

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 Thursday 10th September 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 Right Revd. James Grier, the Ven. Verena Breed, the Ven. Jane Bakker, the Ven Andrew Beane, the Ven. Douglas Dettmer, Mr. Giles Frampton, Mr Richard Buzzacott, the Revd. Preb. Mike Partridge, Dr. Jennie Golding, Mr. Graham Dunn, Mrs. Clare Lillington, Mr. Nicholas Courtman, Mr. Nigel Price, Mr. Bob Mills, Dr. Lystra Hagley-Dickinson, Mr. Mike Jefferies, the Revd. Tanya Hockley-Still, the Revd Canon Dr Benjamin Williams and the Revd. Andrew Thomas.

I. Apologies and Notices

Apologies were received from the Revd. Laura Ford, Mr Stephen Macey, the Revd. Deborah Leighton Plom, Mrs. Sian Walker-McAllister, the Revd. Preb. Peter March and the Revd. Preb Rosie Austin

- The Bishop of Exeter gave advance notice of the fact that he would need to tender his apology for the Council's next meeting on 28th November. The Bishop of Plymouth had agreed to take the chair instead.

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 8th July 2026 Paper BDC/38/26

The minutes of the meeting held on 8th July 2026 were approved without amendment.

4. To approve the draft diocesan budget for 2027 and to give consideration to an indicative finance plan for 2028-29 for transmission to Diocesan Synod Paper BDC/39/26

Mr. Ian King, the Diocesan Director of Finance, noted that the drafting of the diocesan budget for 2027 had been complicated by the need to incorporate into it for the first time the income and expenditure arising from the successful application to the Diocesan Investment Programme for grant funding in support of the implementation of 'Pray, Grow, Serve 2035'. Accordingly, since some other elements of budgetary planning had been paused in order to allow the

strategy and funding to take effect, it had been decided on this occasion not to provide an indicative finance plan for the next two years. In addition, since the circulation of the paper, three formatting and factual errors had emerged; these were explained and it was noted that they would be amended before its circulation as a Diocesan Synod paper.

In summary, it was noted that the fundamental aspects of the budget were broadly in line with the experience of many other dioceses in the Church of England; a significant annual deficit had arisen during the period of the pandemic and this would only be rectified by increased income through growth (or some other means), a significant reduction in expenditure, or a combination of the two. The new grant funding would not assist directly, since the increased income would result in increased expenditure, but it was intended that the additional expenditure would lead to growth, which in turn would lead to an increase in giving and a consequential reduction in the deficit. In the meantime, assets (for the most part property) were being sold in order to balance the budget and bridge the gap until the new investment's impacts started to be realised. Such increases in expenditure as there were in relation to core activities were for the most part either unavoidable external factors (eg inflation) or arose from additional regulatory provision (typically safeguarding and legal costs).

In discussion members sought clarity on the proposed increases in stipends and salaries and also on the position of general reserves as a proportion of annual expenditure. On the latter issue it was noted that the increases in income and expenditure arising from the new national grant funding and flowing through the DBF's account meant that the reserve level as a proportion of expenditure would decrease even if the reserves themselves remained the same. It was also noted that it would not be possible to sustain the current level of asset sales indefinitely and that if growth were not to materialise as hoped, either an alternative income source would have to be found or expenditure would have to be reduced. The adoption of 'total return' accounting also relied on the realisation of assets in order to release the 'surplus' value and there was a careful evaluation process in hand in relation to which assets were the most appropriate to be realised. Owing to the number of factors in play, it was not possible to predict with certainty for how long the current approach could prudently be sustained and the situation would need to be monitored closely. Finally, it was noted that the realisation of property assets (principally housing and land) brought with it potential risks, particularly within local communities if additional value arising from the development of the asset was also being secured. There could sometimes be significant negative impact within the community, which could rebound on the local church and the also on relevant office holders (the incumbent and PCC, the archdeacon and DBF staff). Thought could usefully be given to how to enable the church and the community to recover from such an eventuality.

Mr. Giles Frampton, Chair of the Diocesan Board of Finance, then directed members' attention to the recommendations at section 13 of the paper. Each of the recommendations were approved in turn and accordingly the draft diocesan budget was recommended to the Diocesan Synod for approval.

5. To receive a report from the Assets Group

Paper BDC/43/26

Mr. Giles Frampton, Chair of the Diocesan Board of Finance, noted the proposed appointment of Mr. Phil Burgess to the Assets Group and set out the skills and experience that he would bring to the role.

In the absence of any discussion the appointment was approved.

6. To give consideration to recommendations arising from the INEQE annual report and other recent safeguarding developments **Paper BDC/40/26**

Mr. Costa Nassaris, the Diocesan Safeguarding Officer and Head of Safeguarding, highlighted for members that in their capacity as the trustees of the Diocesan Board of Finance, it was necessary for them to receive information on two issues and to consider their response.

The first issue concerned a change to the regulations relating to DBS checks for a particular category of supervised worker whose role required them to undertake regulated activity. Previously this would have qualified them to apply for an Enhanced Disclosure without a check of the Barred List; since 1st September 2026 it would necessitate a check against the Barred List. Since Disclosures were required to be applied for every three years, there was a question as to whether action should be taken only in respect of new post-holders and those re-applying on the standard cycle, or whether all existing post-holders should re-apply immediately regardless of the length of time since their last check. The number of people who would be impacted by the latter approach would be in the region of 600 and the Safeguarding Officer's assessment of risk if action were not to be taken immediately was relatively low. However, in some circumstances, those working with other institutions (eg schools) might find that that other institution would require immediate compliance or prevent access to the premises.

In discussion it was noted that the National Safeguarding Team and the Regional Safeguarding Lead had been consulted and both had indicated that the decision was for diocesan trustees to take; no wider guidance would be forthcoming. Neither had a clear pattern of other DBF responses to the situation yet emerged; it was noted that there might be reputational as well as compliance risks to being an outlier. It was also noted that although the safeguarding risk per se had been assessed to be relatively low (given that all such post-holders had had an enhanced check for working with the relevant category of people), the potential consequences of a failure had increased; it was now a criminal offence for an individual to carry out the relevant activity when they knew that they were on the Barred List, and for an organisation knowingly to appoint them to such a position or to allow them to continue to operate in that context if they were on the Barred List. Either way, it would be necessary to communicate clearly and repeatedly with parishes such that they understood the changed legislative context. Finally, it was noted that the financial impact of the decision would be relatively low; most such post-holders would be volunteers so requiring early applications within the standard period would only require the payment of a small administration fee per person.

It was decided by a large majority that re-checks (now also with a check against the Barred List) would continue to be carried out on the existing 3- year cycle and that PCCs should be informed of the decision that had been taken, as well as of the changed requirements for all new qualifying post-holders.

The second issue was to give consideration to the recently published annual report and associated recommendations of the Church of England's external safeguarding auditors, INEQE. There were a large number of recommendations, a number of which were addressed to dioceses and, specifically, the trustees of Diocesan Boards of Finance. It was notable that the recommendations could be seen to be working with the grain of recent engagement with the Charity Commission which would see a change in the working scope and definition of 'safeguarding'. This would move the Church away from its existing focus on children, young people and vulnerable adults and towards the experience of harm by any user of a charitable organisation's services. The term 'harm' itself could also be subject to re-definition and the wider the scope of that definition, the greater the number of potential cases that would have to be dealt with in a safeguarding context (rather than through any other function eg personnel and/or volunteer management).

Mr. Nassaris then went on to highlight the INEQE recommendations that most closely concerned the DBF: these included the formal separation of the charitable trustee body from all other functions; the independent chairing of the trustee body; a skills, inclusion and diversity audit of the trustee body; induction and refresher safeguarding trustee training; an annual self-assessment against the Charity Governance Code; the creation of a Safeguarding Directorate; a benchmark for adequate safeguarding staffing levels; the provision of contextualised training.

In discussion members expressed some concern that there was not much evidence as to why a given course of action was being recommended, particularly when it came to an organisation's internal structure rather than any objective measurement of its performance. Some measures, such as induction and refresher safeguarding training specifically for trustees received a positive reception, particularly if there was clear added value in the approach such that it would materially improve the trustees' discharge of their legal responsibilities. Members also noted the inter-relationships between safeguarding staffing levels, the numbers of referrals and cases, and the delivery of in-person and contextualised training.

It was agreed that the Diocesan Safeguarding Advisory Panel be asked to give its view on the recommendations and that the Diocesan Safeguarding Officer be asked to track developments in relation to the implementation of the recommendations in other dioceses, as well as to confer with the Regional Safeguarding Lead and the National Safeguarding Team. It was also agreed that the recommendations and associated information be brought back for review and decisions as necessary over the coming months. It was noted that a significant proportion (372 out of a total of 527, approximately 71%) of referrals received and dealt with by the safeguarding team were notifications received by local church officers of events that were taking place in communities but were not directly connected to the activities of the church or its officers. That reporting levels were relatively high (and the fact that they were had been investigated in some detail) was understood to be a sign of churches and the people in them being trusted recipients of important and sensitive information in a given community. It was clear that this would need to be monitored closely on an on-going basis, with the direct scrutiny of the DBF's lead safeguarding trustee to ensure that the trustee body remained clearly sighted on any changes and emerging trends on the ground. Some concern was expressed about possible changes in the mode of training delivery; it was agreed that there was a benefit in providing context specific and in-person training, but it was resource-intensive and there were in most cases on-line alternatives available that covered the same content more cheaply. In practice, many in-person courses were also not running at full capacity. Accordingly, the current assessment was that the available capacity of safeguarding staff should be directed at other, higher priority areas of activity.

Mr. Nassaris then noted some related anticipated issues for the year ahead. Given the possible change in definitions (around safeguarding and harm) as well as increased awareness (for example arising from the new legislative requirement around the mandatory reporting of child sexual abuse), it was likely that the number of referrals would remain at a relatively high level and potentially increase further. Furthermore, the initiatives arising from 'Pray, Grow, Serve 2035' would increase levels of activity particularly with children, young people and families; new staff and new activities would increase points of contact with at risk groups. All of these could generate increasing demand for safeguarding services, which would be difficult to manage in the context of constrained resources. There was a risk that important but not essential work (such as in-person training, the development of safety plans and capacity-building for those involved in the oversight of ex-offenders engaging with local church communities) were all at risk.

7. To receive the annual report of the Diocesan Mission and Pastoral Committee

Paper BDC/41/26

Mrs. Sophie West, Secretary of the Diocesan Mission and Pastoral Committee, introduced the Committee's annual report. She noted in particular that increasingly concerns were emerging around issues of parish fragility, typically arising out of issues relating to buildings, finance and governance. Of the three, governance fragility was perhaps the least recognised and often the most concerning, since it could potentially (if a PCC were to fall inquorate) disable the possibility of acting on any other issue. The options available at the point of inquoracy tended to be either of temporary nature (such as the issuing of Bishop's Directions to a named individual to act on behalf of the PCC), limited benefit (such as a Joint Council – which as a minimum still required a parish to hold an APCM and have deanery synod representatives and churchwardens), or implied significant burden for a neighbouring parish (pastoral reorganisation). Crucially, if none of the above actions were taken and the PCC entirely ceased to function, it would not be legal for any other party (eg a Friends Group or even individual local volunteers) to continue to carry out functions, and they would not be protected by the PCCs corporate liability and insurance arrangements.

Mrs. West noted that it was not clear how many parishes were experiencing severe difficulties in their local governance arrangements; not least because it relied on them reporting what had happened, which they might no longer have the capacity to do. There were five sets of Bishop's Directions currently in place, but this would not represent the totality of PCCs that were either already inquorate or on the brink of being so. Information about the number of vacancies in core church officer roles (allied often with very low electoral rolls) might point to approximately 20 parishes at immediate risk and this in the context of weakening local governance capacity in general (as attested to by the current churchwarden vacancy rate of approximately 30% across the Diocese). Finally, she noted that forthcoming changes to the arrangements for the registration of charities with the Charity Commission would also increase the pressure on smaller PCCs, including those most already at risk.

In discussion members expressed their appreciation for the report as a whole and for the particular emphasis on the issue of parish governance fragility. It was noted that Bishop's Directions did not have a specific time-limit but that they were in no way suitable as a permanent solution – at best they provided a temporary measure, maintaining legal status and corporate liability cover while urgent efforts were made to identify a permanent, sustainable outcome. It was suggested that further work be undertaken on this issue, both to more fully establish the extent of the problem and to develop a strategy to address it.

Deemed Items

8. To receive an update for Common Fund for the year-to-date

Paper BDC/42/26

9. To receive a report from EDBF Standing Committee

Paper BDC/44/26