

## Bishop's Council Update

There have been 7 Bishop's Council meetings since Synod last met in early June, which includes the most recent meeting on 3<sup>rd</sup> November 2020. Council continues to meet more regularly than normal to enable us to keep up with the ever-changing circumstances and plan effectively. All these meetings have been conducted via Zoom, with every member being able to attend in this format.

Due to the volume of business covered in the meetings this paper seeks to outline the decisions summarised by category rather than chronologically, which provides a more effective summary of some in depth discussions, which in relation to some subjects have spanned several meetings.

## Matters of DBF Governance

### Allocation of Seats for Deanery Representatives to Diocesan Synod

As APCMs were delayed this year and the rules meant they did not have to have happened until 31<sup>st</sup> October 2020, Bishop's Council were only able to consider the allocation of seats for deanery synod representatives to diocesan synod when Council met on 3<sup>rd</sup> November 2020. As a consequence of that discussion, and in line with Appendix 1 to this paper, the following two motions are recommended to the Diocesan Synod:

- (a) **That the allocation of synod seats to deaneries, as above, be adopted for the 2021 Diocesan Synod elections.**
- (b) **That Form 6 of voting paper as set out in Part 10 to the Church Representation Rules be used in the 2021 Diocesan Synod elections.**

## AGM

The AGM took place on 19<sup>th</sup> October 2020 at matters from that meeting will be addressed in the later agenda items. In considering the Annual Report and Accounts, the Board we assisted by both the Auditor Partner and Director from Hays McIntyre.

Bishop's Council voted to appoint Hays McIntyre to be the auditors for the DBF for 2020, which is a year end process which will be upon us very soon and the timetable is already in the planning.

## Risk Register

Bishop's Council has approved a new risk register. Each element of the register has an owner from within the staff team and it is regularly reviewed. The register now features as a standing item for Bishop's Council which enables the trustees to keep this under regular review and supports their end of year declaration as to risk management.

## Governance Structures and Handbook

Discussions have taken place between the Diocesan Secretary, the Investment Advisory Group (IAG), the Finance Director and the Chair of the Finance Committee to find a more effective way of working in terms of financial governance. This followed conversations at the DFC earlier in the year. Under Standing Order 93 Bishop's Council has approved the creation of a Diocesan Finance Executive Committee as a subcommittee of the DFC to perform an internal audit function. This will fully support the finance function and financial decision making of the DBF.

Work has been undertaken to create a Governance Handbook which outlines the governance structures for the DBF. The aim of this document is to: -

1. Help members of boards and committees understand their own function and how it interrelates with other elements of the governance structure.
2. Support the induction onto such boards and committees
3. Support individuals in their consideration of whether they would wish to stand for election

The first draft of the Handbook was discussed at Bishop's Council on 3rd November and once finalised in the light of those discussions will be made more widely available. This Handbook will be developed so that it is supported by a full index of policies and role descriptions. As well as supporting the aims stated in points 1-3 above, these steps will help the trustees in their annual review of policy and committee membership.

A wider aim of the whole process is to support full engagement in the governance of the diocese and how that supports mission and growth under the Live|Pray|Serve strategy.

## Finance Management and Planning

It was reported in June 2020 that matters of finance have dominated Bishop's Council meetings and this has continued to be the case. Discussions at Bishop's Council in relation to finance have covered cashflow for the current year into 2021, budget for 2021, concluding the year 2019 and the usual management accounts for 2020. This process has been supported by the reports and recommendations from the meetings of the IAG and DFC to date.

### 2021 Budget Assumptions and Implications

Bishop's Council have had lengthy discussions about the assumptions to underpin the budget for 2021 having decided that this needs to be a one year budget in the current circumstances.

A significant assumption under discussion for the budget was the parish share ask for 2021 and what, in the light of the current circumstances, would be realistic for parishes but also the DBF. Time was therefore spent discussing the proposed reduction in overall parish share ask for 2021 which has implications for the rest of the budget and future planning and resource allocation moving forward. The details of this reduction is shared in more detail in the budget (Paper 3) which was approved by Bishop's Council on 19<sup>th</sup> October 2020, which now enables wider communication of the budget, although headline figures for the reduction were shared at the Archdeaconry Meetings on 19<sup>th</sup> September 2020.

### Re-designation of Reserves

The PDBF holds several designated funds and the Bishop's Council has reviewed these and changed the designation of several funds to support the general fund. This maximises the income into the general fund and increases the DBF's ability to use its reserves at this challenging time. This is an important step in managing the financial challenge of 2020 and into 2021.

### Cashflow

Parish share is the main income stream for the PDBF as was communicated in the most recent update for parishes. Up to the end of October, the level of parish share received has exceeded initial projections but is still behind where it has been in previous years. It is currently at

approximately 84% of what should have been received by the end of October. Indications from parishes are that Q4 2020 will be more challenging in terms of parish share payments. Therefore, the projections for the end of the year are based on an optimistic parish share collection rate of 74% and pessimistic of 72%. This is likely to bring a deficit of £1.127m or £1.596m respectively as against a budgeted deficit of £227k.

Included in these cash flow projections is grant in the form of Sustainability Funding from the national church in the sum of £600k which has been received in two instalments during 2020 and a £2m Coronavirus Business Interruption Loan, which is likely to be drawn down this month. These will not be repeated in 2021 which impacts cashflow projections for 2020.

## Matters of Policy

### Parish Share Policy

The Council reviewed the Parish Share policy in the light of the current circumstances triggered by Covid-19. It was agreed that all arrears will be assessed at the close of books 2021 in the usual way and that those parishes with arrears equivalent to three months or more of Parish Share are considered for the Viability Focus Process (VFP) by the Diocesan Secretary, Archdeacons, Mission Development Officer and Stewardship Advisor in the normal way. Parishes which would trigger VFP, but where mission and stewardship plans are already sound will be asked for a repayment plan in relation to their arrears. If this provides for repayment in a viable timeframe then jubilee could be offered provided there were no reserves which could have been utilised to avoid the arrears in the first place.

### Cathedral Parish Share

Following a discussion at DFC, the Bishop's Council considered the basis on which the Cathedral pays parish share. A reviewed AWA figure based on actual figures over the last ten years will be used in the formula. This will be applied for 2021 parish share.

### Environmental Policy

Bishop's Council has considered the environmental policy and proposed implementation plan submitted by the Environmental group following Synod in February 2020. The policy will come back to Synod in February 2021.

**Victoria James**

**Diocesan Secretary**

## Appendix 1 DIOCESAN SYNOD ELECTIONS 2021

## Allocation of Seats

In advance of a Diocesan Synod election, the existing Synod must, before the end of the previous year (and therefore this time at the November 2020 Synod) confirm or amend the total numbers of elected members to the new Synod and approve the form of voting paper to be used.

The Church Representation Rules (CRR) state that there must be roughly equal numbers of clergy and laity. Clergy numbers must be related to the numbers of members of the deanery houses of clergy; laity numbers must be related to the total numbers of names on the deaneries' electoral rolls. Applying the CRR proportions to that same total number of seats produces the following proposed allocation (2018 allocation in italics).

	House of Clergy		House of Laity		
	2021 60 Seats	2018 60 Seats	2021 60 Seats	2018 60 Seats	
Bishop's.Waltham	5	5	7	6	Together with the ex-officio, nominated and co-opted members, the total size of a Synod should not be less than 100 and not and not more than 270
Fareham	7	6	8	8	
Gosport	4	6	4	4	
Petersfield	5	7	7	7	
Havant	13	11	12	12	
Portsmouth	15	16	9	9	
Isle of Wight	11	9	13	14	
<b>Total</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>60</b>	

## Form of Voting Paper to be Used

CRR require that *if more candidates are nominated than there are seats to be filled the names of the candidates nominated shall be circulated on a voting paper in the form set out in either Form 6 or Form 7 in Part 10 of the CRR*. I enclose a copy of the appropriate pages from the CRR. Fundamentally, it is a choice between the "first-past-the-post method" that we have always used in the past, and the single transferable vote (STV) system. Since the numbers of nominations rarely match the seats available (leaving deaneries to subsequently fill their allocations by judicious press ganging), and the STV system would place an onerous administrative burden on the presiding officers (deanery lay chairmen), it is proposed that the *Form 6* voting form be used.

The following two motions are recommended to the Diocesan Synod:

- a) **That the allocation of synod seats to deaneries, as above, be adopted for the 2021 Diocesan Synod elections.**
- b) **That Form 6 of voting paper as set out in Part 10 to the Church Representation Rules be used in the 2021 Diocesan Synod elections.**

**Paper 1**



**Diocese  
of Portsmouth**

Live | Pray | Serve



*Voting paper for election to diocesan synod  
(see rule 42(1) and (8))*

**Form 6**

**VOTING PAPER FOR ELECTION TO HOUSE OF CLERGY OR HOUSE OF LAITY OF  
DIOCESAN SYNOD (SIMPLE MAJORITY SYSTEM)**

**Portsmouth Diocesan Synod**

Election of members of the House of Clergy/Laity

Deanery of \_\_\_\_\_

\_\_\_\_\_ members to be elected.

**Voting Paper**

Mark your vote in this column Candidates' names, addresses and year of birth

**Guidance to Voters**

1. The voting paper must be signed and the full name written on the reverse.
2. You have as many votes as there are members to be elected.
3. You may not give more than one vote to any one candidate.
4. You vote by placing an 'X' opposite the name(s) of the candidate(s) of your choice.
5. If you inadvertently spoil your voting paper you may return it to the Presiding Officer who will give you another paper.
6. his voting paper duly completed on the reverse must be delivered (by post or otherwise) to \_\_\_\_\_  
so as to arrive by no later than \_\_\_\_\_

The following to be printed on back of form –

Signature of voter \_\_\_\_\_

Full name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

**Alternative voting paper for election to diocesan synod**  
*(see rule 42(1) and (9))*

**Form 7**

**VOTING PAPER FOR ELECTION TO HOUSE OF CLERGY OR HOUSE OF LAITY  
OF DIOCESAN SYNOD (STV SYSTEM)**

\_\_\_\_\_ Diocesan Synod

Election of members of the House of Clergy/Laity  
Deanery of \_\_\_\_\_

\_\_\_\_\_ members to be elected.

Voting Paper

Mark your vote in this column Candidates' names, addresses and year of birth

**Guidance to Voters**

1. The voting paper must be signed and the full name written on the reverse.
2. Use your single transferable vote by entering '1' against your first preference, and if desired, '2' against your second preference, '3' against your third preference, and so on as far as you wish. The sequence of your preferences is crucial. NO CROSS should be used.
3. You should continue to express preferences for as long as you are able to place successive candidates in order. A later preference is considered only if an earlier preference either has a surplus above the quota (the minimum number required to guarantee election) or has been excluded because of insufficient support.
4. The numbering of your preferences must be consecutive and given to different candidates. Remember that marking a second or subsequent preference cannot affect the chances of any earlier preference.
5. If you inadvertently spoil your voting paper you may return it to the Presiding Officer who will give you another paper.
6. This voting paper duly completed on the reverse thereof must be delivered (by post or otherwise) to \_\_\_\_\_ so as to arrive by no later than \_\_\_\_\_

The following to be printed on back of form –

Signature of voter \_\_\_\_\_

Full name \_\_\_\_\_

Address \_\_\_\_\_