

# MY MEMBERSHIP

NOVEMBER 2023

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## Church of England Funded Pension Scheme (CEFPS)



PENSIONS BOARD



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## My pension at a glance

This is one of five booklets that explain the Church of England Funded Pension Scheme (CEFPS). CEFPS is a defined benefit pension scheme. You build up pension based on your length of pensionable service and the National Minimum Stipend.

<p><b>My membership</b></p>	<p>Joining is easy, it is usually automatic if you are in stipendiary ministry.</p> <p>The cost of your pension is covered by your Responsible Body, but you can save more.</p> <p>You can usually transfer other pensions into our AVC scheme.</p>
<p><b>Boost my pension</b></p>	<p>You can boost your retirement savings in a very tax efficient way.</p> <p>Our 'Lifestyle' option is our default strategy if you do not want to choose your own investments.</p> <p>We offer other low-cost investment options if you would prefer to pick your own.</p>
<p><b>My retirement</b></p>	<p>When you retire, we will pay you a pension for life, in monthly instalments minus PAYE tax.</p> <p>You do not have to take a pension from us, there are choices you can make to suit your retirement needs.</p>
<p><b>My pension if I leave</b></p>	<p>If you leave after 3 months, we will keep your pension with us and increase it before you retire. You can transfer your pension.</p> <p>If you leave within 3 months, you can transfer your pension to another provider or you can choose a refund of any contributions you paid, less tax.</p>
<p><b>My pension if I die</b></p>	<p>If you die before you retire, we will pay two-thirds your pension to your spouse or civil partner.</p> <p>If you die while still an active member (and before age 75), we will also pay a tax-free lump sum of three times the National Minimum Stipend.</p> <p>Your pension is guaranteed for one year. If you die within this time, we will pay the remaining amount as a lump sum to your beneficiaries.</p>

## How I become a member

If you are new to CEFPS, you usually join when you start stipendiary ministry.

If you are employed outside the usual Diocesan structure, you may be able to join if your employer or organisation is linked to the Church of England, and agrees to become a 'Participating Responsible Body'. You usually need a Bishops' License to join.

Unfortunately you cannot join if you are self-supporting.

### PensionsOnline

Track your Clergy pension online with PensionsOnline at:



### Life cover

Your pension comes with life cover, which pays a lump sum if you die in service before age 75. There is no need to provide evidence of health.

This lump sum is three times the previous years' National Minimum Stipend. We pro-rata the amount if you are part-time.

### Opting out

You do not have to join. You can opt out, but it is important you consider the benefits you will lose. If you opt out, you will not earn any pension, and you will lose your life cover.

If you want to opt out, contact us for an 'opt out notice.' We cannot send this to your Responsible Body. This is designed to stop anyone pressuring you to opt-out.

Automatic enrolment means you may be enrolled you again in the future. You can opt out again if that happens.

### Opting back in

If you change your mind after opting out, you can re-join. To opt back in, contact your HR team for an 'opt in notice.'

### Re-joining after leaving

If you re-join, we will re-activate your pension and you will earn extra pension from the date you re-join.

If you re-join within 3 months of leaving, we will treat your service as continuous.

If your new role is outside the usual Diocesan structure, it can be possible for you to stay in CEFPS. Your new employer or organisation will need to agree to become a Responsible Body.

### Transferring in other pensions

We do not accept transfers into CEFPS.

However, we do accept transfers into our Additional Voluntary Contribution (AVC) scheme with Legal & General. If you are interested in exploring this, please get in touch.

### The Church of England Pensions Measures

CEFPS was established on 1 January 1998. Before then, Clergy pensions are covered by The Church of England Pensions Measures (CEPM).

We administer and pay all pensions earned before 1 January 1998. The cost of these benefits are met by the Church Commissioners

The legal details of pensions earned before 1 January 1998 are contained in several regulations collectively known as the Church of England Pensions Measures.

## How my pension works

### Responsible Body contributions

Your Responsible Body covers the cost of providing your pension. The amount can change over time, depending on a range of factors such as economic conditions and life expectancy.

### What do I pay?

You are not required to pay anything towards your pension.

You can save more into your pension if you would like. This is called boosting your pension through Additional Voluntary Contributions (AVCs).

Find out more about AVCs in our AVC guide.

### How does my pension work?

You build up a pension based on your length of service and the National Minimum Stipend.

When you retire we will pay you:

- a pension for life, plus
- a tax-free lump sum

Find out more in the 'My retirement' guide.

### How much might my pension be?

Your pension is based on:

- your length of pensionable service, and,
- the previous year's National Minimum Stipend (NMS)

We work out your pension depending on when you completed your pensionable service. The diagrams on page 6 explain this.

If you have held certain offices your pension will be higher, but your tax-free lump sum stays the same. If you later take up a lower position, such as moving from a Diocesan Bishop to an

Archdeacon your pension stays at the Diocesan Bishop's level.

	Multiple of pension
Suffragan Bishop, Dean, Provost or Archdeacon	1.25
Diocesan Bishop	1.5
Bishop of London	1.8
Archbishop of Canterbury and York	2

If you have part time service, we pro-rata your pensionable service for this period. This means you will earn slightly less pension for any of these periods.

### Can I find out how much my pension might be?

Yes, you can find out how much your pension might be when you retire by going to PensionsOnline and using 'Estimate Online'.



[pensions.churchofengland.org](https://pensions.churchofengland.org)

### When can I take my pension?

Before taking your pension, you must give up your current post.

You can access your pension at any age from 55 onwards. The Government will be increasing this to age 57 from April 2028.

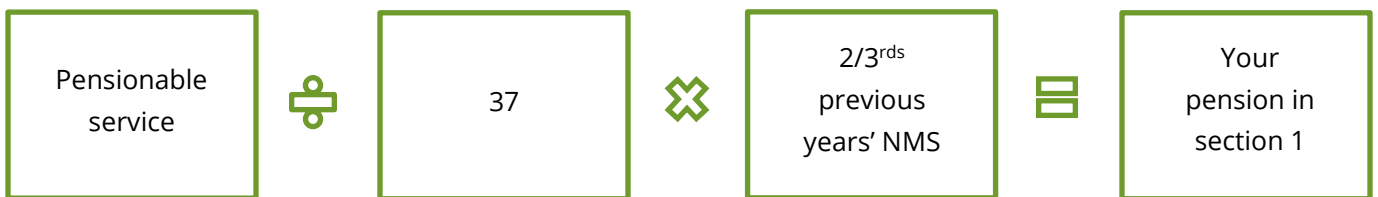
If you take your pension before your Normal Pension Age, we need to reduce your pension for early payment.

We work out your pension by splitting your service into three sections. We add up all three sections and this is your total pension.

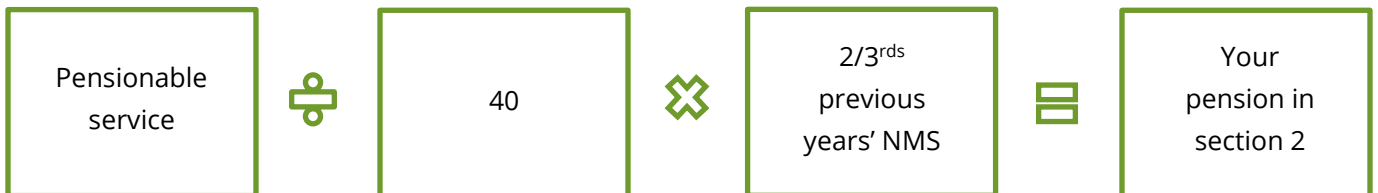
The Normal Pension Age (NPA) increased from 65 to 68 from 1 January 2011. This change was agreed by Synod. If you take your pension at a different time to the NPA, your pension may change as we are likely to pay it for a different length of time.

Your tax-free lump sum is usually 3x your total pension.

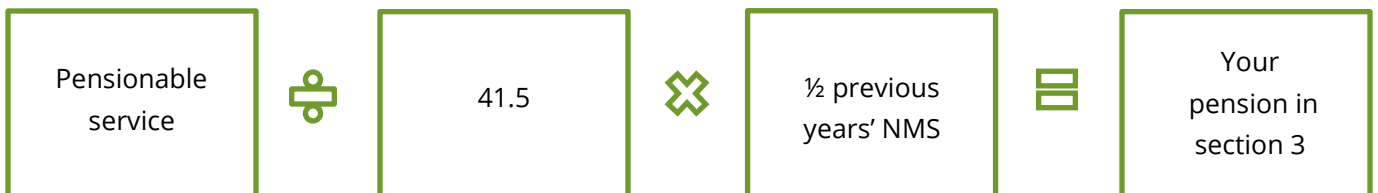
### Pensionable service until 31 December 2007 (NPA 65)



### Pensionable service between 1 January 2008 and 31 December 2010 (NPA 65)



### Pensionable service from 1 January 2011 (NPA 68)



Tax-free lump sum = 3x pension

Your total pension

## Further information

### Your pension on divorce

If you divorce or your civil partnership is dissolved, the court may take your pension into account as part of your settlement.

The court may decide part of your pension must be shared with your ex-partner. Please let us know if you need information about your pension and divorce.

### State pension

Your State Pension is separate to your CEFPS pension. We recommend you find out more about your State Pension entitlement to help you plan for retirement.

For more information and a forecast visit

 [gov.uk/check-state-pension](https://www.gov.uk/check-state-pension)

### Family leave

This includes:

- Maternity
- Paternity
- Shared parental leave
- Adoption leave

Ask your employer what their policy is on pension contributions during family leave. You can also find out more about pensions during this period at

 [churchofengland.org/pensions-technical](https://www.churchofengland.org/pensions-technical)

### Sick leave

If you are too ill to work, you will receive Statutory Sick Pay (SSP) if you normally earn more than the Lower Earnings Limit. SSP is treated as part of your earnings, or basic pay so you will keep earning pension while you receive SSP.

During sick leave, any contributions you pay will be based on your actual earnings. If your SSP is less than your usual pay, your contributions will go down too.

Unless there is something in your employment contract that sets a contribution rate, or your employer agrees to pay more, their contributions will decrease as well. This means you will build up pension at a slower rate until you come back from SSP.

You will still be covered for life cover while you receive SSP.

Once your SSP runs out, it is up to your employer whether contributions continue.

## Disputes and complaints

We make every effort to provide you with an efficient and effective service. However, if you are unhappy with our service, please contact us first and we will do our best to resolve your issue.

If you are still dissatisfied, you can contact us at:



**Chief Executive**  
**Church of England Pensions Board**  
**PO Box 2026**  
**Pershore**  
**WR10 9BW**

If we cannot resolve your issue to your satisfaction you can ask for a 'formal complaint form' under our internal dispute process. This will include the full details of our complaint process.

## Pensions Ombudsman

If you have a complaint or dispute concerning your workplace or personal pension arrangements, you can contact the Pensions Ombudsman.



**10 South Colonnade**  
**Canary Wharf**  
**London**  
**E14 4PU**



**0800 917 4487**



**[pensions-ombudsman.org.uk](mailto:pensions-ombudsman.org.uk)**

If you have general requests for information or guidance concerning your pension, head to the MoneyHelper website.



**[moneyhelper.org.uk](http://moneyhelper.org.uk)**



## Contact us

The Church of England Pensions Board is the trustee and administrator of CEFPS.

Our office is located at Church House, 29 Great Smith Street, SW1P 3PS.

You can also contact us at:



**Church of England Pensions Board**  
**PO Box 2026**  
**Pershore**  
**WR10 9BW**



**0207 898 1802**



**[pensions@churchofengland.org](mailto:pensions@churchofengland.org)**