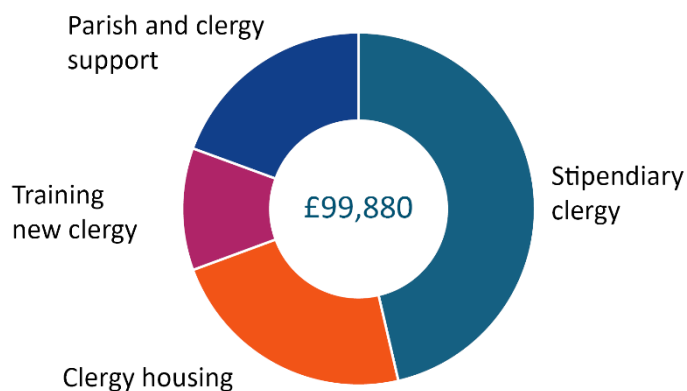


London Ministry Cost for 2026

Introduction

The Common Fund resources ministry and support for more than 500 parishes and worshipping communities across the Diocese of London. It is how all parts of the diocese collaborate financially to pay for local ministry irrespective of a church's own financial context. Parish contributions, alongside substantial funding generated by the London Diocesan Fund, make possible the provision laid out below.

The London Ministry Cost [LMC] benchmark (previously known as the "Parish Standard Cost") is offered as an indicative figure showing the direct cost of clergy and average costs of housing provision, parish support teams, and the training of future priests. It is offered as a benchmark against which PCCs can assess their contribution to Common Fund and provides one element of the starting point for conversations towards 2026.



The 2026 London Ministry Cost benchmark calculation started with the budget for this year set and agreed by the Diocesan Bishop's Council and Diocesan Synod. Any likely additional costs for next year (such as inflation) have been added, and likely savings (such as the changes to contributions to the National Church) are subtracted. These budgeted costs are then averaged across the Diocese to give the London Ministry Cost benchmark figure.

This benchmark is the representative cost of providing a parish with a priest, a vicarage, support from diocesan professional teams, and includes a share in the cost of training and paying future parish priests (ordinands and curates). For parishes with a different combination of resources, for

example those who have use of more than one house, their benchmark figure is calculated accordingly.

The 2026 London Ministry Cost figure is a little lower than the figure given for 2025. This welcome reduction comes as a result of careful attention to costs, together with proposals to remove contributions to the National Church and change how future ministry is funded. These proposals will be decided nationally over the summer and are open to change but, at this stage, they are factored into our calculations.

This note for PCCs is intended to give the detail behind the overall cost figures and should be read alongside *The PCC Guide to Common Fund 2026* and *Common Fund FAQs*. Please do approach your Archdeacon or Area Giving & Finance Adviser with any further questions.

Oliver Home (General Secretary), the Archdeacons, and Area Giving & Finance Advisers
May 2025

1. Clergy - £46,320

The 2026 stipend for a full-time stipendiary priest is predicted to be £34,530, an increase of 6% on 2025. This significant increase of almost £2,000 per annum is a national proposal to catch up inflation since 2011 and support clergy wellbeing. The "Stipend cost for 2026" figure shown in the benchmark is less than this because the increase in stipends takes effect in April each year, whereas the cost figure covers a calendar year.

Stipend cost for 2026	£34,050
National Insurance	£4,360
Pension	£7,270
Moving & resettlement grants	£1,450
Council Tax	£3,550
<i>Vacancy savings</i>	<i>-£4,360</i>
Clergy	£46,320

National Insurance and pension contributions are added. The cost includes an average for Council Tax which the London Diocesan Fund pays even if it does not provide the vicarage. The cost of moving and resettlement grants for clergy is also shown here. The average number of diocesan vacancies is used to calculate a deduction in the benchmark figure for every parish, rather than reducing the London Ministry Cost benchmark locally when in vacancy.

COMPARISON: In 2025, this Clergy cost was £45,180, so this represents a 2.5% increase to next year. This increase is less than the cumulative increase in stipends and NI because it has been offset by the ending of a required contribution to national CofE Retirement Housing provision.

2. Clergy Housing - £22,980

This cost, which works out at £1,915pcm, provides a vicarage for the parish priest. It is an average of the total London Diocesan Fund investment in clergy housing, including:

- Statutory safety duties, including gas, asbestos, and electrical checks.
- Work to improve energy efficiency and reduce the cost of heating for clergy through insulation, double or secondary glazing etc.
- Major renovation works, including new roofs on older properties.
- Upgrading vicarages, usually when a new vicar is arriving (“ingoing works”).
- Insurance and administration of nearly £1 billion of properties, many of which are listed.

This is a slightly lower figure than 2025 and represents exceptional value for money in London for providing a “working home”. The average rental cost of a minimum vicarage size house in the Diocese is £45,000.

COMPARISON: After a re-stating of the true costs of maintenance for 2025 (resulting in a significant step up compared with 2024’s figure), the benchmark for 2026 shows the result of catching up with the Covid backlog of maintenance and beginning to see the impact of a strong focus on efficiency and value-for-money. This cost figure is 3.5% lower than 2025.

3. Future Clergy - £11,180

The provision of parish priests in years to come depends on both pre-ordination training (college or course training and maintenance support) and post-ordination training including the payment for Title Posts (training curacies). It also depends on having a team to accompany and mentor potential candidates on their vocational journey, as well as to oversee discernment and selection. Many parishes will not have the opportunity to help train a curate themselves, but these costs ensure that a future parish vicar for every church will have the training and experience they need.

Clergy Training	£1,570
Ordinand support	£4,020
Title posts (Curates)	£5,590
Future Clergy	£11,180

COMPARISON: The 2026 figure is a £1,090 (10.8%) increase on 2025, reflecting an uplift in clergy (curate) stipends & NI and recognition of a higher number of curacies in the figure.

4. Support - £19,400

4.1 Parish Professional Support Teams

This part of the London Ministry Cost benchmark shows the average cost of providing support for local churches through professional training and advice intended to support local ministry and mission.

Parishes receive this support “free at the point of use” so that PCCs are not asked to choose between accessing vital advice or avoiding a large cost.

These teams include those working with local congregations in areas such as safeguarding, church buildings, capital grant applications, HR advice, legal support (via The Registry), youth & children’s work support, parish finances, and church governance.

You can read more about the many support services on offer here:

london.anglican.org/church-and-parish-support

In addition to the teams based at London Diocesan House, each Episcopal Area supports local churches through their Archdeacons and Area teams. Each Area also administers the Area Grants & Loans scheme, providing financial help for churches and their buildings.

4.2 Charity Administration

The London Diocesan Fund is run as an efficient charity, focused on supporting local churches to enable *every Londoner to encounter the love of God in Christ*. Functions such as payroll, accounts, HR, and legal support are necessary parts of charity life and mean that the LDF can pay clergy stipends, maintain and improve vicarages, and provide direct resourcing and support for mission and ministry. The London Diocesan Fund budget shows that just under 7% of expenditure is on administration – a remarkably low figure, comparing very favourably with similar-sized charities, for whom a benchmark cost would be 12-20%. This is achieved by keeping overheads and headcount low.

4.3 National Church – nil in 2026.

In previous years, the cost figure has included a contribution to help fund the National Church. We anticipate this will be removed for 2026 and so have decided not to include this in our London Ministry Cost benchmark.

SUPPORT COSTS COMPARISON: The total Support costs for 2025 amounted to £20,890, though this included £2,390 for national church support. Cost increases are in Mission support, Area Grants, Area Teams, and Parish Property support. The cost of administration has reduced. The benchmark figure for 2026 is £19,400 – a reduction from 2025 of 7.1%.