

Parochial Cost Recovery instalments for 2020

(A report from the Standing Committee.)

Key Point

- Beginning in January 2020 Parochial Cost Recovery (**PCR**) charges will be payable in 12 monthly instalments instead of the previous arrangement of 10 instalments from March to December.
- Previously, charging PCR in ten instalments was intended as a concession to help parishes manage their cash flow through the summer holiday period when attendance, and hence cash-based offertory, may be lower than normal.
- As an increasing proportion of parish offertory is received electronically, the need for this concession has diminished; while some parishes have indicated the desirability for budgeting purposes to receive invoices and pay their PCR charges evenly throughout the year.

Purpose

1. The purpose of this report is to inform Synod of a change to the pattern of instalments of PCR charges for 2020.

Recommendation

2. Synod receive this report.

Background

3. At its meeting on 29 July 2019, the Standing Committee considered a report from the Finance Committee which recommended a change to the present arrangement whereby parishes pay their Parish Cost Recovery (**PCR**) charges in 10 equal monthly instalments from March to December each year.
4. The report noted this has been agreed as a concession to help parishes manage their cash flow through the summer holiday period when attendance, and hence cash-based offertory, may be lower than normal. Of course the underlying costs (principally insurance and superannuation) are incurred every month.
5. Over time, as an increasing proportion of parish offertory is received electronically, the need for a 'holiday' from PCR charges in the first two months of the year has diminished. Indeed a number of parishes have indicated recently that it would help their budgeting to receive invoices and pay their PCR charges evenly throughout the year.
6. We agreed to move to a system of 12 monthly PCR charges from January 2020, with all parishes to be advised of the change by email in August 2019 and a brief report to be provided to Synod in October 2019, and asked that a Bill to give effect to this change be prepared for a future meeting of the Standing Committee.
7. Beginning in January 2020 each of the 12 instalments of the PCR charge will fall due on the first day of a calendar month. In a continuance of the current practice, parishes that have provided an authority for payment of their PCR charges by direct debit are advised that the bank transfer will be processed on the second working day of each month.

For and on behalf of the Standing Committee.

DANIEL GYNN
Diocesan Secretary

28 August 2019