



Pensions Measure 1997

1997 No. 1

A Measure passed by the General Synod of the Church of England to make further provision in relation to pensions and related benefits for certain persons who are or have been in the service of the Church of England and their widows, widowers and dependants. [21st March 1997]

General provisions as to pension schemes

1 Past service and funded schemes

- (1) There shall be two schemes with respect to the pensions and lump sum payments payable to clerks, deaconesses and licensed lay workers and their widows, widowers and dependants, as follows—
 - (a) a scheme related exclusively to past service, to be known as “the Church of England Pensions Scheme” and referred to in this Measure as “the past service scheme”;
 - (b) a scheme related to future service, to be known as “the Church of England Funded Pensions Scheme” and referred to in this Measure as “the funded scheme”.
- (2) The past service scheme shall comprise provisions contained in the Church of England Pensions Regulations 1988, the Clergy Pensions (Lump Sum Payments) Rules 1988 and any further regulations or rules relating to the past service scheme, whether made before or after the passing of this Measure.
- (3) The funded scheme shall be established by deed by the Pensions Board (hereinafter referred to as “the Board”).

2 Funded Scheme Rules

- (1) The funded scheme shall provide for the making of rules as to the nature and amount of the pensions and lump sum payments payable under the funded scheme and for the making of amending rules.

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- (2) Any such rules shall be laid before the General Synod and shall not come into operation until they have been approved by the Synod.
- (3) Where the Standing Committee of the General Synod determine that any such rules do not need to be debated by the Synod, then, unless —
- (a) notice is given by a member of the Synod in accordance with its Standing Orders that he wishes the rules to be debated; or
 - (b) notice is so given by any such member that he wishes to move an amendment to the rules,
- the rules shall for the purposes of subsection (2) above be deemed to have been approved by the Synod without amendment.

Funded scheme

3 Establishment of pensions fund

- (1) The funded scheme shall provide for the constitution and maintenance by the Board of a fund, to be known as “the Church of England Pensions Fund”, and the Board shall pay into that fund—
- (a) all contributions received by the Board under section 4 below;
 - (b) all other moneys received by the Board for the purposes of the funded scheme.
- (2) All payments in respect of pensions and lump sum payments arising or to be provided under the funded scheme shall be made by the Board out of the Pensions Fund.

4 Contributions to pensions fund

- (1) It shall be the duty of each responsible body to make contributions for the purposes of the funded scheme by paying to the Board in respect of each scheme member for whom the body is responsible such sums as the Board may determine in accordance with the regulations.
- (2) Before making any determination under subsection (1) above the Board shall obtain the advice of an actuary, and the determination shall be consistent with that advice.
- (3) The payments mentioned in subsection (1) above shall be made at such times as may be prescribed by the regulations.
- (4) In this section and in section 6 below “responsible body” means—
- (a) in the case of a diocesan bishop or a dean, provost or residentiary canon in receipt of a stipend or other emoluments under section 28 of the Cathedrals Measure 1963, the Church Commissioners (hereinafter referred to as “the Commissioners”);
 - (b) in the case of a scheme member in receipt of a stipend paid from a diocesan stipends fund income account kept by the Commissioners under section 1 of the Diocesan Stipends Fund Measure 1953, the Diocesan Board of Finance of the diocese concerned;
 - (c) in the case of a scheme member in receipt of a stipend paid wholly from capitular funds, the capitular body of the cathedral church concerned;

- (d) in the case of a scheme member in receipt of periodical payments under section 1(1)(b) of the Ordination of Women (Financial Provisions) Measure 1993, the Commissioners;
 - (e) in the case of a scheme member who is—
 - (i) a clerk in Holy Orders employed by a World Mission Agency of the Church of England which is at the passing of this Measure an associate or full member of the Partnership for World Mission; or
 - (ii) a clerk in Holy Orders employed by the Church Pastoral Aid Society, the Commissioners;
 - (f) in the case of a scheme member employed in pensionable service otherwise than as mentioned in paragraph (e) above, the employer;
 - (g) in the case of any other person who is a scheme member performing pensionable service, the body primarily concerned for the time being in promoting that person's membership of the funded scheme.
- (5) In its application to the Isle of Man, subsection (4) above shall have effect with the substitution for paragraph (b) of the following paragraph—
- “(b) in the case of a scheme member in receipt of a stipend paid from a diocesan stipends account kept by the Sodor and Man Diocesan Board of Finance, that Board;”.

Church Commissioners

5 Liability of Commissioners

- (1) The Commissioners shall continue to be liable to meet the cost of—
- (a) any pension arising from the retirement or death of a scheme member in so far as it is attributable to past service;
 - (b) any lump sum payment arising from the retirement of a scheme member in so far as it is attributable to past service;
 - (c) any lump sum payment arising from the death of a scheme member occurring before the appointed day.
- (2) For the purposes of subsection (1) above, the amount of any pension or lump sum payment shall include any increase in the rate or amount thereof, augmentation of an individual's pension or supplementary pension awarded under the regulations or rules, whether before or after the appointed day.
- (3) The Commissioners shall not be liable to meet the cost of—
- (a) any pension arising from the retirement or death of a scheme member in so far as it is attributable to future service; or
 - (b) any lump sum payment arising from the retirement of a scheme member in so far as it is attributable to future service; or
 - (c) any lump sum payment arising from the death of a scheme member occurring on or after the appointed day.

6 Transitional grants by Commissioners for funded scheme

The Commissioners may, within such period as they may determine not exceeding the period of seven years following the commencement of the appointed day, make such grants to a responsible body as they may think expedient for the purpose of assisting

that body in meeting the cost of any contribution due to be paid under section 4(1) above.

7 Application of capital

- (1) The Commissioners may, within such period as they may determine not exceeding the period of seven years following the commencement of the appointed day, apply capital funds for the purpose of meeting the cost of—
- (a) any pension or lump sum due to be paid under the past service scheme; or
 - (b) any pension or lump sum payment payable under the Church Commissioners' Superannuation Scheme in so far as it is attributable to a period of service before the appointed day; or
 - (c) any grant made under section 6 above.
- (2) In this section “capital funds” means funds held by the Commissioners, the income from which forms part of the Commissioners general fund.

Pensions Board

8 Constitution of Board

- (1) For section 21(3) of the Clergy Pensions Measure 1961 there shall be substituted the following subsection —
- “(3) The Board shall consist of twenty members (of whom eight shall be representative of the members of the pension schemes administered by the Board) chosen in such manner, whether by election or by appointment, as may be prescribed by regulations made under section 6 of the Clergy Pensions (Amendment) Measure 1972.”.
- (2) The chairman and other members of the Board in office immediately before the appointed day shall cease to hold office on that day.

Miscellaneous

9 Interpretation

- (1) In this Measure, unless the context otherwise requires—
- “actuary” means a Fellow of the Institute of Actuaries or of the Faculty of Actuaries in Scotland, not being a Church Commissioner or a member of the Board or a member of the staff of the Commissioners or the Board, and includes a firm of actuaries;
- “appointed day” means the day appointed under section 11(2) below for the coming into force of this Measure;
- “funded scheme” means the scheme referred to in section 1(1)(b) above;
- “future service” means any period of pensionable service on or after the appointed day;
- “past service” means any period of pensionable service before the appointed day;
- “past service scheme” means the scheme referred to in section 1(1)(a) above;

“the Pensions Fund” means the fund constituted under section 3(1) above;
“regulations” means regulations made under section 6 of the Clergy Pensions (Amendment) Measure 1972;
“rules” means, except in section 2 above, rules made under section 3 of the Clergy Pensions (Amendment) Measure 1967.

- (2) For the purposes of this Measure, where the qualifying period of pensionable service performed by a scheme member comprises or is deemed to comprise a period of both past service and future service the portion attributable to past service or future service, as the case may be shall be calculated without reference to any period of service following the completion of the minimum number of years entitling him to maximum benefits.
- (3) This Measure shall be construed as one with the Clergy Pensions Measure 1961.

10 Amendments and repeals

- (1) The enactments specified in Schedule 1 to this Measure shall have effect subject to the amendments specified in that Schedule, being minor amendments or amendments consequential on the preceding provisions of this Measure.
- (2) The enactments specified in Schedule 2 to this Measure are hereby repealed to the extent specified in the third column of that Schedule.
- (3) Without prejudice to the application of section 16 of the Interpretation Act 1978, the repeal of subsection (1A) of section 3 of the Clergy Pensions (Amendment) Measure 1967 and rules 10 and 11 of the Church of England Pensions (Lump Sum Payments) Rules 1988 shall not apply in the case of the death of a scheme member occurring before the appointed day.

11 Citation, commencement and extent

- (1) This Measure may be cited as the Pensions Measure 1997 and this Measure may be cited with the Church of England (Pensions) Measures 1961 to 1988 as the Church of England (Pensions) Measures 1961 to 1997.
- (2) This Measure shall come into force on such day as the Archbishops of Canterbury and York may jointly appoint.
- (3) This Measure shall extend to the whole of the provinces of Canterbury and York except the Channel Islands, but the provisions thereof may be applied to the Channel Islands as defined in the Channel Islands (Church Legislation) Measures 1931 and 1957, or either of them, in accordance with those Measures.

Status: This is the original version (as it was originally enacted).

SCHEDULES

SCHEDULE 1

Section 10(1).

MINOR AND CONSEQUENTIAL AMENDMENTS

PART I

AMENDMENTS TO MEASURES

Church Commissioners Measure 1947

1 The Church Commissioners Measure 1947 shall have effect subject to the following amendments.

2 In section 6 after subsection (3) there shall be inserted the following subsection—

“(3A) Before making any recommendation under subsection (3)(b) above the Assets Committee shall obtain the advice of an actuary as to the likely effect of adopting the recommendation on the Commissioners' financial position as a whole and shall have regard to that advice; and the Commissioners shall ensure that a summary of such advice is included in their annual report under section 12 of this Measure.

For the purposes of this subsection “actuary” means a Fellow of the Institute of Actuaries or of the Faculty of Actuaries in Scotland, not being a Church Commissioner or a member of the staff of the Commissioners, and includes a firm of actuaries.”.

3 In section 10(6) after the words “general fund, and” there shall be inserted the words “, subject to section 7 of the Pensions Measure 1997 (which relates to the use of capital funds)”.

Clergy Pensions Measure 1961

4 The Clergy Pensions Measure 1961 shall have effect subject to the following amendments.

5 In section 17 for subsections (1) and (2) there shall be substituted the following subsections —

“(1) Subject to section 7 of the Pensions Measure 1997 (which relates to the use of capital funds), all payments to be made by the Commissioners under subsection (2) below shall be made out of their general fund.

(2) The Commissioners shall pay to the Board such sums as are required by the Board for the payments to be made by them under the past service scheme.”

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- 6 In section 21(10) for the word “seven” there shall be substituted the words “six, including at least two persons representing the members of the pension schemes administered by the Board”.
- 7 In section 22—
- (a) in subsection (2)—
 - (i) for the word “Commissioners” there shall be substituted the word “Board”;
 - (ii) for the words “their general fund” there shall be substituted the words “funds administered by the Board”;
 - (b) for subsection (3) there shall be substituted the following subsection —

“(3) The Commissioners may make payments to the Board out of their general fund for the purpose of meeting so much of the administrative expenses of the Board as appears to the Board to be proportionate to the work undertaken by the Board in the administration of the past-service scheme and other matters in respect of which the Commissioners have a financial interest.”.
- 8 In section 24—
- (a) for the words from “control” to “by this Measure” there shall be substituted the words “administer the past service scheme and the funded scheme”;
 - (b) in paragraph (a) after the word “Measure” there shall be inserted the words “or the Pensions Measure 1997”;
 - (c) in paragraph (b) for the words from “upon the Clergy” to the end then there shall be substituted the words “in such manner and upon such terms and conditions as the Board think fit”.
- 9 In section 25 after the word “functions” there shall be inserted the words “in connection with the past service scheme”.
- 10 In section 34—
- (a) in subsection (1)—
 - (i) for the word “Treasury” in the first place where it appears there shall be substituted the word “Board”;
 - (ii) the words from “under section 17(2)” to the end shall be omitted;
 - (b) in subsection (2) for the words “at such times” there shall be substituted the word “annually” and the words from “in such form” to the end shall be omitted.
- 11 In section 38A(2)—
- (a) for the words “the principal scheme” in the first place where they appear there shall be substituted the words “the past service scheme and the funded scheme”;
 - (b) for the words “the principal scheme” in the second place where they appear there shall be substituted the words “those schemes”.
- 12 In section 44 for the words from “Commissioners after” to “as the Commissioners” there shall be substituted the words “Board to such other rate as the Board”.
- 13 In section 46(1)—
- (a) in the definition of “actuary” for the words from “employed” to the end of the definition there shall be substituted the words “, not being a Church

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Commissioner or a member of the Board or a member of the staff of the Commissioners or the Board, and includes a firm of actuaries”;

- (b) after the definition of “ecclesiastical service” there shall be inserted the following definition—

““funded scheme” has the meaning assigned to that expression by the Pensions Measure 1997”;

- (c) after the definition of “licensed lay worker” there shall be inserted the following definition—

““past service scheme” has the meaning assigned to that expression by the Pensions Measure 1997”.

Clergy Pensions (Amendment) Measure 1967

14 In section 3(1) of the Clergy Pensions (Amendment) Measure 1967—

- (a) for the word “Commissioners” there shall be substituted the word “Board”;
- (b) for the words from “Part II” to “1988” there shall be substituted the words “the past service scheme (within the meaning assigned to that expression by the Pensions Measure 1997)”.

Clergy Pensions (Amendment) Measure 1972

15 The Clergy Pensions (Amendment) Measure 1972 shall be amended as follows.

16 In section 5(4) for the word “Commissioners” there shall be substituted the word “Board”.

17 In section 6—

- (a) in subsection (1) for paragraph (e) there shall be substituted the following paragraphs—

“(e) the manner in which the amount of the contributions payable under section 4(1) of the Pensions Measure 1997 is to be determined and the times at which those contributions are to be made;

(f) the manner in which notice is to be given as to the matters referred to in paragraph (e) above;

(g) the manner in which elections and appointments to the Church of England Pensions Board are to be conducted and in which the chairman of the Board is to be chosen;

(h) the period for which the chairman and other members of that Board are to hold office, the removal from office of members of that Board and the filling of casual vacancies in the membership of that Board;

(i) the appointment by that Board of committees and the delegation of any of the Board’s functions to such committees;

(j) any matter incidental or supplementary to the matters mentioned in paragraphs (a) to (i) above.”;

- (b) in subsection (2) for the words “1961 to 1988” there shall be substituted the words “1961 to 1997”;

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- (c) in subsection (3) after the words “1967” there shall be inserted the words “, sections 3 to 7 (excluding section 4(4)(e)) of the Pensions Measure 1997”;
- (d) in subsection (4) after the word “Commissioners” there shall be inserted the words “in so far as they relate to the past service scheme”.

Deaconesses and Lay Workers (Pensions) Measure 1980

- 18 In section 1(1) of the Deaconesses and Lay Workers (Pensions) Measure 1980—
- (a) in paragraph (a) after the word “widowers” there shall be inserted the words “, being pensions paid or payable under the past service scheme (within the meaning assigned to that expression by the Pensions Measure 1997) or in respect of service which ended before 1st December 1988”;
 - (b) in paragraph (b) after the word “payable” there shall be inserted the words “under that scheme”.

PART II

AMENDMENTS TO INSTRUMENTS

Church of England Pensions Regulations 1988

- 19 The Church of England Pensions Regulations 1988 shall have effect subject to the following amendments.
- 20 In regulation 2—
- (a) in paragraph (1)—
 - (i) in the definition of “actuary” for the words from “employed” to the end of the definition there shall be substituted the words “, not being a Church Commissioner or a member of the Board or a member of the staff of the Commissioners or the Board, and includes a firm of actuaries”;
 - (ii) after the definition of “the 1961 Measure” there shall be inserted the following definition—

““past service scheme” has the meaning assigned to that expression by the Pensions Measure 1997”;
 - (b) at the end there shall be inserted the following paragraph—

“(5) These regulations shall have effect subject to the provisions of the Pensions Measure 1997.”.
- 21 In regulation 4(1) for the word “Commissioners” there shall be substituted the word “Board”.
- 22 In regulation 6(2)—
- (a) for the word “Commissioners” there shall be substituted the word “Board”;
 - (b) for the word “Board” there shall be substituted the word “Commissioners”.
- 23 In regulation 8 for the word “Commissioners” in both places where it appears there shall in each case be substituted the word “Board”.
- 24 In regulation 12—

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- (a) in paragraph (3) for the word “Commissioners” there shall be substituted the word “Board”;
 - (b) in paragraph (7) for the word “Commissioners” in the first place where it appears there shall be substituted the word “Board”.
- 25 In regulation 16(3)—
- (a) for the word “Commissioners” there shall be substituted the word “Board”;
 - (b) for the word “Board” there shall be substituted the word “Commissioners”.
- 26 For the words “principal scheme” wherever they appear in regulations 2(1) (in the definition of “pensionable service”), 5(2), 19(1), 20(1), 22, 25 and 28 there shall be substituted in each case the words “past service scheme”.
- Church of England Pensions (Lump Sum Payments) Rules 1988*
- 27 The Church of England Pensions (Lump Sum Payments) Rules 1988 shall have effect subject to the following amendments.
- 28 After rule 1 there shall be inserted the following rule—
- “**1A** These Rules shall have effect subject to the provisions of the Pensions Measure 1997.”.
- 29 For the word “Commissioners” wherever it appears in rules 4(1) and (2) and 5(1) and (2) there shall in each case be substituted the word “Board”.
- 30 In rule 6 for the word “Commissioners” in the first place where it appears there shall be substituted the word “Board”.
- 31 In rule 7—
- (a) for the words “section 4(3) of the 1961 Measure” there shall be substituted the words “regulation 9(2) of the Church of England Pensions Regulations 1988”;
 - (b) for the word “Commissioners” there shall be substituted the word “Board”.
- 32 In rule 9 for the words from the beginning to “Board” there shall be substituted the words “The Board may, with the agreement of the Commissioners”.
- 33 In rule 10(2)(a) for the words “section 2(4) of the 1961 Measure” there shall be substituted the words “regulation 8 of the Church of England Pensions Regulations 1988”.

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SCHEDULE 2

Section 10(2).

REPEALS AND REVOCATIONS

PART I

REPEALS

Chapter	Short title	Extent of repeal
1961 No. 3.	Clergy Pensions Measure 1961.	In section 21, subsections (4) to (8). Section 23. Section 33. Section 40A. In section 46, in subsection (1) the definition of “principal scheme”.
1967 No. 1.	Clergy Pensions (Amendment) Measure 1967.	In section 3, subsection (A).
1988 No. 4.	Church of England (Pensions Measure) 1988.	Section 17.

PART II

REVOCATIONS

Number	Title	Extent of revocation
1988 No. 2256.	Church of England Pensions Regulations 1988.	In regulation 2, in paragraph (1) the definition of “principal scheme”. In regulation 6, in paragraph (3) the words “request the “Commissioners to””. In regulation 12, in paragraph (2) the words “request the Commissioners to” and in paragraph (7) the words “by the Commissioners”. In regulation 29, in paragraph (1) the words “the Commissioners or” and “, as the case may be,”.

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Number	Title	Extent of revocation
		In regulation 30, in paragraph (1) the words “, or may authorise the Commissioners to pay,”.
	Church of England Pensions (Lump Sum Payments) Rules 1988.	In rule 2(a), the definition of “maximum lump sum death payment”.
		Rule 10.
		Rule 11.
