

FINANCIAL ENTITLEMENTS, ALLOWANCES, GRANTS AND OTHER BENEFITS

Information for Clergy who hold their *Office* with Common Tenure (and in some cases Freehold) terms

This section applies to stipendiary clergy only.

Stipend

For **all stipendiary clergy** – The body responsible for the payment of your stipend is the Winchester Diocesan Board of Finance (WDBF). It performs this responsibility through the Church Commissioners, who are not legally your employer, but they are responsible for paying a stipend to most clergy and licensed lay workers in parochial or diocesan appointments, for making deductions for income tax, national insurance, etc.

There are national guidelines to ensure all stipends are broadly comparable. The National Minimum Stipend (NMS) is calculated and set by the Central Stipend Authority (CSA). However, the actual stipend level is set by the body responsible for your post, in most cases the Diocesan Board of Finance. The diocese calculates your stipend in accordance with the method set out in The Remuneration of the Clergy as advised and updated by the Central Stipend Authority (CSA).

It is important to note that the cash stipend is part of a wider ‘remuneration package’ which, in most cases, also includes provided housing (with council tax, water charges, maintenance, external decoration and building insurance all provided) and pension contributions paid on your behalf.

All stipendiary clergy under Common Tenure are legally entitled to receive at least the NMS. The Diocese sets their stipend rates, guided by National and Regional Stipends benchmarks also provided by the CSA. The stipend for part time stipendiary clergy will be calculated separately and will be reflected on the letter of appointment. The amount of Diocesan Stipend is reviewed annually but there is no guarantee of an increase.

Stipend Payment Method

Your stipend is paid directly to your bank account via the Bankers' Automated Clearing System (BACS) on the last working day of each month.

Each month, the payroll services send you a pay statement setting out the calculation of your payment, including details of income tax, National Insurance and any other deductions, and also the name of your particular contact in our office who will answer any questions. It should reach you by

pay day but, even if it does not, the money will be credited to your bank account by then. Payroll services advise that payments to a building society may take a few days to reach your account, but it is usual for the Society to start calculating interest from pay day.

Please follow payroll services instructions available by following the link below on how to use the bank details forms to advise them of changes to your banking arrangements. Whenever possible, you should give at least a month's notice of any changes.

<https://www.churchofengland.org/more/clergy-resources/clergy-payroll/payroll-faqs#na>

Annual Return

All stipendiary clergy are required to complete an annual income and expenditure return (forms PSA/PUN or PSA/PUB) each year, for use by the Diocese and Payroll services. Additional income arising from the ordinary course of the Office should be declared on your PUN form and will form part of the augmentation (ie it will be deducted from the amount financed by the Winchester Diocesan Board of Finance – WDBF).

The Diocesan Office uses the information on these forms to calculate the following year's level of payment and to give instructions to Payroll services. It is helpful if the form can be returned via the Stipends Administrator at the Diocesan Office as soon as possible after each 1st April. Further information may be found in the booklet 'Your stipend' as indicated below.

For the purposes of National Insurance only, clergy are treated as being of employed status. Employee contributions are deducted from stipend payments each month alongside 'pay as you earn' tax deductions. Employer's contributions are paid by the diocese.

If you have any doubt about what constitutes additional income and are not sure what forms to complete, please consult the Stipends Administrator at the Finance Department, Old Alresford Place.

However, if you have queries round NI and tax, please contact payroll services using the contacts provided below.

Further information on when and how you are paid your stipend; your employment status; income tax and other useful financial information may be found in the booklet 'Your Stipend' which may be accessed from contacting Clergy Payroll Services directly at clergy.payments@churchofengland.org (tel:0207898 1643) or by visiting Clergy Payroll Services pages on the Church of England website at:

<https://www.churchofengland.org/more/clergy-resources/clergy-payroll>

Commercial or other professional activities

Full time stipendiary clergy are not permitted to engage in any commercial or professional activity on their own account or undertake any continuing work for another employer.

It may be appropriate when clergy are appointed to part time posts to engage in other appropriate activities, but this requires the written consent of the Diocesan Bishop prior to the appointment being confirmed.

Where clergy engage in other activities without prior written consent of the Bishop, for which remuneration is received, the Board of Finance reserves the right to reduce the stipend augmentation grant from the Diocesan Stipends Fund to compensate.

Taxation

Clergy should consult a copy of the Churches Main Committee circular *The Taxation of Ministers of Religion* Revised 2002. Any expenses wholly, necessarily and exclusively incurred by clergy in the course of their duties, which are not reimbursed, may be claimed as a tax-deductible expense against earnings. However, many clergy testify to having saved money by consulting a qualified accountant whose fee is usually much less than the tax saved from following the advice given.

Clergy are responsible of seeking their own tax advice, tax advice will not be obtained from the diocesan office.

Parochial Fees

Clergy, without exception in the diocese of Winchester, are not entitled to receive parochial fees.

[Link to Diocesan Parochial Fees Policy to follow](#)

Allowances

Additional responsibility allowances are paid to Area Deans. For information on the current level of this allowance, please contact the stipend administrator at the diocesan office.

Housing allowances

There are national guidelines for the payment of housing allowances to stipendiary clergy and assistant staff issued by central stipend authority (CSA). Housing allowances are not normally paid. If you are in receipt of a stipend and occupy your own house, and you are not provided with a house in which you are required to live for the better performance of your duties, you may be entitled to a housing allowance. If this is the case, it will be detailed in your Statement of Particulars. A tax liability is very likely.

Removal expenses

The Diocese has a contract with a local removals firm which covers removals (including insurance for normal household furniture and effects, extraordinary items such as antiques may not be covered) necessarily incurred by clergy and licensed lay workers taking up stipendiary or house for duty posts, provided that previous appointments have been in an English Diocese or, in the case of assistant clergy and lay workers, the appointment takes effect immediately following completion of training.

The amount of any contributions towards the removal expenses incurred by a person whose previous appointment was not in an English Diocese or who did not take up their appointment immediately following their training will be determined by the Diocesan Chief Executive in consultation with others according to the circumstances of the individual case.

Removal expenses of clergy moving to retirement housing is the responsibility of the individual.

Resettlement grant

The Diocese makes a grant approved nationally each year towards the cost of any necessary alterations to, or purchase of, furnishings and other expenses incidental to removal. An applicant may normally expect to receive the maximum grant under this heading provided this can be justified by reference to the expenditure which they have incurred.

The Diocese will not normally ask for receipts to be made available, however, clergy are advised to retain all receipts in case they need to be presented to HM Revenue and Customs to counter a claim for tax on a benefit in kind.

First Appointment Grant

There are also grants payable to those who take up a first appointment in the Diocese as incumbent (or equivalent) or assistant curate; the current rates are available from the Finance Department.

For those taking up part-time and self-supporting (non-stipendiary) appointments, the availability and amount of any grant is at the discretion of the Diocese. Those who require assistance should, in the first instance, consult the Director of Finance who will answer any queries concerning eligibility for a grant and will authorise grant(s) in appropriate cases, though it should not be assumed that they follow automatically upon ordination, nor that they will be made to cover every item of expenditure.

All applications for payments of grants should be made to the Director of Finance. In the case of resettlement or first appointment grants, although the Diocese will not normally ask for receipts to be made available, they should be retained in case they need to be presented to HM Revenue and Customs to counter a claim for tax on a benefit in kind. Any queries concerning eligibility for a grant should be addressed to the Head of Finance.

Help with Childcare Costs

Childcare Voucher Scheme

This is run by national church in association with Accor Services (Edenred) (the provider). It is a simple and tax efficient way of paying all or part of your childcare costs by enabling you to take part of your stipend in the form of an electronic childcare voucher. The Scheme enables you to give up part of your cash stipend in exchange for an electronic childcare voucher, which will be issued free of tax and national insurance.

To join the Scheme, you must complete an application form, accessible by following the link <https://www.churchofengland.org/more/clergy-resources/clergy-payroll/help-childcare-costs> which will be used to alter your terms of appointment. In return for reducing your

cash stipend you will receive a childcare voucher (by electronic credit) into a personal account held with Accor Services. However these scheme is being phased out by HMRC and will be closed to new entrants in April 2018.

Further information; how to join, process and application form is available from the payroll services on request. Please e-mail: clergy.payments@churchofengland.org .

Tax- Free Childcare

The Government has introduced a scheme called Tax- Free Childcare which is independent from payroll. You set up a childcare account and money paid in will be topped up by 20 % by the Government . The money can then be used to pay for approved childcare.

Full details, including how to apply and eligibility, can be found by following this link <https://childcare-support.tax.service.gov.uk/> .

More information can be found by following this link

<https://www.churchofengland.org/more/clergy-resources/clergy-payroll/help-childcare-costs>

Working Families Tax Credits

Clergy families may qualify for tax credits, including Children's Tax Credit, administered through the payroll by the Inland Revenue. Clergy are encouraged to use the on line information www.hmrc.gov.uk/TAXCREDITS or contact the Tax Credit Helpline (0844 496 6512) to find out whether they are eligible.

Financial Emergency

There may be times when clergy run into financial difficulty, either individually or as a family. If this occurs, they should not hesitate to contact their Archdeacon. There are various charitable funds, diocesan and national, which can sometimes be called on to help in cases of sickness or convalescence, with removal expenses, and toward holiday expenses, as well as more general circumstances of financial hardship. Further information at the end of this document under *Useful Information*.

Death in Service

All clergy holding a full time stipendiary post in the Diocese are covered under the terms of this scheme administered by the Church of England Pensions Board as part of the Church of England Funded Pension Scheme. If any member of the clergy dies in office, an immediate cash sum will be provided to the spouse, or dependents in appropriate cases. This figure is currently calculated on the basis of three times the previous year's national minimum stipend.

The Board of Finance reserves the right not to make this payment where there is no spouse or close dependent relative surviving.

A similar provision is made for married ordinands under training sponsored by the Diocese.

Useful Information

A number of national charities exist to assist clergy and their dependents at times of particular need. Two main charities work together and are able to offer financial support and help in a wide range of circumstances:

Clergy Support Trust

Address: 1 Dean Trench Street, London SW1P 3HB

Tel: 020 7799 3696 e-mail: help@clergysupport.org.uk

Website: <http://www.clergysupport.org.uk>

The Elizabeth Finn Trust (formerly DGAA)

Address: Hythe House, 200 Shepherds Bush Road, London W6 7NL

Tel: 020 8834 9200

e-mail: www.elizabethfinncare.org.uk

The Elizabeth Finn Trust relieves need and distress among British and Irish people, and members of their immediate family, from a wide range of occupations and backgrounds. No account is taken of religious denomination, political opinion, age or place of residence. Need and distress may encompass difficulties associated with old age, infirmity, disability, social isolation or financial need.

Tranquillity House

Address: The Pines, Valley View Close, Torquay TQ1 4DY

The Tranquillity House Trust is a grant-making charity whose particular function is to assist towards the cost of holidays for clergy, and in the making of awards it is required to have particular regard to those clergy who are for any reason in need. Nominations are made by the Bishop.

Christians against Poverty

Address: Jubilee Mill, North Street, Bradford, BD1 4EW

Tel: 01274 760720

Website: www.capuk.org info@capuk.org

Christians Against Poverty is a national debt counselling charity, with a network of 36 local centres offering debt counselling, practical services and financial education.

Society for the Relief of Poor Clergymen

Address: C/o CPAS, Athena Drive, Tachbrook Park, Warwick CV34 6NG

Founded 1788 to aid evangelical ministers and their dependants in times of financial distress due to sickness, bereavement or other difficulties.

The English Clergy Association

Website: www.clergyassoc.co.uk

Holiday grants are given, in many cases of a sufficient size to make a significantly helpful contribution to clergy (and their family's) enjoyment of human life.

Queen Victoria Clergy Fund

Tel: 020 7898 1310

Assisting (through the dioceses) Church of England clergy in financial need.

The Buttle Trust

Address: Audley House, 13 Palace Street, London SW1E 5HS

Tel: 020 7828 7311

Email: info@buttleuk.org

Child support grants – for an item or service which is critical to the wellbeing of the child.
School fees grants – to help meet the costs of schooling for children with acute needs that cannot in practice be met with the state education system or where there is a strong need for the child to be found a place in a boarding school.

Grants for students and trainees – to provide assistance with the acquisition of academic, trade, professional or vocational qualifications to young people facing severe social, emotional or health problems.

Family Action

Address: 501-505 Kingsland Road, Dalston London E8 4AU

Tel: 020 7254 6251

Website: www.family-action.org.uk.

Since 1869, has provided support to some of the poorest families in the country. Provides grants as well as social work support to people of all ages, working with them to help them solve their own problems. This charity is not specifically church-related.

Pyncombe Charity

Address: Wingletye Lawford, Crowcombe, Taunton, Somerset TA4 4AL

Tel: 01984 618388

e-mail: joeandrita@waitrose.com .

Income of about £10,000 applied to assist needy serving clergymen in financial difficulties due to illness or other special circumstances within the family. Applications to be made through the diocesan bishop.

Rustat Trust

Address: The Dean, Jesus College, Cambridge CB5 8BL

Tel: 01223 339421

The Trustees give assistance to needy clergy whose children are being educated in maintained schools. Although any deserving cases will be considered, they would particularly like to help clergy below the status of incumbent with children at school.

Applications have to be approved and signed by the diocesan authorities, and should include a financial statement and details of children's ages and schools.

The Trustees are also able to provide bursaries for clergy children who gain a place to study at Jesus College.

The intention is to attract good applicants from clergy families, and to supplement the successful candidates' maintenance awards, reducing the need to take out student loans.

Foundation of Edward Storey

Address: Mount Pleasant, Cambridge CB30BZ

Tel: 01223 364405

e-mail: info@edwardstorey.org.uk.

The clergy widow branch gives financial help and limited accommodation for women who are:

1. Widows of clergymen of the Church of England
2. Dependants of clergymen of the Church of England
3. Women Deacons and Deaconesses of the Church of England
4. Missionaries of the Church of England
5. Other women closely involved in the work of the Church of England.

Lawrence Atwell's Charity

Website: www.skinnerhall.co.uk/charities/lawrence_atwell.htm

Skinner Hall contact details: Skinner Hall, 8 Dowgate Hill, London EC4R 2SP

Tel: 020 7236 5629

The Charity assists young people who come from a low-income background to become qualified or equipped to work in their chosen career.

Society for the Assistance of Ladies in Reduced Circumstances

Address: Lancaster House, 25 Hornyhold Road, Malvern, Worcestershire
WR14 1QQ

Tel: 0800 587 4696

e-mail: www.salrc.org. info@salrc.org

The Society assists women domiciled and habitually resident in the United Kingdom, who are living alone and in genuine need, irrespective of age or social status. Often they are elderly ladies who require help towards their day-to-day living expenses. The Society is also able to assist women in financial difficulties for other reasons, perhaps due to sickness, unemployment, divorce or separation.

Frances Ashton's Charity

Website: http://www.turn2us.org.uk/charities/f/frances_ashtons_charity.aspx

Address: Dever House, Dever Springs, Barton Stacey Nr Winchester
Hampshire SO21 3NP

Tel: 07775 717 606

e-mail: francesashton@hotmail.co.uk

Provides grants of variable amounts for needy clergy of the Church of England, serving or retired, and the widows or widowers of such clergy.

Completed applications are required by 1 June for the annual distribution in September.

Mothers' Union

Address: Mary Sumner House, 24 Tufton Street, London SW1P 3RB

Tel: 020 7222 5533

Website: www.themothersunion.org.

Caravans in holiday locations – sometimes families can stay with members for 'Away from it all' holidays.

To summarise: There are no additional special benefits paid as of right to clergy in the Diocese of Winchester, however, the WDBF administers a few small trust funds for assisting clergy during financial emergencies, retired clergy and widows/widowers in need. The Archdeacon or Diocesan Chief Executive should be informed of any cases of need.

If, after exploring the circumstances, it is felt that other charities, national bodies maybe of help, then the Archdeacon or the Diocesan CE will be able to advise on available options. It is always advisable to inform the Archdeacon before making any grant application to cover indebtedness.

Document Owner: Head of Human Resources

Reviewed: January 2018