



**The Right Reverend Michael Langrish
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27th June 2012

To all Bishops, Priests, Deacons, Readers and Churchwardens in the Diocese of Exeter

Copied to all employees of the Diocesan Board of Finance

Dear Brothers and Sisters in Christ

I am writing to invite you to be part of a conversation about the shape of our plans and budget for next year, and of our future life together in the family of the Diocese of Exeter.

Our financial situation

Many of you will be aware that, in common with other dioceses and organisations, we are facing significant financial challenges. As a diocese we spend some thirteen million pounds each year in furthering God's Mission and Ministry throughout the county of Devon, in addition to what is spent in each of our Mission Communities and parishes. Of this sum, the figure for Common Fund is just under nine million pounds.

However, for several years now we have been living with a shortfall in our Common Fund collection, brought about by a number of parishes who have repeatedly failed to contribute their portion of the cost of our common life. The short term solution to this used to be to build that shortfall into the budget and ask all other parishes to pay that little bit extra. However, last year, Synod felt it was fairer to draw up a budget on the premise that all who derive benefit from parochial ministry and other shared services, should contribute their fair share to the Common Fund which supports them. As we are not willing to ask parishes who are already paying in full (many in difficult circumstances themselves) to contribute more, we are now facing an annual deficit of around £620,000. This means that, as we look ahead together to 2013, we have to take some difficult decisions about what work we can and cannot fund anymore.

We have also listened to the many of you who have asked for a below inflation annual increase in Common Fund because of the difficulties you too are facing. This is a key principle in the initial proposal and contributes to the £620,000 potential deficit.

The Way Forward

In order to find ways of making these savings while continuing with our core mission, a strategic plan is being drafted by a small group chaired by Bishop John. This plan aims to ensure that our budget is the servant of our vision. As God's family in this Diocese we are called to be His pilgrim people living with His life and proclaiming his kingdom. The questions we now face are how we organise ourselves to live this life and proclaim the kingdom in each of our Mission Communities. Although we do not yet know the details of how most of the savings will be made, these will need to affect both the budget for central services and that for stipendiary clergy.

With regards to stipendiary clergy, we will have to accelerate the decrease in the number of stipendiary parish priests which was originally projected to fall by about two each year and reach 190 by the year 2020. We will do this in the first instance by prolonging vacancies. We will also need to reduce the number of new stipendiary clergy we ordain each year by one.

We also need to make some £400,000 of savings from a range of centrally resourced services which are provided for the benefit of parishes and those involved in parochial ministry. This will entail reductions in working hours, voluntary redundancies and possibly even compulsory redundancies. Some areas of work will have to be reduced and others will have to cease altogether. These are cuts which will result in a wholesale restructuring at every level of diocesan life. Some of what we currently take for granted will

disappear, and we will all notice the difference. Parish officers and clergy will almost certainly find there will be areas where we can no longer provide advice to Mission Communities or respond to queries.

Timetable for making our decisions

The Bishop's Diocesan Council will meet on 18 July when it will decide the shape of the Strategic Plan and the way this will shape the budget. The resulting draft proposals will then be placed on the Diocesan website as a Green Paper (a set of proposals for discussion and comment). Do please read these and offer your views as to the way in which we should move forward. These comments will then be taken into account by the Bishop's Diocesan Council in formulating a budget. The details of how to make these contributions will be available on the website but I hope you will understand that it will not be possible to respond to individual questions at this point due to the time and costs involved.

We have also organised four meetings around the diocese in the first week of September, at which there will be time for questions and for a conversation to flow from them. I expect all those who hold my licence as Bishop, Priest, Deacon or Reader as well as all Churchwardens and all members of Diocesan Synod to attend one of these meetings, though all are welcome. At each meeting there will be a presentation on the Strategic Plan and Vision by one of the Bishops, and a discussion in which I hope everyone will join. These conversations will inform the members of Diocesan Synod prior to their having to make a decision on the final form of the budget at their meeting on Saturday 13 October.

These four meetings will be held as follows:

- 5th September 7pm to 9pm St John the Baptist Church, Newport, Barnstaple
- 6th September 7pm to 9pm The Cathedral Church of St Peter in Exeter
- 7th September 2pm to 4pm St Paul's Church, Preston, Paignton
- 8th September 2pm to 4pm The Minster Church of St Andrew in Plymouth

These meetings are open to everyone, so please attend whichever is most convenient to you. Though you don't need to book, it is always helpful to have an indication of numbers and if you know that you will be attending (individually or as a group) please send an e-mail to alistair.sutherland@exeter.angican.org to let him know numbers and venue.

Those who are currently being elected to Diocesan Synod will bear the responsibility for making the final decisions about the budget for 2013 and that is why it is so important that they attend one of these meetings so that they are properly informed. I encourage you all to pray and think carefully about who you should elect to a Diocesan Synod which will have the responsibility for making final decisions which will have a major impact on every one of us. I am concerned that some deaneries have not been able to elect their full complement of synod members due to a lack of candidates. If you need advice on additional elections for remaining vacancies please contact the Synod Office.

This letter is being sent to all Churchwardens and to all licensed Bishops, Priests, Deacons and Readers with an e-mail address on the Diocesan Database as well as to Lay Chairs of Deanery Synods and current members of the old Diocesan Synod. I ask you to share it with all those who hold these offices but who may not have an email address. I also encourage you to share the whole letter in **hard copy form** with members of Church Councils and congregations. This letter can also be found on the Diocesan website.

Hope

My hope is that out of financial necessity, we may be able to reshape our common life in ways that better fit our primary tasks of worship, mission and the formation of disciples, and more fully take account of the resources available to us. I pray that we will be led by the Holy Spirit as we work to find a way forward together. As a diocesan family, we are richly blessed in many ways; in the growth of many of our congregations, in the creative forms of ministry and worship being developed and in the talent and faithful witness I see demonstrated by clergy and laity all around me; all these and more are signs of God's faithfulness to us. May the God of hope fill you with all joy and peace as you trust in him, so that you may overflow with hope by the power of the Holy Spirit (Romans 15.13).

