FINANCIAL MANAGEMENT IN THE CHURCH OF ENGLAND: DIOCESE OF BRADFORD

A critical appraisal made with particular reference to methods of allocating diocesan share

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FINANCIAL MANAGEMENT IN THE CHURCH OF ENGLAND: DIOCESE OF BRADFORD

A critical appraisal made with particular reference to methods of allocating diocesan share

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by

K.M. Sayers

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Professor T.W. McRae

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PREFACE

Early in 1978 the Anglican Diocese of Bradford made an informal approach to the University of Bradford Management Centre seeking assistance with certain aspects of financial management and control. It seemed that the subject might be suitable for an MBA dissertation and a meeting was held between Dr. J.B. Hanness representing the Diocese, Dr. R.C. Lucking representing the Management Centre, and the author, a postgraduate MBA student, to consider methods of approach. The management structure of the Diocese was outlined and it emerged that the central problem was the equitable allocation over the 131 constituent parishes of the net balance of diocesan expenditure over diocesan income. Hitherto, this allocation ('the diocesan share') had not been large and therefore not engendered any great difficulty, but due to a number of technical factors, not the least of which was inflation, it was becoming larger and therefore attracting more attention in the parishes. Whereas before a somewhat arbitrary system ('actual income') had been used, it had come to be felt that a revised system should be adopted which would make greater allowance for the variations in nature and ability to pay that exist between the constituent parishes. Accordingly a revised system ('potential income') had been introduced in 1974, but whilst it was certainly an improvement it did not seem to be yielding all the benefits that might be desired, and the question being posed was whether further improvements could be evolved. Since this appeared to be a proposition demanding skills in applied management accounting the project was tentatively accepted and further meetings arranged with the Diocesan Secretary, Mr. D.B. Hennessey. From these meetings emerged fuller details of the extant system and ideas as to how it might be further improved, but when closer inspection was
made of how the necessary background could be uncovered it was found
that this is an area with a remarkable paucity of published documen-
tation - ("tackling a problem in which the lines of approach are
inchoate"[4]), and finally resort had to be made to extensive interviews.
These, whilst willingly granted by all those approached, had initially
to be largely non-directive, the interviewees being invited to air
their feelings on the general theme. They proved very arduous in terms
of time consumed for information yielded, and eventually were curtailed
and the field of study narrowed. The data then available was supple-
mented by two questionnaires - one to other diocesan secretaries and
one to a selected list of parish treasurers. It follows that much of
this study will suffer from a paucity of source material and the effect
of this is to be regretted, but it is hoped that the reader will forbear
to be too critical of these inadequacies, and perhaps even be inspired
to venture personally into some of the avenues of enquiry which have
been opened up.

The convention has been adopted throughout this study of spelling
the word Church with a majuscule when referring to the organisation,
and with a minuscule - church - when to the building in which worship
takes place.

It is normal in a dissertation of this sort to acknowledge
assistance received, a convention which would happily be followed here
but for the large number of names it would require - a full list would
probably run into three figures. One name must certainly be recorded -
David Hennessy the Diocesan Secretary - but thereafter come graduations
of help between which it would be invidious to try to distinguish.
Several sources have been specifically identified in the text or the
bibliography, and many more will find their ideas reflected in the
gist of some of the paragraphs (much of the text is eclectic plagiarism).
Rather than try to distinguish such gradations it is hoped that all those many helpers - disparate though their points of view may have been - will feel that this dissertation is, as itself an holistic unit, adequate acknowledgement.
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CHAPTER 1

BACKGROUND
1.1 Historical Developments Leading up to the Present Financial Situation

In the early years of the sixteenth century, the Reformation in England taking form round the person of King Henry VIII led to the establishment of what is now known as the Church of England and to the appropriation by the Crown both of the various payments ('tithes' and 'annuities') which formerly went to Rome, and of various assets formerly held by religious beneficiaries. Whilst some of the proceeds therefrom were used for ecclesiastical purposes, the greater bulk were applied to Henry's more pressing regal needs and the effect on the clergy was traumatic. So much so that in 1704 Henry's descendant Queen Anne restored to the Church a substantial proportion of the capital value formerly expropriated with the injunction that the proceeds therefrom were to be applied "for the benefit of the poorer clergy"(235). Thus was founded a fund that was to become popularly known as 'Queen Anne's Bounty' and to continue in existence for over two and a half centuries.

During the course of these centuries the Church of England evolved an administrative structure based on the existing small local units ('parishes') and larger regional units ('dioceses'), thus tending away from the concentration of religious life and thought in monastic and cathedral units. The parish evolved as, and remains, the principal legal unit of the whole Church organisation, partly because in many cases a parish church was established and maintained by a local patron (c1) who by so doing was able both to satisfy the religious needs of his own community and to provide a channel for the exercise in that community of his own influence. Many such patrons supported their parish church materially not only during their own lifetime but also by making testamentary bequests. These bequests took many forms (24) but for the purposes of this study we can conveniently regard them as each
being a capital sum, the income from which was to be applied to a specified purpose. Of those purposes the maintenance of the clergy themselves loomed so large that in the course of further evolution bequests made for that purpose were taken over by a body established in 1836 ('The Ecclesiastical Commissioners') were invested by them, and the income therefrom devoted to the provision of clergy stipends (ci).

The Ecclesiastical Commissioners also "amassed considerable funds by suppressing redundant offices, and acquired big estates formerly owned by bishops and cathedral chapters, thus creating a large revenue to be used for the general good of the Church" (Tj). In 1948 these two financial structures - Queen Anne's Bounty and the Ecclesiastical Commissioners - were merged into a single body under the name of the Church Commissioners (Tj) who were charged with responsibility for maintenance of the clergy, and all the resulting income applied to the one purpose. (A useful exposition of the Church Commissioners present role is contained in the eighth in the series of reports 'The Church's Needs and Resources' (88)).

So large was the income received by the Church Commissioners that for many years, when combined with those payments still received by clergy direct from parochial sources (see Appendix D on the mechanics of clergy pay), it was sufficient to provide an adequate level of stipend. But gradually technical factors, among which inflation predominates, although others such as de facto and de jure constraints on investment policy were also involved, reduced the yield in real terms to such a degree that it became necessary for the dioceses to augment stipends by raising what amounts to a levy on parishes. In the Diocese of Bradford this first occurred in 1973, and the subsequent trend is as shown in Figure 1.
| Year | Expenditure | % of Total | Increase Over Previous Year % | Expenditure | % of Total | Increase Over Previous Year % | Expenditure | % of Total | Increase Over Previous Year % | Expenditure | % of Total | Increase Over Previous Year % | Expenditure | % of Total | Increase Over Previous Year % |
|------|-------------|------------|--------------------------------|-------------|------------|--------------------------------|-------------|------------|--------------------------------|-------------|------------|--------------------------------|-------------|------------|--------------------------------|-------------|------------|--------------------------------|
| 1972 | 40,136      | 100        |                                | 42,065      | 100        |                                | 40,136      | 100        |                                | 37,845      | 100        |                                | 18,081      | 100        |                                | 16,956      | 100        |                                |
| 1973 | 40,265      | 100        | 149                            | 42,830      | 100        | 36.3                          | 47,784      | 100        | 35.1                          | 46,344      | 100        | 36.3                          | 41,446      | 100        | 36.3                          |
| 1974 | 41,813      | 81.5       | (5,279)                        | 42,380      | 81.5       | (5,279)                        | 39,153      | 78.6       | (2,917)                        | 36,237      | 72.3       | (2,917)                        | 33,320      | 65.6       | (1,917)                        |
| 1975 | 40,893      | 81.0       | 1,809                          | 46,380      | 89.3       | 5,387                          | 52,000      | 100        | 5,967                          | 45,380      | 89.3       | 5,967                          | 40,000      | 74.9       | 5,967                          |
| 1976 | 42,500      | 84.4       | 1,607                          | 52,000      | 100        | 8,500                          | 58,000      | 100        | 10,000                         | 50,000      | 93.6       | 10,000                         | 40,000      | 94.6       | 10,000                         |
| 1977 | 44,000      | 86.7       | 1,500                          | 58,000      | 100        | 10,000                         | 58,000      | 100        | 10,000                         | 50,000      | 88.3       | 10,000                         | 40,000      | 88.3       | 10,000                         |
| 1978 (Budget) | 40,000      | 100        |                                | 40,000      | 100        |                                | 40,000      | 100        |                                | 40,000      | 100        |                                | 40,000      | 100        |                                |

**FIGURE 1:** Increase in Absolute and Proportional Amounts of the Diocesan Expenditure Required for Clergy Stipends and Other Clergy Costs, Over a Seven Year Period 1972-1978.

Sources: Published Accounts of the Bradford Diocesan Board of Finance for the Years 1972 to 1977 Inclusive.
1.2 Organisational Structure of the Church of England

The Church of England is an hierarchical organisation operating on five levels of which the lowest is the parish. This, for our purposes, can be defined as the population ('parishioners') resident in a specified area, ministered to by one full-time resident clergyman ('the incumbent') in one church building ('the parish church'); though occasionally a parish may have more than one clergyman ('curates'), or share a clergyman with adjoining parish(es), and/or have more than one place of worship ('daughter churches'). The business affairs of the parish including financial contributions received from parishioners ('giving') are in the hands of an elected group of church members ('the parochial church council') of which the incumbent is, ex officio, chairman. There is a considerable body of legislation extant relative to parish affairs (33) but only a small proportion relates to finance, and in particular it appears that "No definite rules have been laid down regarding the form in which the Parochial Church Council accounts should be presented" (326), the only legal requirement being for "audited accounts for the year ending on December 31st immediately preceding the [annual parochial] meeting; and an audited statement of the funds and property, if any, remaining in the hands of the council at that date" (326). This generates a diversity of forms of presentation which we shall find to be a serious handicap in preparing a diocesan financial structure.

Parishes are grouped into deaneries which are governed by deanery synods elected from parochial church councils on a basis proportional to enrolled church membership. One of the deanery incumbents is nominated (by the Bishop) as 'rural dean' (a position so titled even in urban areas) and shares chairmanship with an elected lay member. This level of administration however has no financial role and so is peripheral to this study.
The next step up is to the diocese, a grouping of deaneries whose synods elect members - on a similar proportional basis - to the diocesan synod. This is presided over - ex officio - by the Bishop who himself is appointed by the Crown and as such ranks as the senior clergyman in the diocese. In his duties the Bishop may be assisted by one or more suffragan bishops (although there are none in the Bradford Diocese), a provost (one in Bradford - responsible for the cathedral), and two or more archdeacons (two in Bradford), all of whom are clergymen holding their appointments on an exclusive basis (i.e. they are not ordinarily also parish priests). There will also normally be a full-time diocesan secretary with a small staff operating a diocesan office, and the diocesan synod will normally delegate functions to various committees of which one will be the Diocesan Board of Finance. This is the lowest level at which we find skilled, full-time financial management becoming generally available.

The dioceses are grouped into provinces and the provinces combined at national level. Provinces have no financial functions and can therefore be ignored, but at national level the General Synod, and their subsidiary, the Central Board of Finance, have various financial functions and employ a full-time staff ('Church House') to carry them out. We need not concern ourselves with the details of these, beyond noting that the net cost is recouped from the dioceses on a basis of their 'Actual Income' (i.e. the figure for total income as it appears in the annual published accounts) and that there is no apparent desire among the dioceses that it should be changed to anything else. The existence of Church House provides a means of coordinating affairs in the dioceses and of disseminating information of general interest, but this would appear to be a facility far from fully utilised -
partly for want of sufficient staff, partly because there seems to be a trait among dioceses to prefer local autonomy. We shall, in this study, come to feel that if the central role of Church House could be enhanced, then it could be of measurable benefit in improving efficiency in the handling of the Church's business affairs. It should however be made clear that the General Synod and Church House on the one side and the Church Commissioners on the other are quite separate entities. Whilst the former is the central administrative organ, controlled by, and serving, the Church itself, the latter is a statutory body responsible only to Parliament. Whilst there is a large degree of cooperation between the two, their legal positions and status are distinct.

1.3 History and Organisation of the Diocese of Bradford

Established in 1920 under the Bishoprics of Bradford and Coventry Act 1913, the chief unit of diocesan administration is the Diocesan Synod which consists of 160 people, a few of whom are ex-officio, but most of whom are elected by deaneries proportional to the number of clergy and the registered church membership. It meets at least three times per year and is largely a debating forum for general policy. The executive body is known as the Bishop's Council and consists of twenty-one members, five ex-officio and sixteen elected by the synod. It holds plenary sessions at least six times per year, but has subsidiary boards meeting more frequently. One of these, the Diocesan Board of Finance containing some thirty members (some are co-opted and some elected direct from deaneries) is the body responsible for the routine conduct of diocesan financial affairs once general policy has been established. In 1921 the Board of Finance was incorporated under the Companies Acts 1908 to 1917 \(^{(81)}\) and therefore publishes annual accounts. The Bishop heads the organisational structure,
there are two archdeaconries (Bradford and Craven), eight deaneries and 131 parishes. Figure 2 shows in somewhat simplified form the cash flows normally occurring in the Diocese.
FIG. 2. REGULAR PAROCHIAL AND DIOCESAN CASH FLOWS

Source: Adapted from King et al., 'Towards Diocesan Planning', Journal of the Operational Research Society, September 1978.
CHAPTER 2

FINANCIAL ASPECTS PERIPHERAL TO THE CENTRAL OBJECT
2.1 Introduction

In due course this study will be going in some depth into alternative systems for allocating diocesan share - into producing a financial construct - but that cannot properly be done in isolation from a number of other factors. The finance function is not a separate entity, to be established alone, distinct from others, but essentially a facilitator, located at the centre of the organisational web, reacting to pressures from, and serving the needs of, many other organisational functions; and since the particular combination of functions being served will probably be unique to each organisation, an understanding of their roles and interplay is a desirable prerequisite for the preparation of an adequate financial system, though regrettably, not always available for this study.

In view of the dearth of published material in this field, and the limited time available for interviews, the content of this chapter may leave something to be desired. Rather than make a compact comprehensive survey, it will deal briefly with only a number of distinct points on which information became available, and suggest others where more research may prove worthwhile.

2.2 Clergy Remuneration

2.2.1 Establishment and purpose of the Central Stipends Authority

Clergy remuneration is the one aspect which, more than any other, causes headache and heartache in the financial administration of the Church of England today. As early as 1911 it was stated that "The Church suffers from the underpayment of the clergy." ([8]) and in 1928 a "living wage" ([89]) for incumbents was being placed "first in the list of immediate [diocesan] needs". ([87]) The theme occurred repeatedly in various reports: "For many...incumbents...their stipend is at a level which entails financial anxiety and this problem is made worse by
inflation" \(^{(81/5)}\); "improvement of the general level of stipends must form an integral part of a more equitable structure of remuneration" \(^{(87)}\); and was frequently mentioned in interviews as being the principal problem. But what is a reasonable stipend? From which sources is it to be derived? How is it to be allocated? What will be its future impact on diocesan finances?

Questions such as these are being asked and all too rarely answered. True there has been a good deal of well-directed study, so much so that in 1972 a new national body - the Central Stipends Authority - was established, specifically to "improve the stipends of clergymen... [and] bring into being... a more coherent and equitable system of remuneration" \(^{(86)}\). A whole series of reports has ensued \(^{(86)}\), but in all of them the one thing that seems notable in its omission is any attempt to ask the clergy themselves what they feel. Certainly inflation has been severe but that alone does not automatically mean that financial anxiety is being faced. It may be, but it cannot be stated as a fact on the strength of only one such criterion. If pre-inflation pay had been high enough then post-inflation, whilst more modest, may still be reasonably adequate. Surely a more pertinent means of deciding whether clergy pay is or is not realistic would be to compare that remuneration with the needs it is required to meet? In other words to ascertain from the clergy themselves how they see their remuneration in their own personal circumstances? This seemed such a necessary step that in the early stages of this study it was taken for granted that such data would be somewhere available. When none came to light, the diocesan secretary was asked whether any existed. "You're going to be absolutely shattered when I say 'no', and I know why... if you ask any clergyman, apart from one or two who are in it for the money, he won't tell you. ...it's no good doing a confidential survey of the clergy
because...you'll be told 'we're all right'"ₐₜ₇.

Apparently whether or not they really were all right.

2.2.2 Ascertaining clergy needs

Another line of thought - we may reasonably theorise that a person with a high level of perceived needs will seek a high income, but that is by no means the entire population, and there is at least a little circumstantial evidence to suggest that a clergyman's perceived needs are on a fairly low level. A clergyman speaking in a committee of the Diocesan Synod: "We clergymen don't want to be well paid, don't want to be luxuriously kept, but we do want enough to live on so that we don't have anxieties"ₐₗ₇; and a clergy wife, speaking in a deanery synod: "We don't want to talk about this, we do not talk about our stipends, we are quite satisfied with ours"ₐₗ₇. Why should they not want to talk about something that is a principal preoccupation among almost all other sections of the working population? Embarrassment? Reticence? A feeling that they should not ask for money but rather "be utterly grateful for anything you give them"ₐ₄ₗ. The absence of such information is a handicap - by failing to state reasonably clearly what their financial conditions are like, the clergy, far from facilitating the business management of the Church, are making it more difficult for the laity to get beyond the stages of mutual exhortation and groping for that 'more equitable system'. There is a strong prima facie case for saying that clergy not only should not be reluctant, but actually owe a responsibility to the Church as a whole to state how much they need and how well they can cope with what they get, in order that the Church can more adequately arrange its financial affairs.

The Diocesan Secretary again: "The clergy won't fight for themselves, because they are in a job they like, the fighting's got to be done by the laity"ₐ₄ₗ, although he did concede that "there are indica-
tions, [things] you'll never get them to write down, little things they say to me, that [suggest] they are having a struggle" (C.L). The Archdeacon of Bradford, asked the same point similarly thought "there are signs and signals" (C) but that they were confused and suppressed. "The clergyman is very loth to talk about money because he thinks he is called to a vocation and he takes what he can" (C). Some at least of the clergy do seem willing to express opinions - a small (120) but growing number have joined the Association of Scientific, Technical and Managerial Staffs "precisely because no-one ever consulted them [about] their salaries and other terms and conditions of employment" (C).

Is it therefore not so much the fact but the method of enquiry that causes concern? Is there an inhibition against putting things down in black and white, that could be circumvented by techniques such as Dryden's (15) of using a clergyman to talk to clergymen? Whatever the reason, the need for reliable information as to both clergyman's and parishioners' opinions on present and future levels of clergy remuneration is so integral to any scheme of diocesan financial management that any reasonable means should be used to make it available. (In fact, as this study was concluding, the diocese held a short series of meetings with parochial representatives to ascertain parish feelings on future diocesan augmentation of clergy stipends. At the one attended by this writer the most immediately noticeable feature was the very high rate of attendance - surely indicative of desire to express an opinion when opportunity should occur?)

2.2.3 Balance between job satisfaction and remuneration

There is also the aspect of job satisfaction - it is a reasonable hypothesis that a job which is high on satisfaction (as perceived by actual or potential occupants) may be low on remuneration and vice-versa. Do we then have any available data applicable to clergy? There is one
study which gives us some indication. In 1977 the Consumers Association made a survey among a section of their members as to feelings on job satisfaction. A proportion of the respondents (the exact figure is not stated, but the total survey covered 24, 363 persons) were clergymen, and of those clergymen 58% said they were more than averagely satisfied with their jobs, 86% would most likely choose the same occupation if they had their working lives all over again, and 89% would most likely carry on working even if they won £250,000 on the pools. All those percentages came top of the respective tables, yet clergymen were also bottom of the pay league table published in the same survey. This study therefore appears to bear out our hypothesis that at least with some jobs an inverse correlation may exist between remuneration and job satisfaction. But care should be taken in interpreting these figures. First, the Consumers Association themselves insert a 'small word of warning' intimating that their sample is not typical of the population as a whole; second, we do not know enough about the clergymen content to know how many were Church of England, or Church of England from the Diocese of Bradford; and third, even if correlation is established it does not necessarily follow that it is linear.

Whilst the above reasoning is theoretical - adopted for the purpose of this study to emphasise the paucity of knowledge in this area of diocesan finance - it does have some foundation in published research; Lawler, discussing the Model of the Determinants of Pay Satisfaction says "a person's perception of what his pay should be is somewhat influenced by the nonmonetary outcomes he receives from his job...some non-pay outcomes can partially substitute for pay outcomes and that, because of this, the number of other outcomes received can affect what a person feels his pay should be. ... This aspect of the model can explain the fact that some people are satisfied with their pay even though it is
relatively low and their job is demanding in every sense...they are satisfied because they get other rewards that substitute for pay and [this] reduces their perception of what their pay should be". Later he quotes Penner as reporting a relationship between the nonmonetary outcomes received and pay satisfaction, and also with the degree of autonomy on the job, and with relationship with the boss (both points which emerged similarly from the Consumers Association study).

This theme of levels of clergy remuneration has been treated at length because it is of such increasing importance (see Figure 1) that it is the one feature which any financial structure must be capable of handling. With that in view we may note that whilst presently available data is insufficient, steps are being taken to remedy that weakness, and that if sufficiently sensitive methods could be evolved, there might also be a field here for further academic research.

2.3 Parochial Accounting
2.3.1 The essential foundation

Notwithstanding that it falls beyond the control - in fact to a large degree even beyond the influence - of diocesan management, the quality of parochial accounting will determine both the efficacy and the equitability of any allocation system adopted for the diocesan share. It is the essential foundation on which any such system must rest. Indeed the introduction of potential income in 1974 seems to have been motivated at least partly by dissatisfaction with actual income being determined by differing parishes in differing ways.

2.3.2 "It passeth all understanding"

The law on parochial accounts is both brief and vague. They are the responsibility of the Parochial Church Council, which may, but is not required, to appoint "anyone it chooses" (126) to be a treasurer who
need have no particular qualification, and, apparently, carries no legal responsibility. Annually the Parochial Church Council must present to the Church meeting:

(1) "Audited accounts for the year ending on December 31st immediately preceding the meeting; and
(2) an audited statement of the funds and property, if any, remaining in the hands of the council at that date". (s26)

There is no requirement for a balance sheet per se, nor any stipulation as to format for the accounts, not even as to the difference between 'Receipts and Payments' and 'Income and Expenditure', (c5) and "one...very frequently finds the terms...being used synonymously". (s26) The result is a veritable salmagundi of differing practices, not helped by the legal requirement that specific bequests must be applied to stated purposes and that therefore a distinction must be kept between at least their nominal sums (although the capital from several bequests can be consolidated before being invested). (c4) It may have been a degree of exasperation with such variety that led one commentator to state "the whole of the Church's finances owes more to Byzantium than to either Rome or Harvard" (t6) and a banker to mention "one church treasurer who compared his accounting system to the peace of God, saying 'It "passeth all understanding"!" (y7)

One reason for such poor accounting standards has been clearly identified by Wyn: "The reason for lack of direction in the Parochial Church Council is mainly to be found in the absence of good businessmen elected to serve as members" (o27) (a point we shall find corroborated when we come to consider the case of Bradford St. Swithin's) and he goes on to add "...priests are popular with people but unfamiliar with figures, and this situation suggests that most clergy could greatly benefit from instruction in commercial practice". (o27) No doubt they could, but it
should not be assumed too quickly, or too universally, that a clergyman rather than a layman is best equipped to handle parochial business affairs.

2.3.3 Simplification possible

How serious a handicap is this from a diocesan point of view?
Short of conducting an appraisal of each parish - a possibility which was considered but rejected because of the time factor - it is difficult to know. There is a limited degree of standardisation (at least in the returns made to the Diocese and to London) due largely to gentle diocesan pressure, (the Diocese has no enforcement powers) and the Chairman of the Board of Finance regretted that it was not more widespread.\(^{(29)}\) The Archdeacon of Bradford however referred to the "individuality of the parish, each wanting to do it their own way" and instanced one who were "not even prepared to add them up".\(^{(27)}\)

It would seem that there is a good deal of parochial reluctance to be ordered about.

Not that all parish treasurers are obstreperous, rather the faults seem to be more of omission than commission, and at least one (Mr. Alan Jowett) has not only drastically simplified his own parochial accounting, but is preparing a system potentially beneficial to other parishes. As that study is concurrent with this, and still needs further refinement, it cannot fairly be quoted to any length, but one or two points are worth drawing out:

(1) it needed some 250 hours of work and committee attendance for Mr. Jowett (a banker by profession) to comprehend adequately and then to clarify his parish's financial systems;

(2) in Mr. Jowett's opinion "to put parish accounting on a sound base requires two things. First a drastic pruning of accounts and investments, the systems tending...to be so unwieldy as to defy rational administration. Second a
simple standard presentation...to make interpretation
and comparison easier and more meaningful".

(3) His study is likely to advocate parishes adopting a
budgeting system stretching forward for five years. \(^{(s)}\)

The Diocese therefore faces a multiplicity of accounting systems
which make the allocation of share solely on any criteria drawn from the
presented parochial accounts as potentially inequitable. This is why,
when we come to work out a possible allocation system, we shall find
ourselves considering a number of criteria drawn from other sources.

2.4 Parish Resourcefulness

This is ancillary to parish accounting and a necessary basis for
diocesan accounting. Since it is the parish and not the diocese which,
in the main, generates the Church's income, it is on the resourcefulness
of the former that the latter's financial health must depend. Parish
resourcefulness is another area which appears very little researched, \(^{(s)}\)
but we may note a few points as being relevant.

Not only is free admission to church a behavioural preference \(^{(s)}\)
it is a legal necessity \(^{(s)}\), and whilst voluntary collections can be
made, there is a wide divergence of opinion in the Diocese as between
regular weekly giving ('Christian Stewardship') and more irregular
special event giving (Spring Fairs, Autumn Bazaars, Gift Days) \(^{(s)}\).

The diocesan policy is in favour of weekly giving, but "country chur-
cches prefer gift days ... [on the] community principle" \(^{(s)}\). This

seems to imply an important sociological point - in a reasonably
cohesive community such as still tends to obtain in rural areas, an
event such as a church fete will have more than a money raising role
- it will provide a point of focus desirable - if not essential - for
the continued communal welfare, and that to seek its discontinuance -
as one interviewee certainly wished to \(^{(s)}\) and others implied they might
like to - on financial grounds, is seeking a move with unpredictable but almost certainly unfavourable social consequences. Although there is insufficient reliability in the figures to be certain, and factors such as differences in economic wealth and the seasonal swings already mentioned also cause variations parish to parish, a casual inspection of the presented parish accounts does suggest that weekly giving parishes generate more income per head than special occasion givers; and one opinion expressed was that at a bazaar "you've got to give them value for money" (c7) i.e. that payment was being made for the value of the goods rather than the value of the religion. But other points that emerged from enquiries made along these lines (since it did seem to be a theme so important to the study) suggested that there is much more involved here than is immediately evident, and that making too hasty conclusions might be rash. Among them: the cycle of life in country areas facilitates special occasion giving, as income is received at long intervals (e.g. after harvest) so does it tend to be given (c1); at a cathedral gift day 80% of the money came from 20% of the givers (c7) (readers familiar with Pareto analysis (f10) will note the figures with interest); there tends to be a correlation between regular giving and the central committed core of the congregation, (see also Figure 3 which again displays Pareto features); the role of the incumbent is crucial - "a charismatic clergyman can raise money hand over fist" (c4); but many clergymen "are embarrassed at having to ask for money" (c7); and a thoughtful but unproven suggestion that when a fete or a gift day is known to be coming, weekly giving is reduced to provide a reserve from which the special giving can be made (c7). Should that be so it would have very interesting implications when considering the marketing of the Church of England, since it would imply that the parishioner is placing a measurable
FIGURE 3A  Amounts given per family per week.
Source: The Diocesan Christian
Stewardship Adviser: data from com-
mittied giving together with a reason-
able estimate of giving through the
open collection derived from fourteen
Christian Stewardship missions conducted
in 1976.
FIGURE 3B  Value given by level of giving per week.
Source: as for Figure 3A

Value given at specified levels

Cumulative value given

Total value given per week in each class

Level of giving in pence per week
valuation on the benefits received from the Church.

It had been hoped to pursue this theme further, but in the absence of adequate anterior research (and one authority was able to state with reasonable certainty that none existed) this became effectively impossible within the time available. We must therefore leave it with only a note that it would appear to be another area meriting further study.

2.5 The Parish Questionnaire

In order to obtain some basic information about the parochial level which was felt to be relevant to the diocesan level, a questionnaire was despatched to a selected list of parish treasurers. The questionnaire itself is reproduced in Appendix A and what follows in this section are some comments on the format and then on the results.

2.5.1 Some comments and afterthoughts on the format

Since parochial account-keeping is an area known to be diverse ("The methods of church accounting vary so much that it is difficult to say whether there are 'generally recognized accounting principles' for churches"), the drafting of the questions was the subject of considerable thought; and as the area had been so poorly researched before there was little guidance available as to which sorts of questions would produce the most useful results. Eventually a format was adopted which erred on the side of brevity and simplicity at the expense of full technical detail, in the hope that this would yield a high response rate and at least show up major, easily-identifiable trends. To circulate all the parishes was deemed too expensive and accordingly a selected list was prepared by the Diocesan Secretary, working principally on two criteria. The first of these was a preference for treasurers who would probably reply. The second was to select from within that group
of treasurers as wide a spread as possible between the major characteristics of urban/rural and amateur/professional, and also from among the diverse opinions known to be held. It follows that the results cannot be treated as a definitive statement of parochial feeling but only as a preliminary analysis which may occasion food for thought.

When the completed questionnaires were returned some points emerged which, had they been realised in advance, might have led to different phraseology or format. To avoid confusion with the results the next few paragraphs will first enumerate some of these forethoughts and afterthoughts in respect of certain questions.

2.5.1.1 - A1 - How long a treasurer?

It would have been better here to split the group '1-5 years' more finely, perhaps '1-3' and '3-5' since this turned out to be the modal group.

2.5.1.2 - A3 - How long per week on treasurer's duties?

The definition and extent of 'treasurer's duties' may well vary from parish to parish, but it was decided to risk ambiguity in order to achieve simplicity.

2.5.1.3 - A6 - Accounts easily understood?

The question as posed begged the deeper question of how many parishioners - or even how many members of the Parochial Church Council - took an interest in the accounts. This latter would be very useful to know as a guide to the quality of financial control being exercised at parochial level, and hence for the quality which could be looked for at diocesan level, but to have elicited it adequately would have needed a question more complex than a simple Yes/No answer and it was reluctantly decided to forego the opportunity. (Apropos the need for such control, even in such a trustworthy organisation as the Church, Slade
comments: "There is virtually no 'internal check' as accountants would say, and internal check is not only a device to prevent fraud, it is also a method of preventing error to which all humans are liable"."

It might however be worth taking up should the exercise be repeated.

2.5.1.4 - B2 - Happy to continue?

This begged another question which was not asked for fear it seem offensive - the treasurers' ages. Whilst the evidence was insufficient to be certain, there seems to be a tendency for it to be a retired person's job.

2.5.1.5 - B4 - Deanery Adviser

This is an idea which has been evolving in the Diocese indepen-dently of this study and it was included here as a useful opportunity to test reaction. Diocesan reasoning is that many treasurers face unnecessarily complicated book-keeping systems, that an 'outside' expert could be a help, but that he must not carry a 'diocesan' label else he will be resented and rejected. It was thought a 'deanery' label would circumvent the problem.

2.5.1.6 - C1 - In favour of potential income? and C2 Is it fair?

Potential income is an attempt to get over the problem of one parish's presented accounts ('actual income') not being comparable with another's (due to differing accounting practices) by substituting for both a theoretical income. The procedure adopted to calculate that theoretical income is standard for all parishes in the Diocese (and is expounded more fully in Appendix C) but is necessarily some-what subjective. Since these were the two questions which came closest to the central theme of this study it would have been valuable to expand them into asking for detailed comments or even for alternative proposals, but to do so would have involved an open-ended question with
the likelihood of as many different answers as there were respondents. Such a question, whilst possibly yielding ideas, would not have easily lent itself to numerate analysis, and might, by lengthening the questionaire, have reduced the response rate. Again the opportunity was passed over, partly because it was felt that should the results of a simple Yes/No question show substantial feeling against potential income, then it would become a proper subject for consideration through the synodical system, wherein of course all parishes have representation.

2.5.1.7 - C4 - Opinions on diocesan office

These two questions were deliberate probes. Since it is the Diocesan Secretary's policy to make himself and his staff as available and as helpful as possible it was worth taking the opportunity afforded by the questionnaire to ascertain the degree of his success.

2.5.1.8 - C5 - Description of the Diocese

This again was a probe with no anterior knowledge as to how best it should be phrased. The format adopted sought to distinguish, principally, between those who saw the Diocese united under the Bishop and those who had a less centripetal viewpoint; and possibly also distinguish any who had feelings of alienation.

2.5.1.9 - C6 - Control over diocesan financial policy

This question contained an inherent ambiguity in that the Board of Finance is technically a committee of the Bishop's Council, but the point was either missed or not considered a difficulty because the greater majority of respondents correctly identified the Board as the principal controlling agency.

2.5.1.10 - C7 - Parochial influence over diocesan policy

This moved away from the purely financial to try to ascertain the parochial feeling about the working of the synodical system. It was
known that this had inadequacies but not how serious they were deemed to be. Again the phraseology of the question was deliberately chosen to be simple rather than technically adequate. This sufficed for the majority of treasurers who completed - and returned - the questionnaire quickly - but caused some confusion among those who gave it deeper thought. Several added comments which we shall consider in paragraph 2.5.3.13, but their particular concern seemed to be the omission of the word 'financial', leading them to wonder what was sought. Possibly greater distinction could have been made between C6 - financial control - and C7 - general control - if the phraseology had been more precise, but it would also have been longer and risked deterring those who were happy with brief, quickly answered, questions.

2.5.1.11 - D1 and D2 - Methods of raising parochial finance

These two questions were largely factual, included to provide information in areas wherein little was known.

The methods to be used by parishes to raise money is one of several themes on which opinions differ widely and which consequently are difficult to handle analytically. In order to obtain an answer susceptible to analysis and yet not compress latent feeling too much the Yes/No boxes were supplemented by a space for optional comment - a facility of which several treasurers availed themselves.

2.5.1.12 - D3 - Investment advice

This was the sole survivor from a group of questions originally motivated by feeling that some parishes had at least complex, and occasionally substantial, bequests to handle. The area however is hazy and precise questions difficult to phrase. Eventually only the one was posed but it yielded useful results.
2.5.1.13 - D4 - Support from non-parishioners

This last question was to be the one which brought the greatest response. Almost all the treasurers made some comment, several writing two or three paragraphs. This had been partially anticipated - indeed one motive for so locating it had been to provide an opportunity for expression of suppressed feeling before final signature - but behind it lay a perfectly serious desire to learn something about two aspects: first, the valuation among non-anglicans, or at least among non-church-goers, of the church in their midst; and secondly of the value to certain rural parishes of the transient tourist trade. Thus covering two in one again led to some inevitable ambiguity which was spotted by, and caused concern to, some of the more thoughtful respondents, but nonetheless yielded an interesting set of responses.

2.5.2 Summarised results

Thirty-five questionnaires were despatched and by the cut-off date 31 had been returned (of which one was returned blank, "I on a long-standing principal [sic], have always eschewed compilation of them"). The typical treasurer probably took the job on with some reluctance, often after 'persuasion' ("press-ganged"; "bulldozed into it"; "no-one else volunteered") by other parishioners or the incumbent; had a difficult time at first (possibly because he was unlikely to have any formal qualifications) especially with the first year's balance sheet; but thereafter became more at ease. He is quite happy to continue (indeed there is a one-third chance that he has already held the position for more than ten years) notwithstanding the probability that he is solely responsible for as many as eleven different bank accounts (though the mean was only 4½ and the mode 4). He would probably not now appreciate any outside help but might have done so when he was taking over, and in most cases would complete his weekly
duties in less than two hours, rarely needing more than five.

Reflecting on the tabulated results, the Diocesan Secretary commented that eleven was certainly not the maximum number of bank accounts held by a parish. He knew of one which formerly had hundreds, "an account for every legacy ... since the year 1700" but which was reduced to thirty when the retiring treasurer was forced to acknowledge that volume as a cause of his difficulty in finding a successor. That such practices should be occurring does suggest that there is much to be learned from further enquiry at the parochial level.

The Diocese incidentally, operates only three bank accounts, despite having some six or seven hundred trusts.

2.5.3 Detailed comment on numerate questions

2.5.3.1 - A1 - How long a treasurer?

Half of those who responded came in the 1-5 years bracket, with the next largest group being the one-third who said 'over 10 years'. It seems that a treasurer once appointed tends to keep his position for a lengthy period of time.

2.5.3.2 - A2 - Qualified?

Three-quarters are not qualified which may have relevance to the quality of parochial accounting, but it should be remembered that many parishes (though probably not as many as three-quarters) are small and their accounting needs likely to be simple.

2.5.3.3 - A3 - How long per week on treasurer's duties?

The job is evidently not onerous - half the treasurers had completed their duties within two hours and only three needed more than five.
2.5.3.4 - A4 - Solely responsible?

Twenty-one out of 30 were solely responsible, which tends to authenticate the responses to A3 - treasurers generally are not recording low hours per week because they do only part of the job.

2.5.3.5 - A5 - Number of bank accounts

This produced a very wide spread - only one parish managed with only one, and one needed eleven.

2.5.3.6 - A6 - Accounts easily understood?

The great majority (29 out of 31) treasurers felt they were adequately understood by parishioners, although one or two intimated that they had themselves already simplified them.

2.5.3.7 - B4 - Deanery Adviser

The unfavourable response to the implied offer of a deanery adviser - only 2 out of 28 accepting the idea - was particularly notable. The diocesan presumption of need would seem to be not justified, but nonetheless a problem does seem to exist. One respondent actually stated, "Many parishes could no doubt do with outside help - but it would probably be resented if it was offered". A second was honest enough to say, "I hesitate on this one, for one can always learn something from others" and a third probably epitomised most feeling by saying, "Not particularly now, but it would have been initially".

2.5.3.8 - C1 - In favour of potential income? and C2 Is it fair?

The questions on potential income yielded a predictable majority in favour of the present system, although there was a measurable minority who either disliked it (8 out of 30), or thought it not fair (5 out of 29). Comparing the two questions, the Diocesan Secretary noted that "three people aren't in favour even though they think the thing's
fair ... which indicates that possibly they don't understand it. And whilst it would not be justifiable to calculate statistical parameters such as correlations on such a sample, it does seem to emphasise the organic link within the Church between the functional and the synodal structures.

2.3.3.9 - C3 - Views on diocesan share

This question produced perhaps the most interesting result of any. Only two out of thirty saw their parish share as being a payment for benefits received, a low figure considering that this is essentially what it is. Of the total diocesan share, two-thirds is disbursed on stipends and other provisions for clergy who operate almost exclusively within the parish (see Appendix B), and much of the remaining third is on services which are of an intra-parochial rather than a general benefit. The high count (19) of treasurers who thought of their share as being a contribution to the family purse may reflect a subjective bias (engendered partly by deliberate diocesan policy) rather than an objective response, particularly as it correlates so closely with those opining under C5 that the Diocese was a group of parishes. The Church of England operates on an hierarchical, almost familial, structure and there is an underlying feeling of togetherness which generates the large volume of goodwill previously noted. It could be reasonable to think of it as also disposing treasurers to regard themselves as part of a diocesan family rather than as customers for diocesan services. Converse reasoning possibly explains the low count on 'tax on parochial income' - the word 'tax' is apparently not liked within the Church and has therefore been avoided throughout this study - but the same idea under a different name ('levy') reached a markedly higher count, perhaps suggesting that this was how some treasurers saw their share, but that they disliked the phraseology being used to describe it. Again there is possibly scope here for further enquiry.
2.5.3.10 - C4 - Opinions on diocesan office

The results of these two questions were gratifyingly favourable - it would seem the Diocesan Secretary's 'open-door' policy is working successfully.

2.5.3.11 - C5 - Description of the Diocese

A clear majority of parishes - 19 out of 30 - evidently see themselves as one among equals, not as subordinates of the Bishop. Only two displayed a real sense of alienation.

2.5.3.12 - C6 - Control over diocesan financial policy

Another clear majority (22 out of 32) correctly identified the Board of Finance as the principal controlling authority. The count in favour of the Diocesan Secretary (7) may not be too surprising - "a lot of people ... realise by now that it's my personal responsibility to draw up the budget and Board of Finance's job to consider it" (4) - but to ascertain whether or not those seven were justified would need a closer observation of the working of the various diocesan committees and boards.

2.5.3.13 - C7 - Parochial control over diocesan policy

The actual count shows a small majority feeling that parishes do not have adequate control over the Diocese. The fact that there is any majority at all is perturbing, and whilst no democratic organisation can reasonably expect to achieve perfection in its representative systems, this result would seem to show that there is a degree of disenchantment among parishes which may merit closer study.

The comments added to this question were again a fruitful source of thoughtful ideas, many suggesting a degree of inadequacy in the workings of the synodical system. "Parishes do not yet appreciate the importance of the deanery, when they do synodical government will start
to work", "At present it appears to me that synodical decisions are
totally individual rather than representing parish, deanery and diocese"
and "The main channel through which the parishes could have any influence
is the deanery synod. However, my experience of the deanery synod is
that most business discussed has already been decided by the diocesan
synod". There were also a few favourable comments but not as many as
might have been hoped for, but pending further research we should perhaps
not prejudge the degree of control (both up and down) which a fully satis-
factory synodical system could allow. Whilst the expressed opinions are
no doubt genuine they are not necessarily justified - it may be that the
parishes do have enough control and that what is needed is better commu-
nication. It should not be assumed too quickly that it is the system
which needs changing.

2.5.3.14 - D1 and D2 - Methods of raising parochial finance

The voting showed that while nearly half the parishes relied
chiefly on weekly offerings, none relied chiefly on special events
(one in fact ticked all three boxes but this was counted as a vote
for 'both'), and the majority adopted a blend of systems. The com-
ments were both interesting and diverse and there were points both for
and against Christian Stewardship:

(Both) - "Stewardship does not meet with the approval of the
PCC."

(Weekly) - "Stewardship not popular. Insufficient response
to too many social events"

(Weekly) - "A planned giving scheme ... has proved ... very
successful indeed"

(Weekly) - "... 90% of total income is raised in this way". 
Some were pragmatic:

(Both) - "Our approach is partly governed by what people
want or are prepared to do or give"

(Both) - "The 'mixed' economy seems very popular".

Whilst several commented on special events having a social as well as
a financial value:

(Both) - "... but we will always have regular social events
- they are a vital part of parish (and village) life"
(Weekly) - "Social events (non 'profit making') are organised
however to maintain a 'family' feeling within the
Church"

(Both) - "... social events in the calendar ... do tend to
bring villagers together, including non-conformists".

But reading through them all there seems to be a trend of dissatisfaction
with, or at least of uncertainty about, the reliability of any particular
method. Very few treasurers were able to make comments such as "the
congregation is aware of its responsibilities" or "when extra commit-
ments arise, the money is always forthcoming, all we do is simply ask
for what we need". The first of those two comments came from a parish
relying on weekly income, the second from one which "will not have
stewardship in any guise". It does seem that this is an area in which
dogmatic viewpoints are not justified, but they are, and no doubt
sincerely, held. The strength and diversity of them makes external
analysis difficult, yet this has now brought us right down to the sub-
ject of parish resourcefulness which is the basic foundation on which
any diocesan financial structure must rest, and one which we therefore
cannot ignore. Perhaps the best we can do is to suggest that it merits
further research, but that that research may need to be as much socio-
logical as financial in content.
2.5.3.15 - D3 - Investment advice

This yielded a fairly even split between those who do and those who do not, seek advice. The absolute figures should be treated with caution, since they may be affected by factors unique to the Church and not easily discernible to an outside analyst, the 'No' vote for example may be inflated by "... one or two parishes who regard it as unspiritual to keep balances, ... if they've got anything left [at the year-end] they give it away" and it would be reasonable to assume that other parishes too might have nil or negligible funds to invest. Of those who do seek advice though, the majority would turn initially to the Diocesan Secretary, a few would consider the Diocesan Board of Finance, a similar number consult experts within the parish, and one turns to the bank.

2.5.4 Detailed comment on descriptive questions

We now come to several questions which were purely descriptive in format. These were included with some caution because they are so difficult to analyse; but it was felt that pertinent areas could not be assessed in any other way, and that forcing all questions into a Yes/No format could lead to frustration and a reduced response rate. The following summaries therefore, whilst useful as a guide to the results, are bound to be somewhat subjective selections.

2.5.4.1 - B1 - How were you appointed treasurer?

The greater majority of the responses indicated an invitation having been made and several implied that it had been coupled with an implication of moral obligation. None suggested they had actively sought the position. Yet the work load is apparently not onerous (question A3) and the typical parish congregation could be expected to include a high proportion of professional people (cW). It seems
surprising that not more people are willing to take on a position which would be a useful service to an organisation of which (presumably) they are happy to be active members. Possibly here also there is scope for further enquiry.

2.5.4.2 - B2 - Happy to continue?

This did lend itself to analysis and 24 out of 30 who responded did so with what amounted to a 'yes' answer, but several qualified it with comments such as "reasonably happy but feel there should be a set maximum term for all similar appointments. Perhaps ten years is a suitable maximum." or "In my own interests I am happy to continue, but in the interests of the Church on account of my age 72 I would welcome the opportunity to hand over to another person".

2.5.4.3 - B3 - Sufficient training?

This yielded a surprisingly favourable response. Anterior presumption had been that most treasurers coming new to the job would lack experience ("Fortunate indeed is the parish that has a treasurer and auditor well versed in both church affairs and accountancy") and consequently would feel a need for some form of training, but even though so few were qualified, most felt they coped with the takeover reasonably well. Several were assisted by their predecessors but none referred to using any of the books published on parochial finance (possibly being unaware of their existence) or to seeking 'outside' help. Yet several also made comments such as "the first balance sheet was the most difficult part", "slightly difficult until I could get the book-keeping on to a better business-like footing", and "the major difficulty was interpreting the system evolved by the previous treasurer over a period of 25 years", all of which would bespeak the value of a simplified standardised system applicable to all parishes throughout the Diocese.
2.5.4.4 - D4 - Support from non-parishioners

As noted in paragraph 2.5.1.13 this question was partly designed as a vent for general feeling. It succeeded remarkably well. The responses varied widely, ranging all the way from neutral acceptance, "They have to be catered for" to near-hostile opposition, "I feel strongly about those who do not support the church but expect it to be available for the services you mention, which I consider are in many cases hardly more than tribal rites".

Such a wide range is difficult to summarise but a few individual responses are perhaps worth quoting: "We are fortunate in having several covenant gifts from weekenders" (a comment which would suggest that the 'tourist trade' is not as transient as had been supposed); "People who are otherwise quite intelligent are pathetically ignorant of the structure of the Church of England. Many still believe that the government pays for it!!". This last is a point which was also alluded to by one or two interviewees. Whether or not it is true that non-anglicans associate the government and the Church would need to be tested by further research, but we can note here that there is a significant body of opinion within the Church that believes such an association is made.

And one which perhaps came nearest to summarising them all:

"We no doubt receive some support from ex-parishioners or non-regular attenders who live in the parish, but it is hard to quantify. With regard to those who use the church as a convenience I feel we should ensure the fees cover any expenses incurred on their behalf".

2.6 Financial Aspects of Church Buildings

2.6.1 Renewal and/or reconstruction

There are 156 consecrated churches in the Diocese of which 55 are listed (and therefore to a degree protected) under the Town and Country
Planning Act 1971. Legally "the freehold of the church is as a general rule, by the common law, vested in the incumbent"(48), but for practical purposes we can consider it to be under the control of the Parochial Church Council and subject to strong Diocesan influence. 156 is "undoubtedly too many"(46) but a tentative scheme to renovate some and relocate others(41) is likely to proceed only slowly, partly because the ecclesiastical legal machinery is so dilatory ("the legal complications of the Church of England are inexhaustible"(78)), partly because of financial constraints (a point we shall take up in greater detail shortly), but partly because of considerable affection among parishioners - especially the elderly - for their 'own' building(41). This latter is something not to be underestimated, and which cannot be over-ridden (since the parish, not the diocese, controls the building) but it may well be susceptible to influence - a point we shall find it useful to bear in mind when devising our allocation system.

Bradford is not alone in having problems, a report in Sheffield in 1975 stated "... if the Church could be given the chance of making a completely fresh start with the buildings needed for the maintenance of its life and the development of its mission, it would never elect to have precisely the buildings which it has ... inherited ..."(81), but the situation must be faced as it is, not as one would wish it to be, and it is to Bradford's credit that they have taken a realistically broad approach(815), although perhaps to their discredit that they are doing so on more of an intuitive than a rational basis. Specifically they seem unaware of, or at least reluctant to use, financial techniques such as capital investment appraisal, notwithstanding that they are facing problems which are essentially asset renewal in a situation of capital rationing. Indeed it would appear that the Church Commissioners' first test before allocating capital is not financial at all
but that the area being served has "... got to have an increase in population of more than 5,000 since the war". In the face of such feeling it is distinctly daunting to be suggesting the adoption of more precise financial techniques, but that is the implicit reason for this study. We may however surmise that the Church's failure to use more rational techniques could be an error of omission rather than commission, since there is some expressed feeling in favour of improvement. "We do not think that the control exercised by the Diocese over building projects has always been sufficiently detailed ... the Diocese ought to have some cumulative wisdom to offer to a parish which may have had little or no experience of building".

Merret and Sykes, considering this general theme state "As operating costs ... typically rise with age, it seldom pays to run an asset for its maximum physical or technical life. ... Given a schedule of annual repair and operating costs and annual residual values, it is possible to determine when it pays to scrap an asset and replace it with a new one". After reasoning that repairs are nearly always possible if the financial case is ignored, no matter how poor the condition of the asset, they caution that "There comes a time when the repairs are so large and complicated to carry out that, without doing any cost estimates, it is clear that the repairs are not justified and may even prove impossible to carry out." This would seem to epitomise the Church's attitude to renewal - only do it when repair is either impossible or overwhelmingly expensive and it is a basic proposition of this section that for renewal to have optimum financial effect it should possibly be carried out before that point has been reached. By way of exemplification we will consider two cases, in one of which capital investment appraisal could have been used, and in the other of which it certainly should have been.
The case of Thwaites Brow

Thwaites Brow is a semi-rural parish on the fringe of the metropolis which in recent years has received much new suburban housing. The church was, in the late 1960's, in such a poor state of repair that despite earlier expenditure of appreciable sums a further expenditure of at least £40,000 would have been needed to rehabilitate the structure, and even if that were done there could still be no certainty of the building surviving for any length of time. After lengthy discussion (which apparently became so difficult that the priest who was the then incumbent felt they should preferably not be discussed in this study) the decision was made to demolish and rebuild rather than expend further sums on repair. In order to show the benefit which could be derived by applying capital investment appraisal at an adequately early stage it had been hoped to reconstruct the relevant cash flows by reference to the appropriate parish annual accounts and compare them with the capital outflow. Unfortunately, the accounts were found to be hardly adequate for the purpose - (despite some assiduous research by the current incumbent - one year's were missing completely, necessitating re-construction by intelligent interpolation, which further weakened any hopes of being realistic) and in view of such weakness it was also deemed pointless to allow for inflation. It should be stressed therefore, that what follows is not an attempt to reach any conclusion, but only an exemplification of certain techniques which the Diocese might consider studying more closely in case they could be a useful supplementation to present procedures.

2.6.2 Investment appraisal techniques considered

For the data for the years 1965 to 1977 (i.e. five years before renewal to latest available) see Figure 4.
### FIGURE 4: Parish of Thwaites Brow - A Comparative Analysis of Income and Expenditure Relative to the Church and Church Hall for the Years 1965 – 1977

<table>
<thead>
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</thead>
<tbody>
<tr>
<td><strong>Income</strong></td>
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<tr>
<td>Giving</td>
<td>589</td>
<td>577</td>
<td>551</td>
<td>500</td>
<td>437</td>
<td>407</td>
<td>633</td>
<td>911</td>
<td>1058</td>
<td>1250</td>
<td>1595</td>
<td>2029</td>
<td>1983</td>
</tr>
<tr>
<td>Hiring Fees</td>
<td>21</td>
<td>32</td>
<td>-</td>
<td>50</td>
<td>78</td>
<td>82</td>
<td>28</td>
<td>252</td>
<td>239</td>
<td>339</td>
<td>334</td>
<td>498</td>
<td>617</td>
</tr>
<tr>
<td>Marriages &amp; Funerals</td>
<td>1</td>
<td>11</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>-</td>
<td>3</td>
<td>16</td>
<td>16</td>
<td>18</td>
<td>37</td>
<td>78</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>611</td>
<td>620</td>
<td>556</td>
<td>555</td>
<td>520</td>
<td>494</td>
<td>661</td>
<td>1166</td>
<td>1313</td>
<td>1605</td>
<td>1947</td>
<td>2564</td>
<td>2678</td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Maintenance &amp; Repair</td>
<td>63</td>
<td>37</td>
<td>221</td>
<td>457</td>
<td>11</td>
<td>2</td>
<td>-</td>
<td>30</td>
<td>6</td>
<td>160</td>
<td>137</td>
<td>125</td>
<td>232</td>
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<td>Running Costs:</td>
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<tr>
<td>- electricity</td>
<td>37</td>
<td>45</td>
<td>48</td>
<td>50</td>
<td>77</td>
<td>77</td>
<td>17</td>
<td>258</td>
<td>276</td>
<td>245</td>
<td>306</td>
<td>470</td>
<td>558</td>
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<tr>
<td>- gas</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>-</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>5</td>
<td>7</td>
<td>11</td>
</tr>
<tr>
<td>- water rate</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- insurance</td>
<td>25</td>
<td>33</td>
<td>26</td>
<td>26</td>
<td>26</td>
<td>-</td>
<td>89</td>
<td>62</td>
<td>62</td>
<td>69</td>
<td>139</td>
<td>138</td>
<td>107</td>
</tr>
<tr>
<td>- cleaning</td>
<td>52</td>
<td>57</td>
<td>60</td>
<td>60</td>
<td>76</td>
<td>15</td>
<td>61</td>
<td>163</td>
<td>197</td>
<td>209</td>
<td>206</td>
<td>270</td>
<td>289</td>
</tr>
<tr>
<td>- oil and coke</td>
<td>107</td>
<td>55</td>
<td>72</td>
<td>80</td>
<td>89</td>
<td>55</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Organ – Repair and Maintenance</td>
<td>8</td>
<td>5</td>
<td>-</td>
<td>-</td>
<td>5</td>
<td>-</td>
<td>-</td>
<td>8</td>
<td>19</td>
<td>39</td>
<td>31</td>
<td>21</td>
<td>43</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>294</td>
<td>238</td>
<td>429</td>
<td>675</td>
<td>287</td>
<td>151</td>
<td>167</td>
<td>524</td>
<td>563</td>
<td>726</td>
<td>826</td>
<td>1034</td>
<td>1245</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>317</td>
<td>382</td>
<td>127</td>
<td>120</td>
<td>233</td>
<td>343</td>
<td>494</td>
<td>642</td>
<td>750</td>
<td>879</td>
<td>1121</td>
<td>1530</td>
<td>1433</td>
</tr>
</tbody>
</table>

Source: Minute Books and other records of the Parochial Church Council
2.6.2.1 Payback

This is a fairly simple technique which accumulates net income from the new asset until it reaches the capital outlay. e.g.:

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Income</th>
<th>Cumulative Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1971</td>
<td>494</td>
<td>494</td>
</tr>
<tr>
<td>1972</td>
<td>642</td>
<td>1,136</td>
</tr>
<tr>
<td>1973</td>
<td>750</td>
<td>1,886</td>
</tr>
<tr>
<td>1974</td>
<td>879</td>
<td>2,765</td>
</tr>
<tr>
<td>1975</td>
<td>1,121</td>
<td>3,886</td>
</tr>
<tr>
<td>1976</td>
<td>1,530</td>
<td>5,416</td>
</tr>
<tr>
<td>1977</td>
<td>1,433</td>
<td>6,849</td>
</tr>
</tbody>
</table>

and so on until the outlay of £22,359 is reached, the number of years then elapsed is the payback period and should that period be shorter for one church than another, there comes available a criterion for deciding which church to tackle next.

2.6.2.2 Net present value

This technique takes payback one stage further by incorporating cash flows occurring beyond the end of the payback period. To use this technique it is necessary to know or assume the expected life of the building, and the actual or notional rate of interest incurred on the capital employed. Since the Church normally does not borrow to finance building programmes this latter will be difficult to ascertain because, in effect, it will be the interest foregone by not investing the capital elsewhere. But assuming this problem can be overcome, then the net present value is obtained from the formula:
\[ \text{NPV} = \sum_{i=1}^{i=n} \frac{A_i}{(1 + r)^i} - C \]

where \( A_i \) is the net cash flow at the end of year \( i \), the project has a life of \( n \) years, \( r \) is the cost of capital, and \( C \) is the capital expenditure. This technique is used commercially to determine the probable viability of a proposed project - if the net present value is positive then the project is viable, if negative then it is not - but in the Church's case it would seem to have most potential value when comparing projects for churches expected to have differing periods of useful service.

2.6.2.3 Yield

We can now develop further into a technique known as the Yield Method, one variant of which - Discounted Cash Flow - is currently much favoured by practising accountants. This method takes all the cash flows used for Net Present Value and then calculates the rate of interest which would equate them to the outflow(s) (i.e. in the Church's case the net cost of constructing the new building). If that rate is below the rate of interest incurred in making the necessary capital available then the project is deemed viable, if greater, then not viable. Again, in the Church's case it would seem to offer a more refined way of deciding between several proposed projects where not all can be tackled at once. The calculation is made by solving for \( r \) in the formula:

\[ C = \sum_{i=1}^{i=n} \frac{A_i}{(1 + r)^i} \]

where the symbols are as previously defined.
2.6.2.4 Annual Capital Charge

Finally there is a technique known as the Annual Capital Charge which works on slightly different principles and is applicable when the annual cash flows are likely to be constant. This is a feature which may apply in the case of churches. Based on the evidence collected at Thwaites Brow it would seem that newness of the building is only one factor among many which affects church attendance. The technique, briefly explained, is that any asset, e.g. a church, depreciates to nil value over a period of time and that if it is to then be replaced an adequate annual sum must be set aside. If that annual sum, found by solving for $N$ in the formula

$$N = \frac{C_r}{(1 + r)^n - 1}$$

is less than the cash flows being received then the project is viable, if greater, then it is not. This technique would seem to have applications in parishes with stable populations.

All the above, it must be stressed, is but a very brief introduction to a field which will need closer enquiry if it is to be applied in practice. The reader interested in considering it more deeply would find useful the more detailed exposition in Merret and Sykes', "The Finance and Analysis of Capital Projects"). This section seeks only to go so far as suggesting that by not employing such techniques more fully the Diocese is at least being inefficient and possibly losing financially. The idea can be exemplified by studying a brief case history.
The Case of Bradford St. Swithin

This is a pseudonym for a well-to-do parish in the moderately affluent suburbs of the metropolitan area. Its congregation will be drawn largely from that group of professional classes which is probably most able to handle routine business affairs, and to generate and act upon sensible initiatives, supplying both the finance and the skills necessary to carry them to fruition. It is also blessed - if that is the right word - with a particularly lofty church, so lofty that it occurred to someone to insert a mezzanine floor about half-way up, thus reducing the expense of heating the main body of the church when used for services, and providing a separate upper room which could be used as a venue for social functions. The proposal was given preliminary approval by the Parochial Church Council, a surveyor was consulted to see if it was technically possible, and his opinion being favourable, an architect also to prepare for the necessary works. All was proceeding nicely until the financial aspects were studied in some detail - and the result rapidly stopped everything. It was obvious that the financial outlay would exceed the parish’s financial resources, notwithstanding how large those might be, and that the potential savings on heating would be insignificant by comparison. Had the parish really been able to stop at that point they might well have come out sadder and wiser but no worse in pocket, but unfortunately they were already committed to the architect's bill in order to meet which they had to exhaust their reserves, and were consequently unable to pay their parish share for that year - a matter of considerable embarrassment all round. The failure to undertake adequate capital investment appraisal was both costly and on the face of it inexcusable - why then was it not done? A chance remark made by the Diocesan Secretary may give an indication:
"... so many good solid lay people ... when they come to church affairs don't use the same sort of expertise as they've got in business ... they leave it to the vicar who very often isn't trained to do this sort of thing". (c)

To say the least, both those points are regrettable.

2.6.3 Buildings: degree of utilisation

There can be no reasonable doubt that, in the majority of cases, churches are not used to anything like the reasonable maximum, and whilst that is not as serious in its consequences as it would be for an organisation whose prime motive was profit (since some of the fixed costs associated with such assets, e.g. rent and rates, are non-existent, and others, e.g. depreciation, are not as severe), it nonetheless presents a managerial aspect which merits attention. Whether poor usage is deliberate or accidental is beyond the scope of this study - which, properly, is concerned with consequential effects on diocesan finances rather than original causes - but since cause and effect are always best studied together we may permit ourselves a brief look in a search for financially relevant data.

One commentator opines that the Church "has tended to look askance at such strictly commercial practices as management of physical assets". (p41) He is probably right - the same theme emerged in subdued form in several of the interviews - and his later comment that "one explanation ... for the sorry financial plight of the church is the amazingly few hours each week that the church edifice ... is used" (p44) probably isolates what any businessman would feel to be the principal weakness. Usage however is seasonal, particularly in the rural areas of the Craven Archdeaconry where there is a substantial influx of visitors in summer and a consequent fall-off in winter (when of course, costs such as heating are at their maximum). These peaks of demand create a need for high capacity. There appears though to be no
doctrinal objection to the same service being repeated several times on the same day ($\kappa$), which could provide a means for a small church to cater for a large congregation. The biggest single expense seems to be heating and lighting. So poorly presented are parish accounts a precise figure for the Diocese as a whole is difficult to calculate, but from the 1976 accounts, the Diocesan Secretary made a 'guesstimate' of £100,000 (with a further £80,000 on maintenance) for his own study ($\lambda$).

If this be so then there is a prima facie managerial case (we must for the moment ignore the emotive aspect, important though that is, else we shall obscure the financial theme) for encouraging parishes who at certain times have low congregations to combine those congregations and use only one building rather than two or three. This would produce an improved net cash flow and is another point we may find useful in constructing our allocation system.

Usage for purposes other than worship (an obvious line of thought if increased usage is desired) is nothing new but it does come up against problems such as psychological reluctance ($\eta$); that any request for payment to enter a church, e.g. for a concert, cannot be enforced ($\theta$); and that if carried too far may lose the church its privilege of being rate-exempt ($\kappa$). Where that point would come is uncertain, although there are cases within the Diocese of rated commercial premises being used for worship ($\tau$), and therefore, presumably, available for the Church to use for secular revenue-producing purposes at other times, no-one has worked out the break-even between the extremes. Although even where it is possible we are still faced with the question of commercial viability, a 'Theatre Roundabout' held in the Cathedral only "broke even" ($\chi$) and a suggestion of an exhibition of church plate - much of which at the moment is stored in bank vaults because no-one can think of anything better - looks like being judged a non-starter ($\kappa$).
On the brighter side however, new churches being constructed are commonly fitted with a movable partition which not only gives flexibility to the area available for services, but also enables the area beyond the partition to be used for ancillary functions.

The problem is thus not going unrecognised, rather we must conclude that failure to achieve optimum usage of churches is probably due more to behavioural than rational reasons, and that one incidental benefit which might be obtained from a suitably designed allocation system would be that of encouraging parishes to move in directions considered desirable by the Diocese.

2.6.4 Disposal of redundant churches

If the routine management of church affairs is legally complex, that of disposing of redundant buildings is even more so. A brief story cited by Professor French will give us an idea of the problems involved.

"The church and vicarage of St. John's, Chelsea, occupied a triangular site, the vicarage being at the apex and the church at the base. The ground on which the church stood was consecrated; that on which the vicarage was built was not. During the second World War the Germans bombed the site and destroyed both buildings. Henceforward the work of the parish was conducted from other premises. Eventually an agreement was made to lease the site of the vicarage to a garage company for a petrol filling station. The company wished to use the consecrated church site for access to the petrol station and as a car park. It was prepared to pay a substantial rent for such use. It petitioned the ecclesiastical court (the London Consistory Court) for the necessary faculty. Despite the fact that it was somewhat doubtful if the church would ever be rebuilt on that site, as population movements had made it rather inconvenient, the deputy chancellor refused to grant a faculty. The proposed user was not for an ecclesiastical purpose. As the original intention for which the ground had been consecrated could still be achieved, there was no power in the court to grant a faculty for secular use. . . . Had the proposed user . . . been allowed, the church would have benefited from the rent, the local community would have obtained a petrol filling station, and the garage company might have made a profit."
Due to the need to abide by legal requirements dating from an earlier age the community involved were effectively denied the ability to order their own affairs to their own desires - and no-one was a beneficiary. (Incidentally, Professor French's article cites other cases, and is well worth reading by anyone interested in this theme). In what aspect then is the law being so tenacious - common or ecclesiastical? If it be ecclesiastical then we must, for the purposes of this study, accept it, and merely note that redundant buildings cannot be expected to yield much benefit, but if it be common or statute law, then by operation of the normal processes it can be amended, and we might reasonably suggest steps in that direction. A situation in which ecclesiastical law is much the same, but common law different (and younger) obtains in North America, and the position seems to be markedly different:

"... in Atlanta, Georgia, one church structure ... has now become a luxury restaurant. ... one church has been turned into a sail loft, another has been converted into a centre for the performing arts, [and] in Montreal, St. Jacques Church ... is being converted to university buildings" (P10)

The article makes no mention of serious legal obstacles and even goes on to mention a church in New York where "the various religious interests have succeeded in making the church both a religious and a community centre, which all will share and which will be financed jointly by the users" (P10) another move which entails legal difficulties when it occurs in the Church of England.

Not that the Church of England is short of bright ideas for the disposal of redundant churches once they become fully cleared of legal hindrance. The Church Commissioners reported in 1976 that among purposes to which redundant churches had been put were: Village Hall (1); Hindu Community Centre (1); Residential (34); Storage (9); Museums or archaeological study (6); Light industrial (2); Covered market and
restaurant (1); out of a total of 175. The Church authorities are apparently astute enough to derive full financial benefit once a property is deemed legally disposable, and the problem is reaching that stage rather than any inhibition over what its subsequent role may be.

Within the Bradford Diocese, the number of churches likely to be deemed redundant will not be known clearly until the Diocesan Secretary's study has proceeded further, but it seems that the number could be sufficiently large to have a marked effect on diocesan finances - and that provided the disposal thereof is handled sufficiently skilfully, that effect could be highly beneficial.

2.6.5 Aesthetic value of church buildings

2.6.5.1 Dual role of churches

This subject must be touched on, but only briefly, since its financial impact is more latent than actual. It is generally assumed that churches are regarded by much of the non-church-going community as having at least visual value. "The church building ... still typifies much that can be said to represent that which is English. It is arguable that ... many ... who do not actively participate in worship themselves, would feel a sense of loss if the church building in their midst was no longer available." To some extent this yields a financial return, visitors to rural churches contribute via boxes ("... the hidden wealth of the Craven area."), and appeals for major properties such as cathedrals draw response from non-anglican and maybe even non-Church sources. But, with a few exceptions, in 1976 Haworth Parish Church, because of its Bronte connections, received nearly £1,800 from visitors), contributions to parish churches "have been somewhat less magnificent". We may reasonably call this the tourist value of a church and it is an area which, although recognised, appears to be
little researched; partly, probably, because of a behavioural reluctance to view churches other than as places of worship. This in turn begs the question of marketing, which we shall consider more fully in Chapter 3, but it is probably true to say that tourism, and therefore tourist revenue, is something which has accrued to the Church through the historical chance of it possessing buildings such as cathedrals which are tourist attractions - rather than being something which has resulted from the Church actively marketing these assets. From a financial management point of view this reluctance is regrettable, the Church of England as a whole is endowed with a sufficiently large number of listed (i.e. historic) churches to make them of financial importance. Whilst a listed building cannot be demolished (but can be closed and allowed to fall into decay unless further statutory orders are made), it becomes eligible for government grant towards approved repairs, and by being thus publicised can attract increased tourist trade. But as the government grant is normally only 50 per cent and the income from such tourists likely to be unpredictable, the question arises as to whether listing a church effectively turns it into an asset or a liability in the financial sense. In order to research that a study was made of one church in the Diocese which has recently become the beneficiary of such a grant.

The Case of Tong St. James

Tong is an early eighteenth-century village a mile or two beyond the outer limits of the built-up metropolitan area. The village itself has only a small resident population (150) and forms part of a parish, the majority of whose population lives in suburban housing estates. There is a daughter church - St. Christopher's - among these estates, and the Incumbent's residence adjoins St. Christopher's not St. James'. The church was listed in 1971 under the Town and Country Planning Act
1947, and the cost of restoring the fabric of a listed building thus became a charge on the parishioners.

In the mid nineteen-seventies some members of the Parochial Church Council came to feel that this financial burden was greater than was justified in maintaining St. James' in a state fit for worship (their interest in it as purely an historic building appears to have been limited), but a proposal to the Parochial Church Council that restoration should cease was not accepted, largely because affection for the old stone parish church was greater than for the new modern (early nineteen-sixties) St. Christopher's.

In 1978, on an initiative from the Diocesan Secretary, an approach was made to the Historic Buildings Council (the government agency effectively responsible for listed buildings) and then a detailed appraisal made of the work needed to completely renovate the church. The total cost was estimated to be £40,000 but that it could be divided into three phases (flooring and pews; a heating system; decorations and hatchments) each of which could be treated as distinct - carrying out one phase would not oblige anyone to proceed to another.

The first phase was costed at £20,000, and as this study was being written, the Incumbent (as legal owner) had received notification of £10,000 grant. This grant however is specific - for the work stipulated in Phase One, not general for the whole restoration - and effectively contingent upon the Incumbent raising the other £10,000. Asked whether this was possible he was distinctly optimistic, but since he had so far been able to make only tentative enquiries, did not feel able to disclose what the results had been. Asked about sources he said there was unlikely to be anything forthcoming from the local authority (who had declined a request), and that his parishioners
were already giving as much as could reasonably be expected; but that intimations of support which sounded substantial had been received from the local business community and service groups (although some of those offers may be specific - for particular portions of the work in which the donors were interested). He was about to launch a public appeal ("for the whole restoration, not just for Phase One"), utilising local media, including radio and television. In all of this he was obviously playing to the wider civil community, yet he was unhappy handling questions about the tourist trade, emphasising that he sought restoration of St. James' primarily because it was his parish church, and only secondarily because it was an historic building - although very much aware of the importance of that historicity ("of which, incidentally, there is very little elsewhere in Bradford"). This dichotomy of thought - in this case a willingness to use business methods, yet reluctance to recognise them as such - pervades much of Church financial management and is particularly difficult for an outside researcher to handle. In the case of St. James' it went as far as recognising that the restored building would need a constant level of heating throughout the week if the hatchments, etc. were to be kept in good condition; making an approach to a university expert to ascertain whether solar heating might be more economical than fuel (the expert's response suggested that it would not); yet failing to keep any statistics (even if only by using sampling methods) of the number of visitors to the church and therefore not knowing the potential income to be derived therefrom. These are points which an outsider must accept rather than criticise, but they do tend to obfuscate an analytical approach. (The Incumbent did though later suggest that "the number of people that come to Tong at the weekend can vary from 100 to 300", most of whom could be expected to visit the church, and that
"... there is a small collection box there which in the course of a year tends to bring in about £100 – £200 ...". If those figures are evaluated they produce a very low per capita donation and therefore suggest considerable potential. It seems probable that the commitment to Phase One can be made within three months and that work should be completed within a further six months.

Whether the parish can then proceed into Phase Two will depend on the financial result of Phase One. In particular, on whether the public appeal has yielded an excess over the £10,000 needed for Phase One sufficiently large to meet the 50 per cent of the (as yet uncalculated) cost of Phase Two; and on how close the actual costs have been to estimate. (Since the government grant is 50 per cent of actual expenditure on approved work, it follows that the parish need to find only half of any over-run, but conversely only benefit from half of any shortfall.) When, in due course, these data become available it could be useful to have them tabulated in such a way as to become a guide to other parishes which may find themselves facing similar problems.

2.6.3.2 Summary

If an asset is serving two purposes – in this case a church serving both worshippers and tourists – it is normal management accounting to allocate the costs and the incomes between the two. In the case of St. James' this is not being consciously done with current revenue, yet it is being done on the major capital works. Why, if it is proper to seek extra-parochial funds for restoring it as a place of worship, is it not proper to seek income from those who come to view it as an historic building? The question, pending deeper research, must remain unanswered, but there are general lessons from St. James' which could have wider applications.
First, financially, designation as a listed building is negative rather than positive - preventing demolition not helping restoration and thus both preventing the Diocese reconstructing as it did at Thwaites Brow, and throwing a financial burden on the local parishioners.

Second, if active enquiry is made and a schedule of works submitted to the Historic Buildings Council, then a 50 per cent grant may be forthcoming; and that the Church could reasonably expect substantial financial support from the non-Church community in finding the other 50 per cent.

Third, there is commercial prospect in utilising the listed status to stimulate tourist revenues, but the Church has inhibitions about so doing.
CHAPTER 3

THE CASE FOR THE ADOPTION OF RATIONAL MANAGEMENT TECHNIQUES

BY THE CHURCH OF ENGLAND
3.1 The Basic Premise

The Church of England - at least in its material concerns (which concerns many churchmen would regard as at least distinct from, and probably inferior in importance to, its chief theological purpose) - is an organisation operating on business principles (using that phrase in the economic sense of operating under certain constraints and being offered certain opportunities). It draws on certain scarce resources - both capital and revenue - and by combination and conversion thereof supplies a service to a market segment, which segment considers that service to be of sufficient value to be prepared to make payment therefore. There is nothing intrinsically different between that and almost any other commercial or non-profit making organisation operating on more avowedly cost-conscious principles, the difference comes only in the means whereby the revenue is raised. Whereas a commercial firm would propose a predetermined value and offer the commodity at that price, the Church prefers to offer the commodity openly for anyone to take ("Salvation is free") and merely intimate that an appropriate financial response would be appreciated.

In times past this response was either effectively supplied by that small minority of the population ("the squirearchy") whose economic resources were sufficient to enable them so to do, and whose social position may have required them so to do; or assured by the facility the Church enjoyed to levy a compulsory rate. (A facility which only ceased formally in the United Kingdom in 1868 and which still does exist elsewhere.) With the changing economic situation, and in particular the decline in the financial role formerly played by patrons (who still exist, but whose powers now are effectively limited to nominating a new incumbent when a vacancy occurs), the Church’s revenue sources have undergone a slow, but fundamental metamorphosis. Now there is a much lower proportion being received from
benefactors, and a much greater proportion from direct giving ("the living Church" $k$). In other words there is coming to be a greater correlation between the quality/quantity of the commodity purveyed and the financial recompense received.

We can also point an analogy between the Church's position and that of many organisations in the public sector - the National Health Service, Local Government, Universities - who similarly operate with revenue sources which are largely dissociated from the services they provide, but where concepts such as efficiency and effectiveness are still regarded as important. The Church is not alone in its predicament and there is a prima facie case for the adoption of rational management techniques notwithstanding the fact that the Church's principal product may be not capable of being packaged and priced in an orthodox marketeer's way.

This is the basic premise from which this Chapter develops and whilst it will be covert rather than overt, since too biased a stance would all too easily lead to blind spots in our observations, it is perhaps as well to make it known at the outset. It became evident during research that there was a wide divergence of opinion within the Church as to the propriety ("country areas suspect anything sophisticated" $\xi$) - and even the technical possibility - of adopting anything akin to rational management techniques within the Diocese, and it was felt desirable that this study, rather than vacillating up and down the scale, should take a stance in the interest of providing a consistent, albeit somewhat biased, point of view.

3.2 Representation Without Taxation

The question of technical possibility may not be too difficult to settle. It will be suggested in Section 3.5 - especially as regards certain financial techniques - that some rational management principles,
commonly used in the world of commercial management, could be adopted by the Church as a whole or the Diocese in particular. Theoretical ideas are already developed and what is lacking is opportunity to try them in practice. (Some organs of the Roman Church already do use such techniques quite widely \(^{(26)}\).) Within the Diocese a proviso must be added that it might necessitate employing outside experts or consultants.

The question of propriety however is more fundamental and one on which there is a continuing debate within the Church. Dryden opines

"One of the main tenets of industrial, commercial and business enterprises is that an efficient and effective organisation should employ its resources at the place of maximum or optimal return. The Church and the diocese does not necessarily do this and it is questionable whether this should be its overriding criterion\(^{(15)}\)."

Not overriding perhaps, but would not a clear idea of what was the optimum allocation, even if for policy reasons it was deliberately not fully attained, be of considerable assistance in pursuing the principal objective? Many organisations survive successfully without intensive market appraisal and carefully controlled cashflow - as indeed the Church of England itself has done for a far longer period than many organisations which have adopted those policies. But in the face of the present situation - oft described as a 'crisis' - it is one thing to consider and reject (or only partially adopt) such principles and quite another never to consider them at all, wishing the problem off on to a lower level in the hierarchy, ("We believe that the laity...are ready to respond with generosity" \(^{(21)}\)). Dryden himself continues to concede "...without adequate financial return the enterprise cannot operate. ...the Church...too has to obtain some financial return for her investment of resources, both human and otherwise\(^{(15)}\). But it was
commonly used in the world of commercial management, could be adopted by the Church as a whole or the Diocese in particular. Theoretical ideas are already developed and what is lacking is opportunity to try them in practice. (Some organs of the Roman Church already do use such techniques quite widely.) Within the Diocese a proviso must be added that it might necessitate employing outside experts or consultants.

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the Diocesan Secretary who commented "the one thing the Church always fights shy of doing, is doing anything for financial reasons" (c7)
although he also thought there was "undoubtedly" (c4) a case for better financial control. Even willingness to face the problem however is not the same thing as having the wherewithal to actually do anything. Much of the effective management occurs at parochial not diocesan level, and the Diocese has no authority over parochial church councils, though it does have, and does exercise, considerable influence. (One of the odder incongruities of ecclesiastical law is that, whilst parochial church councils, via deanery synods, have representation on the Diocesan Synod, they carry no corollary of liability to taxation.)

3.3 'By-Products' in Demand

The actual form of this influence would merit a study in its own right - if indeed all the subtleties ever could be fully unravelled - but the need for it is, to a rational approach, clearly evident. The Church is in a declining market for its principal product - regular Anglican church attendance now involves only 2% (c7) and perhaps less (c1), of the total population - although demand for some 'by-products' is not only high but increasing "50% of all weddings are still in Church of England churches...it's gone up again, it used to be 49%, this is in [the] diocese...and the other 50% are shared between the register offices, the Free Churches and the Romans..." (c4) - and is facing moderate cash flow problems. Both of these are features of an organisation in the declining stages of the financial life cycle.

Not that there is a complete unawareness of a problem existing, King et al detected "evidence of a slow awakening in dioceses to need for management techniques" (c7), and Rudge thought there would be benefits in providing for clergy "...courses in parish administration...it may also be important to provide such courses on a more advanced level..."
at some stage beyond ordination, on the lines of those provided in business colleges. To some extent this is done - post-ordination training of curates now includes a question and answer session with the Diocesan Secretary, on financial management and related themes - but there is still a long way to go.

3.4 Role of Chairman

It will be useful at this point to jump to consider the role of the Chairman of the Diocesan Board of Finance. To one accustomed to local government it was expected that this role would be comparable to that of a chairman of a local authority finance committee. But the office of diocesan chairman has a much more dignified, mayoral-like concept to it, the neutral stance of a consultant rather than the forcefulness of an executive. Indeed there is apparently no-one at diocesan level exercising quite the same degree of executive authority - perhaps a reflection of the fact that the legal authority is largely non-existent - and insofar as it is exercised at parochial level it is by the incumbent not by the parish treasurer. The concept of a strong layman, taking responsibility for, and with the effective power to enforce, financial policy, is, apparently, alien to the Church of England. A diocesan board of finance itself "is not to be regarded as a policy-making body. It should be an enabling rather than a determining body" and this lacuna in the organisational structure, whilst it may encourage short-term operational placidity, is doing so at the expense of long-term strategic planning. Lester, after opining that the Church "is struggling to come to grips with modern social and economic conditions: its marketing, planning and personnel management is weak and that "Church and industry...are not quite as far apart as some might think" regretfully concludes that "if they do not or cannot change themselves, the pressure of events
will sooner or later thrust change on them." (p6)

The writer concurs with this conclusion.

3.5 Which Management Techniques?

Since we have stated that the Church should at least consider adopting more rational techniques, it would perhaps be useful to describe briefly some which may have relevance. We can conveniently do so under certain generic headings.

3.5.1 Management information systems

Two systems were found during the course of this study, one prepared by Johnson at Vanderbilt University, Tennessee in 1976 and one by King et al at Lancaster University in 1970. Both are designed to provide information at a diocesan level of management as to trends at a parochial level which would enable diocesan management both to anticipate problems and to exploit opportunities - i.e. to conduct what in other contexts might be called strategic management. Areas covered include membership and attendance; giving (financial contributions); enrolment in ancillary activities; need to build new or abandon old, churches; baptismal rate; missionary effort; population movements and finance. Of the two information systems the first is dynamic, designed to predict trends as far forward as the end of the century, and probably too complicated for use in the present English situation; the second is more passive (although capable of development into dynamic form), based on and therefore attuned to, a Church of England diocese, and is more easily adopted and comprehended.

3.5.2 Forms of organisational structure and relationships

Essentially the field covered by Dryden although he appears to have come to it too early to assess fully the impact of the new synodical system. Much of his work is couched in the general rather
than the specific but is capable of being developed further. Several aspects of Church of England organisation make that organisation unique. First a diocese has virtually no enforcement powers over parochial activity. Whilst a bishop has varying degrees of control over the choice of a new incumbent, once installed that latter has security of tenure for life short of a serious theological transgression. A parochial church council is independent and responsible to virtually no-one but itself, and in particular owes no legal financial obligation to its diocese, which latter must therefore work on persuasion not dictum: "You can direct to a point, but you can't even say you will pay your diocesan share" (c7). In practice the vast majority of parishes do pay, and the few where there are quibbles tend to be due to 'parish pump politics'. "There is a considerable amount of moral pressure for them to pay up, and a parish feels very bad if it doesn't manage to do it" (c8). This is not altogether surprising, there is sociological research available to suggest that people will respond to such pressure to a surprising degree. The work of Milgram is particularly interesting in this respect - in the conclusion to his work 'Obedience to Authority' he states "A substantial proportion of people do what they are told to do...so long as they perceive that the command comes from a legitimate authority" (831). It would seem that the Diocese could seek compliance from parishes and may not need to worry too much about seeking commitment.

Whilst probably no-one would wish so soon to further restructure the present hierarchical system, it would be prudent for any management to be aware of the merits and demerits of that system and of the possible further changes that could be made, should conditions be deemed appropriate.
3.5.3 Personnel management

Not perhaps a field one would think of immediately as having relevance in the Church, but the relationships bishop/incumbent and incumbent/parishioners are essentially human relationships and as such inevitably give rise to differences of opinion and, on odd occasion when that thick layer of goodwill wears thin, outright dispute. There would seem to be a prima facie case for suggesting that techniques such as the analysis of human differences and of the interface between people in a work environment would have potential value in managing a diocese.

There appears to be a strong desire for autonomy among parishes, a feeling that they, not the diocese, know best how to handle the Church's money (1), "there is some feeling that the diocese is the taxman...the diocese has got to be very careful about nosing in" (2), although a former diocesan secretary in Manchester has opined that "Many parishes do not know the extent to which they can be helped: it is our business to tell them" (3). It is difficult however to disentangle this desire for autonomy from a more technical (and fundamental) weakness in communication. Occasionally in the interviews at diocesan level there seemed to be a sense of parishes being 'them out there', and it was complemented by a feeling of doubt bordering almost on mistrust that sometimes seemed to be just under the surface of interviews at parochial level. It was a recognition of the inadequate state of parochial/diocesan communications that led King et al to produce their information system for the Blackburn diocese (4). Regrettably their system has never been implemented and we are thus no farther forward in knowing how far parishes might wish to take advantage of facilities which can more economically be deployed at diocesan level.
3.5.4 **Marketing**

3.5.4.1 **Aspects of marketing relevant to the Church**

This is an area, clear ideas on which would be essential to any orthodox managerial study, but which in the course of this study engendered more ambivalence, and even downright abhorrence, than any other - even the financial. The Church, it would seem, does not like the idea of marketing: "it is in some way improper to transpose commercial knowledge into the Christian field" (Götz), it is something to be quietly relegated to the last item on the agenda, if indeed it gets as far as that, or euphemistically rephrased so that it appears to be something different; "we've no customers in that sense" (C&W) and proselytising, far from being a rallying call, is cause for consulting the dictionary.

But there is more to marketing than looking at people as customers. It is - or can be - a much broader science studying relationships between the organisation and the public it serves. And in this case 'public' can be taken as both actual and potential churchgoers.

Kotler (Götz) divides marketing into certain broad divisions:

(i) **Market appraisal.** Whom are we serving, whom should we be serving, and what do they think about us? This part of marketing can be largely passive and it is hard to see it offending any Church principles. Indeed one or two such studies (Pa. T1) have taken place, though not, apparently, proceeded very far.

(ii) **Product adaptation.** When the market is known the product can be adapted to suit it. Not necessarily by changing its essential content but by acknowledging that certain market segments have specialised needs which can best be
served by recognising them as such. The Church already employs university and hospital chaplains per se, and it was occasionally learned from interviews that other incumbents hold similarly specialised chaplaincies on a less formal basis.

(iii) Product distribution. Should people come to the Church or the Church go to the people? We have already learned in Chapter 2 that this problem is recognised and that some efforts are being made to provide places of worship in areas of known or probable demand. The programme is constrained by both legal and financial difficulties but could be assisted by better market intelligence.

(iv) Market development. This is an area which is more likely to be sensitive, but even the Church does not abhor completely such techniques as external advertising and even doorstep canvassing.

3.5.4.2 No clear objective

All of these divisions have at least prima facie application to the Church, but when, in 1975, McAulay (74) made a special study of marketing the Church of England she had appreciable difficulty in finding adequate data, and much of what she did find had a disconcertingly large margin of approximation. She abandoned attempts to write on consumer motivation because the only study available was "so small as to make it almost meaningless" and commented ruefully "Aside from the lack of basic information there seems to be no clear objective in the Church. What is it they are trying to promote? Is it theology, belongingness, social services, church attendance, etc?" (75) No-one could tell her. No-one had thought along those lines.

After four centuries the Church of England is not only atrophying
"the longer an organisation exists the harder it is to know why it exists...and though they may have original aims, those aims over the years do in fact change" (c7) and losing its inward drive and sense of purpose "the Church is severely limited in her work by lack of financial income. It may well be argued that...this is not a financial bankruptcy but a spiritual one" (c1); but on the whole seems to be content that it should be so. The situation is being at least vaguely acknowledged ("We're polishing the bell while the ship goes down" (c7)) and there are exceptions. Some parishes are positively booming (c7) (this was an aspect not closely studied but there may be correlation between type of incumbent and size of congregation); "a small marketing research project" (b4) was carried out by a Methodist Church in Horsham, although in even this, the authors conceded "we were really looking at our 'loyal customers' rather than the 'non-buyers'" (b4); and one real attempt at market analysis was uncovered by this study (r1); but they only seem to prove the rule. Not only is the number of clergy declining, but so is that proportion of their time (see Appendix B) allocated to secular activity "the wider pastoral care which a clergyman gave at one time is not done now" (c7) or if it is done it is by other agencies, notably the State.

3.5.4.3 Ambivalent thinking

There was some curiously ambivalent thinking. Whilst there is evidence "that support for the Church is...higher...where there is a high ratio of clergy to population" (g7), reduction in clergy numbers was felt to be not entirely a bad thing, "the fewer vicars we have to pay the less it costs us" (c4). The economic contradiction thus portrayed apparently arises because the concept of increasing investment to increase rate of return until the Law of Diminishing Returns sets in is also something alien to Church thinking. And whilst to regular
worship services admission is free, specific fees are charged for services such as weddings and funerals. Marketing at last one would think - supplying a measured amount of a commodity and asking a specific price therefore, but diocesan opinion was "we're not levying a charge, it's levied by Act of Parliament" \(^{(57)}\) which is a bit like suggesting that bus fares are charged not by the operating authority but by the Traffic Commissioners. Again that feeling of unease at handling money. Something not quite proper, not quite clean. "Clergy feel that asking for money is going round with a begging bowl" \(^{(57)}\).

And yet the practice of paying pew rents was once widespread and may not yet have died out completely \(^{(51)}\). Lurking down there somewhere is still the possibility that the value of religion can be measured in monetary terms, but it will need a lot more spadework to dig it out.

Surely it should be axiomatic that anyone who has accepted all the personal opportunity cost involved in becoming a clergyman should have a deep conviction of the benefit he has to offer to the community at large? And if so that it should be perfectly normal - normal to the extent of being accepted rather than expected - that money or its equivalent should flow the other way? (For practical purposes we can probably restrict ourselves to money, since that is our central problem, and giving in kind appears now to be very limited.) Even the Archdeacon of Bradford happily conceded that people will pay "for something which they want" \(^{(57)}\) but when pressed to develop his own logic, did not consider the corollary but opined that the "services of a parson are very lowly regarded by society" \(^{(57)}\) and "whether anybody's thought of marketing I honestly don't know" \(^{(57)}\). What services? Why lowly regarded? And if diocesan management can answer those questions (and at least the first probably can only be answered from internal analysis) then do we not face fair and square a marketing problem,
resolution of which could yield financial benefits? True it would be a specialised marketing problem, to be handled with considerable skill, discretion and empathy. Lester (p. 6) considers this at some length and comments: "the Christian faith is largely a cerebral activity,... attempts to present the faith in other terms...have never provided the kind of success the Church could confidently build upon." but seems to think that something could and should be done, because "The demand, in one form or another, is undoubtedly there". (McAulay (Ty) cites examples of successful market promotion being done for charities.) If it could be done for the Church it could have considerable financial impact, but for want of adequate time, or available anterior research, we can only note as McAulay does "People are born into it [the Church of England] rather than having to join it" and move on.

3.5.4.4 What is the Church promoting?

Perhaps one move worth making is away from the concepts of the potential market and towards the valuation placed on the Church by that market segment which is being served. How do the regular and irregular attenders decide how much to give? Perhaps inevitably we again find ourselves short on information. The Diocesan Chairman had "no knowledge of any research into why people give" (c9) and when the point was raised in interviews it seemed to be touching on a particularly sensitive area. It was not therefore always pursued, but one line of thought that did emerge was that parishioners may be genuinely unaware of what it costs to provide Church services, that when that information is made available (e.g. by stewardship campaigns) they will respond more favourably, but that they prefer to adjust in slow stages rather than in sudden jumps. This line must be treated with caution until it can be adequately researched, but it could be the beginnings of adapting the product to the customer rather than
expecting the reverse.

There is evidence, at least in rural parishes, of "tremendous latent sympathy for the Church of England church" among non-anglicans which on occasion can be turned to financial account - the Diocesan Secretary cited an example of a rural parish treasurer who "went to every house [in the parish] and persuaded 95% of them to take out a covenant with the church" notwithstanding that only some 10% were regular church-going anglican. This degree of latent support is apparently not exhibited in urban areas and is therefore a variable between rural and urban parishes for which, perhaps, allowance should be made.

There is also some contradictory evidence as to how far parishioners will travel to attend worship - the Anderson study concluded "People don't go to church far from home, even if committed. Fringe members are very unlikely to attend church far from home" but King et al predicted that combining two parishes and removing one clergyman and one church would reduce attendance by only 25%.

This whole field of marketing is at one and the same time potentially the most fruitful and actually the most sensitive of the areas in which management techniques could be beneficial to the Church, a point which has not gone unnoticed, at least at national level: "Marketing and P.R. gets to the heart of the Church's problems, what is it that the Church wants to promote?". Ask people what they want and why they want it and the results could give a useful lead in developing a marketing strategy.

3.5.5 Financial management

Items under this heading can conveniently be divided into two groups: the probables - which, so far as data is available, are amplified elsewhere in this study and which will therefore here be only recapitulated; and the possibles - ideas for which either
insufficient data is available to make serious appraisal feasible, or which were appraised and found to have only limited potential for Church financial management.

3.5.5.1 The probables

(i) Budgeting and the management of cash flow so as to optimise the availability of working capital and minimise the need for short term borrowing - a need well recognised at diocesan level but probably not so - or not sufficiently so - at the parochial.

(ii) Capital investment appraisal, specifically with reference to church reconstruction.

(iii) Investment of parochial funds so as to minimise the number of bank accounts involved and maximise interest received.

(iv) The concepts of cost benefit analysis and the economic theories of increasing and diminishing returns, specifically with reference to the deployment of clergy, new church development, and redundant church closure.

(v) Standardisation of parochial accounting systems - essential in theory but difficult in practice.

3.5.5.2 The possibles

(i) Inflation accounting which, after consideration, appears to be of limited value, but if the present 'official' encouragement continues it is foreseeable that the General Synod may adopt such a policy and by implication expect dioceses to do likewise - against such an eventuality the Bradford Diocese might find it useful to have a retained consultant available.
(ii) Better use of inventories and terriers - knowing what assets are available may stimulate optimum usage.

(iii) Cost analysis - and ratio analysis in particular - which may be of value in considering parochial mergers and splits.

(iv) Risk analysis, particularly in relation to new church building.

(v) A diocesan communal fund - receiving excess funds from parochial or diocesan sources and lending or donating where needs exceed resource.

3.5.6 Summary

This grouping of techniques is not exhaustive - and the generic headings chosen may not even be quite appropriate, phraseology at least may have to be adapted, - but this section has been included to suggest ideas which might merit enquiry from within the Church. By considering and debating new possibilities there may be found ways in which the Church could improve its management of its secular affairs without causing embarrassment to its basic doctrinal feelings. Of the many people interviewed formally and informally for this study, some few were wholeheartedly in favour of adopting more rational management techniques, many were uncertain or ambiguous, another few had a reluctance bordering on fear (that the Church's principal objective(s) would be hindered rather than helped), but almost all were in comparative ignorance of what was possible. ("We found it easier to get statistics than to get any agreement on what the statistics meant."

This seems to establish something of a paradox - until the Church is able to state clearly the degree to which certain techniques are consistent with its own concepts, then practitioners cannot develop more than theoretical ideas of what could be done, but until such ideas are
developed most members of the Church's governing bodies cannot judge how far they may be acceptable. And until the various peripheral aspects are decided to a reasonably certain degree, then the finance function especially, resting as it does in the middle, cannot go much beyond the ad hoc, theoretical, stage of development.

Beveridge, touching cautiously on this very sensitive area opines that "Though most English churchmen probably fight shy of anything that suggests the application of the methods of big business or the technique of the 'efficiency expert' to the Church, there is no spiritual merit in being unbusinesslike if that means also being ineffective" (82); and Slade, a trifle more firmly, states "A Church differs from a business in its basic motive but in order to carry out its spiritual work it needs business methods. Like other organisations a Church must have an income and must live within its income, and business methods come into use in securing that income and in disbursing it" (816).

In an attempt to stimulate some thoughts, this section enumerates some of the techniques which might be appropriate.
CHAPTER 4

AN ANALYTICAL APPROACH TO ALLOCATING DIOCESAN SHARE
4.1 Procedure

We now come to the central object of the study - to consider alternative methods of allocating the diocesan share either by improving the present system based on potential income or by suggesting alternatives.

The approach made was analytical - first seeking to isolate those factors which determined the abilities of parishes to provide finance to the Diocese - second ceasing to treat the diocesan share as necessarily a homogeneous whole, and considering the possibility that it might be composed of separate elements which could, or even should, be allocated on differing bases - and third endeavouring to match up criteria emerging from the first part with the differing elements from the second and thence evolving a formula. This took some time - it necessarily involved considerable feed forward and feed back - and concomitantly an appraisal was made of the potential income system. This appraisal suggested strongly that the extant system was not only highly successful (raising, in 1977, some 99.7% of the share requested, and since its inception never less than 95.6%); but that it was also very favourably regarded by most of those who were interviewed, either personally or via the parochial questionnaire. As anyone familiar with taxation systems will readily concede, any method of raising revenue which can produce such a yield should not lightly be abandoned, whatever its imperfections, in favour of a new untried system, no matter how well that new system may have been thought out. A point which is reinforced when we remember that the Diocese can only persuade, not compel, parishes to pay their share. When this degree of success became evident, it seemed obvious that the Diocese would be best advised to retain their present system, but none the less it was felt there was merit in pursuing the analytical approach to a conclusion; partly because there are differing opinions on potential income and this study would allow those to be more openly expressed; and partly because if
the changing volume and structure of the diocesan share (as shown in Figure 1) should continue far into the future then it is possible to foresee a time when the parishes would again become restless at the comparative coarseness of the way in which potential income distinguishes between their respective resources.

4.2 Isolating Parish Variables

The initial conception of the variables was achieved by a quizzing technique - asking anyone who was in a position to be sensitive to inter-parochial differences to make a list of such variables as might be relevant. Those responding were specifically instructed not to limit themselves to what seemed to them practical, but rather to record anything which pointed to a difference in resourcefulness between one parish and another. The reason for this was that ideas are precious and should not be stifled at birth but rather be circulated and given chance to mature. Those ideas that really are impractical can easily be eliminated later, and there is always the chance that an idea impractical in its original conception can be amended by a different point of view into something more viable. The list that emerged from this quizzing ran to some fifty factors, but there also emerged some markedly varying points of view. Indeed so diverse were some opinions that it was hardly possible to handle them in one-off interviews - it was evidently essential that if the eventual formula was to have any chance of viability then those differing points of view should be brought together and requested to simultaneously consider each factor. This was done at a series of meetings but was only partially successful, partly because of difficulty in arranging times and places convenient to all, and partly because, on some factors, consensus could not be achieved. Nevertheless useful work was done, and whilst the results which follow must not be treated as perfect, they can be considered a prepared basis from which to proceed further.
By agreement, each factor was subjected to three tests:

(i) did it distinguish to some degree or in some way between the resourcefulness of one parish and that of another;
(ii) was it available - i.e. was it reasonably within the competence of each parochial church council to supply that item of data as regards their own parish; and
(iii) was it potentially appropriate as a means of allocating all or part of the diocesan share; (note that at this stage it was not being decided which part - that choice came later).

Only if it passed all three tests was a factor deemed a criterion available for further consideration. In the columns which follow a ✓ indicates approval, a X disapproval, and a ? lack of consensus.

The last column is the result of all three. Quotations are from participants in the discussions.

4.2.1 Financial criteria

4.2.1.1 Average (over the previous financial year) of the weekly:

(a) direct giving, both envelope and plate ✓ ✓ ✓ ✓
(b) fees ✓ ✓ ? ?
(c) income from events ("all peculiar methods of obtaining income") ✓ ✓ ? ?
(d) interest, rents, etc., not generated ? ✓ ? ?

by extant congregation.

4.2.1.2 Average (over the previous several years) of the weekly:

(a) ✓ ✓ x x
(b) ✓ ✓ x x
(c) - As above ✓ ✓ x x
(d) ? ✓ x x
This group is basically the actual income which had been used prior to the inception of potential income, and its reconsideration generated considerable debate. The advantages are the ease of availability (all parishes record figures for attendances and giving in a weekly service book), the disadvantages are deciding what is 'regular' and what 'fortuitous' income. Whilst there was general agreement that the former was appropriate and that the latter was not, consensus could not be reached as to where lay the border between the two. Judging from the tenor of the discussion consensus will be difficult to achieve until a closer study is made of the weekly giving/special events giving theme. There was however agreement that only the preceding year, and not the preceding several years, should be the basis, there being no perceived need to iron out cyclical fluctuations; and that none needed further analysis on to a per capita basis.

4.2.1.3 Average (over the previous financial year) of the weekly:

(a) total expenditure \(\checkmark\) \(\checkmark\) X X

(b) net expenditure (after deducting certain approved payments) \(\checkmark\) \(\checkmark\) ? ?

4.2.1.4 Average (over the previous several years) of the weekly:

(a) \{ As above \(\checkmark\) \(\checkmark\) X X
(b) \(\checkmark\) \(\checkmark\) X X

The use of expenditure was considered because it seemed a way round the problem of weekly giving versus special events giving. Whilst parishes might differ in their choice of methods of raising revenue, they would be more of a mind in how they spent it since all would be facing basically the same needs. The theory seemed promising, and
whilst it was agreed that a net rather than a total expenditure would be needed, there was not agreement as to which items should be excluded (with the exception of 'expenditure on maintenance of church fabric required by the diocesan architect's quinquennial report' which was agreed to be a proper deduction). This apparently is not a new problem, it existed under actual income and is one of the dissatisfactions with potential income - some parishes feeling that certain categories of expenditure should be deemed 'non-taxable' but others being less certain. From our own point of view we may note that should the Diocese seek to stimulate parochial spending on any particular object, then excluding that object from the assessment is an obvious way of encouraging parishes to follow the Diocesan line. And again there was agreement that if expenditure were taken, it should be only the previous year, not an average over the previous several years.

4.2.1.5 Capital value of:

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>(a)</td>
<td>church site</td>
<td>X</td>
<td>√</td>
</tr>
<tr>
<td>(b)</td>
<td>church buildings</td>
<td>X</td>
<td>√</td>
</tr>
<tr>
<td>(c)</td>
<td>church contents</td>
<td>X</td>
<td>√</td>
</tr>
<tr>
<td>(d)</td>
<td>clergy houses</td>
<td>X</td>
<td>√</td>
</tr>
<tr>
<td>(e)</td>
<td>other buildings</td>
<td>X</td>
<td>√</td>
</tr>
</tbody>
</table>

4.2.1.6 Insured value of:

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</thead>
<tbody>
<tr>
<td>(a)</td>
<td></td>
<td>X</td>
<td>√</td>
</tr>
<tr>
<td>(b)</td>
<td></td>
<td>X</td>
<td>√</td>
</tr>
<tr>
<td>(c)</td>
<td>As above</td>
<td>X</td>
<td>√</td>
</tr>
<tr>
<td>(d)</td>
<td></td>
<td>X</td>
<td>√</td>
</tr>
<tr>
<td>(e)</td>
<td></td>
<td>X</td>
<td>√</td>
</tr>
</tbody>
</table>
Capital values came in as being a prima facie distinction between parishes - the supposition being that the wealthier parishes would tend to own more property - and insured values added in the belief that those were more easily ascertainable. However the discussion group, whilst deciding that all were easily available, rejected all as failing to distinguish and not being appropriate.

4.2.1.7 Potential income as at present assessed  ✓ ✓ ✓ ✓ ✓

This also generated discussion - possibly because it was something with which the participants were familiar - the principal points in favour being its target-setting and educational values, and against, its failure to reflect the pattern of giving within a congregation.

4.2.1.8 Parish budget for the next financial year  ✓ ✓ ? ?

A point which again failed to yield consensus. There was an expressed desire that parishes should be encouraged - possibly even required - to budget ahead, but doubts as to whether they would (at present parish budgets appear to be the exception rather than the rule). In the absence of such budgets the point must be academic, but it nevertheless merits discussion as being a direction in which diocesan policy-making may choose to move.

4.2.2 Non-financial criteria

4.2.2.1 Establishment of clergy ministering in the parish  ✓ ✓ ✓ ✓ ✓

4.2.2.2 Establishment of other pastoral staff in the parish  ✓ ✓ ✓ ✓ ✓

The original phraseology for this had been 'clergy employed' but the word 'employed' was disliked and the word 'establishment' substi-
tuted. This change also adequately handles vacancies - since these
tests are tests of ability to pay rather than of benefit received it was felt that a parish temporarily without an incumbent should not automatically be allowed a reduction in share liability - parochial resources would be the same even if receipt of benefit was not. There were also some reservations as to how finely this factor distinguished between parishes and as to practical problems which might arise in allocating fractions of a clergyman ministering in more than one parish.

4.2.2.3 Number of baptisms during the preceding year

4.2.2.4 Number of weddings during the preceding year

4.2.2.5 Number of funerals during the preceding year

4.2.2.6 Number of confirmations during the preceding year

4.2.2.7 Number on electoral roll at year end

These were felt to be sufficiently akin to be classed as a group, but sufficiently different to merit individual entries. There were particular doubts about counting funerals - they being felt to be an indication of waning rather than waxing parish resourcefulness - but also to be an indication of parish 'appeal' ("...the fact that they did go [to the parish church] for a funeral and not to the crematorium direct...seems to me to indicate that that Church has created an image which has caught this person"). Baptisms and weddings raised doubts about costs - it being opined that the statutory fees received for these services might be less than the expenses of provision;
whether or not this is so - and it could be a point both relevant and important - can only be learned from a closer scrutiny at the parochial level. Confirmations was readily accepted as passing on all three tests, possibly because this will reflect more closely the committed core of anglicans, whilst some at least of baptisms, weddings and funerals would tend to come from the less-committed fringes around that core. Electoral roll was also debated, largely because it distinguishes not so much between parishes, but between the rural and urban areas - in the former formal Church membership carries a status symbolism which in the latter it has largely lost - but was accepted as being of "minor" value.

4.2.2.8 Congregation on a normal Sunday
4.2.2.9 Communicants on a normal Sunday
4.2.2.10 Easter congregation
4.2.2.11 Easter communicants
4.2.2.12 Christmas congregation
4.2.2.13 Christmas communicants

This again was taken as a group but listed separately. Doubts were expressed that factors other than resourcefulness - in particular doctrinal and liturgical variations ("high church, low church") between parishes - could be the cause of variances, but after discussion all were accepted. (They are already used as factors in the present potential income system.)

4.2.2.14 Church population as assessed for potential income purposes

This is a theoretical figure, with an implication of target-reaching
calculated from a blend of basic data (see Appendix D). It seeks to remove the shortcomings of each individual criterion by comparing one with another, but suffers (or gains, depending on point of view) from the necessary inclusion of the human element in its calculation. After some discussion it was decided that it passed all three tests.

4.2.2.15 Seating capacity of parish church  
X  √  X  X

4.2.2.16 Age of church buildings  
X  √  X  X

4.2.2.17 State of church buildings  
X  √  X  X

In an ideal diocese the size of each church would be proportional to the size of the congregation, and the state of the church an indication of the parishioner's ability to maintain it in good condition. Bradford is not such an ideal diocese (nor, probably, is any other) and these criteria were rejected, but the discussion around them led to the adoption by consensus of the 'expenditure on maintenance of church fabric required by the diocesan architect's quinquennial report' included as a deduction from the total expenditure in item 4.2.1.3(b). A lesser reason for rejection was that in some cases church seating capacity is variable.

4.2.2.18 Membership of youth organisations  
√  √  X  X

4.2.2.19 Membership of adult organisations  
√  √  X  X

4.2.2.20 Membership of ancillary organisations  
√  √  X  X

4.2.2.21 Number of children normally attending  
Sunday School  
√  √  X  X

4.2.2.22 Number of children in church day school  
√  √  X  X

The first four of these were considered to be useful indicators
of how active differing parishes are, but that they would also be
affected by factors other than resourcefulness - in particular the
presence or absence of a leader. There may also be cyclical phases
which were felt to be difficult to isolate. The fifth similarly
gives some measure of distinction between parishes, but after
discussion, it was decided that the actual incidence of church day
schools had too high an element of historical chance to make it
appropriate.

4.2.2.23 Number of covenanted givers ✓ ✓ ✓ ✓ ✓

Probably the best measure available of the size of the committed
core of parishioners, but still falling short of being ideal - in
particular it fails to allow for patterns of amount given (see
Figure 3) and for some parishes espousing, and some eschewing,
covenants as a source of revenue. But should diocesan policy come to
be more firmly in favour of parishes adopting covenanted giving, then
it could possibly be brought into the formula to reduce rather than
increase a parish's share, thereby encouraging parishes to follow the
Diocesan line.

4.2.2.24 Subscribers to parish magazine ✓ ✓ X X

Another factor which generated discussion - whilst parish
magazines were accepted as indicating "drive and vitality" in a parish,
their circulation would normally include at least some issued free
(in some parishes all might be issued free as a means of stimulating
interest) and would often include some sold to members of other
denominations. Whilst the figure for gross circulation could easily
be obtained, its composition would probably not be so easy, it was
therefore deemed to fail the appropriateness test.
4.2.2.25 Average age (or age structure) of the congregation

\[ X \times X \times X \times X \]

This was included because it was shown by the Johnson study \((83)\)
to have a strong correlation with level of giving (a point which was incidentally corroborated by one of the interviewees \((45)\)), but that study was altogether more advanced than current Church of England thinking and it was no surprise when the discussants opined that it could not be made available without considerable effort. (Apparently something of the sort was attempted when preparing for potential income - but the parochial returns suggested age levels much higher than the Diocese felt to be the true case - possibly because parishes were tending to give the modal rather than the mean congregational age.) The opinion of the parochial representatives also seemed to run counter to Johnson - their feeling being that in some of the more affluent parishes giving from retirement pensioners could be just as high as from the working parishioners, though it might be lower in the less affluent. For the present therefore this factor must be dropped, but should the Diocese ever consider a formula method for diocesan share (or any form of management information system) it may merit re-appraisal.

4.2.2.26 Proportional usage of diocesan facilities (e.g. Retreat House) \[ X \times X \times X \]

Deemed inappropriate because it is diocesan policy to encourage their usage, and net deficits are therefore allocated equally between parishes, although it was felt that the number of people making such usage was an indication of the strength of the parish committed core.

4.2.3 Other aspects

4.2.3.1 Area of parish \[ \checkmark \checkmark \checkmark \checkmark \checkmark \]
4.2.3.2 Civil population according to the register of electors

? √ X X

4.2.3.3 Equally between parishes

- - X X

The resident civil population gives a prima facie indication of anglican potential, and the size of the area an indication of how easily or otherwise parishioners can attend worship, but the discussants felt that more important were the dispersion of the population through the area, and the presence in that population of adherents to other religious persuasions. Calculating the population would entail some difficulties - civil and ecclesiastical parish boundaries are not necessarily coterminous - and would exclude persons under eighteen - but could be done to an acceptable degree of accuracy. Equality between parishes was originally proposed as part of a 'mini-package' for that part of share relative to stipends - £500 flat rate per parish, and the balance according to the number of clergy - with the object of encouraging parishioners to recognise how little they contributed to, and how much benefit they received from, provision of clergy. But to this criteria the first two tests hardly apply, and, after discussion, it was deemed to fail the third, partly because there was a preference for the per capita criteria such as items 4.2.2.3 to 4.2.2.7.

4.2.3.4 Rateable value of all civil hereditaments X √ X X

4.2.3.5 Average rateable value of domestic hereditaments

√ √ / / /

Already being used in the assessment of potential income as an indication of the giving hand (see Appendix C) appropriate to each parish. The presence of industrial hereditaments was deemed no indication of parochial wealth and attention confined to domestic
hereditaments which it was felt should be further analysed - the total
domestic valuation of the parish divided by the total number of
dwellings producing a 'per unit' figure. Low per unit figures would
indicate deprived urban, and high figures wealthy suburban, parishes.

4.2.3.6 Special architectural features  

4.2.3.7 Special effects  

The first of these two covers such substantive parts of the
fabric as stained glass windows, and the second such unusual features
as in Emsholt, the location for the television series 'Emmerdale Farm'.
The discussants felt the first could only be appropriate if the
features could be sold, (and that, in almost all cases, is either
physically impossible or contrary to diocesan policy) and the second
in too few cases to make it significant. The visitors income
generated by these were felt to be already included in item 4.2.1.1(c).

4.2.3.8 Pending environmental developments -

new estates, roads, bus routes  

4.2.3.9 Availability and cost of public transport  

Considered to be important features when considering the future -
particularly in deciding how frequently a parish share should be
revised. It would be reasonable in the case of developing parishes
to fix a relatively low share apportionment, and increase it as the
development was fulfilled, and conversely with declining parishes.
Public transport, whilst being similarly important, was felt to relate
to dispersion of population in, rather than absolute size of, the
parish; and that whilst known, it would be difficult to quantify and
weight. Nevertheless both were accepted.
4.2.3.10 **Passing 'trade' - e.g. in tourist areas**  

Accepted with little discussion - the only proviso being that, as with special features, visitors' income appeared in 4.2.1.1(c); but as was found by the parochial questionnaire (see paragraph 2.5.4.4), some tourist trade is more than just 'passing'.

4.2.3.11 **Areas of social responsibility**  

Proposed with particular reference to deprived urban areas, but possibly also having application in depopulating rural areas - the implication being that the Diocese should be prepared to put money in rather than take it out.

4.2.3.12 **Local unemployment rate**  

A point which occasioned the discussants some hesitation - possibly because whilst it is known (from stewardship missions) to be related to the level of giving, it is not known how closely, and is believed to be only one of several factors involved. The question marks in this case indicate not so much lack of consensus as lack of knowledge on which to base a decision.

4.2.3.13 **Presence in the parish of ethnic minorities**  

4.2.3.14 **Presence in the parish of non-anglican churches and other denominational schools**

Of importance because it reduces the anglican potential. Roman schools in particular tend to attract Roman families to live in the neighbourhood and thereby to squeeze out the anglicans. Other ethnic groups may not necessarily have places of worship, but do have a similar effect. This effect may be direct enough to reduce the per
capita criteria 4.2.2.3 to 4.2.2.7 and therefore not need separate consideration.

4.3 Analysing the Diocesan Share

The next stage was to take the total sum of the share and separate it into homogeneous units. For the immediate purpose it was found convenient to do this on the basis of the 1976 accounts and the initial grouping is shown in Figure 5. This provides four major, six intermediate, and twenty-four minor divisions, although many of the latter, while technically differentiable, are so small as to hardly merit separate treatment. This is a shortcoming, since, as will be shown in paragraph 4.6, some of the benefits of a formula allocation can be derived only when that formula contains a reasonable number of approximately equal parts. And the handicap was reinforced when the discussion group fairly quickly decided that their preferred division would be into only two parts: first the whole of that group labelled 'Ministry' and totalling some 57 per cent of the gross share; and second all the remainder, to be called 'Other' and accounting for the remaining 33 per cent. That having been decided the final stage was to adopt criteria appropriate to each division.

4.4 Allocating Criteria to Share Divisions

If consensus had been quickly and easily reached on the analysis of the accounts it was to prove impossible to reach on the allocation of criteria to those divisions. The divergent points of view whose existence had been the reason for convening the group meetings are, it would seem, not only wide, but deeper than had at first been realised. There was a tendency to hanker after criteria which had not passed all three tests - particularly some which had not been brought forward from the last round not because they had actually failed a test, but only because they had not achieved consensus. And
### FIGURE 5: Diocesan Expenditure in 1976 to be Spread over Parishes

<table>
<thead>
<tr>
<th></th>
<th>£</th>
<th>£</th>
<th>£</th>
<th>%</th>
<th>%</th>
<th>%</th>
<th>Item No.</th>
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<td>1. Ministry</td>
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<tr>
<td>Clergy - Stipends</td>
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<td>Parsonage houses</td>
<td>35,127</td>
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<td></td>
<td>21.96</td>
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<td>Insurance</td>
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<tr>
<td>Widows and dependants</td>
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<td></td>
<td></td>
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<td><strong>Central Ordination Fund - Training of ordinands</strong></td>
<td>101,796</td>
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<td>63.64</td>
<td>2.93</td>
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<td>5</td>
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<td><strong>Diocesan training for ministry</strong></td>
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<td>4,693</td>
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<td>2. Administration</td>
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<td>General Synod</td>
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<td>Pension - Layworkers</td>
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<td>Diocesan Synod</td>
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<td>Diocesan directory</td>
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<td><strong>Total</strong></td>
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<td>3. Education and Mission</td>
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<td>Day schools</td>
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<td>Voluntary religious education</td>
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<td>21</td>
</tr>
<tr>
<td>Social responsibility</td>
<td>575</td>
<td></td>
<td></td>
<td>0.36</td>
<td></td>
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</tr>
<tr>
<td>Christian stewardship</td>
<td>2,111</td>
<td></td>
<td></td>
<td>1.32</td>
<td></td>
<td></td>
<td>23</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>13,862</td>
<td></td>
<td></td>
<td>8.66</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Contingencies and sundries</td>
<td>285</td>
<td></td>
<td></td>
<td>0.18</td>
<td></td>
<td></td>
<td>24</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£159,962</strong></td>
<td></td>
<td>100%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Published accounts of the Bradford Diocesan Board of Finance.
when it was insisted that the discussants should choose from only
what had been deemed to pass all three, they did so by separating
into three schools of thought on 'Ministry' and two schools on 'Other'.

Under Ministry the choices were:

(i) potential income as at present assessed;

(ii) 75 per cent on potential income and 25 per cent on the
    numbers of clergy and other pastoral staff (items 4.2.2.1 & 4.2.2.2
    combined), (this choice would effectively create two
    subdivisions containing 50 per cent and 17 per cent of
    the gross share); and

(iii) potential income less the deduction for quinquennial
    expenditure on buildings included under item 4.2.1.3.

Under Other the two choices were:

(i) potential income as at present assessed; and

(ii) potential income less the quinquennial expenditure;

- in other words, two of the three that had already been chosen for
Ministry. It was pointed out to the group that these choices could
easily lead to them allocating both divisions on the same basis, that
that basis could be a continuance of the extant method of potential
income (for which, of course, the majority have an expressed predilection),
and that that would negate the value of making the division; but they
nevertheless confirmed that they did wish to consider the share as
being composed of different parts. Judging from the tenor rather than
the substance of what was said though, it may be that what most
really sought was not differential allocation, but differential
presentation - a format which would make it clear to parishes that
the greater proportion of their increasing shares was for provision
of clergy, a cost which, until recently, parishes have not had to
bear.
4.5 **Calculation of the Formula**

It had been the intention, for the purposes of this dissertation, to calculate a formula showing the share applicable to each parish (or at least to a representative selection of parishes), but in view of the failure to agree on criteria for the two divisions of Ministry and Other, that becomes hardly possible. Nevertheless it may be useful to enumerate briefly the procedure, and for simplicity we will work on percentages rather than actual values.

Each of our two divisions contains a percentage of the total share - currently 67 per cent and 33 per cent. Let us assume that one simple criterion had been adopted for each division - say 'number of clergy' for the Ministry division. Then the amount of that criterion in each parish - say 2 clergy in parish A - becomes the numerator, and the amount of that criterion in the Diocese - say 120 clergy - the denominator, of a fraction which is multiplied by that division's percentage of gross. Thus:

\[
\frac{2}{120} \times 67\% = 1.1\%
\]

This 1.1\% is parish A's share for this division. Calculating likewise for each parish and summing will again produce 67 per cent.

If for the next division (Other) the choice had been 'number of confirmations', of which, say, 2,000 in the Diocese and 40 in parish A, then the second calculation is:

\[
\frac{40}{2,000} \times 33\% = .66\%
\]

It is now possible to combine the two figures for parish A and find their proportion of total diocesan share:

\[1.1\% + .66\% = 1.76\%\]
Similar calculations will produce figures for each other parish, and when those are summated, will come to 100%, thus checking accuracy. This procedure of course is particularly suitable for computer programming and a draft program had been prepared (see Appendix II), but was not used. These percentages may now be treated as either fixed for a period of years, or may be varied year by year, as preference determines. An incidental advantage of this type of format is that it becomes possible to say to parish A: 'Of every £100 the diocese spends you have to provide £1.76', a clarity of presentation which may, perhaps, encourage parishes to take a greater interest in diocesan financial affairs.

4.6 Formula as an Instrument for Effecting Diocesan Policy

There remains one other benefit accruable from a formula which is worth enumerating although it attracted little enthusiasm in Bradford - a sufficiently refined formula can be used as a means of encouraging parishes to adhere to diocesan policy. This facility has already been alluded to once or twice, but to demonstrate it more clearly we will work through an example based on theoretical figures.

One of the lesser problems occasionally touched on in interviews was that of rural churches which enjoy large congregations in the summer months when heating costs are minimal, and only small congregations in winter when heating costs are high. This obviously produces imbalanced cash flows, and one school of thought is that adjacent parishes should combine in winter and hold services alternately in each others' churches. Assuming this were done by three contiguous parishes each of whose normal winter congregations numbered 30, half of whom would be prepared to travel, then a combined service in church 'A' would minister to a congregation of 60 (30 from A, 15 from each of
B and C) one Sunday in three. The average congregation per service would be 60, but the average per Sunday only 20. And if part of diocesan share were allocated on size of congregation, then the Diocese could, by making that 'congregation per Sunday' effectively reduce those parishes' liabilities if they were prepared to so combine. If the saving was sufficiently large then it is reasonable to think that parishes would tend to follow the Diocesan line. (Conversely of course, the Diocese could discourage combined services, and encourage separate services in each church by making the criterion 'congregation per service'.) To use a formula in this way it must be composed of a sufficient number of divisions to enable the Diocese - by budgeting for an adequate working balance - to make up any shortfall elsewhere, and it is also necessary for diocesan policy to be clear and intelligible to parishes. But, remembering that the Diocese is facing a number of issues (e.g. disposition of clergy) for the adequate handling of which parochial cooperation is essential, and, foreseeing the possibility that the share will continue to increase substantially, this is a facility which may, at some future date, merit re-appraisal.
CHAPTER 5

OTHER DIOCESES AND HOW THEY DO IT
5.1 Other Research

An obvious potential source of ideas was to ascertain how other dioceses allocate their diocesan shares (that phrase will be retained in this section although other dioceses adopt not only different methods but also different terminology) - ideas used elsewhere would have the advantage of being proven feasible even if translation to Bradford might involve practical problems. Whilst it was known that methods varied, there was apparently no available anterior study to show just how, and accordingly another questionnaire was circulated. Whilst this yielded a very high response rate (41 out of 43 when collation was stopped and summation started) it also revealed several other papers in the field. One of these - prepared in the Diocese of St. Edmundsbury and Ipswich by the Reverend C.T. Catton and dated August 1978 \(^{(87)}\) - was so comprehensive that it was deemed a preferable source of data for the purposes of this study. We shall therefore consider it in detail but before so doing we should perhaps make the passing point that in the absence of Church House acting as a controller or even as a clearing-house for information, dioceses are bound to duplicate each others efforts in this way, and fail to reap the benefits of cooperation. It is apparently a traditional story in Church circles that when the Central Stipends Authority was established its first notable discovery was that there were 43 different ways in the country of handling clergy stipends. What seems more notable though, is not so much that that was the situation, but rather that coming to know it should have been discovery.

5.2 The Catton Paper Summarised

Catton starts his paper by stating five principles:

"1. Fairness - The responsibility of raising money required to enable the Diocese to meet various obligations on behalf of
parishes should (be) distributed between them on an equitable basis.

2. **Simplicity** - The scheme should be simple to operate, requiring neither complicated returns from parishes nor excessive administrative work in the Diocesan Office. It should be capable of being explained by the average PCC Treasurer to Church Members.

3. **Effectiveness** - The scheme should not operate as a disincentive to parishes to increase their income.

4. **Sharing of Responsibility** - The scheme should encourage the giving of individuals and parishes to be related both to their resources and the total needs of the Church.

5. **Involvement of the Deaneries** - The scheme must enable Deaneries to fulfil their growing and important role of applying local knowledge to achieve a fair distribution of financial responsibility between their parishes."

Figure 6 shows, in slightly clarified form, the results of the survey conducted by Catton, summarising which we find:

- 22 dioceses use actual income
- 13 dioceses use potential income
- 2 dioceses use an 'own' system
- 6 dioceses use a blend of actual and potential
- 43

Of the twenty-one dioceses who said they were satisfied with their method, nine were using actual income, nine potential income, one an 'own' system and two were using blends - in other words a fairly even division between actual and potential. And of the eleven who were not satisfied, nine were using actual income and two were
FIGURE 6: Results of the Catton Survey of Other Diocesan Allocation Systems

Key to symbols used.

A = Actual income
B = Potential income
A/B = Schemes which use a 50/50 basis of assessment.
L = The Lichfield Scheme or a close derivative thereof.
D = Diocese where the Deanery is closely involved in assessment.
KA = Dioceses who have their own method based on actual income.
ZB = Dioceses who have their own method based on potential income.
K = Dioceses who have their own very distinctive method and scheme, which does not fit into a simple analysis.
J/YR = Diocese undertakes a review of method and/or returns every third year or however many years are indicated by number.
<table>
<thead>
<tr>
<th>Diocese</th>
<th>Type of Scheme</th>
<th>Satisfied</th>
<th>Deanery Involved</th>
<th>If Considering Change Type of Scheme to be Used</th>
</tr>
</thead>
<tbody>
<tr>
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<td>A</td>
<td>No</td>
<td>D</td>
<td>B</td>
</tr>
<tr>
<td>London</td>
<td>K</td>
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<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bath and Wells</td>
<td>A/B/K</td>
<td>No</td>
<td>D</td>
<td>B</td>
</tr>
<tr>
<td>Birmingham</td>
<td>A</td>
<td>No</td>
<td>D</td>
<td>B</td>
</tr>
<tr>
<td>Bristol</td>
<td>B-L</td>
<td>Yes</td>
<td>D</td>
<td>-</td>
</tr>
<tr>
<td>Chelmsford</td>
<td>A/B</td>
<td>No</td>
<td>D</td>
<td>B-L - 3YR</td>
</tr>
<tr>
<td>Chichester</td>
<td>A</td>
<td>-</td>
<td>D</td>
<td>-</td>
</tr>
<tr>
<td>Coventry</td>
<td>B-L</td>
<td>Yes</td>
<td>D</td>
<td>-</td>
</tr>
<tr>
<td>Derby</td>
<td>B-L</td>
<td>Yes</td>
<td>D</td>
<td>- 3YR</td>
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<tr>
<td>Ely</td>
<td>K</td>
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<td>- 3YR</td>
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<tr>
<td>Exeter</td>
<td>A</td>
<td>No</td>
<td>-</td>
<td>B</td>
</tr>
<tr>
<td>Gloucester</td>
<td>A/B-K</td>
<td>Yes</td>
<td>D</td>
<td>-</td>
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<td>Guildford</td>
<td>A</td>
<td>-</td>
<td>D</td>
<td>B</td>
</tr>
<tr>
<td>Hereford</td>
<td>A/B</td>
<td>Yes</td>
<td>D</td>
<td>- 3YR</td>
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<td>-</td>
<td>D</td>
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<tr>
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<td>B-L</td>
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<td>D</td>
<td>-</td>
</tr>
<tr>
<td>Lincoln</td>
<td>ZB</td>
<td>Yes</td>
<td>D</td>
<td>-</td>
</tr>
<tr>
<td>Norwich</td>
<td>A</td>
<td>No</td>
<td>D</td>
<td>B-L</td>
</tr>
<tr>
<td>Oxford</td>
<td>B-L</td>
<td>Yes</td>
<td>D</td>
<td>-</td>
</tr>
<tr>
<td>Peterborough</td>
<td>B-L</td>
<td>Fair</td>
<td>D</td>
<td>ZB</td>
</tr>
<tr>
<td>Portsmouth</td>
<td>A</td>
<td>Fair</td>
<td>D</td>
<td>-</td>
</tr>
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<td>Rochester</td>
<td>A</td>
<td>Yes</td>
<td>D</td>
<td>-</td>
</tr>
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<td>St. Albans</td>
<td>A</td>
<td>Fair</td>
<td>-</td>
<td>K</td>
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<tr>
<td>St. Edmundsbury and Ipswich</td>
<td>A/B</td>
<td>-</td>
<td>D - Own Scheme</td>
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<td>A-XA</td>
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<td>D</td>
<td>-</td>
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<td>Satisfied</td>
<td>Deanery Involved</td>
<td>If Considering Change Type of Scheme to be Used</td>
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<td>Truro</td>
<td>A</td>
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<td>A</td>
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<td>–</td>
<td>B</td>
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<td>XA</td>
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<td>–</td>
<td>– 1YR</td>
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<td>Bradford</td>
<td>B</td>
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<td>–</td>
<td>– Special Review</td>
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<td>XA</td>
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<td>–</td>
<td>–</td>
</tr>
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<td>XA</td>
<td>Yes</td>
<td>D</td>
<td>–</td>
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<tr>
<td>Liverpool</td>
<td>XA</td>
<td>No</td>
<td>D - Own Scheme</td>
<td>A</td>
</tr>
<tr>
<td>Manchester</td>
<td>A</td>
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<td>–</td>
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<td>Newcastle</td>
<td>B</td>
<td>Yes</td>
<td>–</td>
<td>–</td>
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<tr>
<td>Ripon</td>
<td>A</td>
<td>Yes</td>
<td>D - Own Scheme</td>
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<td>Sheffield</td>
<td>A</td>
<td>No</td>
<td>–</td>
<td>B</td>
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<td>Sodor and Man</td>
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<td>Fair</td>
<td>–</td>
<td>–</td>
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<td>D</td>
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<tr>
<td>Wakefield</td>
<td>A/B</td>
<td>–</td>
<td>D</td>
<td>–</td>
</tr>
<tr>
<td>Winchester</td>
<td>XA</td>
<td>–</td>
<td>D</td>
<td>–</td>
</tr>
</tbody>
</table>

using blends - no-one expressed dissatisfaction with a potential income system.

Of the fifteen who were planning a change, thirteen proposed moving to potential income, one to an 'own' version and one to actual income (from an 'own' version of actual, not from potential). The trend of preference is clearly for potential income rather than actual income to be the basis on which diocesan share is allocated, but the means whereby that potential basis is defined varies from diocese to diocese.

5.3 The Catton Paper Considered in Detail

Catton makes a review of systems being used by several of the dioceses of which the following are some of the more interesting points:

5.3.1 Use of deaneries

Twenty-nine of the dioceses (including Bradford) use the deaneries as a principal means of allocating share - suggesting either that this level of administration is more sensitive to parochial variances, or that parishes have more confidence in their local deanery than in the perhaps more remote diocesan office.

5.3.2 Flat rate contributions

Some dioceses incorporate a flat rate contribution and then supplement with a variable addition. Winchester for example took (in 1976) £300 per full-time person working in the parish and then 25 per cent of the remaining gross parochial income. In 1978 the flat rate will be £450.

5.3.3 Fixed percentage

Others take a fixed percentage of parochial income. In Blackburn this is fifteen per cent - a figure which, since it was first adopted
eight years ago has been enough to meet the total diocesan budget and over the last five years has produced an average surplus of £20,000. "The current system has a number of advantages but basically it is dependent on the efficiency of the Christian Stewardship service which has enabled parochial income to continually increase. The...assessment is always based on the previous year's accounts, and a further advantage is that parishes feel they have control of Diocesan Expenditure". That last point is relevant to Bradford where parishes are not so sure they have such control (see the results of the parish questionnaire in Chapter 2). But nor do Bradford parishes espouse Christian Stewardship as wholeheartedly as do those in Blackburn, and it would seem doubtful therefore that the Blackburn scheme could easily be translated - one example among several reflecting the differing nature of even adjoining dioceses. Catton notes that the Chester and Rochester schemes are similar to Blackburn's.

5.3.4 Lichfield

When we come to systems based chiefly on potential income and linked with Christian Stewardship then the Diocese of Lichfield is prominent in the field. So successful has their scheme been that it has been adopted in whole or in part by several other dioceses (including Bradford). Unfortunately whilst successful, it is also complicated and expensive (when instituted by York Diocese it took 6 months and cost £5,000). "There is no doubt that this is the most expensive to run in terms of manpower and time, requiring one or two full-time people. Lichfield run this successfully in with their Stewardship Department most of whom are full-time, and is a natural link with Stewardship." Which raises the question of whether the increased cost is justified in terms of increased return - a prima
facie case for a cost-benefit analysis, which it would be interesting to pursue because of the varied behavioural responses which would probably result. But we can only note the point and leave it be.

The content of the scheme is based on isolating differing parish variables, applying an agreed weight "...based and adjusted by long experience of Stewardship Missions" to each, and thereby evaluating a 'family count' for each parish. This count multiplied by a rate of giving deemed appropriate for the parish yields the parish potential income. Summating all the parishes within a deanery produces the deanery potential income, and summating all the deaneries produces the potential income for the diocese. The formula then becomes:

\[
\text{Potential income of deanery} \times \text{Diocesan budget} \\
\text{Potential income of diocese}
\]

Deaneries are responsible for checking original data, and later apportioning share over their constituent parishes with power to adjust.

5.3.5 Lincoln

The Lincoln diocesan scheme calculates a theoretical Church of England membership from the civil population as published in the Parliamentary Register of Electors:

"20 per cent of the first 1,000 population
15 per cent of the second 1,000 population
10 per cent of the third 1,000 population
5 per cent of the remainder."

This is then summated to produce a diocesan total population which is divided into the diocesan budget to produce a charge per head, e.g. if diocesan population is 100,319, and diocesan budget
£186,000, charge per head = $\frac{186,000}{100,319} = £1.85$. This multiplied by each parish's population becomes the parish share. Catton was sufficiently impressed by this system to delve more deeply into several practical aspects, concluding that it "greatly appeals to me" and that the Diocesan Secretary is "very satisfied with system, only 2 appeals in last 4 years". It seems however to be an assumption taken as read that the aforesaid calculation of population is necessary and that the extent figure of Church membership is not a reliable criterion.

5.3.6 Hereford

In the formula adopted by Hereford Diocese "the Domestic Rateable Value is used to measure the financial potential of a parish", a stepped apportionment being made similar to that applied to the population by Lincoln.

5.3.7 Norwich

Norwich use a points system:

Rateable Value - divided by 10,000.
Electoral Roll - total as recorded at last AGM.
Services of a clergyman - one clergyman is worth 60 points.

Using these factors in a Deanery, a parish example works out as below.
The deanery points add up to 2728, and the (deanery share) to be found is £8,039.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Points</th>
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<tbody>
<tr>
<td>Population - 1230 divided by 10</td>
<td>123</td>
</tr>
<tr>
<td>DRV 89,639 divided by 10,000</td>
<td>9</td>
</tr>
<tr>
<td>Electoral Roll</td>
<td>67</td>
</tr>
<tr>
<td>Share of Clergyman's time - whole time</td>
<td>60</td>
</tr>
<tr>
<td></td>
<td>259</td>
</tr>
<tr>
<td></td>
<td>points</td>
</tr>
</tbody>
</table>
Therefore the parish share...is \( \frac{259}{2728} \times 8,039 = 763.00 \).  

5.3.8 Southwark

Some dioceses have a priority system, Southwark for example
"...works on the principle that the first charge on every parish is
the cost of its staff, housing and working expenses..." and operates
a differential system accordingly.

5.3.9 Bath and Wells

The diocese of Bath and Wells - apparently uniquely - offers a
choice of five schemes:

(a) 10p per head of population, plus £885 per parson.
(b) A straight increase based on their old (actual income)
scheme.
(c) A scheme based solely on Electoral Roll.
(d) 10p per head of E.R., plus £1,107 per parson.
(e) £1 per head of E.R., plus £916 per parson.

The Deanery is left to work out the scheme best suited to their own
Deanery."

5.3.10 Gloucester

Gloucester are particularly commended by Catton for the clarity
with which their scheme is presented to parishes and parishioners,
a need which this writer would endorse - surely adequate presentation
is the lubricant without which no mechanism, however skilfully designed,
can be operated successfully?

5.4 Other Papers Considered

5.4.1 Dilnot

In July 1978 the Reverend John Dilnot, working from Leeds
Vicarage produced a paper which to some extent duplicates
Catton's, but delves more deeply into the practical aspects of assessing potential income. Discussing sociological factors and levels of giving, he comments that "there seems to be the widest variety of practice, and very little evidence of the research undertaken to determine the factors" but tends to the conclusions that (i) potential is better than actual, and (ii) whilst instituting a potential system involves a lot of hard work, subsequently maintaining it is markedly easier.

5.4.2 Laughlin

In an undated paper (76), Richard Laughlin of Sheffield University isolates seven requirements which any allocation system should be required to satisfy:

"1. It should be able to raise the money as required.
2. It should be dynamic in terms of its ability to raise sometimes large additional sums...and to communicate the effect of this to each parish quickly.
3. It should be able to give a target to parishes for them to raise.
4. It should be able to differentiate those parishes which are pulling their weight and those that are not.
5. It should be able to link parishes together somehow so that those who are learning lessons about giving can pass on their knowledge to others.
6. It should appear justifiable to the parishes in terms of the resulting charge made upon them.
7. It should be as simple as possible."

and he then proceeds to test various ideas against these seven. Actual income he considers "fails badly on conditions 2, 3, 4, 5, and 7." and potential income "is strong on conditions 3 and 4, passable
on conditions 1 and 2, and fails on conditions 5, 6 and 7". He then
develops his own idea "...the Cost System...based on the simple
criterion of how much it costs to run the parish parochially,
diocesanly and centrally" which "can boast strengths in all seven
areas". His system is built up by seeking data from parishes relative
to cost areas from which a financial profile can be prepared
(distinguishing supporting, self-supporting and supported parishes,
and endeavouring to link those in the first group with those in the
third) and allocating the diocesan share accordingly. From an
analytical accountant's point of view, it is encouraging to see anyone
within the Church evaluating such ideas, but it seems to be somewhat
advanced for present Church thinking and has not, apparently, yet
been implemented.

Apropos of Laughlin's point four, Catton quotes Norwich diocese
as stating that:

"The major flaw in the present system is that the [share]
assessment depends entirely upon the money a parish has
raised in the past. This means that the parish which has
worked hard to teach committed giving pays a much larger
[share] than a similar parish which has done little over
the years to increase its income. Thus, as Diocesan
requirements increase so does the load falling on the backs
of the 'willing horses'. This knowledge can act as a
deterrent to any attempt to increase giving standards."

And we may reflect ourselves that this is a consideration of financial
incentives, which, among management students, would be better known as
motivation theory, and under which title it has been extensively, if
not conclusively, researched (by Lawler [819], among others). The
benefits that could be obtained from a familiarity with such research
when planning diocesan share systems seem obvious.
Laughlin in defining his objective states "...the structure that we adopt...should be enabling and encouraging growth in the parish giving rather than stifling it. But...any structure of itself cannot achieve alone growth - but it can and should help". His scheme is obviously a move in that direction but he notes himself that the principal objections to it being implemented are behavioural "...the typical incumbent...does not mind being patronised by the Saints of the past or the anonymous diocese, but to be sponsored financially by the parish up the road...is too much!" although his own opinion is that "...the problems - especially financial - are great at the moment and need radical solutions...". Probably he is right and probably - eventually - it will be somewhere on his line of reasoning that diocesan boards of finance will come to rest if their respective diocesan shares continue to increase in the future in the same way that they have in the recent past.

5.5 Summary

Other dioceses display widely differing methods of allocating share, there is a trend towards potential income rather than actual income, but no unanimity as to method of calculation. There is possibly a preference among dioceses which are largely homogeneous (especially if largely urban) for a precise formula, and among those less homogeneous (such as Bradford, which mixes urban with rural) for something more flexible. However, within the various systems adopted, and some theoretical systems being postulated, there are several technical ideas which would merit closer consideration.
CONCLUSIONS

SUGGESTIONS FOR FURTHER RESEARCH

AFTERWORD
CONCLUSIONS

Contrary to original intention, this study has not dealt exclusively with one aspect of diocesan financial management, but has ranged widely, and in parts only shallowly, over a large area. This makes it difficult to summarise, and unwise for it to be too precise in conclusion - it will probably be felt to have raised more questions than provided answers - something which is not unusual in a new field of research, but which may, justifiably, leave diocesan management feeling something less than satisfied.

This result is partly due to the constraints - especially of time - under which the study was conducted, but partly also to the inherently diffused nature of the diocesan management structure. Not only is there no single person or group of persons who could be said to be in total control - there is insufficient recognition that firm control is necessary if the Church is to adequately handle the economic and financial problems it is increasingly facing. Parish stands jealous of parish, diocese cooperates not with diocese, and each level views with caution the prospect of greater control being exerted by any higher level. Indeed the Church of England as a whole, and the Diocese of Bradford in particular, are uncertain about the proper role in their organisation for management of their material affairs. There is so much diversity, both theologically, which is well known, and administratively, which has emerged from this study, within the ranks of the Church that it is probably unwise to treat it as an homogeneous whole. Opinions on the merits of good material management range from those who see it as essential, to those who dislike it intruding more than can reasonably be avoided. There must be a consensus on this and a decision to settle on a point somewhere along that continuum before much can be done to evolve practical forms
which material management could take.

This distillation of policy is not one on which an outsider can properly comment, the Diocesan Synod must be prepared to make it.

But the issue to be decided is not whether or not material management qua management is to be adopted, but whether such management is to become centralised and strong or whether it is to continue to be diasporic and weak. Whether it chooses to recognise it or not, the Church is already heavily involved in the management of its material concerns, but that management is largely being conducted in a spirit of fuddled goodwill by unqualified laity and clergy who, when they meet a problem with which they are not fully competent to grapple, may not only fail to provide the Church with optimum benefit from its material resources but could even cause it direct financial loss. If this situation is to be remedied then the Diocesan Synod must, according to its own lights, consider the degree to which rational management techniques can properly be married to its own doctrinal policy and in so doing it should not be afraid at least to consider new ideas. To consider in this way does not necessarily mean that such ideas have to be adopted. If they really are found to be unsuitable then they need be pursued no further, but what is more likely is that they can, by a process of discussion and experiment, be adapted to the Church's particular needs. The Church of England is not completely unique. There are certainly parallels to be drawn with other Churches and with such public service organisations as local government and universities who are already using such techniques, and probably also there are useful lessons to be learned from a study of profit-oriented industry and commerce.

Nor does the Church stand alone. As the recipient of public funds for purposes such as historic church renovation, it cannot
completely escape responsibility for a level of competence in financial management which is not only sound, but which can be publicly demonstrated to be sound. If the mismanagement at Bradford St. Swithins had occurred at Tong St. James then the resultant public exposure could have seriously damaged the Church's financial credibility. The wider contributing public is not noted for its ability to distinguish between an error of omission and one of commission.

In due course therefore, the Diocesan Synod will, hopefully, make some sort of a policy decision regarding the adoption of new management techniques. That decision might properly go either way and to varying degrees, but once made it should be expressed clearly and unequivocally. Should it be favourable to the adoption of such techniques, then it is the writer's opinion that not only the financial aspects outlined in preceding chapters but also those in several other disciplines might be deemed potentially beneficial and that all would merit further research and study.

However one conclusion can be stated with reasonable certainty - potential income as at present operated by the Diocese of Bradford is a highly successful method of allocating diocesan share and likely to continue to be so through the immediate future. It should be retained. Whether it will suffice for the further future must depend on developments not yet known, but if it be deemed inadequate then this study has done much preparatory work on a formula method which could be an appropriate successor, and introduced ideas from several other dioceses which, either individually or in combination, can be developed into further alternatives. But any system using parochial accounts as a basis suffers from their inadequacy and incomparability. An improvement in that basis is essential if it is to be so used, but to effect such an improvement is beyond present diocesan powers. (Slade 826)
concludes her book with the words "I would end with a dual plea - for better church accounting and for simplicity. It ought to be possible to be guided by the highest accounting principles and yet be practical rather than academic."

Beyond allocation of diocesan share a number of management techniques have been shown to merit further consideration: in particular capital investment appraisal (specifically in relation to church renewal); some form of management information system; market appraisal and market development (although preferably under another title - possibly 'mission'); and motivation theory (this with particular reference to giving).
SUGGESTIONS FOR FURTHER RESEARCH

(i) **At Parochial Level**

There is a need for more knowledge as to the reasons for the diversity in accounting practice and why there is so little financial control and check, and need also for more knowledge as to parish resourcefulness. Little if anything has been done on the comparative merits of, and preferences for, weekly or special events giving, nor on motivation for giving, particularly as to amounts given, and all would merit attention. A useful study could be made of the role of the incumbent in parochial business affairs and whether that discourages either the participation of parishioners in parochial management or the best utilisation of the skills of qualified lay people. Incidental to this it might be rewarding to study the functioning of one or more parochial church councils and in particular their varying conceptions of diocesan share. Finally there is useful work to be done on those churches which have dual values.

(ii) **At the Parochial/Diocesan Interface**

Both the synodical system and potential income have now been operating long enough for their advantages and disadvantages to be evident. There would be practical value in studies of the satisfaction or otherwise felt about their operation. Similarly useful would be a study of the sense of obligation felt by parishes towards their diocese.

(iii) **At Diocesan Level**

There would be value in studying the workings of the various diocesan management groups.
(iv) As Regards Clergy

The two areas which stand out from this study as needing further attention are the relationship between clergy pay and job satisfaction, and the feelings of clergymen about asking for money. Both have a major bearing on diocesan financial management.

(v) In General

It would be useful to ascertain whether there is justification for the feeling among anglicans that non-anglicans believe the Church of England to be State-financed.
AFTERWORD

Church financial management is evidently difficult to appraise - indeed on occasion is difficult to find. But if this study has erred on the side of being serious, and maybe even clinical, that should not be taken as other than a subjective bias on the part of the writer. The subject does have its lighter side and more than one interviewee was able to find it. Bearing that in mind it seems apposite to allow the last word to go to Bestic who, in a distinctive, and at times distinctly entertaining, study of religious financial management (31) made the following comments:

"In the beginning, if I may plagiarize without being thumped by a thunderbolt, I thought it was a simple question. How do men of God acquire the coin of Mammon and how do they spend it? Yet when I asked, I ran into barbed wire entanglements that would have ripped the hair shirt off a mediaeval monk.

Most religious leaders and evangelists, I found, will plunge, fully mitred and mohaired, into the Old or New Testament and surface with a text to fit any subject from space travel for pregnant women to sex education for minority groups under seven. ...

When I mentioned financial statements however, they began to twitch and with a rare unity of voice hinted that I should go and wash my tongue. Then, as if saddened by their own intolerance of the moment, they explained gently that there are no pennies in Paradise, that the entrance fee cannot be paid in cash, nor even with a credit card, golden for executives only".
QUESTIONNAIRE TO PARISH TREASURERS

APPEAXDIX A

QUESTIONNAIRE TO PARISH TREASURERS

1. Please tick the appropriate box below and return to the Parish Council:
   
   Under 1 year [ ] 1-3 years [ ] 4-6 years [ ] Over 6 years [ ]

2. Have you ever been a member of any of the following organisations:
   (a) [ ] Churchwarden
   (b) [ ] Steward
   (c) [ ] Parish Councillor
   (d) [ ] Community Group

3. Please indicate the number of hours spent on church accounts:
   [ ] Under one hour
   [ ] One to two hours
   [ ] Two to five hours
   [ ] Over five hours

4. Are you entirely responsible for the accounts of your parish or are the duties shared with others?
   (a) [ ] Solely responsible
   (b) [ ] Others assist

5. Please indicate your total length of experience:
   (a) [ ] 1-10 years
   (b) [ ] 11-20 years
   (c) [ ] Over 20 years
QUESTIONNAIRE TO PARISH TREASURERS

(Thirty-five were despatched - thirty-one replies were received. Descriptive questions were provided with several lines on which to record answers.)

Please answer as many questions as possible

SECTION A

1. Please tick the appropriate box to show how long you have been a Parish Treasurer.

   Under 1 year  □  1-5 years  15  5-10 years  5  over 10 years  10

2. Have you any professional qualification in accountancy (for instance: Chartered Accountant; Cost and Works Accountant; Institute of Bookkeepers; Chartered Secretary, etc.)?

   Yes  □  8

   No  □  22

3. Please indicate, by ticking appropriate box, how long (on average) your Treasurer's duties take you each week.

   Under one hour  □  3

   One to two hours  □  13

   Two to five hours  □  11

   Over five hours  □  3

4. Are you entirely responsible for the accounts of your parish or are the duties shared with the Vicar, Churchwardens or others (for instance, do other members of the Church assist with the keeping of certain accounts)?

   Solely responsible  □  21

   Others assist  □  9
5. Please indicate the number of separate accounts with the bank (or with the Building Society, Central Board of Finance) you are responsible for.

<table>
<thead>
<tr>
<th>Number of Accounts</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>7</th>
<th>8</th>
<th>11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Parishes</td>
<td>1</td>
<td>6</td>
<td>5</td>
<td>7</td>
<td>6</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

6. Do you think that your annual accounts are easily understood by other members of your parish or could they, in your opinion, be simplified or re-drafted to make the information clearer?

- Adequate as they are [28]
- Could be simplified [2]

SECTION B

1. Please indicate briefly how you were appointed as Treasurer.

.................................................................
.................................................................
.................................................................

2. Please indicate briefly whether you are happy to continue as Treasurer or whether, if the opportunity arose, you would wish to hand the job to another person.

.................................................................
.................................................................
.................................................................
.................................................................

3. Do you feel that you had sufficient training to be able to do the job as Treasurer when you were appointed? If not, a brief description of the difficulties you encountered would be useful.

.................................................................
.................................................................
.................................................................
.................................................................
.................................................................
4. Do you think that more help from, say, a deanery expert in accountancy would be of assistance to you? (Please tick)

Yes  2

No  26

If the answer to the above question is yes, then please give a brief list of those areas where help would be useful.

------------------------------------------------------------------

------------------------------------------------------------------

SECTION C

1. Are you generally in favour of the assessment of parish share by means of the Potential Income system?

Yes  22

No  8

2. Do you feel that the system used is a fair one? (i.e. between different parishes)

Yes  24

No  5

3. Please tick the phrase which you feel most accurately describes the Diocesan Share Payment made by your parish.

Tax on parochial income  2

Levy on parochial income  8

Contribution to the 'family purse'  18

Payment for benefits received  2
4. Do you feel that you can easily consult the Diocesan Office concerning matters about which you require information?

Yes 29
No 1

SECTION D

Is the response you receive from the Diocese generally

1. Do you raise the bulk of your parish finance by means of weekly offerings or by special fund-raising events (or both)?

Helpful 29
Weekly offerings 14
Unhelpful 1
Special events

5. Please tick the word or phrase which seems to best describe 'The Diocese'.

A group of parishes 19
The Bishop's parish 9
"Them"! 2 + 1 "tempted!"

6. Who do you think has the most control over Diocesan Financial Policy?

The Bishop
The Diocesan Synod 3
The Diocesan Secretary 7
The Diocesan Board of Finance 22

7. Do you feel that the parishes have enough influence over Diocesan Policy?

Yes 12
No 15
7. continued .......

Any comments you have on this would be appreciated.


SECTION D

1. Do you raise the bulk of your parish finance by means of weekly offerings or by special fund-raising events (or both)?

Weekly offerings □

Special events □

Both □

2. Please indicate briefly the reasons why your parish raises its income in the way it does (for instance the parish may not approve of stewardship or may prefer the social events in the parish calendar)


3. Does your parish seek advice when dealing with the investment of funds and, if so, from whom?

Yes □

No □

Source of advice


4. Finally, do you feel that your parish receives any financial support from non-parishioners, and what are your views on those who do not support the Church financially but use it as a convenience for weddings, funerals and baptisms?

Thank you for completing this questionnaire. Please return it to Keith Sayers in the enclosed stamped addressed envelope.

Signed ........................................

Parish ........................................
1. A parish priest in North Ryde (NSW) once said, 'I can
work in a part-time university course, but I'm not satisfied
by the courses. This situation does not take into account the
time spent traveling to and from various places but is an
estimate of the overall time involved in particular tasks'.

<table>
<thead>
<tr>
<th>Task</th>
<th>Hours Per Week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commission (public, social, and diocesan)</td>
<td>4.2</td>
</tr>
<tr>
<td>Parish duties (church)</td>
<td>16.4</td>
</tr>
<tr>
<td>Pastoral</td>
<td>4.9</td>
</tr>
<tr>
<td>Teaching</td>
<td>3.0</td>
</tr>
<tr>
<td>Total</td>
<td>29.4</td>
</tr>
</tbody>
</table>

**APPENDIX B**

**TWO ANALYSES OF THE ALLOCATION OF TIME IN A PARISH**

**PRIEST'S AVERAGE WORKING WEEK**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preparation</td>
<td>6.5</td>
</tr>
<tr>
<td>Administration</td>
<td>6.5</td>
</tr>
<tr>
<td>Financial viability</td>
<td>10.7</td>
</tr>
<tr>
<td>Parish (church)</td>
<td>10.7</td>
</tr>
<tr>
<td>University (London)</td>
<td>3.0</td>
</tr>
<tr>
<td>University (Nottingham)</td>
<td>3.0</td>
</tr>
</tbody>
</table>

**Source:** Dr. Smith, A.M., 'Some attempts at adult education in the church - Special Study submitted for the Diploma in Adult Education in the University of Nottingham, August 1971.'
1. A parish priest at North Bykeham (Lincolnshire) who was (a) engaged in a part-time university course, but (b) was assisted by two curates. This estimate "does not take into account the time spent travelling to and from various places but is an estimate of the actual time involved in particular tasks".

<table>
<thead>
<tr>
<th></th>
<th>hours per week</th>
<th>hours per week</th>
<th>%</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Committees (mainly deanery and diocesan)</td>
<td>4</td>
<td></td>
<td>6.7</td>
<td></td>
</tr>
<tr>
<td>Parochial duties: Worship</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pastoral</td>
<td>11</td>
<td>18.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Teaching</td>
<td>6</td>
<td>10.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parish Committees</td>
<td>3</td>
<td>5.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Services</td>
<td>1.75</td>
<td>2.9</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>24.75</td>
<td>41.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Variable time: Study, sermon preparation</td>
<td>10</td>
<td>16.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>5</td>
<td>8.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parochial visiting (other than sick)</td>
<td>10</td>
<td>16.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisation</td>
<td>2</td>
<td>3.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>27</td>
<td>45.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>University attendance</td>
<td>4</td>
<td>6.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>59.75</td>
<td>100.0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Sargeant, F.P., 'Some attempts at adult education in the church' - Special Study submitted for the Diploma in Adult Education in the University of Nottingham, August 1973.
2. Average over a seven-week period for a vicar in the Diocese.

<table>
<thead>
<tr>
<th>Hours per week</th>
<th>Hours per week</th>
<th>1</th>
<th>2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extra-parochial meetings; Other clergy</td>
<td>9.4</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>Synods</td>
<td>1.8</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Church societies</td>
<td>1.5</td>
<td>2.5</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>12.7</strong></td>
<td><strong>21.5</strong></td>
<td></td>
</tr>
<tr>
<td>Parochial duties; Worship</td>
<td>13.4</td>
<td>23.0</td>
<td></td>
</tr>
<tr>
<td>Other services</td>
<td>7.0</td>
<td>12.0</td>
<td></td>
</tr>
<tr>
<td>Stewardship campaign</td>
<td>4.1</td>
<td>7.0</td>
<td></td>
</tr>
<tr>
<td>Administration</td>
<td>3.8</td>
<td>6.5</td>
<td></td>
</tr>
<tr>
<td>Study group</td>
<td>2.9</td>
<td>5.0</td>
<td></td>
</tr>
<tr>
<td>Interviews</td>
<td>2.3</td>
<td>4.0</td>
<td></td>
</tr>
<tr>
<td>Parish magazine</td>
<td>2.3</td>
<td>4.0</td>
<td></td>
</tr>
<tr>
<td>Sick visiting</td>
<td>0.9</td>
<td>1.5</td>
<td></td>
</tr>
<tr>
<td>Children and Young People</td>
<td>0.9</td>
<td>1.5</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>37.6</strong></td>
<td><strong>64.5</strong></td>
<td></td>
</tr>
<tr>
<td>In-service training</td>
<td>7.9</td>
<td>13.5</td>
<td></td>
</tr>
<tr>
<td>Secular community affairs</td>
<td>0.3</td>
<td>0.5</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>58.5</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

Source: Confidential study made at the request of the Archdeacon of Bradford.
The object of potential income is to achieve a statement of equality in the assignment of personal income to the parishes of the diocese, and to determine potential income, it is intended by setting a target under the formula: "Assessments are made on".

There was an interest in attaching a certain portion of potential income to parishes which were not in a direct relationship with income, and a corresponding interest to work out a formula, which resulted in a "settlement target". The potential income was calculated for each parochial unit, and the resulting "parochial settlement" was adjusted temporarily by "expanding settlements". This was completed in 1924 under the Lightharl Committee, which was a central body of the diocese.

APPENDIX C

THE METHOD OF ASSESSING POTENTIAL INCOME

AS OPERATED IN THE DIOCESE OF BRADFORD

The method of assessing potential income is as follows:

1. The Board of Finance in 1924 and subsequent years was dealt with by individual parish units. The result of these calculations was a "settlement target" which was supplied to the parishes, the procedures previously used, namely the "expanding settlements" method of adjusting the "settlement target" to the parishes. These calculations were made to ensure that the total income of each parish was sufficient to cover the expenses of the diocese.

2. In the Lightharl Committee, which was a central body of the diocese, the formula for potential income was adjusted by "expanding settlements". This was completed in 1924 under the Lightharl Committee, which was a central body of the diocese.

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2. In the Lightharl Committee, which was a central body of the diocese, the formula for potential income was adjusted by "expanding settlements". This was completed in 1924 under the Lightharl Committee, which was a central body of the diocese.
The objects of potential income are to achieve a degree of
equality in the measurement of parochial ability to pay a proportion
of the diocesan share, and to stimulate parochial resourcefulness
by setting a target. Under the former system based on actual income
there was an inherent bias which placed a greater burden on those
parishes which were making a strenuous effort to maximise their
income, and a correspondingly lower burden on those perhaps more
lethargic parishes who were content to 'muddle through' on a lower
income. In order to be more equitable, all parishes are now
assessed on notional figures of what they could reasonably be
expected to achieve if they made the necessary effort. Initially
instituted in 1974 under the semi-professional guidance of a team
from the Lichfield diocese, a revision was made during 1977 (to
become effective in 1978) by an intra-diocesan team.

The decision to use an intra-diocesan team was made by the
Board of Finance in 1977 and each rural dean was asked to nominate
one individual. The resultant group of eight persons were given a
series of three training sessions during which they were appraised of
the objects, the methods previously used, and the difficulties likely
to be encountered. These sessions also included a 'dummy run' on
figures for unnamed parishes. They were then allocated to deaneries
other than their own (so that none was required to assess his own
parish), supplied by the Diocesan Secretary with data (including the
Secretary's confidential opinion of what would be an appropriate
result) relative to each of that deanery's parishes, and arrangements
made for them to meet in turn, small teams of parochial representatives.

At these meetings the basic procedure seems to have been fairly
standard and we can conveniently appraise it by taking a typical
example:
Data supplied:  
- Easter communicants: 317
- Christmas communicants: 350
- Electoral roll: 290
- Parishes magazines sold: 400 per month
- Average church attendance: 150 per Sunday
- Lichfield assessment: 200 potential giving units.

The electoral roll will be somewhat out of date, it is normally only fully reviewed once in four years, when it can reasonably be expected to drop by twenty-five to fifty per cent (subsequently rising as newcomers add their names), and as 1978 would be a review year, it was felt that in this case a realistic figure would probably be 200, rising again to 250. Allowing for husband and wife combinations (which are regarded as a financial unity) that was taken to indicate 150 giving units. Since Anglicans are doctrinally expected to receive communion at Easter and Christmas, the figures for attendance thereat are a valuable guide, but again allowance must be made for two or more persons coming from a single household. In this case the indication seemed to be something in excess of 200. Average church attendance is a statistic to be treated with caution because it will include both regulars and casuals and apparently little or no research has been done to show the relative proportions; likewise the figure for magazines sold, since a proportion (again, apparently, unknown) of these will go to non-Anglicans; but these two statistics can provide useful corroboration. In this case the figure agreed was a current of 200 giving units with a potential of 240 giving units four years hence.

Having thus obtained the number of units, the next stage is to decide the rate per unit. In this the assessors were guided by figures obtained from stewardship programmes held during the preceding year and which suggested that the target for a poor parish in the urban
area with problems such as bad housing and high immigrant population
should be 90p per week per giving unit, rising to 140p for the most
financially able parishes. This yields a scale at some point along
which each parish had to be located. To decide which point the
assessors seem to be guided partly by a comparison of financial
returns and partly by intuition; it appears to have been not a
difficult operation, mutual agreement being, in most cases, quickly
reached, albeit with a tendency to cluster in the band 105p to
120p, and to avoid both extremes.

The final stages were straightforward arithmetic, multiplication
of rate by number of units yields a potential income per parish,
and summation of those, a potential income for the Diocese. This
total potential income then becomes the denominator, and each
parish’s potential income the numerator, of the fraction by which
the total diocesan share is multiplied to ascertain that parish’s share.
APPENDIX D

THE COMPOSITION OF CLERGY PAY

The composition of clergy pay is determined by the House of Bishops, who allocate their income in such a way as to meet the needs of each diocese as they see fit. There is no general rule to be applied, but there is a trend for clergy to be paid chiefly as an educational instrument for the ministry. Incumbents are usually paid a high endowment income supplemented by a relatively low sum from the diocesan stipendary fund, and this varies with a 'working balance' kept aside and used to meet any additional needs which occasionally occur.

The second source is the further supplementation to their respective stipendary funds made directly by each diocese (in the case ofBradford, by levy on the parishes). This further sum is controlled both as to amount and as to allocation by the diocesan commissioners, and is distributed to the clergy, who have the monthly payment to each clergyman. The amount of this further supplementation necessarily varies from diocese to diocese, since resourcefulness varies, and the problem of raising it to a level sufficient to ensure an
An incumbent's stipend originates from three sources: the Church Commissioners, his diocese, and his parish.

The Church Commissioners now hold the whole of the capital of the bequests made at any time in any parish for the support of the clergy, and whilst all those bequests are consolidated into one investment portfolio, accounts are kept showing for each parish in the country the nominal amount of capital bequested thereto. On that nominal amount the commissioners calculate 4½% interest and place the resultant sum ('guaranteed annuity') to the incumbent's credit. The excess of the portfolio income over 4½% is then divided by the total number of clergymen in the country and this per capita value re-multiplied by the number of clergy in each diocese and credited to that diocese's 'augmentation fund'. This fund, although kept by the Church Commissioners, is effectively controlled by each diocesan board of finance who may allocate their total sum among their own diocesan clergy as they see fit. There seems though to be a general trend for it to be used chiefly as an equalising instrument - those incumbents receiving a high endowment income receiving a relatively low sum from the diocesan augmentation fund, and vice versa - with a 'working balance' being kept aside and used to smooth out the anomalies which occasionally occur.

The second source is the further supplementation to their respective augmentation funds made directly by each diocese (in the case of Bradford, by levy on the parishes). This further sum is controlled both as to amount and as to allocation by the diocese, but remitted by them to the commissioners in London, as it is the commissioners, not the diocese, who make the monthly payment to each clergyman. The amount of this further supplementation necessarily varies from diocese to diocese, since diocesan resourcefulness varies, and the problem of raising it to a level sufficient to ensure an
adequate stipend for all clergy is currently a matter of thoughtful concern.

The third source is those fees generated within the parish attributable to the incumbent rather than to the parochial church council. (Of the statutory fees received for weddings, etc., that portion for the use of buildings is attributable to the council, and that portion for personal ministration to the officiating clergyman.) Again these will necessarily vary from parish to parish, but (at least in Bradford) are also taken into account when calculating each clergyman’s diocesan augmentation - a clergyman with a high fees income tending to receive less augmentation and vice versa. This source is the only one which a clergyman normally receives direct.

The combination of these three constitute the stipend and an analysis of the diocesan accounts for 1978 shows that on average their relative sizes are:

<table>
<thead>
<tr>
<th></th>
<th>£</th>
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<tr>
<td>guaranteed annuity</td>
<td>600</td>
</tr>
<tr>
<td>diocesan augmentation</td>
<td></td>
</tr>
<tr>
<td>from commissioners</td>
<td>1,000</td>
</tr>
<tr>
<td>from diocese</td>
<td>700</td>
</tr>
<tr>
<td>fees, etc.</td>
<td>500</td>
</tr>
<tr>
<td></td>
<td>52,800</td>
</tr>
</tbody>
</table>

In addition to this stipend income, clergy are provided with - and required to occupy - housing within the parish.
APPENDIX E

Computer program to distribute diocesan share over a stated number of constituent parishes according to pre-determined weighted criteria. It has been written in the CORAL language for use on a Ferranti Argus 700E computer by Dr. J. B. Harness of the Schools of Chemical Engineering, University of Bradford, Bradford, BD7 1DP from whom advice as to its adaptation to other circumstances may be obtained.
"PROC": TITLE I  
"BEGIN":  
"TEXT": "BENEFICIARY ELECTRICAL COMMUNITY CONgregational TOTAL TOTAL number")
"NEWLINE":  
"TEXT": "REFERENCE ROLL POPULATION ON NORMAL ON NORMAL SHARE ORDINARY ORDINARY OF")
"NEWLINE":  
"TEXT": "NUMBER NUMBER SUNDAY SUNDAY EXPENSE INCOME CLERGY")
"NEWLINE":  
"END":

"PROC": TITLE II
"BEGIN":  
"TEXT": "BENEFICIARY NOMINAL AVERAGE INCOME GRADE POTENTIAL INCOME SHARE SHARE AVERAGE COLLECTION")
"NEWLINE":  
"TEXT": "REFERENCE MEMBER OF INCOME 1976 1976 +25% ELECTORAL COMMUNITY")
"NEWLINE":  
"TEXT": "NUMBER "SHIP PARISH ROLL")
"NEWLINE":  
"TEXT": "NEW LINES(3)
"END":

"PROC": TITLE III
"BEGIN":  
"TEXT": "BENEFICIARY CAPITATION P.A.T. CAPITATION INCREASE EXCESS ABILITY")
"NEWLINE":  
"TEXT": "REFERENCE ON ON PLUS IN INCOME TO PAY")
"NEWLINE":  
"TEXT": "NUMBER PARSONS CONGREGATION P.A.T. SHARE")
"NEWLINE":  
"TEXT": "NEW LINES(3)
"END":

SET INPUT("", OUTPUT(155));
N=115;
FOR I=1 'STEP' 1 'UNTIL' 9 'DO'
BEGIN
FOR K=1 'STEP' 1 'UNTIL' N 'DO'
   A[I+1]=K+10;  
END;
FOR K=1 'STEP' 1 'UNTIL' N 'DO'
BEGIN
   IF A[I+1]=0 THEN A[I+1]=500;
END;
N=115;
AGAIN
SHRIP NO
FOR K=1 'STEP' 1 'UNTIL' N 'DO'
BEGIN
END;"
BEGIN
FOR K = 1 'STEP' 1 'UNTIL' N 'DO'
END;

BEGIN
FOR I = 1 'STEP' 1 'UNTIL' 9 'DO'
BEGIN
TEMP = A(I,K);
A(I,K) = A(I,K+1);
A(I,K+1) = TEMP;
END;
END;

IF SHOR = 0 THEN 'GOTO' SORTED 'ELSE' 'GOTO' AGAIN.

SORTED;
SPACES(12);
TEXT("NUMBER OF PARISHES IN SURVEY=");
INPRINT(N,4);
NEWLINES(30);
TITLE;
FOR K = 1 'STEP' 1 'UNTIL' N 'DO'
END;
BEGIN
IF K = 0 'OR' K = 100 'THEN'
BEGIN
OUTCHAR(12);
TITLE;
FOR I = 1 'STEP' 1 'UNTIL' 9 'DO'
INPRINT(A(I,1),9);
NEWLINES;
END;
BEGIN
NEWLINES;
TEXT("GRAND TOTALS");
NEWLINES(30);
TITLE;
INPRINT("TOTAL NUMBER OF PARISHES IN SURVEY=");
NEWLINES;
TITLE;
INPRINT(N,4);
NEWLINES;
TMT = 0;
SUM = 0;
FOR K = 1 'STEP' 1 'UNTIL' N 'DO'
SUM = SUM + A(K,2);
END;
DUM = SUM;
INPRINT(DUM,12);
TEXT("AVERAGE=");
DUM = SUM/N;
INPRINT(DUM,12);
TEXT("AVERAGE=");
DUM = SUM/N;
INPRINT(DUM,12);
TEXT("AVERAGE=");
DUM = SUM/N;
INPRINT(DUM,12);
TEXT("AVERAGE=");
DUM = SUM/N;
INPRINT(DUM,12);
TEXT("AVERAGE=");
TOT=TOT+AC5(1);  
TEXT("TOTAL OF CONGREGATION ON AVERAGE SUNDAY=");  
PRINT(TOT);  
TEXT(" AVERAGE=");  
CAP=TOT/9;  
PRINT(CAP);  
NEWLINE;  
TEXT("TOTAL NUMBER OF CLERGY=");  
T(5)=TOT;  
TOT=0;  
FOR K=1 STEP 1 UNTIL N DO  
TOT=TOT+AC9(K);  
PRINT(TOT);  
NEWLINE;  
SUM=0;  
FOR K=1 STEP 1 UNTIL N DO  
SUM=SUM+AC7(K);  
TEXT("TOTAL POPULATION=");  
PRINTL(SUM);  
SUM=0;  
TEXT(" AVERAGE=");  
CAP=SUM/9;  
PRINTL(CAP);  
NEWLINE;  
TEXT("TOTAL SHARE=");  
PRINTL(SUM);  
NEWLINE;  
TEXT(" AVERAGE=");  
CAP=SUM/9;  
PRINTL(CAP);  
NEWLINE;  
TEXT("TOTAL EXPENDITURE=");  
SUM=0;  
FOR K=1 STEP 1 UNTIL N DO  
SUM=SUM+AC7(K);  
PRINTL(SUM);  
TEXT(" AVERAGE=");  
CAP=SUM/9;  
PRINTL(CAP);  
NEWLINE;  
TEXT("TOTAL INCOME=");  
SUM=0;  
FOR K=1 STEP 1 UNTIL N DO  
SUM=SUM+AC7(K);  
PRINTL(SUM);  
TEXT(" AVERAGE=");  
CAP=SUM/9;  
PRINTL(CAP);  
NEWLINE;  
OUTCHAR(12);  
NEWLINE;  
SPACES(25);  
SHARE=0;  
TEXT("POTENTIAL INCOME OF PARISHES");
BEGIN
  IP = 1200 ; OR = 1400 ; THEN
  BEGIN
    OR = OR + IP ;
    IF OR GT 25 THEN
      BEGIN
        TEXT(" A ");
        SUM = SUM + OR + FCAP + 25.125;
        CAP = SUM;
        PRINT(OR); "GOTO" CLASS;
      END;
    ELSE IF OR LT 10 THEN
      BEGIN
        TEXT(" B ");
        SUM = SUM + FCAP + 20.25;
        CAP = SUM;
        PRINT(OR); "GOTO" CLASS;
      END;
    ELSE IF OR GT 9 THEN
      BEGIN
        TEXT(" C ");
        SUM = SUM + FCAP + 16.25;
        CAP = SUM;
        PRINT(OR); "GOTO" CLASS;
      END;
    ELSE IF OR LT 6 THEN
      BEGIN
        TEXT(" D ");
        SUM = SUM + FCAP + 14.425;
        CAP = SUM;
        PRINT(OR); "GOTO" CLASS;
      END;
    ELSE IF OR LT 5 THEN
      BEGIN
        TEXT(" E ");
        SUM = SUM + FCAP + 10.5;
        CAP = SUM;
        PRINT(OR); "GOTO" CLASS;
      END;
    ELSE IF OR LT 4 THEN
      BEGIN
        TEXT(" F ");
        SUM = SUM + FCAP + 8.625;
        CAP = SUM;
        PRINT(OR); "GOTO" CLASS;
      END;
    ELSE IF OR LT 3 THEN
      BEGIN
        TEXT(" G ");
        SUM = SUM + FCAP + 6.75;
        CAP = SUM;
        PRINT(OR); "GOTO" CLASS;
      END;
    ELSE IF OR LT 2 THEN
      BEGIN
        TEXT(" H ");
        SUM = SUM + FCAP + 5;
        CAP = SUM;
        PRINT(OR); "GOTO" CLASS;
      END;
    ELSE IF OR LT 1 THEN
      BEGIN
        TEXT(" I ");
        SUM = SUM + FCAP + 2.5;
        CAP = SUM;
        PRINT(OR); "GOTO" CLASS;
      END;
    ELSIF OR LT 0 THEN
      BEGIN
        TEXT(" J ");
        SUM = SUM + FCAP + 1.25;
        CAP = SUM;
        PRINT(OR); "GOTO" CLASS;
      END;
    ELSIF OR LT 1 THEN
      BEGIN
        TEXT(" K ");
        SUM = SUM + FCAP + 0.625;
        CAP = SUM;
        PRINT(OR); "GOTO" CLASS;
      END;
    ELSIF OR LT 2 THEN
      BEGIN
        TEXT(" L ");
        SUM = SUM + FCAP + 0.3125;
        CAP = SUM;
        PRINT(OR); "GOTO" CLASS;
      END;
    ELSIF OR LT 3 THEN
      BEGIN
        TEXT(" M ");
        SUM = SUM + FCAP + 0.1875;
        CAP = SUM;
        PRINT(OR); "GOTO" CLASS;
      END;
    END
    END
  END
END
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