

BILL NO 1**Explanatory Memorandum**

The report of the Church of Ireland Pensions Board to last year's General Synod included an interim report from a Working Group reviewing legal issues concerning the Clergy Pensions Fund, q.v. page 110 of the General Synod Book of Reports 2009. The Working Group, comprised of some members of the RCB Executive and of the Clergy Pensions Board and assisted by a lawyer who specialises in pensions law, reported that, "as currently constituted under Chapter XIV", the RCB is both the "sponsoring employer" of the Fund, in the eyes of An Bord Pinsean, and also the "Trustee of the Fund" which is inappropriate. The Working Group concluded that it has become necessary to amend the governance structure of the Fund by establishing as Trustee of the Fund a special purpose corporate trustee, controlled by the RCB, as its parent, and by the General Synod in relation to any subsequent changes to its Constitution.

Late in 2009, the Working Group reported its findings to the Clergy Pensions Board, to the RCB Executive and to the RCB and it was unanimously agreed that a corporate trustee should be established in the form of a limited company, having the RCB as its sole shareholder and its sole function being the trusteeship of the Fund. The Memorandum and Articles of Association for the proposed new body, to be known as the Church of Ireland Clergy Pensions Trustee Limited, are annexed to the Report of the RCB (q.v. page 122 of the 2010 Book of Reports). It was further agreed that a Bill be brought to the General Synod of 2010 to effect the necessary changes to Chapter XIV consequential upon the establishment of the new corporate trustee body and to ensure conformity with current civil legislation governing pensions.

Rather than seeking to make the changes on a piecemeal basis, Clause 2 of the Bill seeks to replace Chapter XIV with a revised and amended Chapter XIV embodying these changes as set out in Schedule I to the Bill.

In view of the detailed preparatory work entailed and the timescale for the establishment of the new Trustee body for the Clergy Pensions Fund, Clause 3 contains a proposed date of commencement for the new provisions of 1st January 2011 and Clause 4 makes similar provision for the date for the consequential amendments of existing legislation as set out in Schedule II to the Bill.

Until 1st January 2011, the provisions of the existing Chapter XIV will remain in force and on 1st January 2011, the revised Chapter XIV as set out in Schedule I to this Bill would become the Trust Deed and Rules of the Clergy Pensions Fund and on that date the new special purpose corporate trustee, the Church of Ireland Clergy Pensions Trustee Limited, would replace the Representative Church Body as Trustee of the Fund.

Note: For ease of reference, to distinguish between the clauses of the accompanying Bill and the draft provisions of the new Chapter XIV, the draft provisions of the new Chapter XIV as set out in Schedule I to this Bill will, throughout this document, be referred to as "draft Section []" as appropriate.

While there will be many changes of detail in the wording of some of the provisions of the revised Chapter XIV, it must be stressed that there are only three substantive changes in the existing scheme the first of which, relating to the pensions of bishops appointed on or after 1st January 2011, is set out in draft sections 81 to 93 and details of which are summarised later in this memorandum.

The remaining two significant changes are consequential upon the Funding Proposal which must be put to An Bord Pinsean before the end of 2010 to fulfil the requirement that the solvency of the Pension Fund be restored by 2019. An increase in the rates of contribution to be made to the Fund by members of the Fund and by dioceses with effect from 1st January 2011 is proposed and these proposed increases are set out in

draft sections 34 and 35. A further increase in the rates of contribution to be made to the Fund in 2015 may be needed and details of this are set out in the paragraphs of this Memorandum relating to draft section 34A below. The third significant change in the revised Chapter XIV necessitated by the Funding Proposal is that, until 2019, the basis upon which pensions are calculated will be “Pensionable Stipend” rather than “Minimum Approved Stipend”. Pensionable Stipend is defined in draft section 2 as the figure approved annually by the General Synod on the recommendation of the Trustee and the Representative Church Body, having regard to the financial status of the Fund and having received actuarial advice, and shall not be a figure lower than that for the previous year.

Draft section 1, which is very similar in wording to section 1 of existing Chapter XIV, provides that the Fund established by Statute of the Church of Ireland, Chapter V of 1976, as The Church of Ireland Clergy Pensions Fund shall continue to be designated as such and shall be regulated and administered in accordance with the provisions of this Chapter.

Draft section 2 which contains the relevant definitions has been expanded to include a new limited definition of “member of the clergy” for the purposes of Chapter XIV only. New definitions of “Episcopal Stipend”, “Pensionable Episcopal Stipend” and “Pensionable Stipend” have been included together with a simple definition of minimum approved stipend. The opportunity has also been taken to provide definitions of the relevant civil legislation. The most significant inclusion in draft section 2 is the definition of “the Trustee” for the purposes of Chapter XIV, namely the new special purpose trustee body for the Fund, the Church of Ireland Clergy Pensions Trustee Limited.

Draft sections 3 to 6 replicate existing sections 3 to 6 of Chapter XIV.

Draft section 7, which provides for the Trustee of the Fund and the terms of the Trust, is new and includes an important safeguard for the position of General Synod in that no amendment can be made by the Representative Body to any provision of the Memorandum or Articles of Association of the Trustee without the consent of the General Synod.

Draft section 8 is new and provides that the investment powers of the Trustee are now contained in Chapter XIV and not, as heretofore, in Chapter X of the Constitution which provides for the investment powers of the RCB.

Draft section 9 replicates existing section 9 and draft section 10, which is similar to existing section 10, contains an important new provision that any decision to wind up the Fund can only be made by the General Synod.

Draft sections 11 and 12 provide for the administration of the Fund by the Trustee with the assistance of the Clergy Pensions Board and in draft section 12 the range of duties to be delegated by the Trustee to the Clergy Pensions Board is identified; these are largely those presently undertaken by the Board, under existing section 16, but the ultimate responsibility for all of those duties will remain with the new Trustee as will the appointment of the Actuary to the Fund. Draft section 12(2) contains a new Internal Dispute Resolution Procedure as required by civil law and this will replace the existing procedure.

Draft section 13 replicates existing section 17.

Draft section 14, which provides for the investment powers of the Trustee in relation to the Clergy Pensions Fund, mirrors much of section 10 of Chapter X of the Constitution in relation to the investment powers of the RCB and in sub-section (2) provision is made for the annual review by the Investment Committee of the RCB (on behalf of the Trustee and the RCB) of ‘social, environmental and ethical issues’ in relation to the selection, retention and realisation of investments.

Draft sections 15 to 30 replicate, with minor drafting amendments, existing sections 12 to 30. Under draft section 21 the Trustee, rather than the RCB, will prescribe the terms and conditions for recognition of service in a full-time appointment in Religious Education as equivalent service for the purposes of clergy pension and the Trustee, rather than the Clergy Pensions Board, may grant exemption from membership of the Fund to an applicant for such exemption.

Draft sections 31 to 33 replicate existing sections 31 to 33 but the appointment of the Medical Panel will now be made by the Trustee rather than by the Board.

Draft sections 34 and 35, which provide for the rates of contribution to the Fund and basis of payment, are very similar to the provisions of existing sections 34 and 35 but seek to effect increases in the amounts of contributions to be made by members of the Fund and by the Dioceses.

Draft section 34A would, *with effect from 1st January 2015*, increase to 34% the rate of contribution to be made in respect of every contributing member of the Fund. As indicated earlier in this Memorandum a detailed Funding Proposal must be put to An Bord Pinsean for approval by that body before the end of 2010. An integral part of the requisite Funding Proposal (which the Actuary has advised must be written into the relevant legislation governing the Scheme, namely Chapter XIV,) would provide that, in order to secure the solvency of the Fund, the contribution to be made in respect of every member of the Fund shall be at the rate of 34% of Pensionable Stipend or Pensionable Episcopal Stipend, as the case may be, or of the annual contribution fixed in accordance with section 26.

Delaying until 1st January 2015 the date upon which this provision would become effective will permit further consideration to be given by the Trustee, the Clergy Pensions Board and the RCB, of alternatives to a further increase in the contribution rate and indeed it is possible that the overall financial state of the Fund may improve by 2014 obviating the need for such a substantial increase in the rate of contribution to the Fund. At this point of time however it is essential to include the prospective provision in the legislation to satisfy the requirement of An Bord Pinsean that solvency of the Fund will be restored by 2019 through an amended Funding Proposal.

Draft sections 36 to 50 replicate with minor drafting and other amendments existing sections 36 to 50. Under draft sections 38 and 39 the Trustee, rather than the Board, will make the necessary determination. It should be noted that while the tables for calculation of late retirement pensions for those members who had not reached normal retirement age on 31 December 2008 are no longer included in Chapter XIV; it is proposed that the relevant Tables will continue to be published in the Explanatory Booklet issued to all members of the Fund.

Draft sections 51 to 66 replicate with minor drafting amendments existing sections 51 to 64.

Draft sections 67 to 95 relate to the pensions of members of the episcopate.

Draft sections 68 to 80 and 94 and 95 contain provisions relating to the episcopal pensions of archbishops, bishops and, where appropriate, surviving spouses, of those who have entered episcopal service in the Church of Ireland on or before 31 December 2010 while draft sections 81 to 93 make analogous provision in relation to those who enter episcopal service in the Church of Ireland or after 1st January 2011 and to the spouses thereof.

Draft sections 68 and 69 replicate existing sections 70 and 71 but draft section 70 provides that the rate of contribution shall, in each case, be fixed by the Trustee on the advice of the Actuary and shall be payable, by the RCB, monthly to the Fund rather than quarterly as at present.

The provisions of existing sections 73, 74 and 75 are replicated in draft sections 71, 72 and 73 which deal with the method of calculating episcopal pensions for bishops and archbishops appointed as such before

1st January 2011 and draft section 74 makes provision similar to that of existing section 76. Draft sections 75 to 80 replicate the provisions of existing sections 77 to 82.

New provision is made in draft section 81 in respect of the episcopal pensions which will be paid to those archbishops and bishops who enter episcopal service in the Church of Ireland on or after 1st January 2011 and in respect of the surviving spouses of such persons. Draft section 82 makes provision, similar in form to that of draft section 70, for the manner in which contributions are to be paid in respect of bishops or archbishops who enter episcopal service on or after 1st January 2011.

Draft section 83 makes provision, similar to that of draft section 71, in respect of bishops appointed on or after 1st January 2011 who, prior to such appointment, were not members of the Fund.

The detailed provisions concerning the method of calculating the pensions of those bishops who are appointed to the episcopate on or after 1st January 2011 are set out in draft section 84. No longer will this involve the granting of additional credited years of service and instead such bishops' pensions will be related to their episcopal stipends and their actual years of service as members of the Fund at their date of retirement under draft section 84(1).

So, under draft section 84(1) the pension of a bishop who is appointed as such on or after 1st January 2011 will be based on the number of completed years of service as a member of the Fund, up to a maximum of 40 years, multiplied by one sixtieth of the episcopal or archiepiscopal stipend in force on reaching normal retirement age. A bishop or archbishop who, knowing that he or she will be unable to complete 40 years of service before reaching normal retirement age, may make additional personal contributions under the provisions of draft section 88 to purchase additional service and this additional service, multiplied by one sixtieth of Pensionable Stipend will be credited towards that bishop's or archbishop's pension under the provisions of draft section 84(2). Similarly pension benefit credited as a result of a pension transfer under draft section 20(2) and draft section 89 may be calculated under draft section 84(2) up to a maximum of 40 years' service.

Draft section 86 makes provision similar to draft section 73 which replicates existing section 75 concerning early retirement pension.

Similarly draft section 87 replicates existing section 77 in relation to the ill-health provisions for bishops appointed to episcopal office on or after 1st January 2011 and draft sections 89 to 93 replicate the existing provisions of sections 78 to 81 in respect of such bishops and archbishops.

Draft sections 94 and 95, which replicate existing sections 84 and 85 of Chapter XIV, relate to the pensions of bishops and archbishops (and, where appropriate, of their spouses) who have entered episcopal service in the Church of Ireland on or before 31st December 2010.

Commutation of pensions is dealt with in draft section 96, which replicates existing section 86. Draft section 97 makes identical provision to existing section 87 in respect of the issue of the actuarial certificate of continued solvency of the Fund. Draft sections 98 and 99 are new and formally state that Chapter XIV and the Fund will remain compliant with the civil law in respect of pensions and taxes legislation. Draft Schedules I and II replicate existing Schedules I and II to Chapter XIV.

THE MOST REV DR JRW NEILL
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BILL

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

To revise, amend and replace Chapter XIV of the Constitution

WHEREAS it is necessary to effect changes in the current governance structures relating to the Church of Ireland Clergy Pensions Fund and in the provisions of Chapter XIV to ensure compliance with civil law;

AND WHEREAS for such purposes it is necessary to replace Chapter XIV of the Constitution with a revised and amended Chapter XIV as set out in Schedule I to this Statute;

AND WHEREAS the provisions of the revised and amended Chapter XIV, contained in Schedule I to this Statute, will necessitate consequential amendments to certain other provisions of the Constitution as set out in Schedule II;

BE IT ENACTED by the Archbishops and Bishops and the Clergy and Laity of the Church of Ireland in General Synod assembled in Dublin in the year 2010 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.
2. For Chapter XIV there shall be substituted a new Chapter XIV as set out in Schedule I to this Statute.
3. The provisions contained in Section 2 of and Schedule I to this Statute shall come into operation on 1st January 2011.
4. The amendment set out in Schedule II to this Statute shall have effect from 1st January 2011.

SCHEDULE I

CHAPTER XIV

THE CHURCH OF IRELAND CLERGY PENSIONS FUND

1. The Fund established by Statute of the Church of Ireland, Chapter V of 1976, on 1st January 1976, as The Church of Ireland Clergy Pensions Fund for the financial assistance of clergy who are members of the Fund and who retire or who become unable to continue the exercise of their ministry by reason of infirmity, accident or disease and for the financial assistance of the surviving spouses and orphans of the members of the Fund, shall continue to be designated as “The Church of Ireland Clergy Pensions Fund “ and shall be regulated and administered in accordance with the provisions of this Chapter.

DEFINITIONS

2. For the purpose of this Chapter and of any regulations made thereunder, except so far as is otherwise provided or the context otherwise requires:

“**accrued pension accumulation**” in respect of a Member of the Clergy who ceases to be a contributing member shall be the benefits to which the member would have been entitled on reaching normal retirement age calculated in accordance with the provisions of this Chapter (but based upon the Pensionable Stipend prevailing at the date on which the member ceased to be a contributing member) reduced by applying to such benefits the ratio of such person’s accrued service to total prospective service.

“**accrued service**” shall mean the number of years’ service which a member has completed and in the event of the final year of service being incomplete shall include such part of that year as was completed in terms of days.

“**benefits**” shall include

- (a) retirement pension or retirement annuity payable to a Member of the Clergy;
- (b) pension or annuity payable to a surviving spouse;
- (c) child dependency allowances;
- (d) a lump sum payable either to a member or to such member’s legal personal representatives.

the “**Board**” means the Church of Ireland Pensions Board established and constituted in accordance with this Chapter.

“**contribution**” shall mean a contribution payable under this Chapter together with any interest charged thereon.

“**episcopal service**” shall mean service as a member of the House of Bishops of the Church of Ireland.

“**Episcopal Stipend**” shall mean the relevant multiple of the Minimum Approved Stipend as determined by the Representative Body from time to time in relation to each member of the House of Bishops of the Church of Ireland.

“**Fund**” shall mean the Church of Ireland Clergy Pensions Fund.

“**Member of the Clergy**” shall include an archbishop and bishop, but shall not include an auxiliary deacon or an auxiliary priest licensed as such under the rules drawn up by the House of Bishops and approved by the General Synod.

“**Minimum Approved Stipend**” shall mean the minimum stipend determined by the General Synod in accordance with the provisions of section 51(1) of Chapter IV.

“**Normal Retirement Age**” shall mean in respect of those members who were members of the Fund on or before 31st December 2008 age 65, or in respect of those members who have become members of the Fund on or after 1st January 2009 age 67, subject to the proviso that in respect of those members who have ceased to be contributing members and who re-enter membership of the Fund on or after 1st January 2009 normal retirement age shall mean age 67.

“**orphan**” or “**child**” as the case may be shall include a stepchild and a child legally adopted by a member of the Fund.

“**Pensionable Episcopal Stipend**” shall be the same multiples of the Pensionable Stipend as those applied to the Minimum Approved Stipend when determining the Episcopal Stipend.

“**Pensionable Stipend**” shall mean the figure approved annually by the General Synod on the recommendation of the the Trustee and the Representative Body having regard to the financial status of the Fund and having received actuarial advice and shall not be a figure lower than that for the previous year.

“**Pensions Act**” shall mean the Pensions Act 1990.

“**Revenue Authorities**” means, in relation to the Republic of Ireland the Revenue Commissioners and in relation to Northern Ireland the Commissioners of Inland Revenue.

“**Taxes Act**” shall mean the Taxes Consolidation Act 1997.

“**total prospective service**” shall mean the number of years service which a member would have achieved on reaching normal retirement age having remained a member until that date.

“**Trustee**” shall mean The Church of Ireland Clergy Pensions Trustee Limited.

“**voluntary member**” means a Member of the Clergy who was permitted to continue to be a contributor in accordance with section 22 of Chapter XIV of the Constitution 1972.

“**year of service**” shall mean a year in respect of which a contribution has been paid to the Fund or, in accordance with any reciprocal agreement with another Church, is deemed to have been paid.

Transfer of Existing Funds, Membership and Benefits

3. Subject to the provisions of section 5 of this Chapter, nothing herein contained shall affect any right existing on the 31st December 1975, in any person under the provisions of Chapters XIV and XV of the statute entitled the Constitution of the Church of Ireland (Chapter I of 1972), but such right shall continue to exist and shall be enforceable as if the said Chapters XIV and XV had not been repealed.
4. The annuities which immediately prior to 1st January 1976 and under section 3 hereof were payable to widows and orphans out of the Widows and Orphans (Church of Ireland) General Fund, shall be payable out of the Fund.
5. Notwithstanding the provisions of section 3 of this Chapter:
 - (a) voluntary members of the Widows and Orphans Fund on the 31st December 1975, shall not become members of the Fund, but shall be entitled to a refund of the contributions they have paid to the Widows and Orphans (Church of Ireland) General Fund since they last ceased to be compulsory members, with interest at 3% thereon;
 - (b) members who subscribed for increased or double benefits, as the case may be, in accordance with the provisions of section 14 or 15 of Chapter XIV of the Constitution 1972, shall be entitled to a refund of the contributions paid in excess of those fixed under paragraphs (a) or (b) of section 11 of the same Chapter, with interest thereon at 3%:

Provided however that any such clergyman who gave notice in writing to the Trustee before the 31st December 1976, may continue as a voluntary contributor or to subscribe for increased or double benefits, as the case may be, at the same rate of contribution or excess contribution, and for the benefits or excess benefits in effect on the 31st December 1975.

COMPOSITION OF THE FUND

6. The Fund shall consist of
 - (a) the capital held by the Trustee in the account of the Fund and the income arising thereon;
 - (b) contributions to the Fund under this Chapter;
 - (c) every donation, benefaction and bequest and every sum of money received for the benefit of the Fund: Provided that the Trustee shall not be bound to accept any donation, benefaction or bequest if in its opinion same shall not be for the benefit of the Fund;
 - (d) such sum as shall be received under the provisions of section 9 of this Chapter;
 - (e) every such other sum as the General Synod may allocate to the Fund from time to time.

TRUSTEE AND TERMS OF TRUST

7. The Trustee shall be the sole Trustee of the Fund and shall hold the Fund upon trust to apply the same in or towards providing the pensions and other benefits payable under this Chapter and shall make payments from the Fund as provided by this Chapter. No amendment can be made by the Representative Body to any provision of the Memorandum or the Articles of Association of the Trustee save with the consent of the General Synod.
8. The Fund shall be maintained by the Trustee as a separate fund and shall be invested by the Trustee in accordance with section 14 of this Chapter.
9. The Representative Body shall, after each valuation of the Fund and after consultation with the Actuary and the Trustee make provision to maintain the solvency and to secure the benefits of the Fund in such manner as it may think fit.

WINDING UP OF THE FUND

10. If circumstances require that the Fund must be terminated and wound up, then the Fund shall be realised and applied in accordance with the laws of Ireland in force at the time of winding up of the Fund provided that only the General Synod shall decide if the Fund must be terminated and wound up.

ADMINISTRATION OF THE FUND

11. The Fund shall be administered by the Trustee with the assistance of the Board.
12. (1) The powers and duties of the Trustee shall be:
 - (a) to make such Regulations as it may deem necessary for the administration of the Fund including Regulations concerning the recognition of pension schemes for use by those deployed on a part-time basis in stipendiary ministry and related matters: Provided that such Regulations do not contravene any of the provisions of this Chapter;
 - (b) to have the Fund valued by the Actuary at intervals of not more than three years and to report on such valuation to the General Synod;
 - (c) to maintain, negotiate, revise, renew, or terminate pension agreements with Churches which are in communion with the Church of Ireland;
 - (d) to take such action, not being contrary to the provisions of this Chapter, as may be deemed necessary or advisable in the interests of the Fund and its members;
 - (e) to appoint an Actuary and agree the terms of such appointment;

- (f) subject to the approval of the Representative Body to appoint and define the terms and conditions of appointment and duties of the company secretary of the Trustee;
 - (g) to charge expenses of the administration of the Fund against the Fund;
 - (h) to obtain legal advice when considered appropriate;
 - (i) to appoint members of Medical Panels and to define their duties and remuneration;
 - (j) to administer the Fund and the system of contributions and benefits established by this Chapter in accordance with the general principle that a proper actuarial relation shall be maintained between the contributions payable to the Fund and the several benefits proposed to be paid out of the Fund;
 - (k) to receive and decide upon every question arising as to membership, contribution or benefit;
 - (l) to levy, enforce, and receive the contributions and to authorise payment of the benefits provided for by this Chapter;
 - (m) to maintain a roll of members of the Fund;
 - (n) to keep records of and to carry out work in connection with any scheme of State Insurance affecting clergy in the service of the Church of Ireland and/or their dependants which may be necessary under any statute for the time being in force in Northern Ireland or in the Republic of Ireland or as may be required by the General Synod;
 - (o) to report annually to the General Synod and the members of the Fund, such report to include financial statements of the Fund showing receipts and payments therefrom together with the certificate of the Auditor appointed to audit the Accounts of the Representative Body.
- (2) Any person aggrieved by any decision made by the Trustee, or by any decision or action by any body or bodies acting on behalf of the Trustee, under any provision of this Chapter shall have a right to bring such grievance to the Internal Dispute Resolution Procedure established by the Trustee. If such person remains dissatisfied following the determination arising from the Internal Disputes Resolution Procedure, that person may subsequently bring the issue to the Pensions Ombudsman appointed under the Pensions Act.
- (3) The Trustee shall have power to appoint such committees from its own members and other persons as it may deem desirable and to delegate to such committees or to the Board or such other persons as the Trustee may deem appropriate any powers and duties, subject to the provisions of this Chapter and all such delegations shall be subject to review by the Trustee as to their proper discharge. In particular, the Trustee shall delegate to the Board all or part of any of the duties set out at sub-sections (1)(i), (j), (k), (l), (m), (n) and (o).
- 13.(1) The Trustee, on the advice of the Actuary, is authorised to take any such action or make any such regulation, including in particular the separation of the Fund into a Clergy Pensions Fund (Republic of Ireland) and a Clergy Pensions Fund (Northern Ireland), which is in its opinion necessary and in the best interests of the members and annuitants
- (a) to ensure conformity with any statute for the time being in force in Northern Ireland or in the Republic of Ireland whether such statute be enacted before or after the passing of this statute; or
 - (b) as a consequence of disparity between the currency of the United Kingdom and the currency of the Republic of Ireland.
- (2) Any such action shall not be taken or regulation made effective until it has been approved or confirmed by a resolution of the Representative Body.
- (3) Any such act of the Trustee shall be reported to the General Synod at its next ordinary session.

INVESTMENT POWERS OF THE TRUSTEE

14. (1) The Trustee may retain in any bank account such moneys as it may consider proper and shall have power to invest all moneys coming into its hands on account of the Fund and to transpose and vary any such investments into any form of investment, (including such financial derivatives and other instruments approved from time to time by the Representative Body), that it may think fit. All such investments shall be made in whatever currencies as may be required to enable the Trustee to invest moneys held by it for investment to the best advantage and to give such security and to enter into whatever arrangements as may be necessary in connection therewith: Provided that the Trustee shall not be liable for any loss occasioned by the depreciation or failure of any investment or otherwise save by the Trustee's own wilful default.
- (2) The specific policies adopted from time to time by the Trustee are specified in the Statement of Investment Policy Principles relating to the Clergy Pensions Fund which is approved by the Representative Body and is available for inspection by members of the Fund. Social, environmental and ethical issues in relation to the selection, retention and realisation of investments shall be reviewed on an annual basis by the Investment Committee of the Representative Body on behalf of the Trustee and the Representative Body.

THE CHURCH OF IRELAND PENSIONS BOARD

15. The Board shall consist of twelve members appointed as follows:
- (1) Two members of the House of Bishops, elected by that House before 30th June 2009 and triennially thereafter;
 - (2) Two members of the General Synod who are members or spouses of members of the Fund and three other members of the General Synod, elected by the General Synod in the year 2009 and triennially thereafter;
 - (3) Two persons who are members or spouses of members of the Fund and three other persons, elected by the Representative Body at its meeting next following the General Synod in 2009 and triennially thereafter, provided that all such members, on the 1st January preceding election shall have attained the age of seventeen years and have not attained the age of seventy-four years.
16. Any casual vacancy occurring by death, resignation or otherwise shall be filled by election
- (a) in the case of a member elected by the House of Bishops or the Representative Body, by the said House or Body, as the case may be;
 - (b) in the case of a member elected by the General Synod, by the Standing Committee of the General Synod.
- Any person elected to fill a casual vacancy shall hold office only for as long as the member whose place such person fills would have held office.
17. (1) Five members shall form a quorum. At least one of the quorum shall be a member elected by the General Synod and at least one shall be a member elected by the Representative Body. A member of the Board shall not be entitled to be present at a meeting of the Board while any matter to which such member is specifically a party is being considered.
- (2) The Board shall, at its first meeting after 30th June 2009, and triennially thereafter, elect a chairperson, a vice-chairperson, and an honorary secretary out of its own members. The chairperson, or in the chairperson's absence the vice-chairperson, shall have a casting as well as an ordinary vote on all questions. Casual vacancies in any of the offices referred to in this section may be filled at any meeting of the Board, the person so elected to hold office until the next triennial election.
18. The powers and duties of the Board shall be those powers and duties delegated to it by the Trustee under section 12(3) of this Chapter. In addition, the Board shall discharge any duties that may at any time be delegated to it by the Trustee or that may otherwise be assigned to it.

SERVICE IN THE CHURCH OF IRELAND

19. Service in the Church of Ireland for the purposes of this Chapter shall mean service as a Member of the Clergy who
- (a) holds the office of bishop, incumbent, vicar, bishop's curate or curate assistant in the Church of Ireland; or
 - (b) is the Dean, the Dean's Vicar, or the Succentor of the Cathedral Church of St Patrick, Dublin; or
 - (c) is duly licensed and a paid officer of the Church of Ireland or of any Council of Churches of which the Church of Ireland is a member, or of any Society or Institution or Diocesan Organisation working in connection with the Church of Ireland, recommended by the House of Bishops, and recognised as such by the Representative Body for the purposes of this Chapter.
20. Service in the Church of Ireland shall also mean and include service in
- (a) the Foreign Mission Field as defined in Schedule 1 to this Chapter;
 - (b) service as an acting Naval, Military or Air Force chaplain, as defined in Schedule 2 to this Chapter.
21. The Representative Body, in its discretion, may recognise service in a full time appointment in connection with Religious Education as equivalent for the purposes of this Chapter to service in the Church of Ireland but on such terms and conditions as the Trustee may from time to time prescribe.

INALIENABILITY

22. Entitlement to any benefit under this Chapter is proper to the beneficiary only, and shall cease to exist if any instrument or act purports to assign, charge, pledge, hypothecate or anticipate such benefit or to pass it to any trustee in bankruptcy: Provided that nothing in this section shall prevent the payment of benefit to such person as the Trustee may appoint in any case in which the beneficiary is incapable or incompetent.

RETIREMENT AND SURRENDER BY APPLICANTS

23. Every applicant to whom a retiring annuity is granted under this Chapter must, before the payment thereof, resign any benefice, curacy, dignity of any kind, or other office held in the Church of Ireland, or any chaplaincy to which such applicant was appointed during the tenure of, and by reason of holding, any of the said offices; and must also surrender any glebe house or other residence, and any glebe lands or other property, occupied or enjoyed by virtue of such benefice or office; but may retain, with the consent of the bishop, but not otherwise, any allowance for good service or for long service: Provided that such retention of allowance shall not be contrary to the terms of any financial scheme of the diocese, as sanctioned by the Representative Body; and Provided further that the Representative Body, with the consent of the diocesan council, may let to any applicant on such terms as may be agreed upon, any such house, residence, lands, or property, or any part thereof, which are not, in the opinion of the Representative Body, required for the use or occupation of such applicant's successor; but subject to the payment by the applicant, during such letting, of any rent, rent-charge, interest, or instalments, payable in respect of the occupation of the premises; and the amount so payable by the applicant shall be deductible from such applicant's retiring annuity, and shall be applied in the same manner as income arising from the proceeds of sale of a glebe in accordance with rule 4 of Chapter XIII.
24. Without prejudice to the continued payment of any pension under this Chapter, every Member of the Clergy in receipt of any such pension shall remain and be subject to the discipline, laws, and ordinances, and amenable to the courts and tribunals of the Church of Ireland in the same manner in all respects as if such person were still in the service of the Church of Ireland.

MEMBERSHIP

25. (1) Each Member of the Clergy in the service of the Church of Ireland on the 1st January 1976, shall be enrolled without medical examination as a member of the Fund subject to the provisions of this Chapter and shall be so enrolled with credit for the number of years service to which such person is entitled under the provisions of Chapter XV of the Constitution 1972 immediately prior to its repeal.

- (2) Each Member of the Clergy entering the service of the Church of Ireland on or after 1st January 1976, shall be enrolled as a member of the Fund subject to the provisions of this Chapter.
- (3) A Member of the Clergy who re-enters the service of the Church of Ireland on or after 1st January 1976, shall be entitled to a credit for years of service equal to the years of service to which such person was entitled before leaving, excluding any years in respect of which a withdrawal benefit has been paid under the provisions of section 40(1)(a) of this Chapter.
26. A Member of the Clergy who at the time of entry into the Fund does not produce a satisfactory medical report or who is aged 35 years or over may be admitted to membership on such terms and for such benefits as the Trustee, on the advice of the Medical Panel and the Actuary, may decide. The contributions payable under this section shall be adjusted from time to time to take account of any alterations in the rate or amount of contribution as laid down by section 34.
27. An incumbent or other Member of the Clergy previously entitled to the Minimum Approved Stipend of an incumbent who becomes a curate assistant in another parish at a stipend not less than the Minimum Approved Stipend for an incumbent may make application to the Board to be treated for the purposes of Chapter XIV as an incumbent.

Such application having been made, the Board may at its discretion determine that the benefits and contributions in respect of such person shall be fixed by reference to the rate of Pensionable Stipend applicable to an incumbent.

At the discretion of the Board such approval shall continue subject to the annual receipt by the Board of a certificate from the diocesan council that the stipend payable to such person shall be not less than the Minimum Approved Stipend applicable to an incumbent.

28. The Trustee may, upon application having been made, exempt from membership any person otherwise required to become a member, provided there is set forth in full in the application the grounds upon which such exemption is sought and that such application is concurred in by the bishop or bishops concerned and by that person.
29. No Member of the Clergy, exempted or excluded from membership in the Fund, nor any surviving spouse and/or children of such Member of the Clergy, shall have any claim to any benefit from the said fund.
30. (1) A member of a pension plan of another Church or organisation which is in communion with the Church of Ireland and who transfers to service in the Church of Ireland may, with the approval of the appropriate authority of such Church or organisation concerned, apply to the Trustee for permission to remain a member of such other plan and the Trustee, after receiving confirmation that the member is satisfied that it is in that member's interests to do so, may grant such permission.
- (2) The Trustee may at its discretion accept a transfer of the pension accumulation arising to a member from any pension fund of which such person was a member prior to entering the service of the Church of Ireland and shall allow to such member the appropriate credit in the Fund relating to such accumulation, as shall be determined by the Actuary.

MEDICAL EXAMINATION

31. For the purposes of this Chapter a Medical Panel shall consist of not less than three medical experts, appointed under section 12(1)(i).
32. (1) In respect of every Member of the Clergy before enrolment as a member of the Fund, other than a person enrolled under section 25(1) of this Chapter, there shall be submitted a medical report from a member of the Medical Panel, with evidence of age, and if married, of the ages of the applicant's spouse and children.

(2) If any applicant shall refuse to submit for examination for such medical report, or to furnish evidence of age and the ages of such applicant's spouse and children, the Trustee may, with the advice of the Actuary, fix the annual contribution in respect of such applicant, who shall thereupon be provisionally enrolled as a member at the contribution so fixed: Provided always that if such person shall subsequently submit for examination, or shall furnish evidence of age, the provisions of section 34 shall apply to such person and the contribution fixed thereunder may be substituted as from a date named by the Trustee for the contribution fixed hereunder.

33. It shall be the duty of every member of the Fund, surviving spouse of a member of the Fund, or the guardian of the children of a deceased member of the Fund, to furnish the Trustee with such information as the Trustee may from time to time require.

RATES OF CONTRIBUTION AND BASIS OF PAYMENT

34. From the 1st January 2011 a contribution shall be made in respect of every member of the Fund at the rate of 30% of the Pensionable Stipend or Pensionable Episcopal Stipend, as the case may be, or the annual contribution fixed in accordance with section 26.

Provided that no contribution shall be payable in respect of any member after that member has reached normal retirement age or has retired whichever is the earlier.

34A. With effect from 1st January 2015 and in order to secure the solvency of the Fund the contribution to be made in respect of every member of the Fund shall be at the rate of 34% of Pensionable Stipend or of Pensionable Episcopal Stipend, as the case may be, or of the annual contribution fixed in accordance with section 26.

Provided that no contribution shall be payable in respect of any member after that member has reached normal retirement age or has retired whichever is the earlier.

35. (1) Except as hereinafter provided, contributions to the Fund shall be paid in the following manner:

(a) The contribution in respect of every member whose stipend is fixed under a diocesan financial scheme or plan shall be paid to the Representative Body by the diocesan council concerned which may recover the contributions paid in the following manner:

- (i) Not more than 9% of the Pensionable Stipend by deduction from the stipend of each member concerned; and
- (ii) Not more than 21% of the Pensionable Stipend by assessment on the various parishes and churches.

The Representative Body shall transfer to the credit of the fund the amounts received from diocesan councils.

(b) The contribution in respect of every member who is an archbishop or bishop in episcopal service shall be paid to the Fund by the Representative Body which may recover the contributions paid in the following manner:

- (i) Not more than 9% of the Pensionable Episcopal Stipend of an archbishop or bishop by deduction from the stipend of such archbishop or bishop.
- (ii) Not more than 21% of the Pensionable Episcopal Stipend of an archbishop or bishop by transfer to the Fund of monies available for payment of the stipend of such archbishop or bishop.

(c) The contribution of every member whose stipend is paid by the Representative Body from funds allocated by the General Synod shall be paid to the Fund by the Representative Body which may recover not more than 9% of the Pensionable Stipend by deduction from the stipend of such member.

- (d) The contribution in respect of every other member shall be paid to the Representative Body by the Council, Society, Institution or Organisation, which pays such member's salary or stipend who shall be entitled to recover not more than 9% of the Pensionable Stipend by deduction from the stipend of such member.

The Representative Body shall transfer to the credit of the Fund the amount so received.

Provided always that in any case where the contribution payable in respect of any member shall have been fixed under section 26, the contribution shall be borne by the member and the other contributor in the ratio that 9% bears to 21%.

- (2) Every contribution shall be paid in equal quarterly instalments in arrears on the 1st January, 1st April, 1st July and 1st October in each and every year and *pro rata* where appropriate for periods of less than a quarter of a year. The payment of each quarterly payment shall be made within fifteen days of the first day of each such quarter.

INTEREST ON ARREARS

36. When the contribution payable in respect of a member is in arrears, interest at the rate of 1% of the amount outstanding for each month or portion of a month shall be added until the arrears are cleared.
37. If any contribution shall be unpaid for the space of one year, the Board shall inform in writing the diocesan council, or Council, Society, Institution or Organisation concerned, which shall be required within thirty days to make a full report on the matter to the Trustee for transmission to the General Synod.

CONTRIBUTIONS FROM CENTRAL FUNDS

38. From time to time, contributions to the Fund may be made from the Income and Expenditure Account of the Representative Body or from such other source under the control of the Representative Body or the General Synod as the Representative Body, with the approval of the Standing Committee of the General Synod may determine.

Where these contributions are in respect of a portion of the annual funding rate for the Fund, as determined by the Trustee on the advice of the Actuary, the sum shall be transferred on the 1st January in each year, and shall be calculated as follows:

- (i) a sum calculated at a rate *per centum* of the Pensionable Stipend in respect of each member whose contribution to the Fund is payable in the manner prescribed by section 35(1) (a) or (c) of this Chapter on the date of such transfer; and
- (ii) a sum calculated at a rate *per centum*, of the Pensionable Episcopal Stipend, (as the case may be) as fixed from time to time by the Representative Body in respect of each archbishop and bishop who is in episcopal service on the date of such transfer.

Where these contributions are other than in respect of a portion of the annual funding rate for the Fund, such contributions may be transferred at the discretion of the Representative Body in an amount, in a form and at a time deemed by the Representative Body to be most appropriate for the balanced and prudent management of the finances of the Representative Body.

OTHER CONTRIBUTIONS

39. Any Council, Society, Institution or Organisation which is responsible for the payment of a contribution to the Fund under section 35(1) (d) of this Chapter, shall on 1st January of each year also pay to the Fund in respect of each member who receives a salary or stipend from such body, a sum calculated at a rate *per centum*, to be determined from time to time by the Trustee on the advice of the Actuary, of the Pensionable Stipend.

WITHDRAWAL AND EXEMPTIONS

40. (1) Should a member cease to be a contributing member other than by retiring in accordance with any of sections 42, 43, 44 or 45, such member shall receive:

- (a) if such member has not completed two years of service, either a withdrawal benefit of the contributions paid by that member to the Fund with interest thereon at 3% *per annum* less any applicable tax or, at that member's discretion and with the consent of the Trustee, the accrued pension accumulation, in the form of a deferred pension, payable under sections 42, 43, 44 or 45 whichever is applicable;
 - (b) if such member has completed two years of service, either the accrued pension accumulation, in the form of a deferred pension, payable under sections 42, 43, 44 or 45 whichever is applicable, or a transfer to another fund or plan of that member's choice which shall have been approved by the relevant Revenue Authority of such sum as shall be decided upon by the Trustee on the advice of the Actuary as representing the value of the accrued pension accumulation.
- (2) When a member ceases on or after 1st January 1977 to be a contributing member and has not received a withdrawal benefit or a transfer in pursuance of sub-section (1)(b) of this section, the portion of that member's accrued pension accumulation attributable to the contributions paid on or after 1st January 1976 (or if that member was enrolled after 1st January 1976 the accrued pension accumulation) subsisting on 31st December 1998 and each subsequent year shall be increased with effect on and from 1st January of the following year by the same percentage as that applied to pensions in course of payment, as provided by section 62 of this Chapter.
- (3) (a) If a former member entitled to an accrued pension accumulation dies, and is survived by a spouse or dependent children, sections 53 to 61 inclusive shall apply as if the former member had died in the service of the Church of Ireland, and for the purposes of sections 53 and 58 pension entitlement shall be deemed to be that former member's accrued pension accumulation.
- (b) If a former member entitled to an accrued pension accumulation dies prior to reaching the age at which payment of pension would have commenced and is unmarried or leaves no surviving spouse nor dependent children, a sum to be decided upon by the Trustee on the advice of the Actuary as representing the value of that former member's accrued pension accumulation shall be paid to the legal personal representatives of the deceased former member: Provided that at least five years' contributions have been paid and that at least two of those years relate to the period after 1st January 1991.
- (4) If a former member who is entitled to an accrued pension entitlement satisfies the requirements of section 41(b) prior to normal retirement age, the accrued pension entitlement shall be payable during such period, if any, prior to normal retirement age as the Trustee shall decide.
- (5) A member who accepts any benefit in accordance with this section shall forfeit any entitlement which may derive from the operation of Schedule 1 to this Chapter.
- (6) The Trustee shall deduct from any payment made by it under this section any tax chargeable in respect of such payment.
- (7) Section 24 of this Chapter shall not apply to a former member who is in receipt of a benefit under this section.

BENEFITS

41. Every applicant for a pension, unless deemed to have resigned in accordance with section 36 of Chapter IV, must satisfy the Trustee by such evidence as it shall deem sufficient that, as on the date of commencement of the annuity, either

- (a) such applicant is aged not less than sixty years and has served as a Member of the Clergy of the Church of Ireland for not less than two years; or
- (b) such applicant has served as a Member of the Clergy of the Church of Ireland for not less than ten years and, as evidenced by a report from a medical panel appointed by the Board, is either
 - (i) permanently disabled by age or infirmity from the efficient discharge, without assistance, of ministerial or official duties; or
 - (ii) permanently and wholly disabled by age or infirmity from the efficient discharge of any ministerial or official duties.

Normal Retirement Pension

42. (1) A member, who was a member of the Fund on or before 31st December 2008 and for whom normal retirement age is 65, who retires on reaching the age of 65 shall receive a pension calculated in the following manner, that is to say, the number of completed years of service in the Church of Ireland, but excluding such years in excess of 40, multiplied by one sixtieth part of the Pensionable Stipend in force on the last day of that member's service.
- (2) Such a member who completes 40 years' service in the Church of Ireland before reaching the age of 65 years shall be deemed for the purposes of this section to have reached that age.
43. (1) A member, who has entered membership of the Fund on or after 1st January 2009 and for whom normal retirement age is 67, who retires on reaching the age of 67 shall receive a pension calculated in the following manner, that is to say, the number of completed years of service in the Church of Ireland, but excluding such years in excess of 40, multiplied by one sixtieth part of the Pensionable Stipend in force on the last day of service.
- (2) Such a member who completes 42 years' service in the Church of Ireland before reaching the age of 67 years shall be deemed for the purposes of this section to have reached that age.

Early Retirement Pension

44. A member of the Fund who has completed two years' service in the Church of Ireland may retire after attaining the age of 60 years at such member's own option, and the pension payable shall be the product of a sum calculated in accordance with the provisions of section 42 or section 43 as the case may be, multiplied by such rate as the Trustee may determine on the advice of the Actuary.

Late Retirement Pension

45. (1) A member in the service of the Church of Ireland on 31st December 2008, who has reached the age of 65 years on that date and retires on or after 1st January 2009, shall be entitled to a pension calculated in accordance with the provisions of sub-section (2) of this section and section 46(1) calculated in the following manner: the pension as calculated as at 31st December 2008 in accordance with sub-section (2) of this section multiplied by such rate as the Trustee shall determine from time to time on the advice of the Actuary. The year 2009 (or a portion thereof if less than one year) will be deemed to be Year 1 after normal retirement age for the purposes of the calculation.

- (2) In respect of a member who retires under sub-section (1) hereof, the following shall be the basis of calculation:

The pension shall be the product of a sum calculated in accordance with the provisions of section 42 applied as on the day on which such member reached the age of 65 years, multiplied by the relevant rate % in accordance with the following table:

Postponed Retirement Age	Rate %
66	110
67	122
68	135
69	149
70	165
71	182
72	201
73	222
74	245
75	271

Provided that, if the pension were to be greater if it were calculated in accordance with the provisions of section 42 relating to:

- (a) years of service to the date of retirement excluding any years in excess of 45; and
- (b) Minimum Approved Stipend for 2008

that member shall receive instead such increased pension.

46. (1) A member in the service of the Church of Ireland who was a member on 31st December 2008 but had not yet reached normal retirement age, shall be entitled to a pension which shall be the product of a sum calculated in accordance with the provisions of section 42 applied on the day on which that member reached normal retirement age, multiplied by such rate as the Trustee may determine on the advice of the Actuary.
- (2) A member in the service of the Church of Ireland who becomes a member on or after 1st January 2009 shall be entitled to a pension which shall be the product of a sum calculated in accordance with the provisions of section 43 applied on the day on which that member reaches normal retirement age, multiplied by such rate as the Trustee may determine on the advice of the Actuary.

III Health Pension

47. A member who is under Normal Retirement Age and seeks to retire on the grounds of ill health under section 41(b) and who the Trustee determines, on the basis of a medical report, cannot be expected to return to duty or take up regular employment shall receive a disability pension for the duration of such member's incapacity for work equal to 90% of a pension calculated in the manner laid down in section 42 or section 43 as the case may be, subject to a minimum pension of 15% of the Pensionable Stipend in force on the last day of service.

Provided that if a member to whom this section refers is unable to carry out ministerial or official duties for a period of six months (or such shorter period not in any event being less than three months as the Trustee may in any particular case determine) before the date of retirement, such member's pension shall be calculated in the manner laid down in section 42 or section 43 as the case may be, subject to a minimum pension of 15% of the Pensionable Stipend in force on the last day of service.

Additional Personal Contributions

48. (1) Without prejudice to the provisions of sections 26, 34 and 35 of this Chapter and subject to sections 43, 46 and 48 of this Chapter and to sub-section (2) below a member, in anticipation of such member's inability to complete, for pension purposes, 40 years of service before reaching normal retirement age, may make additional personal contributions in respect of that member's membership of the Fund.
- (2) The amount of a member's additional personal contributions, referred to in sub-section (1) above, shall not in any one year exceed such percentage of such member's remuneration in that year as is permitted by the Revenue Authorities to be so spent.
- (3) The Trustee, on the advice of the Actuary, may make such Regulations under section 12(1)(a) of this Chapter as it shall deem necessary to determine the cost of purchasing, for pension purposes, additional years of service. Such Regulations may show in tabular form, as a percentage of Pensionable Stipend and dependent upon the age of the member at the date of commencement of payment of additional personal contributions, the cost of purchasing each additional year of service.
- (4) Every additional personal contribution referred to in sub-section (1) above shall, subject to the provisions of sub-section (2) above, be made into the Fund either:
- (a) by deduction from the stipend of the member concerned in accordance with the provisions of section 35(2) of this Chapter and in such manner as Regulations made under this section may prescribe; or
 - (b) by a single lump sum paid by the member in such manner as Regulations made under this section may prescribe.

Other

49. The provisions of this Chapter in force upon the date on which a member, in accordance with the provisions of section 40 of this Chapter, ceases to be a contributor to the Fund shall continue to apply to or in respect of that member notwithstanding any modifications which may subsequently be made to those provisions.

This section shall not apply to any modifications to section 40 of this Chapter which are included in a Statute enacted by the General Synod at its ordinary session in the year 1998.

50. The Board shall, in relation to contributors resident in Northern Ireland, administer the Church of Ireland Voluntary Contributions Scheme, the establishment of which was approved by resolution of the General Synod dated 21st May 1985, in compliance with Additional Voluntary Contributions statutory regulations in force in Northern Ireland at that time and as subsequently amended from time to time.

Death Benefits and Surviving Spouse's Pension

51. Where a member dies while in the service of the Church of Ireland before reaching normal retirement age and in respect of whom a contribution has been paid to the Fund, there shall be paid to such member's legal personal representatives a lump sum equal to the Pensionable Stipend in force on the date of death of the said member multiplied by four.

52. (1) When a member, the payment of whose pension has commenced, dies not more than five years after the date on which such payment commenced, there shall be paid to such member's legal personal representatives a lump sum as may be determined by the Trustee on the advice of the Actuary representing the annual rate of pension operative on the date of death multiplied by the number of years and portion of a year from the date of death to the date which is five years after the date on which payment commenced.
- (2) When a member dies in the service of the Church of Ireland after reaching normal retirement age, such member shall be deemed for the purposes of this section to have retired on pension on the date of death.
53. Except as hereinafter provided:
- (1) (a) The surviving spouse of a member who dies before reaching normal retirement age while in the service of the Church of Ireland on or after 17th May 2001 shall receive from the date of death of the deceased member a pension at the rate of two-thirds of the pension which such member would have received if at the date of death such member had retired without exercising the option to commute under section 96 and that member's pension had been calculated in accordance with the provisions of section 42 and that member had completed prospective service to normal retirement age.
- (b) The surviving spouse of a member who was in the service of the Church of Ireland on 18th May 1989 and was aged 70 years or over on that date, and the surviving spouse of a member who was in receipt of a pension on that date, shall receive a pension at the rate of eight-ninths of the deceased member's pension entitlement at the date of death.
- (c) The surviving spouse of any other member shall receive a pension at the rate of two-thirds of the deceased member's pension entitlement at the date of death or, if such member had exercised the option to commute under section 96, two-thirds of what such member's pension entitlement would have been at the date of death if such member had not so commuted.
- (2) If the member was enrolled before 19th May 1988, the pension under sub-section (1) (b) or (c) shall be not less than 15% of the Minimum Approved Stipend for the purposes of section 51 (1) of Chapter IV in force on the last day of service.
54. If a surviving spouse is more than 10 years younger than the deceased member, and if the marriage has taken place less than two years before such member's death, the surviving spouse's benefit shall be for an amount to be determined by the Trustee on the advice of the Actuary.
55. If the member other than a member enrolled under section 25(1) of this Chapter was enrolled at age fifty-five years or later such member's surviving spouse's and children's benefits shall be in amounts to be determined by the Trustee on the advice of the Actuary.
56. Subject to the provisions of this Chapter, no benefits shall be payable to the surviving spouse or children of a marriage taking place after retirement.
57. A surviving spouse shall cease to be entitled to any benefit under this Chapter upon having re-married on or before 17th June 1991.

Children

58. (1) The surviving spouse of a member of the Fund who dies in the service of the Church of Ireland shall receive a child dependency allowance equal to one third of the said surviving spouse's pension as set out in section 53 in trust for each of the deceased member's children until the month in which the child attains the age of 18 years or marries, whichever is the earlier.

Provided that the total amount payable to the surviving spouse of a member under section 53 and as trustee under this section shall not exceed two-thirds of the Pensionable Stipend in force on the last day of the deceased member's service.

- (2) The surviving spouse of any other member of the Fund who is in receipt of a benefit under this Chapter shall receive a child dependency allowance equal to one third of the said surviving spouse's pension entitlement at the date of the member's death in trust for each of the member's children, until the month in which the child attains the age of 18 years or marries, whichever is the earlier.
 - (3) The Trustee may at its discretion and without the limitation of age prescribed by sub-sections (1), (2) and (4) of this section pay a child dependency allowance in respect of a child of any age of a member who dies in, or retires on pension from, the service of the Church of Ireland after 1st January 1986 where the medical panel has certified that such child is at the date of death of the member or upon reaching the age of 18 years (whichever is the later) wholly incapable of self-support by reason of physical or mental handicap.
 - (4) The limitation of age prescribed by sub-sections (1) and (2) of this section shall, in respect of each child who is engaged in third-level education, be 23 years.
- 59.** In the event of the death of both parents of a child eligible for benefits under this Chapter the Trustee shall determine how much, if any, of the benefits which would have been paid to the surviving spouse under section 53, 78 or 92, if the surviving spouse had remained living, may become payable and be paid in addition to the child dependency allowance, provided always that such benefits will only be paid until such child attains the age of 18 years or, if engaged in third-level education, 23 years, or marries, whichever is the earlier. The said benefits shall be paid to the legally appointed guardian of the said child or if no such guardian has been appointed to such other person as the Trustee may from time to time approve to be held in trust by such guardian or other person for the said child.
- 60.** Notwithstanding anything contained in this Chapter, the Trustee shall give effect to any order made by a civil court concerning retirement benefits consequent on the grant of a decree of judicial separation, annulment or dissolution of the marriage of a member or any order in proceedings concerning the custody of a child or children of a member.
- 61.** (1) Where prior to death a deceased member and that member's spouse were separated or the marriage was annulled or dissolved, and an order to which section 60 refers has not been made, a child dependency allowance shall be payable in respect of each of the children of the marriage to the person having actual custody of the children or such other person as the Trustee may from time to time approve to be held in trust by such person for each such child until the month in which such child attains the age of 18 or, if engaged in third-level education, of 23, or marries, whichever is the earlier.
- (2) A child dependency allowance payable under this section shall be calculated in accordance with the provisions of section 58(1) as if the provisions of that section applied to this section.
 - (3) The provisions of section 58(3) shall apply to allowances under this section without the limitation of age prescribed by sub-section (1) of this section.

Pension Increases

62. The rate of

- (a) each pension payable to a Member of the Clergy under section 4 or any of sections 42 to 46 (inclusive) of this Chapter,
- (b) each pension payable to the surviving spouse of a Member of the Clergy (not being the surviving spouse of a voluntary member) under section 4 or section 53 of this Chapter, and
- (c) each child dependency allowance under section 58 of the Chapter,

which is in course of payment on 31st December 1995 and each subsequent year shall be increased with effect on and from 1st January of the following year by the percentage required by law, or such greater percentage up to 5% as the Trustee on the advice of the Actuary and with the approval of the Representative Body may determine.

PAYMENT OF PENSION

63. All benefits and allowances accrue from day to day so long as title thereto continues.

64. Payment shall be made monthly on the first day of the month following that in which the benefit accrues, notwithstanding that the rate of benefit is expressed as an amount *per annum*.

65. Subject to the requirements of the Pensions Act, should there be any amount owing to the Fund on the award of any benefit, allowance or annuity, which is caused by arrears, unpaid contributions or similar causes in connection with the membership of that member, the Trustee shall fix an amount to be deducted from the benefits payable until the amount of the arrears and interest thereon shall have been discharged.

66. (1) Notwithstanding anything to the contrary in this Chapter, a surviving spouse, within twelve months of becoming eligible for a surviving spouse's pension under this Chapter, may with the approval of the Trustee elect to have entitlement thereto deferred in accordance with the provisions of this section.

(2) The election referred to in sub-section (1) of this section shall satisfy the following conditions:

- (a) The election shall be in writing signed by the person entitled to make it or by a person legally authorised to do so on the surviving spouse's behalf.
- (b) The deferment shall be effective from the date of first eligibility for the pension to which it relates.
- (c) The deferment shall remain in force until withdrawn in writing signed by or on behalf of the person who made the relevant election, and specifying the date of withdrawal, which shall be not less than 7 days after notice of the withdrawal has been received by the Board.

(3) The rate of a pension so deferred shall for the period in which the deferment remains in force but no longer be augmented at the rate of 8% *per annum* compound interest, and on the termination of that period payment if due shall be made at the rate so augmented: Provided that, when any sum has been paid to the surviving spouse between the date of eligibility for pension and its deferment, the amount of augmentation shall be reduced by such amount as the Actuary shall advise.

(4) No pension shall be payable in respect of a period in which a deferment remains in force and if entitlement to a pension ceases during that period, whether by reason of the death of the surviving spouse or otherwise, no payment in respect of arrears for such period shall be payable.

(5) No child dependency allowance or any part thereof shall be deferred.

RETIREMENT BENEFITS (EPISCOPAL)

67. Sections 68 to 80 and 94 to 95 (inclusive) shall apply to an archbishop, bishop or surviving spouse of an archbishop or bishop who had entered episcopal service in the Church of Ireland on or before 31st December 2010.
68. Nothing herein contained shall affect any right existing on 31st December 1978, in any person under the provisions of sections 30 to 40 (inclusive) of Chapter VI of the statute entitled the Constitution of the Church of Ireland (Chapter I of 1978), but such right shall continue to exist and shall be enforceable as if the said sections 30 to 40 of the said Chapter VI had not been repealed.
69. The annuities which immediately prior to the enactment of sections 67 to 95 of this Chapter and under section 68 hereof were payable to surviving spouses of archbishops and bishops out of the Fund for the Augmentation of the Incomes of Bishops' Widows, shall be payable out of the Fund.
70. (1) An annual contribution at a rate to be fixed in each case by the Trustee, on the advice of the Actuary, shall be payable in respect of each archbishop and bishop who shall enter episcopal service after 1st January 1979.
- (2) The contribution prescribed under sub-section (1) shall be additional to the contributions fixed under section 34.
- (3) The contribution prescribed under sub-section (1) shall be payable to the Fund monthly by the Representative Body.
- (4) A contribution prescribed under sub-section (1) shall not be payable in respect of any archbishop or bishop after that archbishop or bishop has reached normal retirement age or has retired whichever is the earlier.
71. Where an archbishop or bishop was not a member of the Fund immediately prior to entry upon episcopal service after 1st January 1979, section 25(2) shall apply.
72. (1) An archbishop or bishop who was in episcopal service on 17th May 1990 and who has fulfilled the requirements of section 25 of Chapter VI shall receive a pension calculated in the following manner:
- (i) forty sixtieths of the Pensionable Stipend in force on the last day of episcopal service: Provided that if as a member of the Fund such person is entitled to an increased pension under section 46, such person shall receive instead such increased pension; and
- (ii) forty sixtieths of the difference between the Pensionable Stipend in force on the last day of episcopal service and the Pensionable Episcopal Stipend (as the case may be) as fixed by the Representative Body and in force on the last day of episcopal service.
- (2) An archbishop or bishop who enters episcopal service after 17th May 1990 and who has fulfilled the requirements of section 25 of Chapter VI shall receive a pension calculated in the following manner:
- (i) forty sixtieths of the Pensionable Stipend in force on the last day of episcopal service: Provided that if as a member of the Fund such person is entitled to an increased pension under section 46, such person shall receive instead such increased pension; and
- (ii) in respect of each completed year of episcopal service up to a maximum of twelve years one eighteenth of the difference between the Pensionable Stipend in force on the last day of episcopal service and the Pensionable Episcopal Stipend (as the case may be) as fixed by the Representative Body and in force on the last day of episcopal service.
73. An archbishop or bishop whose resignation has been accepted under section 27 (2) of Chapter VI shall receive a pension of an amount to be determined by the Trustee on the advice of the Actuary.

74. Where an archbishop or bishop has become entitled to a pension under section 72, and such archbishop or bishop is subsequently instituted or licensed to a paid ecclesiastical office in the Church of Ireland or elsewhere, the following provisions shall apply:
- (a) Such archbishop or bishop shall not be entitled to receive a further lump sum upon ceasing to hold such office.
 - (b) Such archbishop's or bishop's legal personal representatives shall not be entitled to receive any benefit under section 51 or section 76.
75. An archbishop or bishop whose resignation has been accepted under section 26(3) of Chapter VI shall receive an ill health early retirement pension equal to 90% of a pension calculated in the manner laid down in section 72(1) or (2), as the case may be.

Provided that if an archbishop or bishop, to whom this section refers, is unable to carry out archiepiscopal or episcopal duties for a period of six months (or such shorter period not in any event being less than three months as the Trustee may in any particular case determine) before the date appointed under section 26(3) of Chapter VI, such archbishop's or bishop's pension shall be calculated in the manner laid down in section 72(1) or (2), as the case may be.

76. Where an archbishop or bishop dies in episcopal service before reaching normal retirement age there shall be paid to such archbishop's or bishop's legal personal representatives a lump sum of six times the pension to which such archbishop or bishop would have been entitled on having retired on the date of death.
77. (1) When an archbishop or bishop, the payment of whose pension commenced after 1st January 1986, dies not more than five years after the date on which such payment commenced, there shall be paid to such archbishop's or bishop's legal personal representatives a lump sum as may be determined by the Trustee on the advice of the Actuary representing the annual rate of pension operative on the date of such archbishop's or bishop's death multiplied by the number of years and portion of a year from the date of death to the date which is five years after the date on which payment commenced.
- (2) When an archbishop or bishop dies after 1st January 1986 in episcopal service after reaching normal retirement age, such archbishop or bishop shall be deemed for the purposes of this section to have retired on pension on the date of death.
78. (1) The surviving spouse of an archbishop or bishop who dies before reaching normal retirement age while in episcopal service on or after 17th May 2001 shall receive from the date of such archbishop's or bishop's death a pension at the rate of two-thirds of the pension which such archbishop or bishop would have received if at the date of death such archbishop or bishop had retired without exercising the option to commute under section 96 and had completed prospective episcopal service to normal retirement age.
- (2) The surviving spouse of an archbishop or bishop who was in episcopal service on 1st January 1979 or who entered episcopal service after that date and who is retired on pension on 18th May 1989, and the surviving spouse of an archbishop or bishop who was in episcopal service and aged 70 years or over on 18th May 1989, shall receive a pension at the rate of eight-ninths of the deceased archbishop's or bishop's pension entitlement at the date of that archbishop's or bishop's death.
- (3) The surviving spouse of any other archbishop or bishop who was in episcopal service on 1st January 1979 or who enters episcopal service after that date shall receive a pension at the rate of two-thirds of the deceased archbishop's or bishop's pension entitlement at the date of death or, if that archbishop or bishop had exercised the option to commute under section 96, two thirds of what that archbishop's or bishop's pension entitlement would have been at the date of death if such archbishop or bishop had not so commuted.

79. (1) The surviving spouse of an archbishop or bishop who is in receipt of a benefit under section 78 shall receive a child dependency allowance equal to one third of the said surviving spouse's pension in trust for each of the archbishop's or bishop's children, until the child attains the age of 18 years or, if engaged in third-level education, 23 years, or marries, whichever is the earlier:

Provided that the total amount payable to the said surviving spouse under section 78 and as trustee as aforesaid under this section shall not exceed two-thirds of the Pensionable Episcopal Stipend in force on the last day of the deceased archbishop's or bishop's service.

- (2) The Trustee may at its discretion and without the limitation of age prescribed by sub-section (1) of this section pay a child dependency allowance in respect of a child of any age of an archbishop or bishop who dies in, or retires on pension from, episcopal service after 1st January 1986 where the medical panel has certified that such child is at the date of death of the archbishop or bishop or upon reaching the age of 18 years (whichever is the later) wholly incapable of self-support by reason of physical or mental handicap.
80. Where an archbishop or bishop dies in episcopal service on or after 1st January 1980, such archbishop's or bishop's pension entitlement for the purposes of sections 76, 78 and 79 shall be calculated in accordance with section 72.
81. Sections 82 to 95 (inclusive) shall apply to an archbishop, bishop or surviving spouse of an archbishop or bishop who enters episcopal service in the Church of Ireland on or after 1st January 2011.
82. (1) An annual contribution at a rate to be fixed in each case by the Trustee, on the advice of the Actuary, shall be payable in respect of each archbishop and bishop who shall enter episcopal service on or after 1st January 2011.
- (2) The contributions prescribed under sub-section (1) shall be additional to the contributions fixed under section 34.
- (3) The contributions prescribed under sub-section (1) shall be payable to the Fund monthly by the Representative Body.
- (4) A contribution prescribed under sub-section (1) shall not be payable in respect of any archbishop or bishop after that archbishop or bishop has reached normal retirement age or has retired whichever is the earlier.
83. Where an archbishop or bishop was not a member of the Fund immediately prior to entry upon episcopal service on or after 1st January 2011, section 25(2) shall apply.

Normal Retirement Pension

84. An archbishop or bishop who has fulfilled the requirements of section 25 of Chapter VI at normal retirement age shall receive a pension calculated in accordance with the provisions of sub-sections (1) and if applicable, sub-section (2) below:
- (1) The number of completed years of Service as a member of the Fund, but excluding such years in excess of 40, multiplied by one sixtieth of the Pensionable Episcopal Stipend in force on the last day of such member's service.
- (2) Any additional service to credit under sections 88 and 89 multiplied by one sixtieth part of the Pensionable Stipend in force on the last day of such member's service.
85. Where an archbishop or bishop has become entitled to a pension under section 84, and such archbishop or bishop is subsequently instituted or licensed to a paid ecclesiastical office in the Church of Ireland or elsewhere no further pension benefit shall accrue in respect of the subsequent paid ecclesiastical office held.

Early Retirement Pension

86. An archbishop or bishop whose resignation has been accepted under section 27 (2) of Chapter VI shall receive a pension of an amount to be determined by the Trustee on the advice of the Actuary.

Ill Health Pension

87. An archbishop or bishop whose resignation has been accepted under section 26(3) of Chapter VI shall receive an ill health early retirement pension equal to 90% of a pension calculated in the manner laid down in section 84.

Provided that if an archbishop or bishop, to whom this section refers, is unable to carry out archiepiscopal or episcopal duties for a period of six months (or such shorter period not in any event being less than three months as the Trustee may in any particular case determine) before the date appointed under section 26(3) of Chapter VI, such archbishop's or bishop's pension shall be calculated in the manner laid down in section 72.

Additional Personal Contributions

88. An archbishop or bishop who is unable to complete 40 years of service before reaching normal retirement age may make additional personal contributions to purchase additional service. The contributions and benefits in relation to such service shall be based on the Pensionable Stipend and shall be subject to the provisions of section 48(1) to (4) of this Chapter.

Other

89. The pension benefit calculated in relation to service credited as a result of a pension transfer received under section 30 (2) shall be based on the Pensionable Stipend.

Death Benefits and Surviving Spouse's Pension

90. Where an archbishop or bishop dies in episcopal service before reaching normal retirement age there shall be paid to such archbishop's or bishop's legal personal representatives a lump sum of six times the pension to which such archbishop or bishop would have been entitled on having retired on the date of death.
91. (1) When an archbishop or bishop, the payment of whose pension has commenced, dies not more than five years after the date on which such payment commenced, there shall be paid to such archbishop's or bishop's legal personal representatives a lump sum as may be determined by the Trustee on the advice of the Actuary representing the annual rate of pension operative on the date of such archbishop's or bishop's death multiplied by the number of years and portion of a year from the date of death to the date which is five years after the date on which payment commenced.
- (2) When an archbishop or bishop dies in episcopal service after reaching normal retirement age, such archbishop or bishop shall be deemed for the purposes of this section to have retired on pension on the date of death.
92. (1) The surviving spouse of an archbishop or bishop who dies before reaching normal retirement age while in episcopal service shall receive from the date of such archbishop's or bishop's death a pension at the rate of two-thirds of the pension which such archbishop or bishop would have received if at the date of death such archbishop or bishop had completed prospective episcopal service to normal retirement age.

- (2) The surviving spouse of an archbishop or bishop who dies after reaching normal retirement age while in episcopal service shall receive a pension at the rate of two-thirds of the deceased archbishop's or bishop's pension entitlement at the date of death, or, if such archbishop or bishop had exercised the option to commute under section 96, two thirds of what that archbishop's or bishop's pension entitlement would have been at the date of death if such archbishop or bishop had not so commuted.

93. (1) The surviving spouse of an archbishop or bishop who is in receipt of a benefit under section 92 shall receive a child dependency allowance equal to one third of the said surviving spouse's pension in trust for each of the archbishop's or bishop's children, until the child attains the age of 18 years or, if engaged in third-level education, 23 years, or marries, whichever is the earlier:

Provided that the total amount payable to the said surviving spouse under section 92 and as trustee as aforesaid under this section shall not exceed two-thirds of the Pensionable Episcopal Stipend (as the case may be) as fixed by the Representative Body and in force on the last day of the deceased archbishop's or bishop's service.

- (2) The Trustee may at its discretion and without the limitation of age prescribed by sub-section (1) of this section pay a child dependency allowance in respect of a child of any age of an archbishop or bishop who dies in, or retires on pension from, episcopal service after 1st January 2011 where the medical panel has certified that such child is at the date of death of the archbishop or bishop or upon reaching the age of 18 years (whichever is the later) wholly incapable of self-support by reason of physical or mental handicap.

94. The rate of

- (a) every pension payable to an archbishop or bishop under section 69 or any of sections 72, 74 75 and 84, 86, 87 of this Chapter,
 (b) every pension payable to the surviving spouse of an archbishop or bishop under section 69 or sections 78 and 92 of this Chapter, and
 (c) every child dependency allowance payable under sections 79 and 93 of this Chapter

which was in course of payment on 31st December 1980 or any subsequent year shall be increased with effect on and from 1st January of the following year by the same percentage as that determined under section 62 of this Chapter.

95. Sections 22, 23 (subject to the qualification contained in section 74), 24, 45, 54, 55, 56, 57, 59, 63, 64, 65 and 66 shall apply to the benefits payable under sections 72 to 94.

COMMUTATION OF PENSIONS

96. (1) A member of the Fund in the Republic of Ireland on reaching normal retirement age may opt either
- (a) to commute not more than one fourth of the pension to which such member would be entitled upon retiring on that day into a lump sum at such rate as the Trustee may determine on the advice of the Actuary in which case the lump sum shall be payable forthwith and the pension entitlement under sections 42, 45, 46 and sections 72, 84 shall be reduced by a percentage identical with the percentage of the pension which has been commuted; or
- (b) to defer a decision until retirement.
- (2) A member of the Fund who retires from the service of the Church of Ireland before reaching normal retirement age, or who retires after reaching that age (having deferred a decision under sub-section (1) if appropriate) may opt to commute not more than one fourth of the pension to which such member is entitled into a lump sum at such rate as the Trustee may determine on the advice of the Actuary.

- (3) The exercise of an option under sub-section (1) or (2) shall be in writing, shall be made not less than one month nor more than six months before the relevant date, and when received by the Board shall be irrevocable.
- (4) In no case shall a lump sum exceed one and a half years' Minimum Approved Stipend of the office held by the member concerned (or, in the case of an archbishop or bishop, one and a half times the Episcopal Stipend, as the case may be, as fixed by the Representative Body) in force at the date on which the lump sum becomes payable under sub-section (1) (a) or (2).

CERTIFICATE OF CONTINUED SOLVENCY

97. The General Synod shall not consider any motion affecting the system of benefits and contributions set out in this Chapter unless the Actuary has certified that the solvency position of the Fund will not be adversely affected to a material extent.

COMPLIANCE WITH PENSIONS ACT

98. This Chapter and the Fund are subject to the Pensions Act and shall take effect subject to any modification necessary to comply with it. The duties of the Representative Body, the Trustee, the Actuary and the Auditor shall be regulated by and carried out in accordance with the Pensions Act.

COMPLIANCE WITH TAXES ACT

99. The Fund is a retirement benefit scheme as defined by section 771 of the Act, capable of being treated by the Revenue Commissioners as an Exempt Approved Scheme. Notwithstanding anything in this Chapter, no benefit shall be provided under the Fund which would exceed the maximum benefit permitted, or would otherwise conflict with requirements imposed, by the Revenue Commissioners from time to time as a condition of approval under the Act. Any benefit otherwise provided shall be reduced or varied as may be necessary to ensure that the maximum is not exceeded and that there is no conflict with the requirements of the Revenue Commissioners.

SCHEDULE 1**Service in the Foreign Mission Field**

1. Subject to the provisions of this schedule, service in the foreign mission field (in this schedule referred to as such service) may be reckoned as equivalent for the purposes of this Chapter to service in the Church of Ireland, and an applicant who fulfils the conditions prescribed by sub-section (2) of this schedule shall be entitled to apply for and receive a retiring annuity notwithstanding the fact that such applicant is not a Member of the Clergy of the Church of Ireland at the date of application.
2. Before allowing any years of such service to be so reckoned in the case of any applicant for a retiring annuity the Trustee shall be satisfied that
 - (a) such applicant served in the Church of Ireland for at least two years before entry upon such service;
 - (b) such applicant's entry upon such service was with the approval of the bishop of the diocese in which such applicant was last so serving, the fact of such approval being notified by the bishop to the Board at the time thereof;
 - (c) during any interval that intervened between such applicant's service in the Church of Ireland and entry upon such service such applicant was not in any paid employment other than such as under any of the provisions of this Chapter is deemed to be service in the Church of Ireland; and
 - (d) such service was performed under the direction or authority of a society or organisation working in connection with the Church of Ireland or a Church in communion therewith or in a Church in communion with the Church of Ireland.

For the purpose of determining the amount of the retiring annuity to be granted to an applicant only those years of such service shall be reckoned in respect whereof an annual contribution to the Fund has been made by or on behalf of the applicant.

SCHEDULE 2**Service as Chaplain in Armed Forces**

1. Service by a Member of the Clergy of the Church of Ireland as an acting Naval, Military, or Air Force Chaplain under conditions of active service, with leave of absence for that purpose from the bishop of the diocese (duly notified by the bishop to the Board), shall for the purposes of this Chapter be deemed to be and shall be recognised as service in the Church of Ireland.
2. In the case of any Member of the Clergy who resigned a benefice, curacy or other office in the Church of Ireland, for the purpose of taking service as an acting Naval, Military or Air Force Chaplain under conditions of active service with the consent of from the bishop of the diocese (duly notified by the bishop to the Trustee) and afterwards became beneficed or licensed in the Church of Ireland, the Trustee, at its discretion, upon the application of the diocesan council of the diocese in which such person is beneficed or licensed, made within one year from the date of such person's institution or licence, and on being satisfied by a report by a medical panel appointed and paid by it that such person is not disabled by age or infirmity from the efficient discharge of ministerial or official duties, may recognise that such person, while serving as such chaplain, has served in the Church of Ireland for the purposes of this Chapter.

SCHEDULE II

In the Appendix to the Constitution of the Standing Committee, which itself forms an Appendix to the Constitution of the Church of Ireland, for paragraph 6 there shall be substituted:

6. Any casual vacancy occurring by death, resignation or otherwise shall be filled by election, in the case of a member elected by the General Synod, by the Standing Committee of the General Synod (Chapter XIV, Section 16(b)).