

GENERAL SYNOD**THE CHURCH OF ENGLAND FUNDED PENSION SCHEME (AMENDMENT)
RULES 2022****Explanatory Notes**

These Rules amend the Rules of the Church of England Funded Pensions Scheme to align the definition of “disability” used to determine qualification for ill health retirement under the Funded Scheme with the equivalent provision in the Past Service Scheme (i.e. the scheme provided by the Church Commissioners for Clergy benefits earned before 1998).

Background and summary

1. There are two principal clergy pension schemes operated by the Church of England Pensions Board (“the Board”): the Past Service Scheme, in respect of service carried out prior to 1st January 1998; and the Church of England Funded Pensions Scheme (“the Funded Scheme”), in respect of service carried from 1st January 1998.
2. The provisions governing the Past Service Scheme are contained in Part 3 of the Church of England Pensions Measure 2018. The provisions governing the Funded Scheme are contained in rules made by the Board, with the approval of the General Synod, under the trust deed of the Funded Scheme and in accordance with section 8 of the 2018 Measure.
3. As matters stand, the Past Service Scheme and the Funded Scheme have different provision concerning entitlement of scheme members to pensions if they retire early on grounds of ill-health. The rules of the Funded Scheme impose a stricter test than the provisions governing the Past Service Scheme. Under the Past Service Scheme, ill-health retirement is available if a member is permanently prevented from performing the duties of his or her office due to physical or mental disability. The rules of the Funded Scheme add a further qualification that the disability also prevents the member from undertaking any other remunerated work. This causes difficulties in the administration of the schemes and is potentially problematic for scheme members.
4. These Amendment Rules therefore amend the Funded Scheme rules to bring them into line with the provisions governing the Past Service Scheme by removing the additional qualification that the disability prevents the member from undertaking any other remunerated work.

Synodical Procedure

5. Rules made under the Funded Scheme cannot come into operation until they are approved by the General Synod (see section 8 of the 2018 Measure). Accordingly, the Pensions Board has made the Amendment Rules and laid them before the General Synod for approval.
6. The Business Committee has determined, in accordance with Standing Order 70 and as provided for in section 8 of the 2018 Measure, that the Rules do not need to be debated. That means that the Synod will be deemed to have approved them unless a member gives notice in accordance with SO 13 by not later than 5.30 p.m. on Friday 8th July 2022 that he or she wishes the Rules to be debated.
7. If such notice is given, the Rules will be debated on the One Motion Procedure set out in SO 72. That procedure involves a debate on the motion ‘That the Church of England Funded Pension Scheme (Amendment) Rules 2022 be approved.’ Neither that motion nor the Rules themselves are amendable. If that motion is passed (but not otherwise), the Rules will come into operation.

Notes on provisions of the Amendment Rules

8. The introduction sets out various preliminary matters of a technical nature.
9. Rule 1 replaces the definition of “disability” in the Scheme Rules with one which no longer includes a reference to a person being unable to do any other remunerated work.
10. Rule 2 is a consequential amendment to rule 5.3 of the Scheme Rules (which concerns evidence of continued disability).