

**Martin Bishop****Financial Secretary**

Tel: 01727 818133

Fax: 01727 844469

e-mail: mbishop@stalbans.anglican.org

October 2010

Dear Treasurer,

Parish Share 2010

I enclose the statement of account for Parish Share which includes cheques and BACS payments received from you up to **30th September 2010** and also an entry showing your PCC's contribution towards the parish share for the fourth quarter of the year.

As in previous years, there will be a period of time after the 31st December for parishes to make cheque payments in respect of the 2010 Parish Share before any shortfall is determined. The cut-off date for this will be Friday **28th January 2011**. However it would be greatly appreciated if you could do what you can to ensure that any outstanding payment for 2010 is sent to the Diocesan Office in time for the end of December.

Parish Share 2011 and Pastoral Aid Support

At the end of July you will have received provisional figures for the 2011 Parish Share for your parish and deanery. The Diocesan Parish Shares Committee will be meeting on the 25th November to consider recommendations from the various Deanery Committees, on behalf of their parishes, for Pastoral Aid Support Grants for next year.

If your own PCC is considering a request for support, and has not yet indicated this to your Deanery, it is important that they now do so as a matter of urgency, as Deaneries have been asked to submit their recommendations to the Diocesan Parish Shares Committee **by the end of October**.

Harvest Appeal 2010

A cheque for the donations made for this appeal through the parish should be made out to "**St Albans Diocesan Board of Finance**" and sent for the attention of Mary Handford at Abbey Gate House, Abbey Mill Lane, St Albans AL3 4HD

Saving on Utility supplies

I thought that the *extract* from a recent briefing note from the National Stewardship Advisor on behalf of the National Procurement Group might be of interest. It features a company called CFS Solutions Ltd, trading as CFS, which has helped a number of parishes in the country to save money on their fuel bills. The Parish Buying Guide – Electricity & Gas referred to in this paper was circulated to Treasurers in 2009, and can be downloaded from (<http://www.stalbans.anglican.org/Resources/Help-for-Parish-Officers/PCC-Treasurers/Buying-Utilities>)

The major problems identified in the 'Parish Buying Guide – Electricity & Gas' from January 2009 are still in evidence:

- Churches being classified as 'businesses' for energy provision, have no easy access to comparative energy pricing information to help PCCs determine the least cost option.

- The energy companies exploit this through high-priced contracted tariffs. Many PCCs are unaware of the contractual situation, and are simply 'rolled-over' from year to year.
- Too many of our larger parishes are erroneously paying a Climate Change Levy (CCL) and with it the higher rate of VAT.

It appears that around 65% of parishes are tied into contract with the one of the 'big six' energy companies, for one or more supplies. CFS is able to provide Treasurers with comparative data, which enables PCCs to 'challenge' contract offers and often get new contract prices reduced.

CFS is the trading name of CF Solutions Ltd, a small consultancy established to assist charities save costs. It is not an energy broker, and its associates, (mainly retired service officers), provide the service on a voluntary basis to help the Church reduce cost. For transparency, they receive a small (2%) commission on customer k/wh expenditure, but this is lower than their costs, and parishes would not switch unless it was in their best interest to do so.

The service enables PCCs to:

- Obtain an up to date 'benchmark' on their parish utility costs
- Change electricity-billing profiles to achieve enhanced savings
- Identify and recover erroneously charged Climate Change Levies (CCL) and higher rate VAT
- Switch providers to obtain the lowest un-contracted energy rates for churches in the UK
- Obtain information on contracted energy rates to compare existing contracts
- Switch to a 'green' electricity provider and/or offset carbon emissions.
- Make reductions on parish office and vicarage telephony and broadband expenditure.

CFS estimates that, on average, it has been able to achieve savings of around £700 per parish. This covers a wide variation of parish size and energy consumption.

As the CFS team of volunteers continue to provide the service to parishes in dioceses, they can now offer a choice of 'green' options. Any PCCs wishing to go 'green' are offered the option of transferring to the only 100% 'green' electricity provider (Good Energy), or using a 'pale green' provider (Ecotricity).

Contact details for CFS are:

Noel Muddiman, Church Utility Savings, CF Solutions Ltd,
8 Wyldwood Close, Old Harlow, Essex, CM17 0JD. Telephone: 01279 303414
Email: info@cfsolutions.ltd.uk

One Treasurer has recently written to me to say that CFS have obtained for his parish combined savings of not less than £1,000 for gas and electricity supplies – a saving of some 15% in their case. He goes on to say that, although there were some difficulties in switching caused by the existing suppliers, he was grateful for the assistance of Noel Muddiman, whose knowledge in such matters was invaluable.

He ends by writing:

“In conclusion, I am delighted we have now made the change. Once completed, it makes a Treasurer's task easier and improves the church's finances. At the very least, all Treasurers ought to obtain an up to date price 'benchmark' on their parish's utility expenditure.”

Another parish recently shared this tale with me, highlighting the need to check that the 5% VAT rate is being applied to your church supplies:

“On a related matter over the last few months I've discovered that at my own church we have been charged at the high VAT rate for our gas supply for the last xx years - I have made a claim to the company and we've now been credited with more than £3,000.”

If CFS are able to help you make savings on your utilities then I would be interested to hear from you, so that I can share your experiences with other Treasurers.

Support for Parish Giving Representatives (+ Treasurers)

Geoff Fletcher (Diocesan Stewardship Development Officer) is organising meetings across the Diocese to provide information and support / networking opportunity for Parish Giving Representatives:

- Thursday 7 October - St Luke, Watford (Langley Way, Watford, WD17 3EG)
- Thursday 21 October - St Peter, Sharnbrook (Church Lane, Sharnbrook, Bedfordshire, MK44 1HU)
- Tuesday 26 October - St Thomas, Wilbury (Bedford Road, Letchworth Garden City, Hertfordshire, SG6 4DU)
- Wednesday 27 October - All Saints, Leighton Buzzard (Church Square, Leighton Buzzard, Bedfordshire, LU7 1AE)
- Thursday 28 October - St Swithun, Sandy (High Street, Sandy, Bedfordshire, SG19 1AQ)
- Thursday 4 November - St Nicholas, Hornead (Signposted up the hill from the main village Pub (Three Tuns), Great Hornead, Hertfordshire, SG9 0NH)
- Monday 8 November - St John, Boxmoor (St John's Road, Hemel Hempstead, Boxmoor, Hertfordshire, HP1 1JY)
- Tuesday 9 November - St James, Goffs Oak (St James Road, Goffs Oak, Hertfordshire, EN7 6TP)
- Saturday 13 November - Holywell Lodge (refreshments from 09.45am for 10.00am start, with finish by 1200 noon) (41, Holywell Hill, St Albans AL1 1HE)
- Monday 15 November - St Thomas, Stopsley (Hitchin Road, Stopsley, Bedfordshire, LU2 7UL)
- Thursday 18 November - St Mary the Virgin, Wootton (Church Road, Wootton, Bedfordshire, MK43 9HF)

All events (other than on Saturday 13 November at Holywell Lodge - see above) will start at 7.30pm with simple refreshments before a 7.45pm start, and will finish by 9.30pm.

All sessions will be informal and will include:

- An introduction of some new material for encouraging Christian Giving in our parishes -
 - Giving for Life
 - Seasons of Giving
- Sharing / discussion on some examples of publicity for stewardship initiatives in parishes
- Other recommended resources available for encouraging Christian Giving and Stewardship
- Current updates + Opportunity for questions and discussion on current issues
 - cessation of Transitional Relief April 2011
- Outline of potential areas of involvement for Parish Giving Reps, + means of support for Parish Giving Representatives

Finance Act 2010: New definition of charity

To be eligible for any tax reliefs, a charity will now have to meet a new HMRC definition of 'Charity'. The new definition applies to all donations made by individuals to charities on or after 6 April 2010. To fall within the new definition, a charitable entity has to meet certain criteria, one of which is that it is registered with the respective charity regulator.

For the time being, this will only impact upon a PCC whose income exceeds £100,000 per annum that has not yet registered with the Charity Commission and has not been given dispensation not to register. If a PCC fails to register when it is required to, it risks losing its charitable status as far as HMRC is concerned and therefore would be unable to claim tax refunds under the Gift Aid Scheme. If your parish income is over £100,000 and you have yet to apply for charitable registration, please contact me as soon as possible so that I can assist you with the process.

Workplace pensions

The Pensions Act 2008 will introduce *compulsory* pension contributions for employees and employers for the first time in the UK. The Act will be phased from between 2012 and 2014 according to the respective number of employees in each case, with the larger employers having to comply first.

Whilst this will not affect every parish, it is important that all PCCs are aware, in good time, of the relevant legislation so that they can verify that: either the legislation will not apply to them, (not being an employer of an eligible worker) or that existing pension arrangements for eligible workers will meet the new minimum requirements.

Eligible workers are those employees over the age of 22 who earn above a certain threshold which will be published by the government from time to time, currently £5,035. (In the case of parochial clergy, it will be the responsibility of the DBF to ensure compliance with the new legislation.) The Act stipulates that any eligible employee, even a temporary worker, must be entered into a pension scheme immediately upon joining service.

As part of these overarching reforms a new scheme, “personal accounts”, is being created to provide a low-charge workplace pension scheme that any employer can use. It will be run by a not-for-profit Trustee Corporation and is aimed at low- to medium-earners, many of whom will not have had access to a workplace pension before. Employers can choose personal accounts or another qualifying scheme. The Personal Accounts Delivery Authority (PADA) is charged with delivering the scheme, which will be known as NEST (National Employment Savings Trust).

The enclosed leaflet has been provided by the Church of England Pension Scheme giving further details.

<http://www.stalbans.anglican.org/Resources/Help-for-Parish-Officers/PCC-Treasurers/Letters-to-Treasurers> - See item under the heading for October 2010)

Yours sincerely,

Martin Bishop