

# **STIPEND REVIEW COMMITTEE 2019**

## **Report of a Meeting held on 14 January 2019 at Essex Hall**

**Attendance:** Joan Cook (GA President), Peter Hanley (Honorary Treasurer), Rev Sarah Tinker (Ministry Strategy Group Chair), Derek McAuley (Chief Officer) and Rev Martin Whitell (Ministerial Fellowship representative).

### **1. Apologies for Absence - none**

### **2. Declaration of interests**

The position of Rev Sarah Tinker and Rev Martin Whitell as Ministers in receipt of stipend was noted.

### **3. Report of Previous Meeting – 7 December 2017**

The Report had been accepted at the Annual Meetings for implementation from 1 January 2019. The report had been well received and reinforced the wide recognition of the value of professional ministry.

### **4. Views, Recommendations and Comments**

The Committee welcomed the submissions and thanked those who had provided feedback as follows:

1. East Cheshire Union
2. Richmond and Putney Unitarians
3. Unite Unitarian and Free Christian Association (UFCA), Faith Workers Branch
4. Chowbent Chapel, Atherton
5. Rev Dr Ann Peart
6. Kath Forder, Lay Pastor

Discussion took place on issues raised in one or more of the submissions.

- It was noted that the report circulated to congregations after the Annual Meetings did not include the background reasoning but simply revised figures and the background would now be included in 2019.
- The Committee in making its decisions did not have set figures in mind and each year considered the overall picture and drew upon detailed comparators with other denominations and had not sought to match other professions.
- Could a scale be put in place for lay pastors? This was agreed, particularly as it was reported that some congregations base payments to lay persons in charge on the lay pastors suggested rate of stipend (see below). It was also noted that a manse allowance should be paid to Lay Pastors if no manse was available.
- The costs of accommodation in London and other cities had been highlighted – and the notional value to Ministers – however failure to provide a manse was likely to make recruitment more difficult. The work by the Committee on accommodation two years ago was noted.
- The inclusion of some congregational representatives on the committee had been raised.

**The Executive Committee adopted the recommendation of the Committee to appoint two additional members on a three-year term drawn from the North and the South.**

- The difficult financial position of some congregations was recognised with some at a “pinch point” with respect to their ability to afford a full-time ministry. Wider economic concerns could in future have greater impact e.g. letting and dividend income will fall in any downturn.
- Failure to recruit a professional Minister had led to a few congregations appointing a lay person yet this group was not regulated in any way and they had little support.
- The denomination needs to revisit “live giving” and the values underpinning our aspirations. Could the Sustentation Fund be grown to enable congregations to be supported financially?
- Funding requirements may need to be addressed by professional fundraising if the habit of “live giving” is not easy to re-establish.
- It was highlighted that the Stipend Review Committee’s work related only to ministry and should not be used as a benchmark for salary increases for administrative staff.
- The implications of the requirements of insurers for lay preachers using their own cars had been raised.

A report to the General Synod of the Church of England (July 2018) on clergy remuneration had also been received. This reinforced that the issues considered by the Stipend Review Committee reflected those also experienced by a far larger organisation. The Committee were impressed by the conclusions that a remuneration package should acknowledge the dual demands of generosity and sacrifice on both those who receive the stipend and those who raise the necessary funds. (The Committee is not suggesting that “sacrifice” is an appropriate term for giving of monies; but acknowledges the importance of these financial acts within a faith group, such as the Church of England). The report did not consider that a comparison with the teaching profession could any longer be made due to substantial changes in the profession and as any benchmarking would therefore be too complex. The inter-generational nature of the analysis, which showed that younger clergy may be less well off in retirement than older clergy, was also highlighted. Overall, the aim of having stipends that enabled clergy to discharge their duties without undue financial anxiety was shared.

## **5. Stipend and Scales**

Background Information was received from the Chief Officer.

### Inflation

The latest available figures from the Office of National Statistics for November 2018 (released 19 December 2018) were as follows (compared to October 2018):

CPI was formerly the main UK measure of consumer domestic price inflation. CPIH became the preferred measure of inflation from March 2017. CPIH is the measure which includes the costs owner occupiers face in owning, maintaining and living in their own homes. The Retail Prices Index is a longstanding measure.

Consumer Prices Index (CPI)	+2.3% (+2.4%)
CPIH	+2.2% (NC)
Retail Prices Index (RPI) All items	+3.2% (+3.3%)

The Bank of England Inflation report in November 2018 forecasts that inflation will fall back to the target of 2.0% by quarter 4 of 2020.

### Wages and salaries

Average Weekly Earnings from Office of National Statistics published November 2018:

Average weekly earnings regular pay	+3.3%
Average weekly earnings total pay	+3.3%

### Other denominations

#### **Church of England: from 1 April 2018**

National Stipend Benchmark: £25,950 (2.0% increase)

[Likely 1 April 2019 £26,470 2.0% increase]

National Stipend Minimum: £24,360 (2.3% increase)

Majority receive slightly more than the Benchmark.

#### **United Reformed Church: from 1 January 2019**

£26,880 (2.65 % increase)

#### **Congregational Federation: from 1 January 2019**

£26,520 (3.3% increase).

#### **Methodist Church from 1 September 2018**

£24,168 (2.6% increase)

#### **Baptist Union Home mission stipend: from 1 January 2019**

£23,450 (3.08% increase).

### **Formulation of Scales**

Last year the Committee recommended 4%, following a 4% increase the previous year, in order to achieve the object of parity with the Congregational Federation. This was a small denomination with a similar “congregational” structure to the General Assembly with ministry and buildings funded locally.

The Committee reaffirmed its commitment to the objective of parity and conscious that having made progress did not wish to go backwards, therefore, recommends an award over inflation of 3.5 % to help move, albeit only marginally, towards the target aspiration; whilst recognising the wider financial impacts raised in consultation comments [see Section 4. above]. **A differential scale is recommended for lay pastors.**

### **Current scales with 3.5 % increase from 1 January 2020.**

	<b>Current from 1/1/19</b>	<b>From 1/1/20 3.5 %</b>
<b>Ministers</b>		
Yrs 1 – 5	£24,312	£25,164
Yrs 6 – 10	£25,068	£25,944
Yrs 10 plus	£26,160	£27,072
<b>Lay Pastors</b>	£21,324	
Yrs 1 – 5		£22,068
Yrs 6 – 10		£22,752
Yrs 10 plus		£23,748

These scales are the **minimum** not recommended figures. It is recognised that financial remuneration is not a proper indicator of the value that Ministry brings to our Denomination, and it is this deeper drive that urges the committee to seek to increase the numerical value of stipends. Congregations should pay a higher amount if they are able to and are also encouraged to provide a higher stipend when a Minister has additional training, experience, or the ministry setting is particularly challenging.

## 6. Manse Allowance

No change is recommended.

### From 1/1/20

Provincial	£6,905
LDPA area	£9,916
London postcodes	£9,916 minimum

It was emphasised that a manse allowance should be paid to a Lay Pastor on the same basis as a Minister.

If no manse is available and the Minister therefore lives in rental accommodation this should also be the responsibility of the congregation, not the individual, as a manse allowance may not cover actual costs.

## 7. Resettlement Grants and Removal Costs

No change is recommended. Currently £3,700 is payable in addition to removal contractors' charges. The resettlement grant is taxable and subject to NIC unless it is payable against actual bills provided the Minister. For further information consult HM Revenue & Customs booklet 480.

Where a personal vehicle is used for removals, mileage allowances should be claimed at General Assembly rate. If a removal contractor is used, the claim must be substantiated by receipts and the charge be the lowest of three quotations.

## 8. Mileage Allowance:

Mileage allowance is in line with HMRC rules.

Cars:	45p/mile
Motorcycles:	24p/mile.
Pedal cycles:	20p/mile
Public Transport rate:	30p/mile (Reimbursed at actual cost)

## 9. Pulpit Supply

No change is recommended with current rates confirmed:

£50 plus expenses which is a minimum rate and if congregations wish to pay more they are encouraged to do so. It is recommended that special fees should be negotiated for special occasions such as Anniversary Services, where additional preparation is required. Fees should always be offered and claimed in full. Individuals are reminded of their responsibility to comply with the requirements of their insurer if using their own transport.

**10. Other Business - none**

**11. Date of Next Meeting**

To be arranged prior to the Executive Committee meeting in January 2020.

**12. Request for Views, Recommendations and Comments:**

In advance of next year's review, the Committee invites and encourages congregations and Ministers to submit views and recommendations regarding the matters covered in this report.

The Committee would like views on whether the rate for pulpit supply should be raised. If this is to be the case a separate report would be presented to the Annual Meeting in 2020.

In order that such submissions may be reviewed before the next meeting, please send any such communications to the Chief Officer to arrive **by 30 November 2020**.

**Approved by the GA Executive Committee on 25 January 2019**