DIOCESE OF EXETER

BISHOP'S DIOCESAN COUNCIL

comprising

The Bishop's Council and Standing Committee
The Executive of the Exeter Diocesan Board of Finance Ltd.
The Diocesan Mission and Pastoral Committee

Draft minutes of the meeting held on Wednesday 8th July 2026 at the Old Deanery, Exeter at 18.00

Introductory worship

The Bishop of Exeter in the chair

Attendance: The Right Revd Dr Mike Harrison, the Right Revd Moira Astin, the Ven. Verena Breed, the Ven. Jane Bakker, the Ven Andrew Beane, Mr. Giles Frampton, the Revd Laura Ford, Mr Richard Buzzacott, the Revd. Preb. Peter March, the Revd. Preb. Mike Partridge, the Revd. Deborah Leighton Plom, Dr. Jennie Golding, Mr. Graham Dunn, the Revd. Preb. Rosie Austin, Mrs. Clare Lillington, Mr. Nicholas Courtman, Mrs. Sian Walker-McAllister and Mr. Nigel Price

1. Apologies and Notices
   Apologies were received from the Right Revd. James Grier, Mr. Bob Mills, Dr. Lystra Hagley-Dickinson, Mr. Mike Jefferies, the Revd. Tanya Hockley-Still, the Revd Canon Dr Benjamin Williams, Mr. Stephen Macey and the Revd. Andrew Thomas
   - Mr. Steve White, independent chair of the Diocesan Safeguarding Advisory Panel and Mr. Costas Nassaris, the Diocesan Safeguarding Officer, were welcomed to the meeting.
   - Mr. Charlie Martin on behalf of the Board's auditors, Bishop Fleming Audit Limited, was also welcomed to the meeting.

2. Declaration of any actual or potential conflict of interest arising from the agenda or accompanying papers

   No declarations of actual or potential conflict of interest were made.

3. To approve the minutes of the meeting held on 12th May 2026 **Paper BDC/26/26**

   The minutes of the meeting held on 12th May 2026 were approved without amendment.

The Chair of the Diocesan Board of Finance in the chair

4. To approve the Annual Report and Consolidated Financial Statements of the Exeter Diocesan Board of Finance for the year ended 31st December 2025 for presentation to the Annual General Meeting **Paper BDC/27/26**

   Mr. Giles Frampton, Chair of the Diocesan Board of Finance, briefly introduced the Board's Annual Report and Consolidated Financial Statements for 2025. He particularly directed members' attention to the Statement of Financial Activities and noted the headline total income (£16.4m) and expenditure (£17.1m) figures. The resulting deficit was £0.73m before taking into account a net loss on investments of £1.87m. It was notable that the gap between the DBF's principal source of income (from the Common Fund) and its principal area of expenditure (parish ministry) had been just £0.6m in 2019 and had risen (post pandemic) to £3.2m in 2025. The annual operational deficit was running at around £2m. Operational reserves were being supported by the realisation of assets (principally property) in order to ensure continuity of cashflow and uninterrupted service delivery. The balance sheet remained relatively strong (at £124m) but the normal caveats applied about the operational nature of a large proportion of the assets, which meant that they could not be deployed to support the budget. The new national grant funding income stream, alongside other adjustments to national funding arrangements, which would be reflected in the financial statements for 2026, was expected to have only a limited direct impact on the operational deficit, although there would be an increase in income, expenditure and charitable activity.

Mr. Frampton also highlighted the Key Issues Document that formed part of the audit report. The audit itself had been carried out successfully with no major reservations being expressed. He noted that there were two on-going observations, specifically in relation to investment property valuation and operational performance, but it was understood that their management treatment was regarded as sufficient.

Mr. Charlie Martin of the DBF's auditors, Bishop Fleming Audit Limited, reported that the audit team had received full co-operation from EDBF staff and had reached an unmodified opinion on the accounts. No material adjustments had been required. He also confirmed that the way in which the issues set out in the on-going observations were being responded to was appropriate.

In discussion, the staff of the Finance Department were commended for the high quality of their work. Further clarity was also requested on the identified on-going observations.

Mr. Giles Frampton then moved the following motion:

> 'This meeting of the Board of Directors of the Exeter Diocesan Board of Finance approves the Annual Report and Consolidated Financial Statements for the year ended 31st December 2025'

The motion was put to the vote and approved unanimously.

Mr Frampton then addressed the remaining recommendations set out in paper BDC/27/26, all of which were approved by general assent.

The Bishop of Exeter in the chair

5. To record formally the receipt by the Bishop's Council of the Annual Report and Consolidated Financial Statements for 2025 and to recommend their presentation to Diocesan Synod.

   At the invitation of the Bishop of Exeter, the Bishop's Council received the Annual Report and Consolidated Financial Statements for 2025 and recommended their presentation to Diocesan Synod.

6. To recommend the appointment of Bishop Fleming LLP to Diocesan Synod as auditors for the ensuing year.

Mr. Giles Frampton, Chair of the Diocesan Board of Finance, asked members to recommend to the Diocesan Synod the appointment of Bishop Fleming Audit Limited as auditors for the ensuring year.

In the absence of any discussion, Bishop Fleming Audit Limited were duly recommended to Diocesan Synod.

7. To receive an update on the Budget Strategy **Paper BDC/28/26**

Mr. Ian King, the Diocesan Director of Finance, reminded members of the earlier stages of the consultation process concerning the Budget Strategy, including at their last meeting and at the meeting of the Diocesan Synod on 6th June 2026. He noted that, although a range of opinions had been expressed in both contexts, the broad thrust of the strategy and its principal recommendations had received majority support and endorsement. Accordingly, the assumptions set out in the paper would be those that would be used to draft the Diocesan Budget for 2027. Work had already commenced on the detail of the draft budget, which would be presented to the Council at its September meeting before being taken to Diocesan Synod in October for approval. He further noted that it was anticipated, in the light of the decision to pause reductions in expenditure pending the implementation of the plans and actions resourced by external grant funding, that the budget would include an operating deficit, supported by the expenditure of reserves and the realisation of assets.

In discussion it was noted that the budget would be prepared on the basis of the agreed assumptions and such additional information as could be gained over the intervening period. It was not expected that new information (for example in relation to participant numbers or inflation) would change the key determinants of the budget but that there would be the opportunity at the September meeting for their outworking to be scrutinised and debated.

8. To receive the annual report of the Diocesan Safeguarding Advisory Panel **Paper BDC/29/26**

Mr. Steve White, the Independent Chair of the Diocesan Safeguarding Advisory Panel, introduced the Panel's annual report and highlighted a combination of areas of significant progress and areas of continuing challenge. On balance, the agreed priority actions for the year had for the most part been implemented successfully, for example in respect of a change in approach to how the Panel organised and discharged its work so that it could scrutinise more effectively. The Panel's independence and ability to challenge critically had been enhanced by a survivor representative now being in attendance. In addition, all of the recommendations (in diocesan scope) arising from the external, independent INEQE audit had either been implemented or, exceptionally, there was a clear understanding of why an alternative decision had been taken. Other areas of progress included securing funding for extra engagement work with Parish Safeguarding Representatives (PSRs) in order to improve recruitment and retention, investigation of the possibility of regional collaboration in order to manage increasing demand more efficiently and an improved training offer to local volunteers involved in the management of people subject to safety plans.

In terms of on-going challenges, it was notable that the national renewal of the Church of England's safeguarding structures was proceeding more slowly than had been hoped; the work was complex and there were competing internal and external perspectives to be taken into account and accommodated. There was also an on-going engagement with the Charity Commission that was having an impact nationally and more locally, which included potential changes to the core definitions of what constituted 'safeguarding', for which the practical ramifications would be significant, including a substantial increase in workload. Dioceses had little influence in this regard but were already changing practice the better to respond to the Commission's requirements. Standard workload was being sustained at high levels (particularly case management and DBS applications) and there were indications that it was likely to increase again (partly because of the potential widening of the relevant definitions and partly because of the increase in activity being undertaken, as a result of the new national grant funding stream and the rollout of the associated programme); there was a risk that diocesan capacity would be insufficient to meet all of the demands being placed upon it. It was expected that the diocesan safeguarding operation would also be subject to a follow-up external audit, although the timing of this was currently uncertain; this could be faced with confidence but the associated work would be significant and there remained some outstanding issues around data recording and retention. There was also the possibility of voluntarily trialling new regional collaboration arrangements and the emerging national structural arrangements as they emerged. Finally, it would be essential for the Panel to monitor effectively the impact of all of the changes being undertaken, to evaluate whether they were having a positive impact in the local context.

Mrs. Sian Walker-McAllister, the lead safeguarding trustee, responded to the Panel's report and noted that thus far she had had the opportunity to attend one meeting. The direct engagement of the lead safeguarding trustee in the work of the Panel and also with safeguarding officers was enhancing scrutiny and challenge at a strategic level. She noted that she regarded the increase in case reporting as a positive indicator, the result of being trusted to receive information and deal with it appropriately, both internally and through partnership working. She also noted that although the work of the safeguarding officers centrally was highly effective, there was a structural gap between that operation and safeguarding practice in parishes where practice was more uneven. A number of initiatives were being undertaken to encourage local culture change, improve consistency and drive up the quality of local practice (whether in terms of local management of risk, policy implementation or the recording and monitoring of key data) but although these were well intended and necessary, they would also have the effect of increasing pressure on local volunteer PSRs, who might as a result increasingly struggle with the time commitment and level of expertise required. This work could not realistically be done for parishes by the central team but further consideration needed to be given as to how PSRs could sustainably be supported.

In terms of notes of caution Mrs Walker-McAllister expressed a concern that possible regional collaboration, that would be desirable in terms of operational capacity and consistency of practice, might distract from the greater current priority of improving local delivery. She also noted that in her experience, effective focus on safeguarding children meant that there was a danger that vulnerable adults at risk were, relatively speaking, being overlooked. Given the nature of many church communities, particularly in rural areas of Devon, this disparity would need to be addressed.

In discussion, the importance of the triaging process at the point of the safeguarding team receiving a referral was noted. It was suggested that more detailed information should be made available about many cases then proceeded within safeguarding processes (under the current definitions) and how many were regarded as out of scope and needed to be dealt with elsewhere (such as within a human resources' function). It was noted that this would be expected to change if the definition of what constituted safeguarding in a church context were to be amended nationally. In respect of PSRs it was suggested that it would be more realistic to build a comprehensive network at mission community level; many parishes were too small to sustain the function appropriately. There was concern that PSRs were still being over-burdened, with consequential impacts on recruitment and retention. Further clarity was requested on the meaning of 'closed cases', alternative routes for casework that was not within scope for safeguarding officers (and the capacity available in those areas) and the relative emphasis on children and adults at risk within the national safeguarding training packages.

In response, Mr. Costas Nassaris, the Diocesan Safeguarding Officer, noted that referrals divided more or less equally between children and adults at risk. Multi-agency partnership working was more advanced in respect of safeguarding children and could usefully be developed further in respect of adults, if capacity allowed. He noted that closed cases were simply those in which no work was currently being undertaken; the associated information remained available to be accessed and cases could be reopened at need. In terms of training packages, he noted that dioceses were required to use the nationally developed resources, including example cases, in order to ensure consistency. This was thought to be problematic where they failed to reflect local realities, for example in relation to the profile of cases in a given context. New training packages were expected to be rolled out after the summer but it was understood that these would have similar characteristics. Finally, he noted that some analysis could be done, perhaps with consultant support, to gain a greater understanding of how referrals that did not meet safeguarding definitions and thresholds proceeded after having been triaged, but that information was not currently available.

The Chair of the Diocesan Board of Finance in the chair

9. To agree revisions to the DBF Articles of Association for transmission to Diocesan Synod

Paper BDC/30/26

Mr. Giles Frampton, Chair of the Diocesan Board of Finance, explained that there was a need to consider and agree draft new Articles of Association and, if thought fit, to approve the making of an application to the Charity Commission to authorise the regulated alterations to the trustee benefits provisions. To that end the following special resolutions would need to be approve and to be placed before the Members:

(a) THAT the Articles of Association set out in the document produced at this meeting and signed by the chair of the meeting for the purposes of identification (the **New Articles**) be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company, such adoption to be conditional upon and shall not take effect unless and until the Charity Commission for England and Wales (the **Charity Commission**) has given its prior written consent (if required) to each regulated alteration contained in the New Articles pursuant to the Charities Act 2011.

(b) THAT the directors be authorised to agree and make such amendments to the New Articles as may be required by the Charity Commission as a condition of giving its consent, provided such amendments do not, in the reasonable opinion of the directors, materially alter the substance or intent of the New Articles as approved by these special resolutions.

In considering the Proposals, the chair reminded the Executive of their statutory duty to achieve the purposes of the Company and also of their statutory duties more generally.

As required by Sections 177 and 182 Companies Act 2006 and the Company's Articles, each director present confirmed that they had a conflict of interests in relation to the matters under consideration, since the proposed amendments to the trustee benefits provisions in the Articles could potentially result in a benefit (direct or indirect) to them. The directors noted, however, that the proposed amendments require the approval of the Members of the Charity and that there would be a sufficient number of non-conflicted Members to consider and, if thought appropriate, approve the proposed amendments. In addition, the directors noted that an application is required to be made to the Charity Commission for its consent to the proposed regulated amendments to the trustee benefits provisions before any resolution of the Members adopting the new provisions could take effect. As such, the directors noted their conflicts of interests and agreed to proceed notwithstanding the declared conflicts in view of the safeguards mentioned above.

The chair noted that the Members of the Company would be required to vote on the proposed amendments to, and adoption of, the new Articles of Association of the Company, such vote to be taken by special resolution.

After due and careful consideration, it was resolved in good faith that an application be made to the Charity Commission to authorise the regulated alterations to the trustee benefits provisions; and once the Charity Commission's consent to the regulated amendments has been received, the directors shall then consider and approve the special resolution to be placed before the Members to adopt the new Articles.

The chair instructed the Secretary to arrange for the above-mentioned application to be made to the Charity Commission as soon as possible.

The Bishop of Exeter in the chair

10. To receive a report from the Project Board for 'Pray, Grow, Serve 2035' **Paper BDC/31/26**

The Right Revd. Moira Astin, Bishop of Crediton, noted that this was the first of the regular reports from the Programme Board on the implementation of the actions within 'Pray, Grow, Serve 2035' that were resourced by grant funding from the Diocesan Investment Programme. She reminded members that the additional resource and associated actions were not everything that was encompassed by the Diocesan Strategy, but that they would provide additional impetus to support and extend its delivery. However, owing to the significant amount of grant funding involved, particularly close monitoring was appropriate and required. She noted that during the first 6 months of the Programme Board's work, it had overseen a wide range of preparatory actions and the commencement of some early delivery, particularly in respect of recruitment, both in terms of central functions and capacity, and also directly in local missional contexts. Reporting to the funders was proceeding as planned and there were no substantive exceptions to report.

In discussion concern was expressed about the pressure being created for existing senior clergy and DBF staff who were responsible for managing the process in addition to their existing responsibilities. It was noted that the biggest impacts were in the areas of recruitment and management, and also a substantial number of additional meetings that enabled the discharge of accountability and oversight functions. It was hoped that over time, as the projects moved more fully into an operational phase, some of the exceptional burdens associated with the process of initiating activity might reduce to some degree.

11. To consider a draft scheme of elections to Diocesan Synod for the 2027 – 2030 triennium **Paper BDC/32/26**

Dr Ed Moffatt, the Head of Governance, introduced the draft scheme of elections to Diocesan Synod, set in the context of the requirements as provided for in the Church Representation Rules (CRR). He noted that CRR 37 required the Diocesan Synod to approve the number of members of each deanery to be elected to the Diocesan Synod and also, under CRR 42, the voting system that would be applied in the elections. He then noted trends in the underlying data that would impact on the calculation of the number of members to be elected.

In the absence of any discussion, it was agreed to recommend to the Diocesan Synod that the formulae for calculating membership numbers set out in the paper and the use of the simple majority election system be approved for the 2027 elections to the Diocesan Synod.

12. To agree items for the agenda of the October meeting of Diocesan Synod

Mr. Stephen Hancock, the Diocesan Secretary, set out the following list of items for inclusion on the agenda of the Diocesan Synod at its next meeting in October (which would also include the AGM of the Diocesan Board of Finance):

- Presidential Address
- Approval of the DBF's Report and Accounts for 2025
- Approval of the Diocesan Budget for 2027 and indicative financial planning for 2028 - 2029
- DMPC annual report
- DSAP annual report
- Dean of Women in Ordained Ministry annual report
- Report from General Synod
- Approval of the Diocesan Synod scheme of elections for 2027
- Net Zero Carbon annual report
- Questions

In the absence of any discussion the agenda items were agreed as set out above.

Deemed Items

13. To revoke District Church Council schemes in the parish of Dartmouth **Paper BDC/33/26**

14. To receive an update for Common Fund for the year-to-date **Paper BDC/34/26**

15. To receive a forecast of BDC and Synod business for the next 12 months **Paper BDC/35/26**

16. To note documents sealed by the Diocesan Board of Finance **Paper BDC/36/26**

17. To note Trusts and funds for investment accepted by, or wound up by, the Diocesan Board of Finance **Paper BDC/37/26**