

Young leaders, Christ-centered mission, and Faithful stewardship

PRE-SYNOD MEETINGS: CATHEDRAL Q&A

Prepared by Church Property Trustees Senior Management Team

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NGĀ KAITIAKI TAONGA O TE HĀHI
The Church Property Trustees
THE ANGLICAN DIOCESE OF CHRISTCHURCH



Below are questions asked and recorded at the Diocesan Pre-Synod meetings and otherwise received during July 2017. Footnotes reference reports that are available on the Cathedral Conversations web site.

1. Is the Diocese's liability to the reinstatement project limited to \$42m regardless of any increase in costs from any angle?

It has been confirmed by the Department of Prime Minister and Cabinet [DPMC]¹ that no guarantees will be provided that the required funds will be raised or that the project will be delivered. With no external underwrite for reinstatement, any shortfall due to increased scope of work [e.g. damage worse than anticipated], cost escalation or fundraising shortfall, will be borne by the Diocese.

Whilst CPT's funding is capped [the Cathedral Insurance Fund has a finite amount of money] this does not relieve the Diocese of the financial risk of the project. Should, for example, the costs escalate and the project stall the Diocese could be left with an incomplete building – there is no guarantee of delivery of a reinstated Cathedral nor that the Diocese will not have to cover any financial shortfall.

2. If there is a cost blow out who will pay?

There are three options –

- continue fundraising efforts and successfully cover the increased costs, or
- have unfunded costs fall to the Diocese, or
- not complete the project

3. Why is CPT not carrying all costs instead of the Diocese?

CPT holds property and funds in trust for parishes and the Diocese and does not have resources of its own.

4. Has compromise of ownership/management in a joint venture been considered? Had CPT thought about walking away?

CPT has considered all options it considered to have sufficient merit.

5. What are the comparative cost estimates of a contemporary versus reinstated Cathedral?

The cost estimate for a contemporary Cathedral is \$42.7 million [including endowments and CPT costs].

The cost estimate for reinstatement is \$127 million [including endowments and CPT costs].

6. Can a comparative costing for the Sir Miles Warren option be provided?

The comparative cost estimate for the Sir Miles Warren option is \$83 million [\$68 million plus endowments, CPT and fundraising costs].

7. Is the Sir Miles Warren design still an option?

The Sir Miles Warren option is not contemplated at this stage as it would not be supported by the government or heritage groups and would require significant fundraising.

¹ Letter from DPMC – 28th July 2017 – Page 2

8. Can a diagram/schedule be provided of what will be lost in the process of reinstatement and what would be retained?

Rose Window	The Rose Window was lost with the collapse of the western façade and may not be recreated.
Western Façade/porch	The western façade & porch are almost completely lost and may be replaced with a modern porch.
Floor	Base Isolation will require the replacement of the entire tiled floor.
Tower	A new tower [not replica] would be constructed and, due to the requirement of base isolation, a replacement tower will be detached from the main building. ² The location and design of a replacement tower has not yet been determined.
Eastern Additions	The vestries and offices added in the late 1950's to mid-1960's are proposed to be demolished in order to facilitate base isolation and would be relocated on the Northern [Citizen's War Memorial] side of the site with other ancillary buildings.
Visitor Centre	The existing visitor centre may be replaced.

9. Is it possible to repeal the CPT policy in relation to needing 100% of the funds before work could start on a reinstatement?

Yes it is possible to repeal this Board Policy [or via a Synod decision to override it].

10. Are the costs that are talked about in today's money or has an allowance been factored in for future costs?

All cost estimates by CPT and the CWG include allowances for escalation.³

11. Are there enough construction companies to have a competitive tendering process for either a contemporary Cathedral or reinstatement?

- Contemporary - There are sufficient construction companies with capability to ensure a competitive tendering process.
- Reinstatement – There is a smaller pool of construction companies with the required expertise for competitive tendering for a reinstatement project and interest in tendering for this project would not be known until it occurs.

12. What confidence does CPT have that the skills and trades people would be available to undertake the reinstatement?

The necessary trades people would be available.

13. Will a reinstated Cathedral have all the internal spaces required?

Until a final scope of work is agreed, it is not possible to confirm that all requirements will be able to be delivered.

14. Is there an estimate for the running costs of a contemporary and a reinstated Cathedral?

Yes. Two reports have been prepared and are on the Cathedral Conversations web site –

- Endowments – BBD Reports. This covers on-going insurance and maintenance costs.
- Information Paper – Chapter Sustainability. This covers the operation of Chapter and the Cathedral.

² CWG – Heritage Report – Page 17

³ CWG – Cost Estimate – Page 1

15. Is the land under the Cathedral tested and is it OK?

Geotechnical studies completed in 1994 for the construction of the Visitors Centre and a 2011 “geotechnical walkover assessment” indicated that the site would be suitable for a future Cathedral. Further, more detailed, geotechnical investigations will be necessary.

16. The engineer in the video talks about “uninsurable risk”, what does this mean?

The Cathedral building is currently uninsurable so any further damage to the old Cathedral [for example from a further earthquake] is uninsured. During any construction project construction insurance will be obtained to cover work being undertaken. The building will not become fully insurable until the project is completed. During construction the work completed will be insured for the value of the work undertaken whilst the remainder of the building will continue to be uninsured.

17. Why have we not considered a poll of the Anglican community as this voice is not being heard in the community?

The Research First poll [see Cathedral Conversations web site] commissioned by CPT focussed on residents of the Greater Christchurch area and included respondents who identified as being Anglican.

18. Will those who give money towards reinstatement think that they have rights over the operation and use of the Cathedral?

Many in Christchurch already have a sense of ownership of the Cathedral and this would not change for a reinstated Cathedral. It is not yet known what conditions CCC would place on its proposed grant. Regenerate Christchurch have released draft proposals for Cathedral Square which propose contiguous appearance and use of the square, including Cathedral land.

19. What if some of the \$13.7 million from GCBT were to come from a donor not acceptable to the Church?

GCBT has declined to provide details of donors. As part of any negotiations setting up a fundraising trust, the right of CPT [on behalf of the Diocese] to decline donations will be required to be written into any agreement.

20. How much could litigation cost if Synod votes to build a contemporary Cathedral?

The cost is unknown at this time. A pessimistic view would be that it could cost up to \$1 million. An optimistic view would be that the government respects the decision of Synod and provides the same level of legislative support proposed for a contemporary Cathedral as for the reinstatement option. The government has declined to support the contemporary option to date.

21. When, and in what form, are we likely to receive information on the Dean & Chapter and Cathedral congregation’s needs?

The Functionality Report prepared for the CWG has been reviewed and updated. This is now available on the Cathedral Conversations web site.

22. How is our Church changing in the future for our young people and are these needs being considered for the building going forward for both options?

The needs of young people and the desire for a Cathedral to have flexible worship spaces to accommodate possible future changes in worship have been considered and are included in the Functionality report on the Cathedral Conversations web site.

23. Do we need a Cathedral at all?

Yes. A cathedral is the seat of the Bishop and central or 'mother' church of a Diocese. It has a liturgical function in providing daily church services.

24. What was the original insurance pay-out on the Cathedral?

The original pay-out was \$39.96 million.

25. Is the voting process that is to be used, valid?

Yes. A motion [Synod Motion 11] has been drafted regarding the proposed procedures and voting on the Cathedral motion [Synod Motion 3]. The process and voting will be validated by Synod passing Motion 11.

26. Are we going to have an updated statement on the fund raising risks?

Yes. This is on the Cathedral Conversations web site.

27. Why is the panel of experts and staff at Synod not going to include government, the Council, and GCBT?

Synod members are being asked to decide if the Diocese prefers a reinstated Cathedral or a new Cathedral on the site. The government, Council and GCBT are not expert consultants providing professional advice on the options before Synod.

28. Please provide a geographic breakdown of the place of origin for the \$13.7 million pledged funds with respect to local, national and international sources.

The \$13.7 million figure has been provided by the Great Christchurch Buildings Trust [GCBT] which has declined to provide any information citing confidentiality and privacy issues.

29. Can CPT provide a breakdown of the \$104 million build budget?

The government and CPT believed this information to be commercially sensitive and it was redacted from the Cathedral Working Group Recommendations Report of November 2016 when it was released.

The government has recently revised its view as to the sensitive nature of this material and it is now available in the government's response to CPT questions on the Cathedral Conversations web site.

30. Does CPT agree with the CWG's \$104 million direct project build cost?

Yes, CPT's own costings have shown a cost of around \$100 million for some time. Costs over and above the direct project costs were presented to the CWG by the CPT-CWG representatives and were acknowledged by the CWG.

The following costs were recognised in the CWG report recommendations, however no dollar figures were included in the recommendations.

- Insurance and Maintenance endowments are recommended at Recommendations 3 & 14.
- The use of the CPT Earthquake Recovery Programme Management office is recommended at Recommendation 13.

31. If the Government and Council offers of support were accepted would work begin on site right away?

No. The project will require the government to pass enabling legislation for it to proceed and the outcome of Christchurch City Council consideration of a \$10 million grant is not expected until June 2018.

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