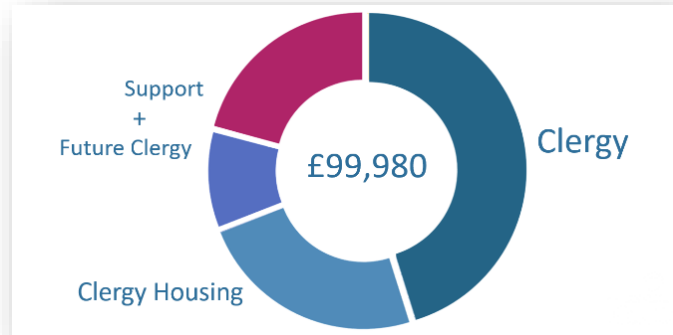


## Parish Standard Cost for 2025

### Introduction

The Parish Standard Cost (PSC) is offered as an indicative figure showing the average cost of clergy and housing provision, parish support teams, and the training of future priests. It acts as a benchmark against which PCCs can assess their contribution to Common Fund and gives a starting point for these conversations towards 2025.



The PSC is based on this year's budget which was set by the Diocesan Bishop's Council, including representatives from across church traditions and Episcopal Areas. Predicted additional costs for 2025, such as inflation, are added to this and likely savings subtracted. Each part of the budget is then averaged across the diocese, and this gives the PSC: the representative cost of providing a parish with a priest, a parsonage, parish support teams and training future clergy.

*For parishes with a different combination of resources, for example those who have use of more than one house, or who are not provided with a Common Fund priest, their Standard Cost figure is calculated accordingly. All PCCs share the Support + Future Clergy costs (3 + 4 below), with 'Clergy' and 'Clergy Housing' costs added as appropriate.*

The 2025 PSC is 9.5% higher than for 2024 and we are acutely aware of the steep rise this represents. The increase comes from the cost shown for providing and maintaining parsonages (see 'Clergy Housing' below), but there has also been a root-and-branch reappraisal of how all costs are shown to give the most realistic possible benchmark figure for parishes to consider.

More than 500 parishes and worshipping communities across the Diocese are resourced through this collaboration between local churches and the London Diocesan Fund (LDF). Common Fund contributions, alongside substantial LDF funding, make possible the provision laid out below, which is underwritten by the LDF to make it available independent of local capacity to contribute.

The information here is provided alongside *The PCC Guide to Common Fund 2025* and *Common Fund Q&As*. Please do approach your Archdeacon or Area Finance Adviser with any questions.

*Oliver Home (General Secretary), the Archdeacons, and Area Finance Advisers  
May 2024*

## 1. Clergy - £45,181 (45%)

The 2025 stipend for a full-time stipendiary priest is estimated from the April 2024 stipend (including 7% increase) with an additional 4% estimated from April 2025. NI and pension contributions are added. The pensions figure has reduced as the scheme is well funded. The cost includes an average for Council Tax and a contribution to the CofE's Housing Assistance for the Retired Ministry (CHARM) scheme. The cost of moving and resettlement grants for clergy is also shown here. The average number of diocesan vacancies is used to calculate a deduction for every parish, rather than reducing the PSC when in vacancy.

Stipend	£32,350
National Insurance	£3,210
Pension	£7,050
Moving & resettlement grants	£1,170
Council Tax	£3,480
Retirement Housing contribution	£1,420
Vacancy savings	-£3,500
<b>Clergy</b>	<b>£45,180</b>

*COMPARISON: In 2024, Clergy cost was £42,180, but it was calculated on a slightly different basis to 2025: last year's figure did not include 'vacancy savings' (which are shown in the 2024 'Area Support' figure), nor Council Tax (2024 shown in 'Housing'), nor the Retirement Housing contribution (in 2024 this was part of the 'national church' cost). A like-for-like comparison therefore shows a 2.1% increase in this cost, up from £44,260.*

## 2. Clergy Housing - £23,820 (24%)

This cost, less than £2,000pcm, provides a parsonage for the parish priest, and reflects the total LDF investment in clergy housing, including:

- Statutory safety duties, including gas, asbestos, and electrical checks.
- Work to improve energy efficiency and reduce the cost of heating for clergy through insulation, double or secondary glazing etc.
- Major renovation works, including new roofs on older properties.
- Upgrading vicarages, usually when a new vicar is arriving ("ingoing works").
- Insurance and administration of nearly £1billion of properties, many of which are listed.

The majority of the 9.5% increase in the PSC for 2025 is found here. Building costs continue to rise steeply and work on parsonages has risen following the successful introduction of online reporting tool, Fixflo. The 2025 figure also reflects the ramping up of work to make parsonages more affordable for clergy families to heat and less damaging to the environment. At just under £2,000pcm, this represents exceptional value for money in London for a "working home".

*COMPARISON: From 2024 to 2025, the Housing cost has been recalculated by removing a LDF capital subsidy (-£3,260) and moving the Council Tax figure into the Clergy cost (+£2,790). The figure has increased because of a steep increase in building costs and a large rise in maintenance requests through the very successful rollout of the "fixflo" reporting platform. A meaningful comparison therefore gives a £6,440 (21%) increase in this component of PSC.*

### 3. Future Clergy - £10,090 (10%)

The provision of parish priests in future years depends on having a team to walk with potential candidates for ordination on their vocational journey and oversee discernment and selection. It also depends on both pre- and post-ordination training, including Title Posts (curacies). Although many parishes will not have the opportunity to help train a Curate themselves, these costs ensure that a future parish Vicar will have the experience they need.

Clergy Training	£1,660
Ordinand support	£4,240
Title posts (Curates)	£4,190
<b>Future Clergy</b>	<b>£10,090</b>

*COMPARISON: In 2024, the Future Clergy cost was £13,470 but has reduced for 2025 as a result of fewer ordination candidates and changes to how contributions to training costs and maintenance are calculated. This year's figure of £10,090 is a £3,380 (25%) decrease.*

### 4. Support - £20,889 (21%)

#### 4.1 Parish Professional Support Teams (12.5%)

This part of the PSC provides for parish support through training and advice from professionals whose purpose is to support local ministry and mission. Churches do not pay for this support on a “use” basis, since this would restrict it to wealthier parishes and risk PCCs having to choose between accessing vital advice or avoiding a large cost. Services are provided “free at the point of use”, and accessible for all. This includes:

- *Safeguarding* – the LDF continues to invest significantly in a professional team to provide immediate support for responding to allegations or incidents, local advice and training for clergy and Parish Safeguarding Officers, as well as the Parish Safeguarding Dashboard.
- *Church Buildings* – through the Parish Property Support & Fundraising team, the LDF maintains the Quinquennial Inspection system, advises the Chancellor on Faculty applications and promotes good practice in maintenance and church building projects.
- *Fundraising* – an increased priority for the Property Support team is assisting PCCs to make grant applications, already bringing many millions of pounds of funding into parishes.
- *Legal* – The Registry (which is the diocesan legal team) provides important legal advice to PCCs, as well as enabling Faculty applications, and the sale or purchase of parish property.
- *The HR Team* – oversee clergy HR (e.g. retirement, sickness cover, and post moves) and are planning to be able to provide some assistance to parishes who are employers in 2025.
- *Communications* – maintains the Diocesan website and provides media advice to parishes.
- *Governance* – advice for PCCs on APCMs and governance, and the administrative backbone for all levels of synodical government, and for Area & Bishops’ Councils.
- *Youth & Children’s Work* – the team provides training and support for volunteers, runs the successful (CofE funded) Apprentice project and trains clergy & volunteers.
- *Compassionate Communities* – the team supports churches who engage with local needs, helping connect parishes learn from one another and signposting resources.

- *Church Growth* – funding the London part of the CCX team helps mentor New Worshipping Communities and provides the popular GROW course for local churches.
- *Racial Justice* – investment to help support churches working for racial justice through advocacy and training.
- *Area Teams* – Archdeacons, Area Finance Advisers, and Administrators assist parishes through both formal and informal advice, support, mentoring, and training.
- *Area Grants* - Areas receive money to make medium-sized grants and interest-free loans to PCCs who need to do (often building) work without the necessary local resources.

#### **4.2 Charity Administration (6.5%)**

The LDF is run as an efficient charity, focused on supporting local churches to enable *every Londoner to encounter the love of God in Christ*. Functions such as finance, HR, and legal support are necessary parts of charity life and mean that the LDF can pay clergy stipends, maintain, and improve parsonages, and provide direct resourcing and support for mission and ministry. Keeping overheads and headcount low, this compares very favourably with similar-sized charities, for whom a benchmark cost would be 12-20%. The LDF spends around 6.5% of budget this way.

#### **4.3 National Church (2%)**

The PSC also includes a small contribution as one of 42 dioceses helping fund the National Church, equating to just 2% of the whole. This goes to the operating costs of the Archbishops' Council and their part in shared service departments such as Communications, Finance, Legal, Technology, and Human Resources providing support services for dioceses, national church engagement and administration of the charitable institution. The other part of this small contribution goes towards the CoFE's contributions to the Anglican Communion Office, ecumenical organisations, the Church Urban Fund, and other minor grants.

The national church teams provide resources and support for local church life in a wide variety of ways, including:

- *A Church Near You* – free website for every parish in the country.
- *Seasonal campaigns* – for example around Advent, Christmas, Lent, and Easter.
- *Resources for PCCs* – including cheaper buying through *parishbuying.org.uk*, important resources on the *parishresources.org.uk* website and *The Parish Giving Scheme*.
- *Liturgy online* – for occasional offices and regular services, as well as dedicated wedding and funeral websites for the public to check.
- *Training* – national teams provide free training in digital communications, safeguarding, and a wide range of other areas of mission and ministry.

*SUPPORT COSTS COMPARISON: The total Support costs for 2024 amounted to £21,100. However, this included the 'Vacancy Savings' reduction now shown under Clergy Costs. The clergy retirement housing contribution (previously shown under 'National' has also been moved there. A comparative figure for 2024 is £22,260, giving a 6% reduction to this year's £20,889.*