

MMF

Introducing a consultation



Truro Diocesan Synod
February 2025



1. Introduction

Diocesan Synod is invited to note a consultation on revising the MMF formula from January 2026.

The consultation will run through February, March and April, and will inform the June Diocesan Synod which will be asked to decide on a revised formula.

In February we are introducing the consultation, in June we will tell you what the feedback from the consultation was, and ask for a decision on a way forward.

You have two documents; this very brief summary, and a much more detailed briefing for those who want to know about the MMF plumbing. We don't expect everyone to read the detailed briefing, but we are happy to receive comments or questions on either document.

2. What is MMF?

The Mission and Ministry Fund is a contribution made by parishes to support the ministry of the church, it helps to pay for parish clergy and the shared costs of being a Church of England diocese.

MMF contributes the largest part of the Diocesan Board of Finance budget, about £3m of our total income of £7.5m.

MMF is a voluntary contribution made by parishes to support ministry, the DBF uses a formula to calculate what to ask for, this is known as the "MMF call". Different dioceses use different formulae - there isn't one system that is obviously better than all the others.

MMF received from a deanery, benefice or parish helps us to understand what pattern of ministry is sustainable in that place, our formula is calculated to reflect the cost of ministry in that place - to put it crudely, it is a "get what you pay for" formula.

3. Why are we proposing to make changes?

The current formula was introduced in 2019, so it isn't very old, but as we have made plans through On the Way and deanery planning we have distorted the way it works and we have used DBF reserves to keep the call low. This means that in some places the actual call has moved away from the formula if we were to apply it strictly.

The most obvious place where this has happened is where a deanery has proposed to make changes that would have changed their call, but where the changes are not yet in place. To support new patterns of ministry we have been applying the call as if the plans were implemented. There are other examples of how we have distorted the 2019 formula.

These distortions mean that some deaneries and benefices are being dealt with differently so the call isn't the level playing field that it should be. This also means that as further changes are proposed - changes that might affect the call - we haven't got a transparent way of agreeing what the new call should be.

4. What are the main changes being proposed?

We want to reset the formula so that everyone has their call calculated in the same way.

The main proposal for the consultation is to base the new formula on a calculation that allows current plans to be implemented. We think that this is not the right moment for everyone to have to re-draw plans based on new costs and budgets.

We can do this with a fairly simple change to the formula that removes the “benefice charge” from the calculation, and with some simple transitional arrangements in a couple of deaneries.

This approach will allow us to generate a 2026 call that is in line with the costs planned for with deanery plans.

We will also consult on some other proposals that we have been asked by treasurers to consider.

The other proposals are:

- a mechanism where a deanery or benefice call can change as soon as a clergy vacancy occurs, we will reduce the call by the cost saving to the DBF, the level of call will then revert when an appointment is made
- a mechanism for emergency changes to the call to be agreed with an archdeacon, this would typically be for “once in a lifetime” catastrophic events like a major fire or financial loss through fraud etc
- a clear mechanism to explain how the call will change if there are changes to a deanery plan
- a transparent way of dealing with BMOs and non-parish roles that creates more of a “level playing field”

Finally, we will consult on how to deal with costs arising from self-supporting clergy, PTO, retired clergy and readers, to see if there are better ways of reflecting their “costs” to the DBF.

Most of the consultation will be along the lines “what do you think of these proposals?” rather than a more open “what ideas do you have?” - this is because we think that parishes and deaneries want stability for the next few years, not potentially disruptive major changes.

5. What are the alternatives?

We think we need to do something because the current formula is now lacks transparency and over the next couple of years will become very hard to justify - so we don’t think that “do nothing” is an option.

We could run a more “root and branch” review of the formula and look at more radical options, but our view is that this is not the time for potentially disruptive changes. The detailed briefing paper has a list of the main options that can be used in a formula.

6. When will we make a decision?

The consultation will begin during February at deanery level and will be led by Sophie Eddy, the Director of Finance and Assets. Sophie will be able to talk about the detailed proposals with interested treasurers.

We will report on the consultation feedback to the BDC and come back to Synod in June with final proposals. If the consultation gives a strong signal that the proposals are unlikely to gain support then we will of course think again.

The proposals in June will be in the form of a formal motion that can be debated and amended according to the will of Synod.

If you have questions about this paper please contact Sophie Eddy

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The image on the cover is from a stained-glass window at Paul church, it shows the fifteen gold bezants of the Duchy arms. If parishes want to pay their MMF contribution in gold bezants we will operate an exchange rate of £750 per Kingdom of Jerusalem gold bezant but we recommend using a registered courier for deliver to the OCS.