand how we arrived at where we are today to be able to work out who pays for what. If you want the short answer, here it is. Money does not come down in the Church of England. It goes up.

Here's the long answer. When it comes to finances there is no such thing as a Church of England. There are however 42 dioceses governed by their own bishops and synods and diocesan boards of finance. Each diocese is completely independent with its own historic resources. Some dioceses are less well-off than others with Lincoln Diocese being the wealthiest and Liverpool the poorest. This has consequences for clergy pay for example, clergy in Southwark are paid more than those working in London. The basic stipend (salary) for clergy in St Albans Diocese in 2022/23 was £28,267, above the national average of £27,770.

The funding of clergy is the direct responsibility of the diocesan board of finance. In 2024 the cost for funding the clergy across the Diocese of St Albans is budgeted at £9,296,000 out of a total budget for running the Diocese of £17,703,000. Investment income from historic resources contributes towards the running costs of each diocese. Still, the bulk of the funding is dependent upon the voluntary contributions made by each local parish church. In church-speak, this is what is known as 'Parish Share'. A diocese organises a group of churches into what is called a 'benefice' to come together to raise the monies needed to fund the cost of a vicar + the add-on costs of helping to run the diocese. The cost of paying for a vicar is ultimately dependent upon voluntary donations at the local level.

So, what about the Church Commissioners? This organisation works independently of dioceses whose historic resources are used to generate income to fund the work and houses of bishops and cathedral deans and much of the clergy pension liability. They also support the church's work by funding social projects, particularly in deprived communities. They do not fund the day-to-day cost of ministry or the upkeep of parish church buildings.

Church buildings, the majority of which are listed as of great architectural merit, are not maintained by dioceses, this responsibility lies solely with the local church council. Beyond allowing VAT to be reclaimed on some repairs, central government does not assist with the maintenance or repair costs either. The cost of maintaining church buildings is dependent upon voluntary donations at the local level.

And then there are candles, electricity bulbs, christening certificates, and communion wine. The Church Commissioners do not fund these items. Neither does the Diocese. Central government gives no grants for such things... So, back to voluntary donations at the local level... This is why the Church is always asking for money...

Revd Mark Bailey