

**BILL NO 3****Explanatory Memorandum**

As a result of major turmoil in the world's economies at this time further strain has been placed on levels of statutory funding required of pensions schemes including the Church of Ireland Clergy Pensions Scheme.

In view of the content of the Actuarial Certificate at 31 December 2008 and the anticipated outcome of the next triennial actuarial valuation, as indicated in the Report of the Church of Ireland Pensions Board, a revised funding proposal will have to be submitted to the Irish Pensions Board. As part of the revised funding proposal and in agreement with the Actuary, it is recommended that as an interim measure, there is an increase in the annual total contribution to the Fund by 3.6%. This increase together with anticipated future increases required for the revised funding proposal are intended to enable the Trustee to pay future benefits under the Fund as they fall due while remaining compliant with the requirements of Section 16(1) of Chapter XIV of the Constitution.

The Representative Church Body and the Church of Ireland Pensions Board have agreed that the cost of this increase should be shared between members and parishes/dioceses. This necessitates amendment of sections 34 and 35 of Chapter XIV of the Constitution which provide for the manner in which contributions are made to the Fund and details the rates of contribution.

The proposed changes, which would be effective from 1 January 2010, would increase by 2% from 5.6% to 7.6% of minimum approved stipend the amount of contribution from a member. The assessment on parishes/dioceses would be increased from 16.8% of minimum approved stipend to 18.4%, an increase of 1.6%.

For its part the Representative Church Body would be agreeable in principle to making capital transfers into the Fund at future dates in relation to currently identified past service liabilities, subject to the prevailing financial circumstances in relation to its General Funds and offset by consequent adjustments to pension subventions from allocations.

VEN REB WHITE  
CANON LADY SHEIL

**BILL**

**(at the request of the Representative Church Body and the Church of Ireland Pensions Board)**

**To amend Chapter XIV of the Constitution**

WHEREAS an increase in the annual total contribution made to the Church of Ireland Pensions Fund, established under Chapter XIV of the Constitution and hereinafter referred to as “the Fund”, is required to maintain the solvency of the Fund;

AND WHEREAS for such purposes it is necessary to amend Chapter XIV of the Constitution;

AND WHEREAS the Church of Ireland Pensions Board has certified that on the enactment of this Statute the Fund will remain compliant with the requirements of Section 16(1) of Chapter XIV of the Constitution;

Be it enacted by the Archbishops and Bishops and the clergy and laity of the Church of Ireland in General Synod assembled in Armagh in the year 2009, and by the authority of the same as follows:-

1. In this Statute “Chapter XIV” means Chapter XIV of the Constitution of the Church of Ireland 2003.
2. In Section 34 of Chapter XIV for “1st January 2008” there shall be substituted “1st January 2010” and for the figure “22.4%” there shall be substituted the figure “26%”.
3. (i) In section 35(1) of Chapter XIV for the figure “5.6%” wherever it occurs there shall be substituted the figure “7.6%”.  
  
(ii) In section 35(1) of Chapter XIV for the figure “16.8%” wherever it occurs there shall be substituted the figure “18.4%”.