

Bill No. 5**Explanatory Memorandum**

New defined contribution (DC) clergy pension schemes for Northern Ireland and the Republic of Ireland were established in 2013 to provide for clergy pensions into the future, as the Clergy Pensions Fund (CPF) closed to new members and to future accruals. The DC schemes were established with the same objective as the CPF, to create a fund for the retiring member of the clergy that is accessible at the earliest normal retirement age, currently 66 years and increasing to 68 years. As with the CPF, standard pension contributions by the ‘employer’ – in the Church context, the parish – currently cease at that age for all scheme members.

As DC schemes by their nature cannot be guaranteed to provide a certain outcome at a set future date, the Representative Church Body (RCB), as sponsor of the DC schemes, considers that both ‘employer’ and member contributions should continue until actual retirement, whether that occurs at the earliest normal retirement age or at a later date up to the compulsory retirement age of 75, unless the individual member elects to cease contributions. The proposed Bill seeks to amend Chapter XIV of the Constitution of the Church of Ireland to this effect.

Bill No. 5

Mr Robert Neill
Mr William Oliver

(At the request of the Representative Church Body)

BILL**To amend Chapter XIV of the Constitution**

WHEREAS it is desirable that, with effect from 1 January 2017, contributions required to be paid to a member's pension fund should continue to be paid until the member retires, unless the member upon or after attaining his or her Normal Retirement Age requests the cessation of pension contributions;

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

BE IT ENACTED by the Archbishops and Bishops and the Clergy and Laity of the Church of Ireland in General Synod assembled in Dún Laoghaire in the year 2016 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. With effect from 1 January 2017 for Section 8 of Chapter XIV there shall be substituted:

‘8. (a) Member's pension fund

Unless a member, upon or after attaining his or her Normal Retirement Age, requests the cessation of pension contributions, contributions required to be paid to the member's pension fund until the member retires shall be as follows:

- (i) a member contribution of 9% per annum of the relevant Minimum Approved Stipend or Episcopal Stipend by a monthly deduction from the stipend of each member concerned; and
- (ii) a Parish / Diocesan Council / Other contribution of 8% per annum of the relevant Minimum Approved Stipend or Episcopal Stipend by assessment on that Parish / Diocesan Council / Other concerned for paying that member's stipend.

(b) Death in Service insured benefit

Until a member attains his or her Normal Retirement Age contributions to Death in Service insured benefit is payable by a Parish / Diocesan Council / Other contribution at a contribution rate determined by the Representative Body to meet the cost of the benefit by way of assessment on that Parish / Diocesan Council / Other concerned for paying that member's stipend.’