

GENERAL SYNOD

Draft Mission and Pastoral etc (Amendment) Measure: Compensation

Background

1. Clause 5 of the draft Mission and Pastoral etc (Amendment) Measure (**GS 2014**) repeals the existing Schedule 4 to the Mission and Pastoral Measure 2011 and inserts a new Schedule 4, making new provision for compensation for loss of office resulting from pastoral reorganisation. Compensation under the present provisions of Schedule 4 is calculated on the basis of future loss to the dispossessed person, whereas the new Schedule 4 provides for compensation to be calculated on the basis of past service.
2. Some questions have been raised about how the new compensation provisions would operate in practice. There will be some variation in the value of the compensation, which will depend on how much the dispossessed person is actually paid by way of stipend, but it was thought that it might be helpful for Synod members to see a worked example of the new compensation provisions in practice.

Example

3. Three clergy are dispossessed by pastoral reorganisation. The reorganisation scheme does not make any provision appointing any of them to a new ecclesiastical office under the scheme, and therefore each of them is entitled to compensation under Schedule 4.

Person A is a full-time incumbent, living in the parsonage house, and has held stipendiary ecclesiastical office for 25 years.

Person B is an assistant curate, who is full-time and paid a stipend and is provided with a house by the diocesan board of finance. Person B has held stipendiary ecclesiastical office for 10 years.

Person C is a non-stipendiary house for duty curate.

The compensation due to each of these three is set out below. The basis of calculation is as follows:

Person A receives, under paragraph 3 of the new Schedule, 6 months' stipend automatically, plus 6 months' pension contributions, plus a further 15 months' stipend (capped by virtue of paragraph 3(3) because Person A has more than 21 years' service). The payment is made as a single lump sum, by virtue of paragraph 4. Person A, and any family members living with Person A, also receives, under paragraph 5, accommodation for six months. This could be in the parsonage, or in another house belonging to the diocese or to a third party.

Person A compensation

21 months' stipend @ the National Stipend Benchmark for 2015/16	21 x £24,690/12	£43,208
6 months' pension contributions @ 39.9% of the previous year's National Minimum Stipend	6 x 39.9 % x £22,790/12	£4,547
Total		£47,755 plus 6 months' provided housing

Person B receives, under paragraph 3, six months' stipend paid automatically, plus six months' pension contributions, plus a further four months' stipend to reflect each additional year of service after six years. No cap operates in this case because Person B has less than 21 years' service. Person B, and any family members, are also entitled to be housed for six months.

Person B compensation

10 months' stipend @ the National Minimum Stipend for 2015/16	10 X £23,250/12	£19,375
6 months' pension contributions @ 39.9% of the previous year's National Minimum Stipend	6 x 39.9 % x £22,790/12	£4,547
Total		£23,922 plus 6 months' provided housing

Person C receives no cash payment, because by virtue of paragraph 3(2) of the new Schedule 4 "stipend", for the purposes of the calculation of cash compensation, means the stipend that the person was actually receiving before the pastoral reorganisation. However, Person C was provided with a house for the better performance of the duties of the office, and therefore is entitled to housing for six months under paragraph 5, on the same basis as A and B.

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