

Cathedral Peer Review



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| Cathedral: | Chichester |
| Date of Review | 4 and 5 October 2023 |
| Interim Dean: | Simon Holland |
| Date of report to Dean: | 27 October 2023, updated January 2024 |
| Review Team Leader: | John Briggs (Oxford) |
| Review Team Members: | Judith Whalley (Birmingham) Peter Doll (Norwich) |
| Chapter Self-Assessment Date | September 2023 |
| Date of Previous Review: | N/A |
| Cathedral COFO and Communar | Ruth Bamford |

1. Purpose and conduct of the Peer Review

The primary purpose of the Peer Review was to engage with the Chapter and staff following their own self-assessment and to discuss and review the Cathedral's governance and operation under the headings identified in the Self-Assessment document. As part of the review, the Review Team celebrated areas of strength and good practice with the Cathedral team.

The review held group and individual meetings with the majority of members of the management team including Simon Holland (interim Dean), Ruth Bamford (COFO), Vanessa Baron (Canon Treasurer), Jack Dunn (Canon Chancellor), Dan Inman (Canon Precentor), Angela Martin (College of Canons representative), Val Timlin ((HR), Amy Sims (Operations), Tony Allen (Clerk of Works), Oliver Tubb (Marketing), Charles Harrison (Organist), Justin Harrington (Chair of Audit and Risk Committee) and Alison George (lead for Cathedral Restoration and Development Trust). We also met Howard Castle Smith, a non-executive member of Chapter. We are particularly grateful to Charlotte Rattray for her excellent co-ordination of both the preparatory documents and the visit itself.

2. Relevant Background

This was the first peer review carried out at Chichester Cathedral.

Chichester Cathedral was established as the Mother Church of the Diocese of Chichester in 1075. Located at the western end of the Diocese and covering the counties of East and West Sussex, the Cathedral community is looking forward to celebrating the Diocesan 950th anniversary in 2025 which informs its current vision.

3. Summary Statement

The review team were impressed by the people that we met and their ongoing commitment to the mission of the Cathedral. Our overall impression is of a well-managed Cathedral with a strong emphasis on process and clear documentation which is particularly laudable in the light of the changes and challenges that the Cathedral has gone through over the last few years.

Senior managers work collaboratively and effectively as a team despite the challenges from the past, including the impact of COVID-19, the management of historic safeguarding matters and the resignation of key leaders in 2022. There is a sense of optimism about the future despite some ongoing concerns around the financing of Cathedral operations.

The Cathedral is a place of beauty with a substantial opportunity to attract and welcome visitors. Over the last hundred years, the Cathedral has placed a significant focus on modern liturgical art with works by Graham Sutherland, Mark Chagall and John Piper amongst its permanent collection of liturgical art. This provides the Cathedral with a significant selling point to distinguish it from other Cathedrals.

4. Areas of Good Practice

Key areas of strength and good practice noted included-

- Benefit of a clear vision underpinned by the Cathedral's 950th anniversary celebrating the Dominican ethos and the four Dominican pillars of prayer, study, community and mission
- Strong commitment and hardworking of the present team
- Comprehensive, updated and well documented policies and procedures covering all aspects of the Cathedral's operations
- Ongoing integration and alignment of the previously separate Cathedral Enterprises activities (covering visitors, shop, café and short term lettings) with the remainder of the Cathedral's remit which enables Chapter to operate more cohesively

5. Mission

The constitutional changes required by the Cathedrals Measure have laid a heavy burden on Chapter and staff, particularly with the changes in Decanal leadership, but they have approached this challenge in a positive spirit and with a deep commitment to collaboration. They welcome the new opportunities the Measure gives to lay non-executive members of Chapter to make a greater contribution, leading to a greater sense of engagement and a more democratic spirit within the body.

However, given that the Measure as such makes no connection between governance and the fundamental responsibility of the Cathedral to be a community of prayer, Chapter were aware that a new spiritual initiative was needed to act as the leaven in the lump of constitutional change. Consequently the '950 Vision' document roots the common life in the 'four pillars' of the spirituality of St Dominic which had so inspired the mission and ministry of St Richard of Chichester: prayer, study, community, and mission. It refreshes the vision of the Cathedral with its worship and mission rooted in the contemplation of God. Chapter believes the congregation is responding warmly to this vision and is making it more missional in attitude and action, including taking up the challenge to commit to a Rule of Life. The rededicated George Bell House will be a centre for learning about prayer and evangelism. 2025 will mark both the 950th anniversary of the translation of the see from Selsey to Chichester and the 1700th anniversary of the Council of Nicaea which articulated the doctrine of the Trinity to which the Cathedral is dedicated. Chapter plans to fund two new educational posts to support its learning initiatives.

The Cathedral is also renewing its relationship with the diocese, particularly through the medium of special services, e.g. for Black History Month, Racial Justice Sunday, Pride, and the Foodbank.

6. Worship and Music

While the Cathedral has restored its stable Sunday worship to its full pre-COVID three-fold pattern of choral Matins and Evensong and the Sung Eucharist at the High Altar, Chapter has also authorised significant innovations in the worshipping life, particularly in relation to young people and families. A year ago, Chapter decided to admit girls to the treble line on an equal basis with boys. Although this has raised some opposition from predictable individuals, it has on the whole been welcomed by the wider community, choir families, and the Prebendal School. Chapter has also established a weekly Sunday Eucharist at 9.15am for 'children, families, and caregivers' which has seen notable growth and development, and are considering using a Sunday evening 'fourth service' to introduce worship in a variety of other styles and traditions. Chapter are aware that whatever approach they take, the expectation that Cathedral worship should be of the highest standard needs to be borne in mind. They are also aware that the present offer of one sermon among the main services each Sunday may be inadequate.

For various reasons some of the liturgies most associated with the Bishop’s church – ordinations and the Chrism Eucharist – now take place in other churches across the Diocese. This puts pressure on the Cathedral to find other ways to represent the life of the Diocese; the special services already mentioned make an important contribution to this. But the Chapter are aware that such offerings must be integrated into the steady rhythm of its corporate worship, lest they swamp that foundational pattern. For their own sake, the clergy must beware of taking on too much and overloading their responsibilities.

The proposal for the Chichester Workshop for Liturgical Art in the Close should be welcomed as a unique and innovative development in support of mission and outreach through the arts.

7. Governance

The departure of both the former Dean and the Communar during 2022 could have resulted in significant governance issues. Encouraged by the challenge of the need to prepare for Charity Commission registration in 2023/24, Chapter have focused heavily on maintaining good governance and we noted no shortcomings as part of our review. There are a number of key Chapter Committees that have appropriate terms of reference which are reviewed regularly and specify fixed terms of appointment. The appointment process for a new Dean is now underway.

Chapter is also seeking to enhance its strategic effectiveness through training at an away day next month involving the use of an external facilitator.

Chapter has been active in managing its ongoing relationship with the Prebendal school and with St. Mary’s Almshouses in order to avoid conflicts of interest given the risk that public perception differs from practical reality.

8. Leadership and Management

As briefly mentioned under the governance section above, there has been significant management change over the last year. David Coulthard resigned as Communar and CEO in June after seven successful years and the Dean, who had been largely absent from management responsibility during the year, resigned in December 2022. Graham Knowles became acting Dean for the first quarter of 2023 and Simon Holland was appointed interim Dean in April 2023. These leadership changes could have had a catastrophic impact on the Cathedral’s operations but it is a tribute to the two Deans and Ruth Bamford (appointed as bursar and CFO in February 2023 and now COFO) that this has not been the case. We were impressed with the way in which the team has gelled, sharing knowledge, commitment and positive cooperative working in difficult circumstances. The provision of information and its dissemination amongst the wider management team is strong. Decision making is effective, although care will need to be taken to manage competing resources (for example between the CCEL commercial business and educational/missional activities). Whilst the Cathedrals

Measure 2021 anticipates a separation of duties between COO and CFO, we understand that the arrangements adopted by Chichester Cathedral are considered appropriate for smaller Cathedrals.

9. Financial Management

The review team examined a comprehensive suite of accounting reports including monthly management accounts with budget comparisons, cash flow forecasts and narrative discussion of the results. The annual accounts are supplemented by an abbreviated annual report available in a professionally printed easy read format for all stakeholders.

After stripping out major one-off items such as the £2m contribution to the Platinum Endowment Fund and the £1m write-down of the commercial property investment portfolio, the Cathedral effectively broke even in the financial year ended in March 2023. The Cathedral balance sheet is relatively healthy with total reserves of £36m but there is concern around the five year forecast which shows cumulative deficits of £2.6m before transfers from restricted and endowment funds.

Managing to break even on operating activities comes at a price of restricting some spending which frustrates the Cathedral's ability to achieve aspects of its vision including education activities. Increased personnel and energy costs, a concern over a potential backlog of maintenance issues and the difficulties of the high street letting market each present additional pressures on the Cathedral's budget going forward.

There is an opportunity for the possible introduction of tourism charges for those visiting the Cathedral. This is a sensitive issue requiring careful handling to ensure that the local population are not alienated but there remains scope for substantial income generation. Management are already taking steps to make contact with other Cathedrals and similar institutions/attractions to explore the options.

The Cathedral is also reviewing the ways it supports the cost of choristers which, as is the case for many Cathedrals, represents an increasing cost to operations.

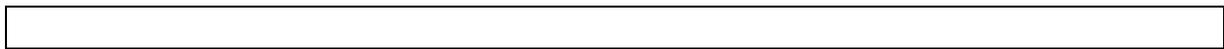
We also suggest that the Cathedral considers making a greater investment in personnel resources to avoid a risk of 'burn out' in the existing team who have been working hard under pressure for some time. We note the recent recruitment of a finance professional to support the COFO and a plan to recruit a 'house for duty' priest as developments in this area.

10. Compliance and Risk Management

This area was not considered in great detail. The self-assessment document notes that there are policies and procedures in place overseen by the Nominations Committee. Changes are in process to ensure compliance with the requirements of the Cathedrals Measure 2021.

Risk is also assessed by both the Audit & Risk Committee and the Finance Committee. Our overall impression (as in other areas) is that the Cathedral's compliance and risk management environment is taken very seriously and a comprehensive risk inventory is maintained which presently addresses 42 separate risks assessing probability and impact to create both a current and target score to highlight areas of concern.

11. Recovery from the COVID Pandemic



The impact of lockdowns on the Cathedral was significant not least because of the extent of commercial letting in the investment portfolio. The Cathedral took the difficult decision to close the in house run café that had been making losses but which resulted in a loss of 30 jobs. However, the Cathedral Trust was successful in securing over £1 million in emergency grants, which together with furlough income offset revenue shortfalls.

The Cathedral was quick to develop an online service offering to maintain its commitment to worship and ministry. Subsequently, assisted by innovative thinking from the Cathedral team and utilising the benefit of technology, Chapter have been able to enhance the various enterprise businesses, particularly short-term residential accommodation and to re-open the café with a completely different, de-risked business model.

Events have returned and it was good to see the Peace Doves exhibition and a gala dinner in preparation during our short visit for the peer review.

12. Management of Fabric and Property



On inspection with the Clerk of Works, we were pleased to hear that funds are made available from commercial/residential lettings to cover cyclical maintenance and upkeep issues. The team noted that much of the Cathedral close is let out either on Airbnb or to some long term residents. The team were lucky enough to have been housed during our visit in two of these properties which were very well appointed and comfortable. We noted the use of two agents to manage properties, one for residential and another for commercial properties. These contracts were renewed in 2021 and we noted that there is to be a complete review of the return on investment in 2024.

The Cathedral is committed to Carbon Net Zero and Chapter have developed a comprehensive plan to address this, including the LED lighting project and implementation of the Eco Church model with a target of gold status next year. We noted as we walked around the precincts that there were areas where the grass was being allowed to grow to encourage more wildlife. It was also pleasing to hear that plans are being made to make the building and precincts more accessible.

The Cathedral has just completed a major project re-roofing the nave with lead and are in the process of a new lighting system being installed in 2023. Otherwise, the building appeared to be in good repair. The only major building issue appears to be the separate Bell Tower

whose soft sandstone facing has suffered from age and weather and is wrapped in netting, which is looking to be at the end of its life and needs replacing till further stone can be sourced and of course the finances raised to do such a major work.

The receipt of the Quinquennial property review presently in progress may also highlight further maintenance issues requiring attention over the next few years.

The Clerk of Works and his small team are to be complemented on their good work in the general appearance of the Cathedral and its environs. We recognise that the care of such old and precious buildings is an ongoing concern.

13. Safeguarding

Safeguarding is taken very seriously. We noted that Chapter has either a written or verbal report at its monthly meetings and the Safeguarding policy was very recently reviewed and sent to Chapter in September 2023. We noted that there has been a change in the Cathedral Safeguarding Officer from one Residentiary Canon to another and that person has become the Chapter Safeguarding Lead. There is an SLA with the Diocese and their Safeguarding Adviser.

There is a separate safeguarding committee but Chapter are seeking another external member of that committee to improve scrutiny.

All staff and Chapter safeguarding training records are kept by HR, including all volunteers. We note that the Safeguarding Officer has been meeting with all the heads of departments to review their safeguarding risk assessments.

A cause for concern about the Friends of the Cathedral was noted but there is a meeting with the new Chair to address their lack of a safeguarding policy.

We noted that due to a major historic safeguarding case, members of Chapter are intimately involved and well placed to monitor the relationship with the DSA, working closely to benefit from their expertise.

14. Public Engagement

There was evidence of the warm welcome to the cathedral from the volunteers although the challenge of encouraging people to donate an adequate sum for the upkeep creates a certain amount of tension compared to a charging model. The availability of 'paid for' tours of various sorts to encourage different groups of visitors i.e. hidden places, arts and history offsets this issue.

There is adequate evidence of the Cathedral's involvement with local institutions with senior members of staff sitting on local committees and boards. With the demise of the cathedral council, the Cathedral needs to develop some forum that will advise and be critical friends.

This could include some of the congregation. Chapter has obviously worked hard to develop partnerships with third parties which obviously helps the profile and helps to encourage those who may be uncomfortable within the cathedral setting.

The educational outreach and therefore engagement is at present not as comprehensive as staff would like. Adult education is being provided but provision for young people is limited because there are two outstanding posts to fill providing education both internally and as outreach to schools when the funds can be raised for these posts.

The shop in the Cathedral is situated in the treasury which is very interesting but is quite inaccessible should you be using a mobility aid. On the day, it was somewhat disappointing in the range of goods being sold although this may have been a short term stocking issue. Shop margins are high resulting in good profitability with low costs from the use of volunteers to run the business. Consideration might be given to whether an alternative location would provide greater footfall and an expansion in the range of goods sold may enhance profitability.

15. Communications



The well documented challenges and publicity that Chichester Cathedral has suffered over recent years has resulted in a significant attention being paid by Chapter to the importance of clear and timely communications. As an example, this was evidenced during our visit by the various planning and guidance documentation supporting the re-naming of 4 Canon Lane as George Bell House.

We were impressed by the efforts that the Cathedral is making to enable effective communications both within the organisation and with external stakeholders, including social media and local radio and television. The Cathedral website is comprehensive and attention is paid to updating the website on a timely basis. Internal communication through regular meetings and e mail sharing between departments appears to ensure that staff are kept well informed. The e mail publication 'Monthly Update' which has an audience of over 7,000 subscribers and the live streaming of many events also contribute to achieving strong communication.

We were able to review several key documents which illustrated the quality and effectiveness of communications including –

- The Chichester Cathedral 950 Vision
- Detailed brand guidelines (for internal use)
- Abbreviated Annual Report and Accounts

16. Summary of Review Team Recommendations

Financial Management – the financial forecasts prepared for the years through to 31 March 2027 show consistent operating deficits that are only partly covered by transfers from restricted and endowment funds. With a concurrent need to invest in people resources in several areas and to avoid burnout of existing staff, the Cathedral must generate a higher level of income to avoid a longer-term cash flow problem. The most likely source of additional revenue is that from visitors and the Cathedral should continue to assess whether some form of ‘tourism’ charge may provide a better return than the present donation arrangements. We recognise that this is an emotive issue, particularly with a visitor base that is relatively local, but it is an area that many Cathedrals are presently addressing.

Financial management – Throughout the last few years, the Cathedral has sought to minimise expenditure which has been successful but leaves a residue of catch up spend on maintenance and the need to invest in additional resources to achieve the Cathedral mission. Consideration should be given to increased investment in resources even though this may require the utilisation of reserves by the disposal of historic assets in order to maintain the range of £1.2m to £1.6m of free reserves. We understand that Chapter is negotiating the sale of a long leasehold asset which will help address this issue.

Enterprise operations – The Cathedral has recently reopened the Cathedral café in the cloisters under a third party outsourcing contract. This arrangement, in contrast to the previous ownership arrangements are proving to be a success whilst eliminating the Cathedral’s financial risk. The Cathedral Shop has also reopened in room containing the Cathedral/Diocesan Treasury off the North transept. Whilst current operations are substantially profitable, the review team felt that consideration could be given to a more accessible location with a greater variety of goods for sale which may offer a significant opportunity for enhanced profitability.

Developing a distinctive selling point – The Cathedral has placed a significant focus on the commissioning of modern liturgical art over the past century. This selling point might act as a major distinguishing feature from other English Cathedrals and be further employed as a marketing tool to enhance tourism revenues. However the potential benefit needs to be weighed against the importance that these works of art have as devotional objects rather than gallery exhibits.

Funding priorities – Chapter anticipates a wide variety of activities requiring funding going forward. This will entail a level of competition between various opportunities. Priorities will need to be established and note should be taken of the need for upfront communication and co-ordination with fundraising personnel of Chichester Cathedral’s Restoration and Development Trust CIO in order that relevant applications to third parties can be prioritised.

Review of Relationships – The Cathedral’s auditors (Sheen Stickland) have been in place for many years. It would be appropriate to conduct a review of this relationship including the opportunity for other registered auditors to propose for the work. We understand that this matter has already been highlighted by the Audit and Risk Committee and will take place in autumn 2024. Other key relationships should be reviewed regularly, although we understand that the Cathedral’s property advisors were appointed relatively recently.

17. Acknowledgement

The peer reviewers would like to express our thanks to the Dean and Chapter and all who were involved in the arrangements for our visit, for your hospitality and for making us feel so welcome. Also, our gratitude to all those who were involved in the preparation of the documents which were made available for us and those we met who gave of their time and for their openness in conversation which was itself a mark of the health of the organisation.

18. Chapter’s Response

Following the review, Chapter is asked to make a response within four weeks. This response should acknowledge receipt of the report and confirm to whom the Chapter has shared it with. We ask that a copy be given to the Diocesan Bishop for information. The response should include an indication of how the Chapter intends to take forward any recommendations made by the Review Team.

A copy of the final report will be seen and filed by the Project Manager. In addition, a sample of the reports will be read by the Chair of the Project Board for quality and assurance purposes. If you have any objection to this, please let the Project Manager know.

The Review Board would also be interested to receive any comments on how the review was conducted from the Cathedral’s perspective. These should be emailed separately to the Project Manager. A complaints procedure is available from the Project Manager upon request.