

New Settlement – DSM II:
Modelling of National, Diocesan Need
to Inform a New Financial Framework for the Church

06/12/25

Background and Principle

The initial Hereford Motion, GS 2396, was amended in the General Synod by an amendment, raised on behalf of the Church Commissioners by Bishop Pete of Sheffield, with **modelling** at its centre. In passing this Amendment, Synod affirmed the need for dioceses to have a formal role in shaping a “**future Funding Framework**” on which allocations will be informed by “**robust financial modelling**”.

This new Hereford Motion calls for **robust, diocese-by-diocese modelling of parish and clergy needs** to inform the development of the Church’s future Funding Framework. It is a most positive build on the ‘Sheffield Amendment’, being:

- **Consistent:** building on the Amendment by specifying how **robust, evidence-based modelling will be carried out**, covering financial support needs, clergy deployment, and multi-horizon projections, while fully respecting Synod’s formal role;
- **Collaborative:** calling for a **representative team drawn from dioceses and National Church Institutions** to engage directly with dioceses in finalising the modelling, ensuring dioceses actively participate in shaping funding decisions; and
- **Aligned:** by linking modelling to national funding allocations, statutory core stipend allocations, and strategic planning for clergy growth, it ensures that diocesan insights inform both **immediate funding decisions and long-term planning**, in line with the Amendment’s intent.

In short, this new DSM brings the ‘Sheffield Amendment’ to life by:

- defining the **method, scope, and consultative process** for modelling;
- whilst maintaining a **central principle of diocesan participation with Synodical oversight**.

It calls for a two-phased approach, aimed at arresting the decline in clergy numbers, then supporting the growth of clergy and ordinands in training.

Robust modelling will determine the diocesan resources required to sustain and expand stipendiary ministry. Funding allocations informed by this modelling will ensure that resources are targeted to support parish-level mission and ministry, rather than discretionary or *ad hoc* projects, maintaining transparency and accountability.

Summary of the Diocesan Synod Motion

This second, new settlement DS is included as an Appendix, below. It is clear and speaks for itself but, in summary, it:

- Calls for a formal role for Synod in shaping the future national Funding Framework.
- Calls for an early, full Synod debate on national funding and the modelling that will underpin future allocations, including statutory core stipend funding for dioceses.
- Ensures that the “robust financial modelling”, called for in the ‘Sheffield Amendment’ of the initial DSM:
 - • assesses diocesan needs diocese by diocese to prevent collapse and support revitalisation;

- analyses future clergy numbers and deployment requirements; and
- operates over long-, medium-, and short-term horizons (25, 7, 3 and 1 years).
- Would create a joint national/diocesan team to work directly with dioceses in finalising this modelling and identifying local ministry needs; and
- develop a strategic plan for sustainable growth in clergy numbers, breaking the cycle of managed decline and ensuring this plan informs both the funding model and the Funding Framework.

Advantages; this Second New Settlement DSM will:

- Restore long-term confidence in parish ministry by providing assurance that stipendiary posts will still exist in 20–30 years, honouring the Church’s covenant with clergy and encouraging people to commit their lives to ordained ministry.
- Give bishops the assurance they need to licence clergy by providing a credible, stable, long-term commitment of Church Commissioners’ funds to local ministry.
- Replace the restrictive triennium cycle with multi-horizon modelling (1-, 3-, 7- and 25-year projections), enabling genuine long-term planning, sustainable investment in ministry, fine-tuning and reliable stewardship of national resources.
- Target funding precisely where stipendiary ministry is most needed, using diocese-by-diocese analysis aligned with the Church Commissioners’ defined charitable purpose.
- Prevent diocesan collapse and support revitalisation of the parish system through evidence-based assessment of clergy numbers, deployment needs, and local financial resilience.
- Reduce inefficiency and bureaucracy by removing repeated grant applications and business-case processes, replacing them with a single transparent national framework.
- Improve transparency and accountability through early monitoring, evaluation, and ongoing fine-tuning, ensuring funds are used where needed and avoiding unnecessary disbursements.
- Ensure Synod and dioceses shape national funding decisions, embedding statutory core allocations to diocesan stipend funds and aligning national funding with Synod-determined priorities.
- Support a strategic plan for growth in clergy numbers, shifting the Church from managed decline to sustainable expansion, with modelling and funding designed to deliver that trajectory.
- Protect the long-term sustainability of the Church Commissioners’ endowment while ensuring the maximum sustainable distributions continue to reach parishes that depend on them and ensuring they act within their statutory and charitable obligations.

Conclusion

This next DSM is a logical and collaborative development of GS 2396, as amended by Bishop Pete of Sheffield. It will enable dioceses to plan, effectively, for immediate needs and long-term growth of stipendiary ministry, directing resources where they will have the greatest impact—sustaining clergy, empowering parishes, and supporting God’s mission—while confronting the existential threat to our dioceses and national parish system.

It will ensure that national funding supports parish revitalisation and, thereby, that the Church Commissioners fulfil their charitable obligations to supporting parish ministry and advances the strategic vision of the Church and General Synod by providing a sound financial foundation for a sustainable and flourishing future for the Church and its parish system.

In short, it will enable Synod to create a new, long-overdue financial settlement to address the existential threat facing the Church.

We are developing a pilot, diocesan financial model to present as a basis for this modelling and will be seeking input and participation from dioceses on this.

Experience with the first DSM demonstrated the value of replication of such calls. So, we are hoping to encourage as many other dioceses as possible to raise identical DSMs again.

APPENDIX I

Hereford Diocesan Synod motion Approved at the Diocesan Synod & HDBF Meeting held on 26 November 2025

Blue font consists of direct quotations from the Sheffield amended Motion GS 2396, as passed; with much of the rest drawn from and consistent with that amended Motion]

“That this Synod,

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(1) having already **noted**, through the Redistribution of Funds Motion (GS 2396), as amended and passed in July 2025, **the precarious financial position of many dioceses, concerns about the approach to National funding, and the increasing challenges of sustaining stipendiary ministry in dioceses;**

(2) called **upon the Church Commissioners to continue to make available the maximum sustainable level of distributions in support of parishes and the work of clergy and other ministers;**

(3) called **upon the Archbishops’ Council (or its successor) and the Church Commissioners to ensure this Synod has a more formal role in the development of the future ‘Funding Framework’;** and

(4) called upon the Business Committee of the General Synod to schedule early in the next triennium a full debate that will enable Synod to express its view on the approach to disbursing funding, including support for local stipendiary ministry, based on robust financial modelling

Call upon

a) the Business Committee of the General Synod to ensure that **the full debate**, previously called for by this Synod, enables it **to express its view on the approach to disbursement of national funding, including support for local stipendiary ministry**, and that adequate time and opportunity is provided for full consideration of the proposed modelling, including examination of statutory core allocations to diocesan stipend funds as distinct from discretionary or time-limited support;

(b) Archbishops’ Council (or its successor), the House of Bishops and the Church Commissioners to ensure that **the robust financial modelling**, for which this Synod has called **to inform the development of the ‘Funding Framework’**; to include

- (i) national, diocese-by-diocese modelling of the financial support required from the Church Commissioners, not only to prevent the collapse of the diocesan and parish systems but revitalise the parish system across all of the dioceses.
 - (ii) specific examination of projected clergy numbers and deployment requirements across diverse contexts (urban, 'market town', rural) to support evidence-based decisions on how the Church can meet its mission objectives in every community;
 - (iii) modelling to be undertaken, over appropriate time horizons (indicatively 25 years (generational), 7 years, 3 years and 1 year (for fine-tuning via short-term adjustment)).
- (c) the Archbishops' Council (or its successor) and the House of Bishops to establish a suitable, representative team from the dioceses and the National Church Institutions to engage directly with all dioceses in finalising this modelling and determining the financial needs of local ministry; and
- (d) call upon the House of Bishops, in consultation with the Archbishops' Council (or its successor), to develop a strategic plan, as part of this review, for sustainable and ongoing growth in clergy numbers, to break the current cycle of managed decline and honour the covenant between the Church and those offering themselves for ordained ministry, ensuring this plan informs both the financial modelling and the development of the Church's future 'Funding Framework'.
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