

A photograph of Salisbury Cathedral, a large Gothic-style building with a prominent spire, set against a clear blue sky. In the foreground, there are green trees and a well-maintained lawn. On the left side, there are branches of cherry blossoms in shades of pink and white, partially obscuring the view of the cathedral. The overall scene is bright and clear, suggesting a sunny day in spring.

Good Governance

Salisbury Cathedral edition:
September 2013

A white logo consisting of two overlapping triangles forming a larger, irregular shape.

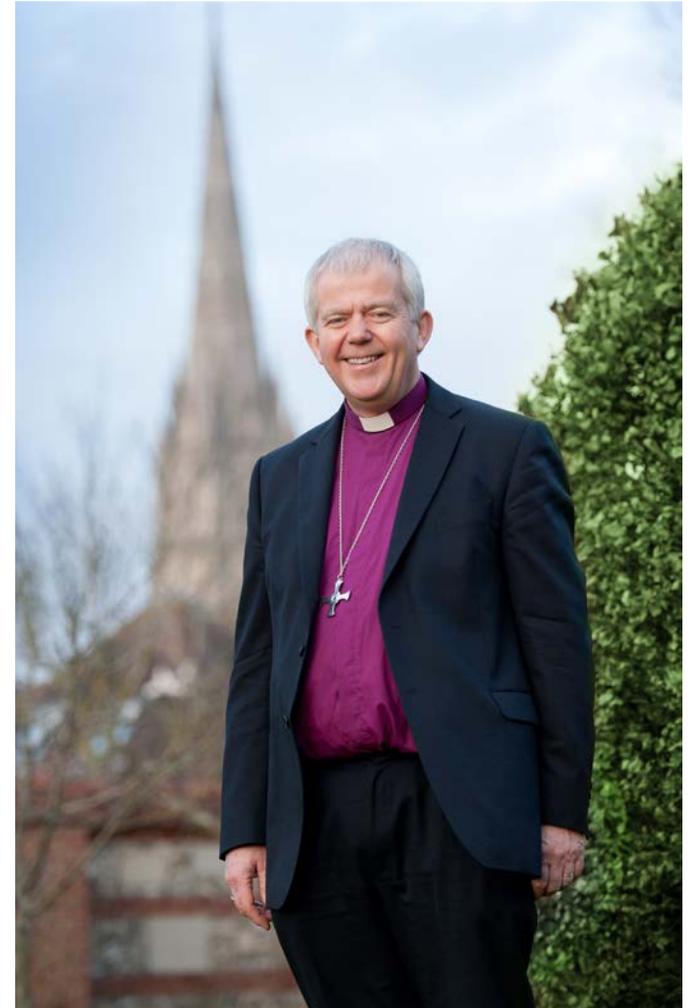
Salisbury
Cathedral

Foreword

Salisbury Cathedral is one of the finest medieval buildings in the world. It is also a lively place of Christian prayer and worship where God is encountered, the mother church of the diocese. There is education for people of all ages to learn and grow where we make music. The cathedral is a major visitor attraction and employer. It is therefore a complex place. There is no simple product yet if it is really going to work, it has to be authentic about who and what it is. As for every contemporary organisation, the operating context is constantly changing and requires well directed, intelligent and responsive leadership.

The governance of the cathedral has to be really good. It sets the direction, establishes the framework, identifies the priorities and gives the tone of the place. That is what is outlined in this document which is a key part of the cathedral's current thought and action. Thank you to those who have worked collaboratively to produce it. This is not a document to file. It is one to use.

Rt Revd Nicholas Holtam
Bishop of Salisbury



Introduction

June Osborne
Dean
2013



Chapter are clear that a commitment to the highest standards of governance is essential if the Cathedral is to achieve its ambitions. We have developed a four year strategy which states the Cathedral's purpose, values, ambitions and goals for the years up to 2017. From our very foundation in the statutes of the 11th century and the building of a new Cathedral two centuries later we have been clear that our duty is to **make a difference for God through exceptional worship and outreach.**

Our ambition is to be a beacon of confident, open Christianity with a reputation for warmth of welcome and willingness to engage with others etc.

Chapter in consultation with the Council and the College of Canons sets the long term vision for the Cathedral and promotes and

protects its reputation and values. Chapter is aware that it needs to have proper procedures and policies in place, to work well as a team and have good relationships within the organisation. The purpose of these principles is to ensure that Chapter members provide strong leadership, enhance their decision making and demonstrate their accountability.

This Salisbury Cathedral Code of Governance has been drawn from best practice, provided by both the Charity Commission and the Association of English Cathedrals whose last report entitled "Good Governance: A Guide for Cathedral Chapters" was published in 2012. The six principles set out in this code of good practice are the same as in the Association of English Cathedral Report and they represent a universal approach to good practice. Underlying each principle is our unswerving

commitment to equality – that of ensuring equality, diversity and fairness of treatment in all that we do.



Development of the Code of Governance

All Chapter members have been involved in the development of the Code of Governance and are fully aware of the vital part the code plays in the way in which Chapter operates and is held accountable.



Using the code

The good governance characteristics included in this document enable Chapter to assess whether they are following sound practice. Each principle has been discussed in turn by Chapter, over a period from February to September 2013 and will be used as the basis of future review in coming years.



The principles - a summary

Salisbury Cathedral Chapter Members will provide good governance and leadership by:

1. Understanding their role
2. Ensuring delivery of organisational purpose
3. Working effectively both as individuals and a team
4. Exercising effective control
5. Behaving with integrity
6. Being open and accountable

Principle 1

An effective Chapter will provide good governance by **understanding its role**

- Their legal duties
 - Their stewardship of assets
 - The provisions of the Constitution and Statutes
 - The external environment
 - The total structure of the Cathedral
- and in terms of**
- Setting and safeguarding the vision, values and reputation of the Cathedral
 - Overseeing the work of the Cathedral
 - Ensuring good management and support of staff and volunteers

Principle 2

An effective Chapter will provide good governance and leadership by ensuring **delivery of the Cathedral's purpose**. Chapter will ensure that the Cathedral delivers its purpose by:

- Ensuring organizational purposes remain relevant and valid
- Developing and agreeing a long term strategy
- Agreeing operational plans and budgets
- Monitoring progress and spending against plan and budget
- Evaluating results, assessing outcomes and impact
- Reviewing and/or amending the plan and budget as appropriate

Principle 3

An effective Chapter will provide good governance and leadership by **working effectively both as individuals and as a team**.

- Chapter will have a range of appropriate policies and procedures, knowledge, attitudes and behaviours to enable both individuals and the Chapter to work effectively. These will include:
- Finding and recruiting new board members to meet the Cathedral's changing needs in relation to skills, experience and diversity
 - Providing suitable induction for new Chapter members
 - Providing all Chapter members with opportunities for training and development according to their needs
 - Periodically reviewing their performance both as individuals and as a team

Principle 4

An effective Chapter will provide good governance and leadership by **exercising effective control**.

- As the accountable body, Chapter will ensure that:
- the Cathedral understands and complies with all applicable legal and regulatory requirements
 - the Cathedral continues to have good internal financial and management controls
 - it regularly identifies and reviews the major risks to which the Cathedral is exposed and has systems to manage those risks
 - delegation to committees, staff and volunteers (as applicable) works effectively and the use of delegated authority is properly supervised.

Principle 5

An effective Chapter will provide good governance and leadership by **behaving with integrity**.

- Chapter will:
- safeguard and promote the Cathedral's reputation
 - act according to high ethical standards
 - identify, understand and manage conflicts of interest and loyalty
 - maintain independence of decision making
 - deliver impact that best meets the needs of beneficiaries.

Principle 6

An effective Chapter will provide good governance and leadership by **being open and accountable**.

- Chapter will lead the Cathedral in being open and accountable, both internally and externally. This will include:
- open communications, informing people about the Cathedral and its work;
 - appropriate consultation on significant changes to the Cathedral's activities or policies;
 - listening and responding to the views of congregations, communities, supporters, funders, and other users with an interest in the Cathedral's work;
 - handling complaints constructively, impartially and effectively; and
 - considering the Cathedral's responsibilities to the wider community, e.g. its environmental impact.



Principle 1

An effective Chapter will provide good governance and leadership by **understanding its role.**

Members of Chapter will understand their role and responsibilities collectively and individually in relation to:

- their legal duties
- their stewardship of assets
- the provisions of the Constitution and Statutes
- the external environment
- the organisational structure of the Cathedral.

And in terms of:

- setting and safeguarding the vision, values and reputation of the Cathedral;
- overseeing the work of the Cathedral; and
- ensuring good management and support of staff and volunteers

Why?

Chapter members have a duty to act within the legal and regulatory frameworks that apply to them and the Cathedral. A full understanding of their role and responsibilities, the purpose and structure of the Cathedral itself and the external environment will help them to fulfil their legal duties as fiduciaries and to lead and govern the Cathedral effectively.

Chapter should consider how it will set the culture of the Cathedral. They should lead by example, ensuring that individuals representing the Cathedral in any capacity do so in a way that positively reflects its values.

The ethos and culture, including a sense of prayerfulness, of the Cathedral should underpin the delivery of its activities or services and the achievements of its purpose as the seat of the the Bishop and a centre of worship and mission.

For Chapter Members this must include:

- accepting ultimate responsibility for the way the Cathedral is directed and run in meeting its purpose
- being alert to those matters that cannot be delegated to individual Chapter members or others
- acting at all times in the best interests of the body corporate, and the Cathedral's congregations, communities, and other stakeholders;
- ensuring the solvency and financial strength of the Cathedral
- safeguarding the Cathedral's assets and using them only in furtherance of its purpose
- taking a considered, proportionate and balanced approach to risk management
- acting reasonably in their decision making and leadership of the Cathedral
- recognising and respecting that all Chapter members are equally responsible in law for the Chapter's decisions;
- complying with all relevant legislation and regulation applicable to the Cathedral and the activities it undertakes and making appropriate public statements to confirm that this is the case
- ensuring that all Chapter members are properly appointed and are not disqualified from so acting.

Other important things to consider include:

1. Ensuring that the Cathedral provides every Chapter member with all relevant information, including:
 - appropriate induction and training
 - copies of key documents such as the Constitution and Statutes, and financial information
 - a role description for Chapter members and further descriptions for any specific roles or functions
 - a handbook of other helpful information, including a code of conduct.
2. understanding and ensuring independence of Chapter decision making and action (regardless of how individual Chapter members were appointed) and putting the needs of the Cathedral and its purpose ahead of any other interests.
3. establishing and periodically reviewing statements setting out the vision, mission and values of the Cathedral. These statements should be developed in consultation with the Cathedral's stakeholders, accurately reflect the Cathedral's Constitution and Statutes, and be effectively communicated and easily understood outside the Cathedral.
4. ensuring that all Chapter members understand their relationship with, and responsibilities towards
 - the bishop, Cathedral Council, College of Canons, congregations, Cathedral communities, visitors and all Cathedral users;
 - staff and volunteers;

- committees, and any working and advisory groups;
- Salisbury Cathedral Enterprise Board
- the Diocese and other organisations with which the Cathedral formally collaborates;
- funding bodies, including the Church Commissioners; and
- the wider ministry of the Church of England and the Anglican Communion

5. being clear about what matters are strategic and what matters are operational in relation to Chapter oversight of the Cathedral; avoiding inappropriate involvement in operational matters but taking responsibility for challenging and holding to account the Dean, residentiary Canons, Chapter Clerk and Directors to whom they have delegated implementation of the Chapter's strategic decisions.

6. ensuring that individual Chapter members do not act on behalf of the Chapter without authority.

7. strategically reviewing all aspects of the Cathedral's work and functioning to ensure its overall effectiveness.



Principle 2

An effective Chapter will provide good governance and leadership by ensuring **delivery of the cathedral's purpose** as the seat of the bishop and a centre of worship and mission. Chapter will ensure that the cathedral delivers its purpose by:

- understanding and owning the local expression of the cathedral's purpose;
- developing and agreeing a long term strategy for the delivery of that purpose;
- agreeing operational plans and budgets;
- monitoring progress and spending against plan and budget;
- evaluating results, assessing outcomes and impact; and
- reviewing and/or amending the plan and budget as appropriate.

The cathedral's purpose is its reason for existing so it should aim to secure the optimum means of fulfilling its purpose; to do otherwise would be failing its stakeholders including congregations, communities, funders and supporters.

Chapter should always bear the cathedral's purpose in mind, and make decisions in the best interests of its role.

Chapter must also ensure that the cathedral remains focused on delivering its purpose and avoids "mission drift".

This must include ensuring that all activities, services and functions, particularly new ones, are in line with the purpose of the cathedral.

Other important things to consider include:

1. Identifying and considering the range of data and information from both internal and external sources to monitor delivery of the cathedral's purpose.

2. Setting short, medium and long term goals and ensuring that cathedral-wide strategies are in place to monitor and implement these.

3. Ensuring that the cathedral's stakeholders are supportive of, and committed to, achieving these goals.

4. Ensuring regular reports of all cathedral activities are made to the Chapter and given due consideration.

5. Ensuring that the Cathedral's Finance Committee comprises members with appropriate skills who are able to advise the Chapter on financial matters, recommending to Chapter an annual budget, providing Chapter members with timely and regular management accounts, and recommending the Annual Report and Accounts for approval by Chapter. As Chapter members hold legal responsibility for the Cathedral's finances, all

Chapter members should be in a position to read and understand budgets and accounts in order to make informed decisions.

6. Chapter and senior management team remaining alert to external and environmental factors that could result in the Chapter having to consider whether different ways of working may be required to meet the opportunities and challenges presented by developments.

7. Having systems in place to measure outcomes, assess impact and enable Chapter to ensure the cathedral delivers its purpose and to identify:

- successes that the cathedral can celebrate;
- areas for improvement; and
- new opportunities and areas for work.



Principle 3

An effective Chapter will provide good governance and leadership by **working effectively both as individuals and as a team**. Chapter will have a range of

appropriate policies and procedures, knowledge, attitudes and behaviours to enable both individuals and the Chapter to work effectively. These will include:

- ensuring the appointment of new Chapter members to meet the cathedral's changing needs in relation to skills, experience and diversity;
- providing suitable induction for new Chapter members;
- providing all Chapter members with opportunities for training and development according to their needs; and
- periodically reviewing their performance both as individuals and as a team.

To work in the best interests of the cathedral and its purpose, Chapter needs to comprise individuals who:

- together have a mixture of knowledge, skills and experience that is relevant to the cathedral's circumstances and needs;
- have the requisite characteristics and skills to work as a committed, effective and supportive team, whilst retaining independence of thought and the maturity and ability to challenge constructively; and
- embody diversity in its widest sense, strengthening decision making by

bringing a broad range of backgrounds and perspectives.

This must include:

- complying with the Constitution and Statutes concerning terms of office and manners of appointment of Chapter members;
- complying with requirements in the Constitution and Statutes concerning the frequency and conduct of Chapter meetings; and
- ensuring that Chapter members are, and remain, eligible to act and that appropriate checks have been carried out.

Other important things to consider include:

1. Ensuring that Chapter members are well-prepared and committed to attending meetings and contributing constructively, and that meetings have a well-structured agenda and good chairmanship.
2. Establishing and adhering to a code of conduct which sets out expected standards of behaviour.
3. Maintaining a strategy for Chapter renewal that will meet the cathedral's changing needs. This will cover succession planning for key skills.

4. Ensuring that Chapter:

- collectively provides a mixture of skills, experience, qualities and knowledge appropriate to the cathedral and its purpose;
 - takes an active and intelligent approach towards diversity, understanding the term in its widest sense, avoiding tokenism and using Chapter diversity to support its effectiveness;
 - invests sufficient time in developing positive working relationships amongst themselves and between the Chapter and senior staff, particularly the Chapter Clerk; and
 - acts quickly and positively to deal with any relationship strains or breakdowns, using external facilitation or mediation where appropriate.
5. Using provisions in the Constitution and Statutes for appointing Chapter members effectively and intelligently, so that elections by groups and nominations by the Bishop are informed by the skill needs identified by the Chapter.
7. For staff (both clergy and lay) who are also Chapter members, ensuring that:
- conflicts of interest are identified and properly managed; and
 - there is clarity about individuals' roles as staff members and as Chapter members.

8. Setting aside time to reflect on the performance and functioning of the Chapter and its committees as teams, and identifying and dealing with any areas for improvement.

9. Supporting Chapter members in their training and development, and to facilitate this, periodically reviewing the performance and development needs of each Chapter member.



Principle 4

An effective Chapter will provide good governance and leadership by **exercising effective control**. As the accountable body, Chapter will ensure that:

- the cathedral understands and complies with all applicable legal and regulatory requirements;
 - the cathedral continues to have good internal financial and management controls;
 - it regularly identifies and reviews the major risks to which the cathedral is exposed and has systems to manage those risks; and
 - delegation to committees, staff (both clergy and lay) and volunteers works effectively and the use of delegated authority is properly supervised.
- The Chapter is ultimately responsible for the decisions and actions of the cathedral. Chapter members need to be assured that everyone acting in the cathedral's name is complying with the Chapter's directions and the requirements of law or regulation. Chapters should provide direction, leadership and oversight without inappropriate involvement in operational matters. Delegation needs to be effectively supervised and monitored.

This must include:

- Ensuring, through appropriate policies, procedures and reporting mechanisms, that the cathedral understands and complies with all legal and regulatory requirements which apply to the cathedral, including:
 - the Cathedrals Measure 1999, the Care of Cathedrals Measure 2011 and other applicable Measures;
 - company law and the requirements of Companies House in respect of any trading subsidiaries;
 - employment law;
 - health and safety regulations;
 - data protection legislation;
 - equality legislation;
 - legislation applying to particular activities, such as fundraising and protection of children or vulnerable adults.
- complying with relevant provisions in the Constitution and Statutes and relevant law concerning the exercise of powers of delegation by the Chapter;
- acting prudently to protect the reputation, assets and property of the cathedral; and
- ensuring that the cathedral's assets and property are used only to deliver its stated purpose.

Other important things to consider include:

1. Regularly reviewing the range and impact of risks the cathedral faces, including the risk of missed opportunities

and the potential for small risks to snowball into higher impact risks.

Considering the impact of each identified risk on stakeholders including staff and volunteers, long term plans and income generation, and putting in place strategies to manage those risks.

This includes having and regularly reviewing a risk register and appropriate risk policy outlining the Chapter's appetite for risk and how it will manage and limit the impact of identified risks.

2. Maintaining and regularly reviewing the systems of financial controls, internal controls, performance reporting, policies and procedures, with the Chapter periodically taking steps to assure itself of their effectiveness and relevance to the activities the cathedral undertakes and the risks it faces.

3. Recognising and maximising the value of diversity within the Chapter as a means of identifying and managing risks, especially as a way of challenging institutional assumptions and thinking.
4. Having clear written terms of reference for committees of the Chapter, other groups and panels, and for all delegated authority, which provide sufficient delegated authority and clear boundaries to allow officers, committees, staff, volunteers, consultants and agents to discharge their duty effectively, and which are regularly reviewed and updated.

5. Ensuring that effective reporting mechanisms are in place for committees of Chapter.

6. Periodically reviewing the cathedral's committee structure to ensure that it continues to meet the cathedral's governance needs.

7. Allowing the proper exercise of delegated authority by clergy, the Chapter Clerk and other staff, and volunteers, without inappropriate interference, whilst being sufficiently involved and engaged to supervise properly, hold to account and retain ultimate responsibility for decisions and actions taken, through appropriate systems of monitoring and reporting back.

8. Taking appropriate professional advice where necessary before making important decisions, especially those involving material risk.



Principle 5

An effective Chapter will provide good governance and leadership by **behaving with integrity**. Chapter will:

- safeguard and promote the cathedral's reputation;
- act according to high ethical standards;
- identify, understand and manage conflicts of interest and loyalty;
- maintain independence of decision making; and
- work to fulfil the cathedral's purpose in the best way possible.

Chapter, both individually and collectively, has ultimate responsibility for the cathedral's funds and assets, including its reputation. It takes the lead in setting and championing the values and ethos of the cathedral. It is vital that Chapter members maintain the respect of stakeholders and the public at large by behaving with integrity both when acting as fiduciaries and more generally. To behave otherwise risks bringing the Cathedral and its work into disrepute. This must include:

- having in place and scrupulously following provisions, policies and procedures for identifying, declaring and managing conflicts of interest and conflicts of loyalty;
- ensuring that the cathedral complies with the requirements of whistle-blowing legislation;

- managing relations and boundaries between the cathedral and any subsidiary companies, especially where individuals act as both Chapter members and Directors;
- always taking decisions in the best interests of the cathedral and its purpose, ensuring that:
 - the decision is within the Chapter's powers;
 - the Chapter is acting in good faith;
 - the Chapter has adequately informed itself and is basing its decision on a range of data and information that provides sound understanding of all relevant factors;
 - the Chapter is not allowing itself to be swayed by irrelevant factors; and
 - the decision is within the range of reasonable options open to the Chapter and can be justified as such to stakeholders, the Visitor, and, ultimately, the Courts;
- complying with laws against bribery, including implementing policies and clear guidelines concerning hospitality or gifts, the declaration and recording of offers of gifts or hospitality, and in what circumstances such offers may be accepted or must be refused; and
- complying with any statutory or regulatory requirements concerning reporting or disclosure of payments, expenses or other benefits that Chapter members receive from the cathedral.

Other important things to consider include:

1. Ensuring that the cathedral's values and ethos are enshrined in its policies and practices.
2. That the Cathedral regularly reviews its policy on Ethical Investments, taking the best advice available whilst ensuring that the Investment Fund managers are fully informed of and alive to the Cathedral's stance.
3. Fostering a working environment that supports constructive challenge and welcomes different points of view.
4. Maintaining a register of interests and declaring an interest even if the Chapter member is unsure of its relevance and potential impact.
5. Being open and honest in all matters presented to the Chapter where a personal or business relationship may be perceived to impact adversely on (or simply influence) the work of the Chapter or the cathedral.
6. Where possible, seeking diversified income streams to help ensure that no single funder or income stream can exercise undue influence over the actions and decisions of the Chapter.
7. Where Chapter members or others act as spokespersons for the cathedral, ensuring that their personal views are never confused with, or represented as being, those of the cathedral.
8. Chapter members and other

representatives of the cathedral should never accept gifts or hospitality where this could be perceived as being likely to influence their decisions.

9. Ensuring that any statement made on behalf of the cathedral is consistent with its mission, vision and values.

10. Where Chapter members are nominated or appointed by individuals or other bodies, being clear that the responsibility as a Chapter member of this cathedral is to act and make decisions in the interests of this cathedral, and not as a representative or delegate of the appointing individual or body.

11. Ensuring that all Chapter members understand and accept the need to be transparent and honest in all dealings with or on behalf of the cathedral, to avoid any public perception of improper conduct.

12. Having in place appropriate policies and procedures for whistle-blowing, including safeguards to protect individuals who whistle-blow.



Principle 6

An effective Chapter will provide good governance and leadership by **being open and accountable**. Chapter will lead the cathedral in being open and accountable, both internally and externally. This will include:

- open communications, informing people about the cathedral and its work;
- appropriate consultation on significant changes to the cathedral's activities or policies;
- listening and responding to the views of congregations, communities, supporters, funders, and other users with an interest in the cathedral's work;
- handling complaints constructively, impartially and effectively; and
- considering the cathedral's responsibilities to the wider community, e.g. its environmental impact.

Making accountability real, through genuine and open two-way communication that celebrates successes and demonstrates willingness to learn from mistakes, helps to build trust and confidence with stakeholders and to demonstrate legitimacy when representing them.

This must include:

- complying with the requirements under the Cathedrals Measure 1999 to produce annual reports and accounts which present a balanced and accurate assessment of the cathedral's performance;
- holding an annual meeting for members of the community or electoral roll as set out in the Constitution and Statutes or the church representation rules;
- complying with equality legislation; and
- complying with applicable legal requirements concerning community or electoral rolls.

Other important things to consider include:

1. Identifying those with a legitimate interest in the cathedral's work (congregations, communities, staff, volunteers, and other stakeholders) and ensuring that there is a strategy for regular and effective communication with them about the cathedral's achievements and work, including the Chapter's role and the cathedral's purpose and values.
2. Ensuring that the cathedral upholds principles of equality and diversity in every sphere of activity, going beyond the legal minimum where appropriate.

3. Recognising and acting on broader responsibility towards communities, wider society and the environment, in so far as this does not divert the cathedral from achieving its objects.





www.salisburycathedral.org.uk

