DS 25/09

ST ALBANS DIOCESAN SYNOD

11 October 2025

Proposed Common Fund Budget 2026

INTRODUCTION

- The diocese is grateful to parishes and individuals in churches for their generous giving enabling the diocese to operate and provide services to parishes, clergy and across the diocese.
- We recognise pressures on parishes in terms of membership compared to pre-pandemic years, cost pressures (especially energy bills) and the pressures on generous donors within parishes.
- The diocese is its churches, schools, and chaplaincies; diocesan income comes overwhelmingly from parish share contributions and is overwhelmingly returned to parishes through clergy stipends, housing etc.

CHALLENGES IN BUDGET SETTING

- Parish share recovery is showing a slow decline from 2022.
- Declining membership over the period since 2019 continues to impact the charge on individual church members.
- Impact and outcome of Diocesan Finance Review
- Pressure on the property department to fund much needed work on parsonage houses.

KEY POINTS FOR 2026

- We have increased the distribution rate for Total Return from 3.5% to 4.0% releasing an extra £892k of income
- We plan a decrease in parish share request of 3.5%.
- We assume that we will receive 91% of the requested parish share – and give thanks in advance to parishes and individuals contributing to this.
- For 2026 we propose an increase in stipends of 6.8% in line with Archbishops' Council recommendations.
- Attendance figures continue to rise slightly, but Electoral Roll figures are falling and the 2024 revision and renewal has added to this. This means that the parish share per member increases very slightly by 0.3%.

SUPPORT TO PARISHES

- The additional investment income generated from the review of the Total Return policy contributes a further £892k towards offsetting against stipends.
- Parish grant schemes are in place and operated by the Parish Grants Committee.
- The bid for significant strategic investment across the Diocese to support further mission initiatives in parishes is being taken forward and is a separate item.

2026 DRAFT BUDGET

Expenditure £'000	2026 Budget	2025 Budget	Change
Parochial Clergy	9,979	9,192	787
HL Staff Costs	2,543	2,096	447
Property & Glebe	2,765	2,771	(6)
Housing provision	0	157	(157)
Archdeacons, Safeguarding, Pastoral Grants	80	165	(85)
Mission & Ministry	691	599	92
Funds to Designate	500	500	0
National Church Training	786	1,215	(429)
Admin/Legal	528	489	39
Comms, IT, Schools	111	108	3
Authorised Expenditure request	**17,983**	**17,292**	**691**
Items involving reduction in Parish Share total:			
Pastoral Grants Support	200	200	0
Provision for unpaid Parish Share	1,265	1,312	(47)
Total Budget Requirement	**19,448**	**18,804**	**644**

Other Income & Grants £'000	2026 Budget	2025 Budget	Change
Fees	416	410	6
Total Return on Investment	3,668	2,729	939
Other interest	100	100	0
Grants & Donations	268	368	(100)
Rental & other income	939	630	309
Parish Share Requested	14,057	14,567	(510)
Total Income	**19,448**	**18,804**	**644**

Diocese	2026 Budget	2025 Budget	Change	
	£'000	£'000	£'000	%age
Stipend Contribution	6,785	7,314	(529)	-7.23%
Ministry Support Contribution	7,272	7,253	19	0.26%
Parish Share	**14,057**	**14,567**	**(510)**	**-3.50%**

BUDGET HEADLINES

Increase in Stipends	6.80%
Increase in non-staff costs	3.00%
Decrease in parish share total	3.50%
Church Member Figure used for 2026 budget calculations	24,553
Church Member Figure used for 2025 budget calculations	25,519
Parish Share per Church Membership figure 2026	£571
Parish Share per Church Membership figure 2025	£573
Increase in parish share per church member	0.3%

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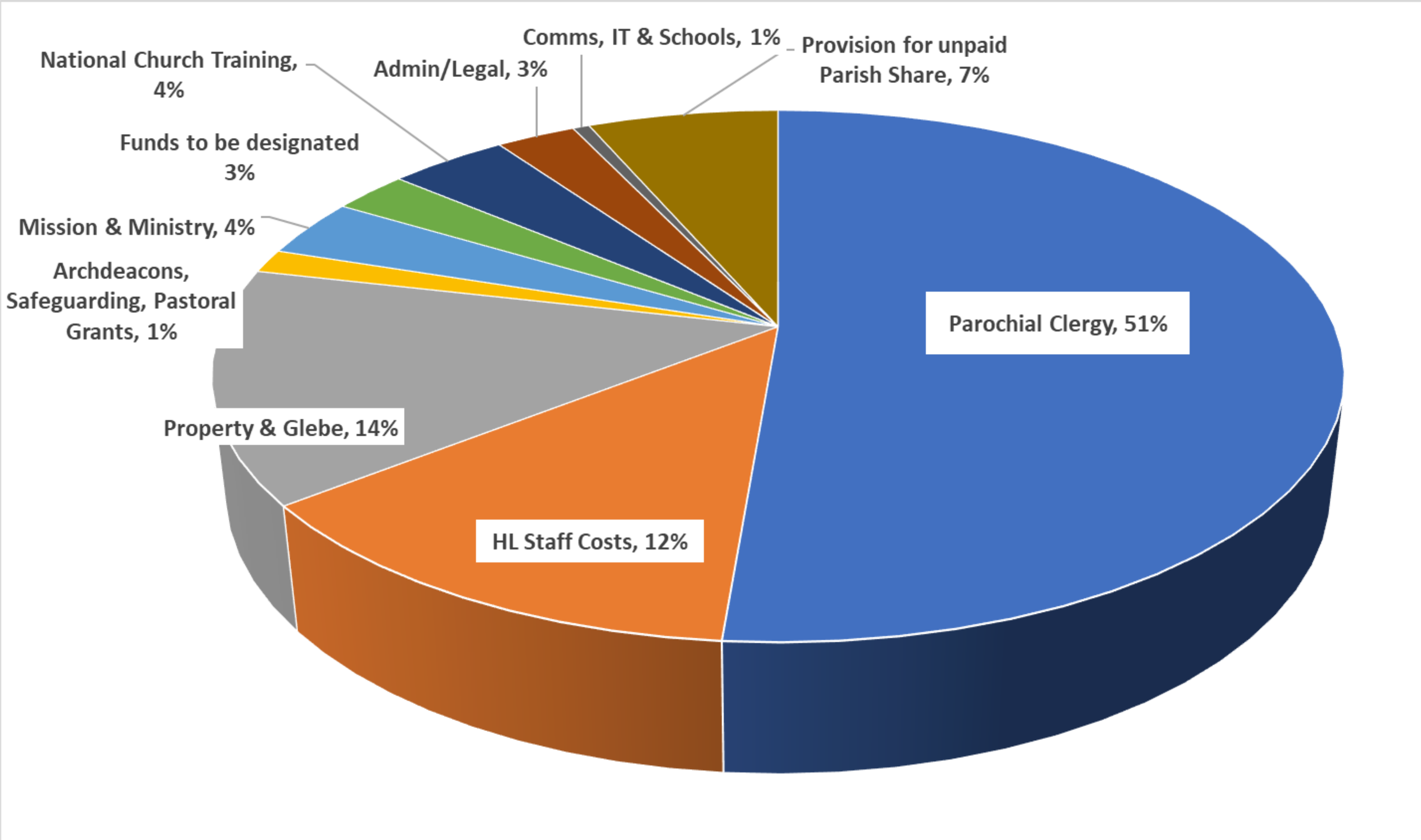
2026 COMMON FUND DRAFT BUDGET – EXPENDITURE



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2026 COMMON FUND DRAFT BUDGET - INCOME