

Written evidence submitted by the Association of English Cathedrals

Submission to DCMS Select Committee from the Association of English Cathedrals: the impact of Covid-19

1. This submission is made by the **Association of English Cathedrals** (AEC) which represents the 42 Anglican cathedrals in England, two Royal Peculiars (Westminster Abbey and St George's Chapel, Windsor), and has as associate members the Cathedral Isle of Man and St Davids Cathedral. The cathedrals range from those of international importance (such as St Paul's Cathedral and Westminster Abbey) and those in World Heritage Sites (Canterbury and Durham Cathedrals) to less well known cathedrals such as Blackburn, Bradford and Sheffield. The primary purpose of a cathedral is to be a place of Christian worship, but it is also often the most historic and architecturally important building in its environment, contributing significantly to the heritage and culture of the area it serves and playing an important role in local tourism as the chief tourist attraction. Cathedrals play prominent roles in many sectors (places of worship, charity, hospitality and tourism, heritage, retail, events, culture).
2. Cathedrals, as gathering places for the nation, can play a key role in the nation's recovery. People will need cathedrals when the pandemic is over: so they can gather to mourn those who have died, celebrate the NHS and others who have worked so hard to keep our nation functioning, and give thanks for surviving the crisis. The recovery of cathedrals from the restrictions arising from the Covid-19 pandemic and their revitalisation as places to gather, cultural centres and tourist attractions will be vitally important to the recovery and well-being of their local cities and communities.

What has been the immediate impact of Covid-19 on the sector?

Financial impact

3. The pandemic, both its wider economic impact and the resulting closure of cathedrals, has had a devastating impact on cathedrals' financial situation, as all income streams have been adversely affected and most have ceased to exist. All cathedrals are finding the current lockdown a major strain on resources, with the full impact unknown while there is no end to the crisis in sight.
4. A number of cathedrals have experienced immediate cashflow issues, for which limited assistance from the Church Commissioners is being made available. The Church Commissioners are also providing some short term funding for cathedral staff in specific areas, such as craft skills, in recognition that these skills once lost would be hard to replace. The assistance, though most welcome, can only address some pressing issues and provide time for cathedrals to assess how to manage reduced activity levels.
5. Approximately 90% of staff employed by cathedrals are currently furloughed as closure of the buildings to visitors and the ban on public worship means they have no work to do. Many cathedrals are now restructuring and have launched consultations. There will be proportionately high numbers of redundancies as there is no prospect of being able to generate sufficient income to retain staff in the foreseeable future and the Job Retention Scheme runs out at the end of October, too soon for income streams to recover.

6. In the short term, we ask for government assistance with funding such redundancy payments as cannot be avoided. For cathedrals, as with other charities, redundancy payments cannot be offset against taxable profits and have to be funded from charitable income.

Social and community impact

7. The closure of cathedrals has had an impact because of the cessation of communal worship and also because of an inability to celebrate significant events such as weddings, baptisms, and funerals. The welcome change to the regulations to permit private prayer is very recent and, as yet, not every cathedral has been able to open. Whilst cathedrals switched their daily worship onto digital platforms, and have been able to engage with existing and new congregations, the lack of physical proximity has been keenly felt.
8. Not only have cathedral staff been affected by the closure, but also the many thousands of volunteers for whom coming and volunteering at their cathedral has been vital to their well-being. Many volunteers are in the Covid-19 vulnerable categories, so may be encouraged to stay at home for a long time, placing additional strains on their health, both physical and mental.
9. Cathedral education and learning programmes have also been suspended, removing formal and informal learning opportunities for all age groups. Educational outreach to school children and adult learners has enriched lives.

How effectively has the support provided by DCMS, other Government departments and arms-length bodies addressed the sector's needs?

10. The most significant source of assistance, and the one that is most likely to enable cathedrals to survive the current crisis, is the Coronavirus Job Retention Scheme. This has been a lifeline. The extensions to October and flexibility to permit part-time working are most welcome.
11. Sadly, with an October end date, cathedrals have had to recognise that the Scheme will not be able to protect large numbers of cathedral jobs, especially those dependent on activities, such as hosting events or welcoming visitors, which will not return straight away as restrictions continue to be lifted.
12. Some cathedrals received grants from the Retail, Hospitality and Leisure Grant Funds, but a number of cathedrals do not pay business rates or do not have rateable values at or below £51,000.
13. The various loan schemes have, for the most part, not been relevant to cathedrals. As a general point, like other charities, cathedrals are not in a position to take on commercial loans as they do not generate the level of surplus income with which to repay loans and service interest. A few cathedrals' trading companies have taken advantage of the bounce back loan scheme.
14. Deferring the payment of VAT has assisted cashflow to a limited extent.
15. As part of the Church of England, cathedrals have been represented on the MHCLG Taskforce on Re-opening Places of Worship and the DCMS Taskforce – Heritage Working Group. As a member of the Heritage Alliance, we have also been represented on the latter group. We have sought to provide information and make representations to these Taskforces and other government and parliamentary bodies so that the impact of Covid-19 on cathedrals is understood and factored into decision making.

What will the likely long-term impacts of Covid-19 be on the sector, and what support is needed to deal with those?

16. Like other places largely dependent on visitor income, we anticipate that it will be four or five years before visitor numbers rebuild to pre-pandemic levels. We also anticipate that other business streams (such as concerts, events, and meetings and conferences) will take several years to rebuild.
17. This slow recovery will inevitably have a damaging economic and social impact on local businesses, economies and communities. The last survey in 2013 of the economic and social impact of England's cathedrals showed that cathedrals were estimated to generate a net additional contribution of around £220 million in local economies.
18. Support with campaigns to attract domestic and overseas visitors to the UK would assist in re-establishing visitor numbers, with all the resulting benefits. Campaigns should aim to reassure overseas visitors that the UK is a safe place to visit, and to promote its unique tourist offer (cathedrals are an important part of England's heritage which is very attractive to overseas visitors).
19. We also ask for support in the form of continuation of business rates reliefs and grants aimed at the retail, hospitality and leisure sectors for as long as it takes for such activities to return to the levels of income generated before the Covid-19 pandemic. A reduced rate of VAT for the hospitality and tourism sectors would also be beneficial.
20. We would also like the Job Retention Scheme to be available for an additional period of time for jobs which are dependent on the visitor and leisure economy, in recognition that this sector is likely to take the longest to recover. It may already be too late to protect some jobs but a rapid decision and announcement of continued support would be of major assistance.
21. It is likely that capital (major repair) programmes will be particularly badly affected by the slow recovery as such money as cathedrals have will be diverted to support day-to-day activities. This will have a serious impact on the many craftspeople and conservation professionals with whom cathedrals work. They are often self-employed or work for small companies and are particularly vulnerable to recession; many have not been able to access government support.
22. Support in the form of capital grants to fund repair works over a five year period, would enable cathedrals to continue to maintain the fabric of these nationally important buildings and provide jobs for skilled craftspeople and professionals. It is also extremely important that the Listed Places of Worship Grant Scheme continues beyond the current end date of March 2021. The Scheme enables major works which would not be affordable if cathedrals were unable to recover the cost of the associated VAT.

What lessons can be learnt from how DCMS, arms-length bodies and the sector have dealt with Covid-19?

23. Recognising that we need to adapt to a world in which we live with Covid-19, it is likely that there will be further lockdowns. We hope that these will be regional (or potentially even more localised). It is crucial to communicate how employers and institutions will be supported to enable them to withstand further lockdowns. Government should be encouraged to publish its plans for these future scenarios.
24. It would be useful to know how DCMS and the government more generally plan to share close-to-live local infection rate data with businesses, charities and other organisations serving the public. It would be helpful for cathedrals and others to be able to see trends in R rate, so that if it is likely that another lockdown in that area is needed, they can have as much notice as is feasible.
25. It has been frustrating to deal with the last minute nature of government announcements and issuing of guidance. Re-opening for private prayer is an example of the apparent disjointedness of government, with the date changing at the last minute and the guidance

being issued less than 24 hours before the re-opening. Cathedrals will do their best to be responsive, and understand that the situation is a difficult one to manage, but more notice and adequate preparation on the part of the government would be of great assistance. Another example is the delay in issuing guidance for the tourism sector which we understand is held up by the Chancellor of the Duchy of Lancaster and the Cabinet Office.

How might the sector evolve after Covid-19, and how can DCMS support such innovation to deal with future challenges?

26. Covid-19 has triggered a digital transformation in cathedrals. Cathedrals now provide online worship services, engage with audiences using the internet and social media in much more active ways than before, and offer digital pilgrimages and online tours of their buildings. Such staff as are not furloughed are working from home and have adapted to online meetings, remote working and use of the cloud. We recognise that we still have much to learn and could make much more intelligent use of digital resources.
27. Any assistance that DCMS could provide to enable cathedrals to continue to operate digitally once the buildings are allowed to reopen would be welcome. In particular, being spread the length and breadth of England, we are very aware of the differences in the quality of internet connectivity and we would encourage the government to invest in ensuring that all communities are able to have high quality internet access at affordable prices (subsidised if necessary for those most in need).