

VACANCIES AND SEQUESTRATION ACCOUNTS GUIDELINES

Introduction

Clergy can come and go as they respond to God's call on their ministry. Although in many parishes the priest may have been in post for a number of years, there will be a time that s/he moves on and the parish goes into an 'interregnum'.

What happens? How do we handle the accounting entries? Who needs to be paid to cover services? What about fees? What do we need to pay to the diocese?

This brief guide tries to take away some of the mystery of vacancies and the 'sequestration account' and attempts to put into plain English what happens and is required.

Interregnum – from the latin, *inter*, between, *regnum*, rule

Sequester – to hold the income for the benefit of the next incumbent – from the latin words, *sequester*, a depositary and *secus*, apart

If, after reading this guidance, treasurers or PCC members feel that they need further guidance, or more help specifically aimed at their individual parish circumstances, it is recommended that they contact the Finance Team in the first instance at the Diocesan Office, who will be pleased to help.

April 2025

DISCLAIMER

Whilst every care has been taken in providing this advice, it is given on the distinct understanding that the Rochester Diocesan Society and Board of Finance cannot accept responsibility for it.

This leaflet is for guidance only and is not comprehensive. It is not a statement of law and has no legal force.

Sequestration

When an interregnum occurs, a process known as 'Sequestration' is put in effect. Sequestrators are appointed (usually the Churchwardens and the Area/Rural Dean) who have a duty to ensure that services are maintained and property cared for during the vacancy.

If, during a vacancy, a Churchwarden for whatever reason ceases to hold that Office, s/he automatically ceases to be a Sequestrator. The Bishop of the Diocese may appoint additional Sequestrators if he wishes, such as the Secretary of the Diocesan Board of Finance.

Duties of the Sequestrators

The main duties of the Sequestrators are to act as the Bishop's Agents to ensure that:

- (a) the services and other ministrations of the Church are provided;
- (b) the parsonage house and any other property of the benefice are taken care of;
- (c) Diocesan staff are advised whenever any matter affecting Glebe property or the parsonage requires attention;
- (d) fees due to the DBF, or relating to that part of the fees are collected;
- (e) fees due to the PCC in the absence of the appropriate PCC official are collected.

Setting up a Sequestration account

It is not necessary to have a separate bank account in respect of the Sequestration monies, although some parishes may wish to do so. However, a separate category/restricted fund will be needed in the accounts so that the transactions in and out can be easily identified.

The only income that should go through the sequestration account is in respect of the fees that would have been due to the DBF on behalf of the Incumbent/Priest-in-Charge/Team Rector and any bank interest that may occur.

Expenditure chargeable to the fund only applies to areas of expenditure that have occurred due to the vacancy, usually visiting clergy and costs on the parsonage. Additional costs such as Organist fees should not be included.

So, what goes into the Sequestration account?

- DBF fees for weddings and funerals in the church (a current table of fees should be displayed. If you need a copy contact the Finance Team or refer to the Diocesan Website);
- Any rents from property belonging to the benefice which normally goes to the incumbent (e.g. rent received for a vicarage annex);
- Any trust fund receipts which may go directly to the incumbent.

And what goes out?

- Expenses to all visiting clergy (and others) taking services (rate in 2024 currently 45p per mile)
- Fees to retired stipendiary clergy taking services (see attached Occasional Duty Payments i.e. rate from 1 January 2025 is £45.10 for a single Service on a Sunday and for a full Sunday morning (i.e. 2 services, say 8am and 10am) it's a total of £67.65 – all plus expenses)
- Standing charges for the vicarage for telephone, electricity and gas
- Minor repairs to the vicarage and low-level heating of the vicarage in Winter (these must be agreed in advance by the Property/Surveyors Department in the Diocesan Office)

Who gets a fee for taking services?

- (a) Retired Clergy with a PTO Licence
- For ordinary services, fees are payable as shown above.
 - For other services, e.g. weddings, funerals, fees are payable in accordance with the current table of Parochial Fees (see the diocesan website for the most recent table). Retired stipendiary clergy are entitled to retain 80% of the DBF fee, the remaining 20% should be included as Sequestration income. These fees are revised annually and advised by the Church Commissioners.
- (b) Licensed Lay Ministers
Sequestrators are responsible for the payment of the travel expenses at the above rate for visiting licensed lay ministers. No service fee is payable.
- (c) Clergy in full-time Church or secular work
- No fee is payable for ordinary services.
 - For other services, e.g. weddings, funerals, the appropriate DBF fee in accordance with the current table of Parochial Fees should be credited in full to the Sequestration Account.
- (d) All Categories

Travelling expenses are payable in all cases at the rate, as above.

(N.B. The fees due to PCCs in the normal way should be made in accordance with the current table of Parochial Fees and passed to the PCC Treasurer, or an appropriate PCC official, for payment into the PCC account).

It is recommended that all payments to visiting clergy are made by cheque as opposed to cash payments. It also helps if these payments can be made regularly as some retired clergy struggle to make ends meet.

At the end of the vacancy

As soon as all funds have been received in and paid out, an account should be drawn up showing what has been received and paid. If the Sequestration has made a "surplus" the funds are due to the DBF. If a "deficit" has been made, the PCC will be expected to pick up the cost.

Parish Offer Payments during the vacancy

During vacancies, benefices are encouraged to maintain Parish Offer contributions in full. For long interregnums (over 12 months) some deduction may be understood in consultation with the Archdeacon.

Useful telephone numbers/contact details

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