

Partnership Finance

Frequently Asked Questions on Partnership Finance

- 1. We've been given guidelines about the composition and role of the Partnership Finance Committee, but there doesn't seem to be any guidance about the relationship between the Partnership Finance Committee and Parish Finance Committees.**

It is important to remember that there is a legal requirement to have a Parish Finance Committee under Canon Law, however there is no similar requirement for a Partnership Finance Committee. The Partnership Finance Committee is a Diocesan requirement on the basis it can co-ordinate and advise on best practice across the whole partnership. We have tried to strike a balance in terms of not creating another level of bureaucracy for the sake of it whilst ensuring the Partnership has the financial information it needs to function effectively.

We recognise there may be times when there is some tension between the Parish Finance Committee and the Partnership Finance Committee however the purpose of Partnership is to allow us to work together more effectively and further the Kingdom of God.

- 2. Is the Partnership committee expected to deal solely with the Partnership account, and partnership expenditure on such things as partnership events and admin expenses?**

Yes the Partnership Finance Committee will deal with these matters and will be responsible for completing an Annual Financial Return for the partnership account.

However, that is not the **sole** remit. It also has a co-ordinating role in ensuring that all parishes within the partnership fulfil their financial obligations and in monitoring finances for whole Partnership. There are also Guidelines on the Partnership Resource area of the Diocesan website which provide more information on the role of the Partnership Finance Committee.

- 3. Is the Partnership Finance Committee expected to be consulted by parish committees about significant items of expenditure that could have implications for the partnership?**

Yes the Partnership Finance Committee should be consulted by the parish about any significant items of expenditure exceeding £10,000 (i.e. any items of expenditure which already requires Diocesan approval). The Spending Approval form which is available on the Partnership Resource area of the website has been updated to reflect this change. The reason for this is because the Partnership should at least be aware of any major expenditure to ensure it is in line with long term plans.

- 4. Does the Partnership Finance Committee stand above parish finance committees and have the ability to overrule them?**

The Partnership Finance Committee "stands above" Parish Finance Committees only in the sense that it co-ordinates financial data for the whole partnership and can provide advice based on the wider partnership.

The Partnership Finance Committee **cannot** overrule the Parish Finance Committee, it can merely provide advice based on what it considers to be right for the whole partnership. The parish can still choose whether or not to accept that advice.

Similarly a Parish Finance Committee is also advisory and ultimately the Parish Priest can choose whether or not to accept that advice.

5. What if the Partnership Finance Committee cannot agree on a method of funding the Partnership account?

The Partnership Chair in consultation with the Partnership Dean can impose a method which they believe is fair and reasonable, possibly based on affordability and in line with the way in which the Diocesan Levy is calculated.

6. What is the Affordability method used to calculate the Diocesan Levy?

This method recognises financial differences across parishes by apportioning the Levy in line with regular income. Regular income is deemed to be loose cash on the plate, gift aid envelopes and standing orders, gift aid refund, income from investments and chaplaincy salaries. In the case of most parishes it is only the first three items which are relevant as they have very little investment income and very few parishes receive income from a salary. Legacies and fundraising income are excluded from the calculation.

7. What if one Parish chooses not to contribute financially to the Partnership?

Whilst this would be very disappointing we cannot force a Parish to contribute funds and if they refuse to do so the Diocese will not take the contribution direct from their deposit account.

There could be various reasons why a Parish chooses not to contribute if for example it is because they are in genuine hardship and cannot afford to contribute then the Partnership may decide to waive any contribution. Whilst some Parishes may be unable to contribute financially they may well have other talents which they use for the good of everyone in the Partnership.

Where there is continued disagreement the Partnership Dean and Partnership Chair will be asked to facilitate a resolution.

8. What sort of balance would be reasonable to have as a working balance in the Partnership account?

It will vary from one Partnership to another depending on how they wish to use the account. Initial funding has varied between £1,000 and £10,000 depending on anticipated expenditure. Expenditure will need to be monitored to determine how often parishes 'top up' the account.

9. What type of expenditure will be taken from the Partnership account?

Each Partnership will need to agree on the type of expenditure to come from the account for example it could be used for the following:

- Ministry costs
- Formation events (including Youth events)
- Partnership Youth Co-ordinator
- Partnership social events
- Bulk purchasing of consumables

10. What will happen to Deanery accounts and Cluster accounts?

It is likely that these accounts will be closed over time as they will be superseded by the new Partnership accounts. Any balances in these accounts will be returned to the parishes who contributed the original funds.

However, there may be a genuine reason why the account should remain active for example to pay ministry costs within a parish cluster.

We will monitor accounts centrally and if there is either no activity or the account balance is minimal suggest that the account be closed.

11. Will every Parish have equal representation on the Partnership Finance Committee?

Yes there should be a lay representative from each Parish on the committee. Everyone on the committee has equal status regardless of whether their parish contributes a large or small amount to the Partnership.