GENERAL SYNOD

NATIONAL CHURCH GOVERNANCE MEASURE

REPORT OF THE STEERING COMMITTEE OF MEMBERS IN CHARGE

Chair: The Rt Revd Andrew Watson (Bishop of Guildford) *Chair*

Members: The Very Revd Mandy Ford (Dean of Bristol)
The Revd John Bavington (Leeds) (until 18th March 2025)
The Revd Mark Bennett (Oxford)
Mrs Karen Czapiewski (Gloucester)
Mrs Sandie Turner (Chelmsford)
Mr Stephen Hogg (Leeds) (Chair of the Revision Committee)

1. The draft National Church Governance Measure received First Consideration from the General Synod at the July 2024 group of sessions. It was then committed to a Revision Committee. At the February 2025 group of sessions, the Synod took note of the report of that Committee (GS 2360Y) and completed the Revision Stage which committed the Measure to the Steering Committee in respect of their Final Drafting.

2. The Steering Committee now returns the draft Measure (GS 2360B) for Final Drafting and Final Approval.

3. Under Standing Order 61, on the Final Drafting Stage the Steering Committee may propose 'drafting amendments' or 'special amendments' or both. These two categories of amendments are defined in SO 61(6) as follows –

> "drafting amendment" means an amendment to clarify any remaining uncertainties of meaning or to improve the drafting, and
>
> "special amendment" means an amendment, other than a drafting amendment, considered necessary or desirable by the Steering Committee and which does not reopen an issue which has been decided by the Synod or any Revision Committee in relation to the Measure or Canon.

At the Final Drafting Stage, drafting amendments are deemed to have been made without being moved or voted on. Special amendments are separately moved on behalf of the Steering Committee and voted on by the Synod. (See SO 61.)

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The Steering Committee's consideration of the draft Measure in respect of Final Drafting

4. The Committee has identified a number of drafting amendments and four special amendments that need to be made to the draft Measure.

Part A: Drafting Amendments

5. The drafting amendments are in bold in GS 2360B.

6. In clause 8 (Payments by the Church Commissioners), subsections (3) and (4) have been re-drafted to provide additional clarity about the application of section 67 of the Ecclesiastical Commissioners Act 1840 Act (provision for cure of souls in parishes where assistance most required) to funding under Clause 8(2)[1]. CENS must have due regard to the requirements of section 67 when using funding received from the Church Commissioners under either of the statutory funding streams set out in clause 8(2).

7. Clause 9 (Funding framework: laying before General Synod, review) includes a drafting amendment to ensure that the procedures for CENS's funding framework and budget operate to a timetable that is workable in practice. The new subsection (6) requires CENS to prepare its annual budget with reference to its funding framework.

8. In clause 15 (Further provisions on transfers) the word "specified" in subsection (4) has been inserted before "function" to make it clearer that a transfer of functions order must specify the particular function being transferred.

9. Clause 18 (Eligibility for membership) has been amended to amplify the automatic removal, disqualification or suspension of a person from membership of an NCI or an NCI committee if that person is removed as a charity trustee, by leaving out words in subsection (4) and inserting a new subsection (5).

10. In Schedule 1 (CENS: remuneration etc.), paragraph 11 has been amended to clarify that the chair of CENS will only be paid should CENS consider this necessary.

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[1] Members will recall that the text of the amendment in the form it was passed read as follows—

"(2A) In using an amount paid by the Church Commissioners under subsection (2)(b) or required to be paid by them under this section by virtue of a subsequent Measure, CENS must (as it is required to do with amounts under subsection (2)(a)) have particular regard to the requirements of section 67 of the Ecclesiastical Commissioners Act 1840 relating to the making of additional provision for the cure of souls in parishes where such assistance is most required, except, in the case of an amount required to be paid by virtue of a subsequent Measure, in so far as a subsequent Measure provides otherwise; and "subsequent Measure" means a Measure passed after this Measure."

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Part B: Special Amendments

Special Amendment 1

Clause 9, page 7, line 23, at end insert—

"(7) CENS must lay the budget before the Synod as soon as reasonably practicable after it has been prepared; and the budget may be so laid after the year to which it relates has begun."

11. This amendment restates in the context of this Measure the requirement in section 4(3) of the National Institutions Measure 1998 for CENS's budget to be laid before the General Synod before the end of June each year. It does not, though, replicate the requirement for Synod to approve the budget. That is because the Synod will under the Measure have significant involvement in the preparation of the funding framework on which the budget will be based. That will provide Synod with significant opportunities for input and scrutiny – opportunities that do not currently exist in relation to the Archbishops' Council's budget.

12. Nor does this amendment restate the requirement for laying before June. The omission of that requirement brings consistency with the Revision Committee's decision to make the requirements for each NCI to lay its annual accounts before the General Synod more flexible by removing the deadline of June (see clauses 23(1) and (2)).

If Special Amendment 1 is passed, the Steering Committee will move the following consequential amendments—

Clause 10, subsection (4), leave out paragraph (c).

Clause 10, leave out subsection (6).

Special Amendment 2

After clause 17 insert—

"*Church of England Pensions Board*

17A Prevention of poverty etc.

(1) The Church of England Pensions Measure 2018 is amended as set out in subsections (2) to (7).

(2) In section 37 (General Purposes Fund), in subsection (2), in paragraph (a)—

(a) before “relief of poverty” insert “prevention or”, and
(b) for “a retired clerk or church worker” substitute “clerks, church workers, deaconesses, licensed lay workers or lay residentiary canons (in each case whether holding office as such or retired) and their current or former spouses or civil partners”.

(3) In paragraph (b) of subsection (2) of that section—
(a) before “relief of poverty” insert “prevention or”, and
(b) for the words from “a surviving” to the end substitute “surviving former spouses or civil partners or children or dependants of deceased clerks, church workers, deaconesses, licensed lay workers or lay residentiary canons;”.

(4) In paragraph (c) of subsection (2) of that section, for “retired clerks and church workers” substitute “clerks, church workers, deaconesses, licensed lay workers or lay residentiary canons (in each case whether holding office as such or retired)”.

(5) In paragraph (d) of subsection (2) of that section, for “deceased clerks or church workers” substitute “deceased clerks, church workers, deaconesses, licensed lay workers or lay residentiary canons”.

(6) After subsection (3) of that section insert—

“(3A) In acting under subsection (3) for any of the purposes set out in subsection (2), the Board may do anything which it may do in exercising, or acting for the purposes of or in connection with, a power under section 41.”

(7) In section 41 (provision of residences), in subsection (1), in paragraph (a)—
(a) omit “retired”, and
(b) after “lay residentiary canons” insert “(in each case whether holding office as such or retired)”.

(8) Section 56(2) of the Church of England Pensions Measure 2018 (references to spouses) applies to the amendments made by this section.”

13. This special amendment inserts a new Clause 17A which makes amendments to the Church of England Pensions Measure 2018 that were requested by the Church of England Pensions Board (CEPB). It amends the CEPB’s objects set out in sections 37(2) and 41 of the 2018 Measure. The amendments to section 37(2) broaden the CEPB’s objects by reference to the ‘prevention of poverty’ in addition to the ‘relief of poverty’. This will enable the CEPB to offer more proactive and

preventative support to clergy, by expanding its retirement services to a wider range of activities which will enable them to plan and provide for their retirement. It also amends section 41 of the 2018 Measure (provision of residences) so that the CEPB's powers for providing residences are consistent with the changes to the objects.

14. The amendments to section 37 also revise and broaden the scope of beneficiaries of CEPB's charitable funds to include deaconesses, licenced lay workers and lay residentiary canons (who are already eligible for assistance with residences under section 41) and to include those who are not yet retired. The amendments to section 41 apply the broadening of the beneficial class to include those who are not yet retired to the provision of and assistance with housing by the CEPB. The relevant provisions of the Church of England Pensions Measure 2018 as they would be amended by special amendment 2 are set out in the Annex to this paper.

Special Amendment 3

After clause 23 insert—

"Joint employer agreement

23A (1) This section applies where two or more National Institutions, or the transferor under an order under section 10 or 11 and one or more National Institutions, enter into an agreement—

(a) which provides for the employment of employees to whom the agreement relates by those National Institutions as a common employer, and

(b) which would be a partnership within the meaning of the Partnership Act 1890 if those National Institutions were carrying on a business with a view to profit.

(2) The agreement is to be treated as a partnership for the purposes of the Partnership Act 1890, even though those National Institutions are not carrying on a business with a view to profit.

(3) The agreement may provide for the admission to the partnership of other National Institutions as general partners or as limited partners.

(4) In sub-section (3), "general partner" and "limited partner" each having the same meaning as in the Limited Partnerships Act 1907."

15. This special amendment, which replicates the provisions made in section 6 of the National Institutions Measure 1998, applies the partnership provisions of the Partnership Act 1890 to joint employment agreements made by National Church Institutions subsequent to any transfer order made under the new Measure.

Special Amendment 4

In Schedule 2, after paragraph 4, insert—

"*Information and consultation*

5(1) The transfer is to be treated as a relevant transfer to which regulations 11 to 16 of the TUPE Regulations apply.

(2) Where, before the transfer, the transferor has notified the employee liability information in the form and manner required by regulation 11 of the TUPE Regulations (notification of employee liability information), the transferor is to be treated as having complied with that regulation

(3) Information provided or consultation undertaken by the transferor or the employee before the transfer, if provided or carried out in the form or manner required by regulation 13 of the TUPE Regulations (duty to inform and consult representatives) is to be treated as effective for the purposes of that regulation. (4) In this paragraph—

"TUPE Regulations" means the Transfer of Undertakings (Protection of Employment) Regulations 2006, and

"employee liability information" has the meaning given in regulation 11(2) of those Regulations."

16. Schedule 2 makes provision for protections equivalent to those contained in the Transfer of Undertakings (Protection of Employment) Regulations 2006 (the 'TUPE' Regulations) to apply on the transfer of employees. This is necessary because TUPE only applies to undertakings engaged in economic activity and would not therefore cover transfers between NCIs. Special amendment 4 provides for additional TUPE-like provisions relating to employee liability information (information provided to the new employer about the transferred employees before the relevant transfer takes place) and the duty on both the new and transferor employers to inform and consult representatives of the affected workforce before the relevant transfer takes place.

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On behalf of the Committee
The Rt Revd Andrew Watson
Chair

July 2025

Annex

Sections 37 and 41 of the Church of England Pensions Measure 2018 as they would be amended by special amendment 2

37 General Purposes Fund

(1) The Board must continue to administer the General Purposes Fund established by resolution of the Board on 17 September 1975.

(2) The Board must pay into the General Purposes Fund testamentary or other gifts made to it for any of the following purposes—

(a) the prevention or relief of poverty in the case of ~~a retired clerk or church worker~~ clerks, church workers, deaconesses, licensed lay workers or lay residentiary canons (in each case whether holding office as such or retired) and their current or former spouses or civil partners;

(b) the prevention or relief of poverty in the case of ~~a surviving or former spouse or civil partner or a child or dependant of a deceased clerk or church worker~~ surviving former spouses or civil partners or children or dependants of deceased clerks, church workers, deaconesses, licensed lay workers or lay residentiary canons;

(c)the provision, maintenance or management of homes of residence for, or the making of loans under section 43 to, ~~retired clerks and church workers~~ clerks, church workers, deaconesses, licensed lay workers or lay residentiary canons (in each case whether holding office as such or retired) and their current or former spouses or civil partners;

(d)the provision, maintenance or management of homes of residence for, or the making of loans under section 43 to, the surviving or former spouses or civil partners and the children and dependants of ~~deceased clerks or church workers~~ deceased clerks, church workers, deaconesses, licensed lay workers or lay residentiary canons.

(3) The Board may, subject to any conditions imposed by the testators or donors in question, apply the General Purposes Fund or any part of it for any of the purposes set out in subsection (2).

(3A) In acting under subsection (3) for any of the purposes set out in subsection (2), the Board may do anything which it may do in exercising, or acting for the purposes of or in connection with, a power under section 41.

(4) The Board may borrow money on the security of the assets of the General Purposes Fund in order to pay for expenditure incurred for any of the purposes set out in subsection (2);

and for this purpose the assets of the Fund include homes of residence vested in the Board and certified on its behalf to be maintained out of the Fund to a material extent.

(5) Any sum purporting to be donated by way of a testamentary or other gift to the Clergy Pensions Augmentation Fund, the Clergy (Widows and Dependants) Pensions Augmentation Fund or the Church Workers Pensions Augmentation Fund is to be treated as donated to the General Purposes Fund.

41 Provision of residences

(1) The Board may provide, maintain and manage homes of residence—

(a)for ~~retired~~ clerks, deaconesses licensed lay workers and lay residentiary canons (in each case whether holding office as such or retired) and for their current or former spouses or civil partners;

(b)for surviving former spouses or civil partners and for children and dependants of deceased clerks, deaconesses, licensed lay workers and lay residentiary canons.

(2) The powers under subsection (1) include—

(a)a power to assist others in providing, maintaining and managing homes of residence for persons of the description given there,

(b)a power to assist others in maintaining persons resident in such homes of residence, and

(c)a power to provide nursing care for persons resident in such homes of residence.

(3) The things which the Board may do for the purposes of, or in connection with, exercising a power under subsection (1) include—

(a)converting buildings or other land,

(b)constructing or improving buildings, and

(c)assisting others to do something mentioned in paragraph (a) or (b).

(4) The Board may act alone or jointly with others when exercising, or acting for the purposes of or in connection with, a power under this section.

(5) The Church Commissioners may make to the Board grants out of their general fund or loans for any purpose connected with the Board's functions under this section; and it is up to the Commissioners to decide the amount of a grant or loan under this subsection and the terms on which a loan under this subsection is made.

(6) A reference to a home of residence for a person includes a reference to a separate dwelling for that person.

(7) Nothing in this section authorises the Board to acquire, hold or apply any property.