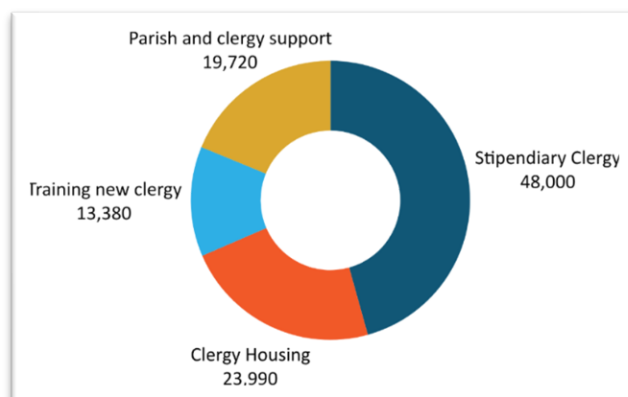


London Ministry Cost for 2027

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 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.



Calculating the London Ministry Cost benchmark starts with the budget for this year as set and agreed by the Diocesan Bishop's Council and Diocesan Synod. Likely additional costs for next year (such as inflation) are added, and likely savings are subtracted. These budgeted costs are then averaged across the Diocese to give the benchmark figure. **For a parish with one stipendiary priest and housing, the benchmark figure for 2027 is £105,090.**

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 future parish priests.** 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 2027 London Ministry Cost figure is 5.2% higher than the figure given for 2026. From the figures below, you will see that the diocese has worked hard to keep costs down, but a very welcome increase in clergy stipends, changes to ordinand and support funding, as well as inflationary pressures on housing maintenance, lead to an increase in the overall benchmark.

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 2027* and *Common Fund FAQs (online)*. Please do approach your Archdeacon or Area Giving & Finance Adviser with any further questions.

1. Clergy - £48,000

An incumbent's stipend from April 2027 is estimated to be £36,000 depending on inflation. The "Stipend cost for 2027" figure shown in the benchmark is a little less than this because the increase in stipends takes effect part way through the year covered by the cost figure. NI and pension contributions are also shown.

Stipend cost for 2027	£35,740
National Insurance	£4,610
Pension	£7,020
Moving & resettlement grants	£1,600
Council Tax	£3,750
<i>Vacancy savings</i>	<i>-£4,720</i>
Clergy	£48,000

In addition, the cost includes an average for Council Tax which the London Diocesan Fund pays even if it does not directly 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 2026, this Clergy cost was £46,320, so this represents a 4.5% increase to next year representing higher than predicted inflation this year, and our best estimate for 2027.

2. Clergy Housing - £23,990

This cost, which works out at ~2,000pcm, provides and maintains a vicarage for the parish priest. It is an average of the total contribution from the Common Fund towards clergy housing, including:

- Routine maintenance and repairs as requested by clergy households.
- Fulfilling statutory safety duties, including gas, asbestos, and electrical checks.
- Improving energy efficiency to reduce heating costs through insulation, glazing etc. (*)
- Renovation including kitchens and bathrooms. usually when a new vicar is arriving (*)
- Insurance and administration of nearly £1 billion of properties, many of which are listed.

(In addition, where major works are required for improvements, including roof replacement, these are drawn from capital funds rather than the General Fund.)*

This figure represents exceptional value for money compared to the average London rental cost of providing an equivalent “working home” of around £45,000 (and in many parishes, much more).

COMPARISON: the benchmark for 2027 shows an increase of 4.4% on this year as the team continue to work on improving clergy housing and face inflationary increases in building and maintenance costs.

3. Future Clergy - £13,380

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	£1,990
Ordinand support	£6,340
Title posts (Curates)	£5,050
Future Clergy	£13,380

COMPARISON: The 2027 figure is a £2,200 increase on 2026, reflecting a national agreement to significantly improve the financial support of ordinands, as well as the uplift in clergy stipends for curates-in-training. The formula for calculating the diocesan contribution to national ordinand costs reflects diocesan size and resources, not the number of ordinands we sponsor.

4. Support - £19,720

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.

SUPPORT COSTS COMPARISON: The benchmark figure for parish support and charity administration in 2027 is just 1.6% higher than for 2026 which is a below inflation increase.