

Analysis of survey on allowances above stipend and fees from occasional services and other activities

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| Contact Name and Details | John Bell, Chair of the Connexional Allowances Committee johnabell@supanet.com |
| Status of Paper | Final |
| Action Required | For decision |
| Draft Resolutions | See recommendations 1-5 17/1. The Council receives the report. 17/2. The Council directs the Connexional Allowances Committee to bring final proposals, based on the recommendations in this report and in the light of the discussion held at the Council, to the April 2014 meeting of the Council. |

Summary of Content

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| Subject and Aims | This reports on the survey authorised by the Council and makes recommendations accordingly. |
| Main Points | Recommendations are brought for future policies and further work on (1) allowances above stipend (2) fees and payments for various activities and (3) the positive enforcement of SO 802. |
| Background Context and Relevant Documents (with function) | Previous reports to the Council: MC/14/85 and MC/14/32 |

Summary of Impact

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|------------------------|--|
| Standing Orders | The outcome of resolution 5 may require an amendment to SO 802(5). |
| Financial | There are no financial implications. |

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1. Introduction

The survey, requested by the Methodist Council and approved at its meeting in October 2014, was undertaken in the weeks before mid-December: the results have been analysed and are presented in this report. The data applies to the year 2013-14.

The outcomes are used to make recommendations, and it is suggested that this paper be made available to Districts and Circuits still wishing to engage in further discussion on the subject in the coming weeks. The Council may wish its decisions or guidance to be added to the paper before it is forwarded: see recommendation 6 at the end of the report.

The Connexional Allowances Committee (CAC) plans to bring final recommendations on the principles of allowances above stipend and fees to the April meeting of the Council, and thereafter to the Conference of 2015.

It is evident from the survey results and accompanying comments that opinion is extremely divided and often deeply felt on most of the issues raised. Ministers, particularly, interpret their calling and discipleship in different ways, which leads to contrasting views in matters of remuneration: and, moreover, their overall household incomes and circumstances vary widely¹. Some ministers seek consistent guidance – from Circuit, District or Connexion – on aspects of fees, whilst others prefer to be trusted to their own sound, pastoral judgement and discretion.

However, choices must be made, and it will not be possible to please all.

2. The survey

The survey (questionnaire) was emailed to all ministers in the active work (1530 presbyters and 145 deacons) and to the senior and other circuit stewards listed in the connexional database (about 600 people). Responses were received from 685 presbyters (45%), 46 deacons (32%) and 158 circuit stewards (26%), ie 889 in total.

The Committee judges that these are significant levels of response, certainly sufficient to give a reliable indication of facts, practice and opinions and thereby a sound basis from which to draw conclusions.

Moreover, responses came from all districts, as summarised in table 1, as well as from ministers in non-district specific posts, so the results are also widely representative of the whole Connexion. At least 12 presbyters responded from all Districts except the Islands, Scotland and Cymru, and at least 20 from 19 Districts. Deacons from 21 Districts responded and circuit stewards from all but Cymru, Cumbria, Isle of Man and Shetland. The average number of responses per District was 29.

¹ It is noted that the April 2014 meeting of the Council did reject the suggestion that stipends be based on an assessment of ministers' financial and family needs. Several comments were submitted suggesting that this nevertheless would be a preferred, if complex, option.

Table 1: Total number of responses per District²

| | | | | | | | |
|------------------|-----|-------|-------|-------|-------|-------|-------|
| No. of responses | 0-9 | 10-19 | 20-29 | 30-39 | 40-49 | 50-59 | Total |
| No. of districts | 4 | 5 | 8 | 10 | 3 | 2 | 32 |

Ministerial responses represented the wide variety of posts held, as shown in table 2.

Table 2: Ministerial responses per category of post held

| Category of post held | Number |
|---|--------|
| Non-district specific | 76 |
| District Chair | 17 |
| Superintendent | 178 |
| Circuit or appointment in control of the Church | 379 |
| Part-time circuit + part-time other role | 15 |
| Student minister in 2013-14 | 10 |
| Appointment outside control of Church + others | 49 |
| Without appointment | 7 |
| Total | 731 |

The Committee, on behalf of the Council, is extremely grateful to all who responded and shared their information and comments.

3. Allowances above stipend

The current position with respect to allowances is defined by the list published in the CAC's annual report to the Conference (see 2014 Agenda section 33, pages 297-298) with the local additions governed by SO 801(1)(b).

Under SO 801(1)(b), there is a slowly declining number of circuits offering an allowance above stipend of 10% or less – the last time the CAC examined the detailed list, about 160 ministers received one: in September 2014, just 15 were in receipt of an allowance of greater than 10% above stipend.

The survey therefore simply asked for respondents' opinions about options for the future related to allowances above stipend. Table 3 shows the preferences for each of the four main options for all 889 respondents, ministers and circuit stewards.

Table 3: Preferences for allowance above stipend policy

| | Main option | % |
|---|--|-----|
| A | Present system of variable allowances with a review of qualifying posts and %s | 53 |
| B | Standard stipend only, with or without redistribution of existing allowances | 29 |
| C | More finely tuned system than at present, more like the lay salary structure | 10 |
| D | Fixed allowance for all qualifying posts, with or without superintendent's variation | 8 |
| | Total | 100 |

Within the categories of respondents:

- Presbyters have slightly stronger than average preferences for options A and B
- 46% of deacons prefer option B and 39% option A, perhaps reflecting a general diaconal understanding and culture and the very few opportunities open to deacons in posts with allowances above stipend

² There are 31 districts plus the non-district specific group.

- Circuit stewards have the average preference for option A, but put option C (20%) above option A (15%), perhaps reflecting a lay, secular view of structured remuneration.

What is clear is that there is no enthusiasm for moving towards either options C or D, either overall or within categories of respondents. However, the significant expression of view, albeit still a minority, in favour of option B is not to be lightly dismissed. Many respondents commented that ministers, with varying gifts, are called to and stationed in different appointments, none more or less important than any other, and each deserving of the same stipend. Others, however, felt that greater accountability (with concomitant stress, worry and pressure) justified an allowance above stipend and indeed that the current structure should be reviewed.

[Note: of the 29% in favour of option B, 19% preferred no redistribution of allowances above stipend, i.e. all ministers would receive only the standard stipend. The other 10% favoured redistributing the pot of allowances above stipend equally to all those in qualifying posts.]

Recommendation 1

In view of the overall significant preference expressed for option A, the Committee proposes this as its recommendation to Council and the Conference of 2015, noting that the further work to review the qualifying posts and percentages above stipend will be undertaken in 2015-16.

4. Data on funerals and payment

First, it is useful to note that those who responded to the survey conducted about 7700 funerals in 2013-14: if this sample was typical, multiplying it up to account for all ministers would give about 19,000. The figure quoted in the 2014 'Statistics for Mission' report to the Conference (Agenda page 381) was 21,057, which will include some funerals conducted by lay people. In other words, the statistics gathered through very different means are comparable.

Taking into account that the 10 student ministers (see table 2) did not take funerals in 2013-14, there were 721 presbyters and deacons who may have done. Table 4 shows a summary of how many ministers conducted how many funerals and how many accepted payment. Just to clarify the meaning, for example, in the first line, 89 ministers conducted no funerals and a further 79 never accepted payment (see table 5). The payment column has higher numbers at the top as ministers accept payment for fewer funerals than they conduct.

Table 4: Number of funerals conducted by ministers and number for which payment accepted

| Number of funerals conducted | Number of ministers | Number accepting payment |
|------------------------------|---------------------|--------------------------|
| None | 89 | 168 |
| 1 to 5 | 156 | 246 |
| 6 to 10 | 192 | 162 |
| 11 to 15 | 133 | 71 |
| 16 to 20 | 66 | 34 |
| 21 to 30 | 58 | 28 |
| 31 to 40 | 15 | 6 |
| 41 to 50 | 7 | 3 |
| 51 to 120 | 5 | 3 |
| Total | 721 | 721 |

Moreover, the incidence of ministers accepting payment varies enormously, from some who never do to some who nearly always do – this is reported as a matter of fact, not of judgement. Table 5 summarises this

variation: remember that 89 ministers are excluded because they conducted no funerals at all (as per table 4).

Table 5: Percentages of funerals for which ministers accept payment

| Percentage of funerals for which payment is accepted | Number of ministers |
|--|---------------------|
| None | 79 |
| 1% to 20% | 24 |
| 21% to 40% | 85 |
| 41% to 60% | 123 |
| 61% to 80% | 130 |
| 81% to 100% | 191 |
| Total | 632 |

This reveals that, although some ministers choose never to accept payment, there are larger numbers who do so on the majority of occasions.

5. Data on weddings and payment

This section gives the parallel analysis for weddings as section 4 does for funerals.

First, those who responded conducted just over 1000 weddings in the year: scaling this up on a proportional basis, this would predict about 2400 in total, whereas the figure in ‘Statistics for Mission’ (2014 Conference Agenda page 381) is 2751. Again, given the different sources of data and different time periods, these are consistent figures.

Table 6 shows the distribution of weddings conducted and payments accepted, noting that far fewer ministers have such opportunity and 129 accepted no payment for weddings conducted.

Table 6: Number of weddings conducted by ministers and number for which payment accepted

| Number of weddings conducted | Number of ministers | Number accepting payment |
|------------------------------|---------------------|--------------------------|
| None | 282 | 411 |
| 1 | 188 | 156 |
| 2 | 113 | 72 |
| 3 | 62 | 40 |
| 4 | 34 | 22 |
| 5 | 15 | 9 |
| 6 | 17 | 6 |
| 7 and over | 10 | 5 |
| Total | 721 | 721 |

Table 7 shows the variation in acceptance of wedding payments, comparable to table 5 for funerals, with the notable exception that, unless no payment is accepted, the overwhelming practice is to accept payment on nearly all occasions. Remember again that the 282 ministers who did not conduct weddings are excluded.

Table 7: Percentages of weddings for which ministers accept payment

| Percentage of weddings for which payment is accepted | Number of ministers |
|--|---------------------|
| None | 129 |
| 1% to 20% | 1 |
| 21% to 40% | 13 |
| 41% to 60% | 37 |
| 61% to 80% | 28 |
| 81% to 100% | 231 |
| Total | 439 |

There may be several factors at work which explain the difference in patterns of tables 5 (for funerals) and 7 (for weddings). Perhaps the most obvious is that a much higher proportion of funerals relate to church members.

6. Fees for funerals and weddings

The data in sections 4 and 5 reveals the opportunities for ministers to supplement their stipend from payment for funerals and weddings. The survey also asked about the level of such fees and a comprehensive picture, which has been analysed by district, has been compiled. It is unfortunate that some respondents took the question about fees to mean the total fee amount normally charged by the church, rather than just the minister's fee. However, in many cases, comments were also added which explained this and separated out the fee elements³, and in some it was clearly evident from the amount that it could not just be the minister's fee.

With that qualification, the certain information which has been acquired does give a clear picture of the fees normally expected or charged, summarised by the following statements:

- In England, funeral fees are normally between £100 and £160, with some slightly above and some below, even as low as £50 (but very few of those). The average is £120-£130, with some regional variation eg higher in the south-east. The figure for weddings is usually higher, by up to £40 or so.
- In Wales, funeral fees are £60 to £90, with an average of £75-£80 and wedding fees correspondingly higher.
- The evidence from Scotland and Shetland intimates that the practice of the Church of Scotland is not to charge for funerals or weddings (therefore this is expected by funeral directors and also normally observed by the Methodist Church) and that nearly all would be for church members in any event.
- In the Channel Islands and the Isle of Man, the information available from the survey indicates levels of fees comparable to England.

By combining the figures in the above statements with the information in sections 4 and 5, a picture can be painted of the additional income ministers can receive from conducting weddings and funerals.

Taking the information from table 4, along with the detail hidden from its summary, it turns out that 52 ministers (of the 721 in the sample) conducted sufficient funerals to generate at least 10% of standard stipend at the 2014-15 level. This is 7.2% of the number of respondents. If this were true of all ministers, it

³ The four elements are for the minister, the steward on duty, the organist and the use of the church, for both weddings and funerals. For weddings, there may be an additional fee for the presence of an authorised person if the minister is not so authorised.

is about 120 out of the total number in the active work. This is lower than the number in receipt of a circuit discretionary allowance above stipend.

Table 6 reveals that a very small handful of ministers are paid even 5% above stipend by way of wedding fees, though some, of course, may benefit from both funeral and wedding fees.

A very small number of ministers are paid a significantly large amount by way of such fees – £10,000 or more. Overall, the impact of the present arrangements is that many ministers choose to forego payment, some retain such fees with modest financial benefit and very few gain large amounts.

7. Future policy on funeral and wedding fees

7.1 Retaining or sharing fees

The survey asked whether respondents felt that funeral and wedding fees should, in future, be retained or shared (in some way). Table 8 shows the significant wish to retain the present policy, amongst all categories of respondents.

The main reasons for retaining fees were (1) it enables ministers to exercise their discretion⁴ as to whether fees are kept personally or returned to the family or donated to the church or a charity, (2) they are earned – why share fees with colleagues who haven't done the work? (3) funerals and weddings eat into 'my own time' or a day off and constitute extra work (some used the word overtime and regarded fees as compensation for intrusion), (4) especially if the minister's spouse has no or little or low paid employment, fees help fund holidays, car repairs, expensive heating bills in large un-insulated manses, domestic appliance replacement, etc., (5) the incentive for ministers to conduct funerals and weddings for people unconnected with the church would decline and the Methodist Church's reputation would be diminished and damaged, (6) Methodist stipends are lower than those in the Anglican Church⁵, the United Reformed Church and the Church of Scotland, (7) practically, it simplifies the tax consequences.

However, contrary views were expressed by those opting to share fees: (1) 'I can't be in two places at once', implying that time spent on funerals and weddings is time denied other work in the church and circuit, which leads to (2) some ministers undertake more (unpaid) work in the circuit because their colleagues commit more time to (paid) funerals⁶ and weddings, (3) time committed to other optional activities such as taking school assemblies and celebrating Holy Communion in residential homes is unrewarded, but neither is less important.

Table 8: Preferences for funeral and wedding fees policy (percentages)

| Preference | Presbyters | Deacons | Stewards | Overall |
|-----------------------|------------|---------|----------|---------|
| Ministers retain fees | 77 | 61 | 68 | 75 |
| Ministers share fees | 23 | 39 | 32 | 25 |
| Total | 100 | 100 | 100 | 100 |

⁴ Some ministers responded more robustly that, as they are not employees, the Church may not tell them what to do and that 'it's none of your business'..

⁵ The general practice in the Anglican Church is for active clergy to pool their fees to the diocese but they are then redistributed as a supplement to stipend.

⁶ Again, there were robust comments about a few ministers known to offer their services all too willingly to funeral directors, and some who 'poach' funerals from colleagues.

Recommendation 2

It is recommended that ministers continue to retain any funeral and wedding fees which they are given or claim: they may of course return or otherwise disburse them as they wish.

[A further question was asked as to what method of sharing fees should be adopted, if the above recommendation had been to share fees. As a matter of interest, this revealed that the overall ranking of preference was as follows and all categories of respondents were strongly in favour of the first option:

- Contributed to a circuit fund and shared by ministers (60%)
- Contributed to a district fund and shared by ministers (21%)
- Contributed to the connexional Fund for the Support of Presbyters and Deacons (12%)
- Contributed to a district fund and allocated according to need (7%)

There were others who commented that they disliked all of these options and many would prefer the fees to be paid directly to the church or circuit for purposes of funding mission.]

7.2 Claiming or waiving fees for church members and frequent worshippers

Whilst recommendation 2 deals with the general principle of retaining or sharing fees, the issue of whether the Church should agree a policy or guideline on when fees should be taken or claimed and who should determine it. Table 9 summarises the overall preferences, noting that though the ranking of preferences was the same for each category of respondent – presbyters, deacons and circuits stewards – the percentages varied slightly.

The main reasons for a policy of ministers' discretion were (1) it is practical, pragmatic and enables local custom and practice to be reflected without ambiguity or embarrassment, (2) ministers know best the particular family and circumstances in each case, which includes (3) some church members and frequent worshippers specifically do wish ministers to receive fees, perhaps as a thanksgiving for pastoral support, whereas other expect not to pay, (4) fees can be adjusted as appropriate, rather than an all or nothing policy.

Reasons in favour of waiving fees (either to church members or to all) include (1) these services are privileges, mission opportunities and God's grace is free, (2) a stipend 'means just that' and does not require supplement, (3) there are families in dire situations, especially in inner cities, who can't afford the cost of funerals, (4) the difficulties of consistently defining and applying who are exempt from fees and who should pay, (5) a church member's funeral is part of a minister's freely offered pastoral care.

Reasons in favour of claiming fees include (1) there are increasing instances of 'pre-paid' and/or insurance-funded funeral packages, which include the minister's fee – if the minister doesn't accept it, the funeral director probably profits from it, which is not what the family wish, (2) it removes all ambiguity, (3) it is always a just reward for additional work, (4) has church membership or worshipping frequently become a 'club perk' at the end?

Table 9: Policy for claiming funeral and wedding fees and who determines it (percentages)

| Option | Policy | Overall |
|--------|---|---------|
| A | Ministers be allowed to decide to claim or waive funeral and wedding fees | 43 |
| B | Ministers should waive fees for church members and frequent worshippers | 29 |
| C | Ministers should always claim or accept such fees | 19 |
| D | Circuits to decide whether such fees should be claimed or waived | 7 |
| E | Districts to decide whether such fees should be claimed or waived | 2 |
| | Total | 100 |

There is clearly no case to press for a general policy that circuits or districts should determine practice with respect to ministers claiming or waiving fees for church members or frequent worshippers, but that does not preclude them from doing so if they so wish and formally agree. Indeed, there does seem some merit in a consistent local practice.

Recommendation 3

It is recommended that, taking into account local custom and practice, ministers continue to determine whether to claim or waive funeral and wedding fees.

8. Fees and payments for other activities

A similar question was asked in the survey regarding fees and payments for part-time teaching, chaplaincy and other activities, acknowledging that the contractual nature of some such activities is a complicating factor (ministers may be part-time employees of an institution).

Not surprisingly, far fewer ministers engage in these activities, as shown in table 10 – just one in six of respondents.

Table 10: Ministers engaged in teaching, chaplaincy and other activities and payment

| Nature of engagement | Number | Percentage |
|---------------------------------------|--------|------------|
| All such work was unpaid | 65 | 9 |
| Some, but not all, such work was paid | 25 | 3 |
| All such work was paid | 33 | 5 |
| None undertaken | 598 | 83 |
| Total | 721 | 100 |

Of the 58 ministers who are paid, 54 kindly gave the amount of income so earned in the year, as summarised in table 11. It is noted that 31% earned less than £500, 57% less than £1500 and 85% £5000 or less. It seems likely that the three in the £11,000-£12,000 bracket are significant part-time posts and the four over £30,000 are full-time posts.

Table 11: Income earned from teaching, chaplaincy and other activities

| Income | Number |
|-----------------|--------|
| Less than £500 | 17 |
| £500-£999 | 8 |
| £1000-£1499 | 6 |
| £1500-£1999 | 1 |
| £2000-£2499 | 4 |
| £2500-£2999 | 3 |
| £3000-£3999 | 1 |
| £4000-£5000 | 5 |
| £6000-£6999 | 1 |
| £11,000-£12,000 | 3 |
| Over £30,000 | 4 |
| Total | 54 |

As table 12 summarises, the outcome on preference for retaining or sharing these fees and payments was much the same as for funerals and weddings. Some respondents did express concern that there are ministers paid a full stipend who are also employed (with regular payment) as part-time chaplains and questioned whether their stipend should be reduced proportionately: above a certain level, SO 802(5) provides for this.

Table 12: Preferences for teaching, chaplaincy and other activities fees and payments (percentages)

| Preference | Presbyters | Deacons | Stewards | Overall |
|-----------------------|------------|---------|----------|---------|
| Ministers retain fees | 78 | 65 | 70 | 76 |
| Ministers share fees | 22 | 35 | 30 | 24 |
| Total | 100 | 100 | 100 | 100 |

Recommendation 4

It is recommended that ministers continue to retain fees and payments for teaching, chaplaincy and other activities.

Attention is drawn to SO 802(5) which states that, if a minister earns more than 25% of standard stipend or spends more than 10 hours per week on teaching, chaplaincy, funerals, weddings and other such activities, then the superintendent, other ministers and probationers and the circuit stewards will consult 'to reach an amicable agreement' which may lead to 'some recompense to be paid to the circuit or colleague'. Some respondents commented on this SO, suggesting it be more vigorously enforced, and one suggested that the figures be reduced. It was also suggested that income⁷ from writing books and articles might be included.

The Committee is inclined to leave SO 802(5) as it is, but to recommend that it be enforced, unless the Council favours a review of the two figures within it.

Recommendation 5

(a) It is recommended that attention be drawn to SO 802(3) and SO 802(5) and they be positively enforced, or

(b) It is recommended that attention be drawn to SO 802(3) and SO 802(5), that they be positively enforced and that the Committee reviews the 25% of stipend and 10 hours per week figures.

9. Fees for supernumerary ministers and ministers without appointment

The survey asked a final question as to whether, if the decision was taken that ministers in the active work share or pool their fees, the same principle should apply to supernumerary ministers and those without appointment. By a large majority (overall 75% and consistently in each category), it was indicated that they should retain their fees. This situation is unlikely to arise, but it is a point to be noted.]

10. Concluding remarks

If the Council and the Conference agree the recommendations 1 to 5 (reprinted below), then there will be a review of the qualifying posts for allowances above stipend and the amounts of those allowances, the present arrangements relating to fees will continue and attention will be focussed on SO 802(5) to ensure fairness. This may be perceived as having been a major effort resulting in largely maintaining the status quo. The Committee believes that (having been prompted and directed by decisions of the Conference) it is essential from time to time to review policies and practices of major importance in the life and governance of the Church, even if the outcome is not significantly different.

The Committee affirms that, if the Council and the Conference agree, the review of qualifying posts and amounts of allowances above stipend will be undertaken for presentation to the January 2016 meeting of the Council.

Finally, the Committee will also incorporate the further theological reflections, kindly being prepared by the Faith and Order Committee, in its report for the Conference which will be presented to the April 2014 meeting of the Council.

⁷ SO 802(3) simply states 'other work not within their circuit responsibilities'.

Recommendations

Recommendation 1

In view of the overall significant preference expressed for option A, the Committee proposes this as its recommendation to Council and the Conference of 2015, noting that the further work to review the qualifying posts and percentages above stipend will be undertaken in 2015-16.

Recommendation 2

It is recommended that ministers continue to retain any funeral and wedding fees which they are given or claim: they may of course return or otherwise disburse them as they wish.

Recommendation 3

It is recommended that, taking into account local custom and practice, ministers continue to determine whether to claim or waive funeral and wedding fees.

Recommendation 4

It is recommended that ministers continue to retain fees and payments for teaching, chaplaincy and other activities.

Recommendation 5

- (a) It is recommended that attention be drawn to SO 802(3) and SO 802(5) and they be positively enforced, or
- (b) It is recommended that attention be drawn to SO 802(3) and SO 802(5), that they be positively enforced and that the Committee reviews the 25% of stipend and 10 hours per week figures.

*****RESOLUTIONS**

17/1. The Council receives the report.

17/2. The Council directs the Connexional Allowances Committee to bring final proposals, based on the recommendations in this report and in the light of the discussion held at the Council, to the April 2014 meeting of the Council.