

BILL NO 6

Explanatory Memorandum

In the light of the triennial actuarial evaluation of the Fund, at 30th September 2006, particulars of which are included in the Report of the Church of Ireland Pensions Board, the Representative Church Body in conjunction with the Church of Ireland Pensions Board has agreed that an increase in annual total contributions to the Fund of 1.7% is needed to enable the Trustees to pay future benefits under the Fund as they fall due while maintaining the long-term solvency of the Fund.

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

According, Clauses 2 and 3 seek to effect the required amendments to sections 34 and 35 which would be effective from 1st January 2008. These Clauses seek to increase by 0.3% from 5.3% to 5.6% of minimum approved stipend, the amount of contribution from a member. The assessment on parishes/dioceses would be increased from 15.9% of minimum approved stipend to 16.8%, an increase of 0.9%.

Together these two increases would amount to a contribution of 22.4% of the minimum approved stipend. The Representative Church Body itself would be required to contribute an increase of 0.5% from 7.7% to 8.2% bringing an overall increase in annual contributions to the Fund of 1.7%.

At a time when more young people are experiencing third level education, it is important that child dependency allowance should continue to be paid in respect of those children of deceased members of the Church of Ireland Clergy Pensions Fund who are engaged in third level education until such children attain the age of 23.

The provisions of clauses 7, 8, 9 and 11 seek to effect this significant improvement with effect from 10th May 2008.

The remaining Clauses of the Bill, namely Clauses 4, 5, 6 and 10, seek to make minor consequential and drafting amendments to Chapter XIV of the Constitution.

LADY SHEIL
MR DG PERRIN

(on behalf of the Representative Church Body
and of the Church of Ireland Pensions Board)

BILL

To amend Chapter XIV of the Constitution

WHEREAS an increase in the annual total contribution made to the Church of Ireland Pensions Fund, established under Chapter XIV of the Constitution and hereafter referred to as 'The Fund', is required to maintain the solvency of the Fund and whereas it is desirable to improve certain of the benefits provided under Chapter XIV of the Constitution and to make sundry other amendments to the Chapter;

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

AND WHEREAS the Church of Ireland Pensions Board has certified that on the enactment of this Statute the Fund should remain solvent as required by Section 16(1) of Chapter XIV of the Constitution.

Be it enacted by the Archbishops and Bishops and the clergy and laity of the Church of Ireland in General Synod assembled in Kilkenny in the Year 2007, and by the authority of the same as follows:-

1. In this Statute 'Chapter XIV' means Chapter XIV of the Constitution of the Church of Ireland 2003.
2. In Section 34 of Chapter XIV for '1st January 2005' there shall be substituted '1st January 2008' and for the figure '21.2%' there shall be substituted the figure '22.4%'.
3. In Section 35(1) of Chapter XIV for the figure '5.3%' wherever it occurs there shall be substituted the figure '5.6%' and for the figure '15.9%' wherever it occurs there shall be substituted the figure '16.8%'.
4. After Section 37 of Chapter XIV and immediately before Section 38 the following shall be inserted

'CONTRIBUTIONS FROM CENTRAL FUNDS'

5. After Section 38 of Chapter XIV and immediately before Section 39 of the said Chapter the following shall be inserted:

'OTHER CONTRIBUTIONS'

6. In Section 58(3) of Chapter XIV for the words 'sub-sections (1) and (2)' there shall be substituted the words 'subsections (1), (2) and (4).'
7. In Section 58 of Chapter XIV immediately after sub-section (3) there shall be inserted the following sub-section:
'(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.'

8. In Section 59 of Chapter XIV for the words 'until the child attains the age of 18 years or marries, whichever is the earlier' there shall be substituted the words 'until the child attains the age of 18 years or, if engaged in third-level education, 23 years, or marries whichever is the earlier.'
9. In Section 61(1) of Chapter XIV for the words 'attains the age of 18 or marries, whichever is the earlier' there shall be substituted the words 'attains the age of 18 or, if engaged in third-level education, of 23, or marries whichever is the earlier.'
10. In Section 64(a) of Chapter XIV for the figure '46' there shall be substituted the figure '47'.
11. In Section 81(1) of Chapter XIV for the words 'until the child attains the age of 18 years or marries, whichever is the earlier:' there shall be substituted 'until the child attains the age of 18 years or, if engaged in third-level education, 23 years, or marries, whichever is the earlier:.'