SUPPORTING PAPERS

DIOCESAN SYNOD

ON 17TH MAY 2025

SUPPORTING PAPERS FOR DIOCESAN SYNOD

ON 17TH MAY 2025

CONTENTS

MEETING OF THE DIOCESAN SYNOD

PAGE

AGENDA ITEM 4. NATIONAL CHURCH FUNDING UPDATE

This provides Synod with an update on the various streams of national funding that the diocese is benefitting from. The table on the next two pages summarises the eighteen grants that the diocese is currently administering.

Diocesan Investment Programme

By the time the Synod meets, the application for £11.7 million to the Diocesan Investment Programme will have been submitted. This flows from the Diocesan Growth Strategy agreed at the additional meeting of the Diocesan Synod in March.

We anticipate this will be received by the June Strategic Mission and Ministry Board, and that we might hear the outcome by the end of June.

Racial Justice

We are pleased that we have been awarded £225k over three years for the appointment of a Racial Justice Co-ordinator, and the development of some training days and a travelling exhibition to help parishes promote Racial Justice.

National Review of Diocesan Finances

The national church is currently undergoing a review of Diocesan Finances. This is likely to affect the amount that we contribute to national costs – largely restructuring the way that the training of ordinands is paid for. As yet, we are not aware of the details of how this will affect us.

John Preston
24th April 2025

Name	Amount Awarded	Amount Received	Amount Spent	Purpose	Timeframe	Oversight	Notes
Sustainability Fund	£600,000	£600,000	£391,519	Covid Support	2020 - 2025	John Preston	Used to fund two additional training curates, assistant DDO & additional Parish Adviser
Generous Giving Officer	£120,000	£120,000	£110,680	Generous Giving Adviser	2021 - 2025	Sarah Rogers	Generous Giving role - Funding tapers off cover the five years
Catholic Missioner	£140,100	£100,775	£100,524	Support Catholic Mission	2022 - 2024	+Will	Administering on behalf of the Society to fund a priest in Chichester and a priest in Sheffield
Catholic Missioner 2	£45,000	£0	£0	Support Catholic Mission	2025	+Will	Additional grant for the Society to fund work in 2025
Racial Justice	£10,000	£10,000	£1,573	Racial Justice	2023 - 2024	+Will/Godfrey Kesari	Two grants of £5k for study days and training for the racial justice committee.
Church Building Support Officer	£118,691	£27,743	£61,175	Church Building Support Officer	2023 - 2025	Emma Arbuthnot	Church Buildings Support Officer role
Minor Repairs and Improvements Grants Fund	£132,750	£58,410	£50,297	Support churches with repairs.	2024 - 2025	Emma Arbuthnot	
Schools NZC governors 10%	£50,000	£0	£0	Match funding for Salix grant to pay Governors 10%	2024-2026	Heather Broadbent	
Growing Faith	£20,000	£10,000	£0	Learning Hubs	2025-2027	Jamie Gater	Church schools and Christian parenting
SDF 2017	£824,795	£660,965	£708,533	Strategic church revitalisation	2017-2022	Geoff Payne	£160k remaining for additional venue at St John's Crawley
SDF 2021	£2,719,976	£1,801,885	£1,776,246	Strategic church revitalisation	2021-2026	+Will / Geoff Payne	Supporting strategic projects across Brighton and Hove.
SDF 2022	£1,620,000	£595,930	£554,708	Strategic church revitalisation	2022-2027	+Ruth / Geoff Payne	Supporting strategic projects within Crawley

SMF - POFR	£355,047	£193,804	£141,205	Holbrook & All Souls	2022-2028	Geoff Payne	£228,651 allocated to a post at St Mark's Holbrook from Dec 22, £126,395.75 allocated to a post at All Souls' Eastbourne from Feb 23
DIP Capacity	£599,764	£151,674	£162,558	Diocesan strategy development	2023-2027	Catherine Dawkins/John Preston	Capacity funding of 3 additional roles to support development of a new diocesan strategy
Net Zero Capacity Grant	£155,192	£48,000	£30,010	Support implementation of NZC route map	2024-2026	Steve Collins	Capacity funding of 3 additional roles
Net Zero Quick Wins	£58,850	£14,713	£21,256	Funding to kick start NZ activities	2024 - 2025	Steve Collins	Supporting assessment of carbon footprint of properties within the diocese
NZC Housing Demonstrator	£73,875	£0	£0	NZC projects	2025	Scott Ralph	Seaford parsonage ASHP and PV cells, and EPCs
TOTAL	£7,644,040	**£4,393,899**	**£4,110,283**				

AGENDA ITEM 5. CLERGY PENSIONS

The majority of clergy live in tied housing for their ministry and are paid a living allowance (stipend). On retirement, they must find their own accommodation whilst their pension is one half of their living allowance, if they have sufficient service years in the church.

In 2011, General Synod voted to reduce Clergy pensions from two thirds of a stipend to half a stipend and to increase the full length of service required to 41.5 years. That Synod did note that 'should the pensions climate improve sufficiently' that it would think about restoring the pension levels.

The pensions climate has improved but despite a General Synod Private Members Motion from Revd Dr Ian Paul (February 2024) that was passed asking for Something to be done, nothing has been done.

Revd David Baker (of East Dean, Friston and Wilmington) recently noticed this injustice and started up a private Facebook page to ask if others felt the same and found that 2000 clergy agreed. They have since created a website with more information https://clergypensionaction.uk/ . A new Private Members Motion will hopefully be going to this July's General Synod.

Revd Dr Ian Paul's paper GS2330A (attached as an Annex to this paper accompanied by the technical paper from the Pensions Board) argued the case for the injustice of the Clergy Pension as well as the simplicity of restoring this. He quoted a survey conducted by Bishop Richard Jackson: "38% of clergy in service are either finding it 'quite or very difficult to manage' or are 'just getting by'. This figure will certainly be higher to retired clergy who are reliant on the clergy pension". The Clergy Pension Action page has several anecdotes demonstrating the distress that lower level of pension has caused.

The rebuttal paper GS2330B (also attached) written by William Nye, Secretary General of Archbishop's council, says in short: this will cost too much. He notes three different layers of cost – firstly if this proposal is merely adjusted for those who are currently stipendiary clergy; secondly for those who retired since 2011 and what sort of reparation should they be due; and thirdly for those who have died since and what sort of reparation should be due their widows.
This proposal is important as a first step towards properly caring for our clergy and retired clergy. This proposal does not consider the advice given, certainly to those ordained in 1990s, to sell their housing, as an act of faith, on the grounds that the Church would provide for you on your retirement. Nor the iniquities of the current Charm system. Nor does it address the peculiar moral of being given a living allowance through working years and in retirement offered a sum less than a living allowance despite incurring significant new costs that are not filled by a state pension.

Failure to address this injustice can be shown to have had a significant effect upon retired clergy, upon clergy morale and it will certainly influence clergy recruitment. Synod is therefore invited to consider adding its support to this: "This Synod calls for the 2011 pension changes to be reversed so that pension received after full service would revert to two-thirds of stipend, and the number of years service to receive a full pension be amended back to 37 years."

Revd James Hollingsworth, Seaford and Lewes Deanery

GENERAL SYNOD

Private Member's Motion on Clergy Pensions

Summary
My motion asks: 'That this Synod request the Archbishops' Council, the Pensions Board, and the Church Commissioners to work together to find a way to make use of the whole range of assets and resources across the Church to enable the restoration of the clergy pension to its pre-2011 benefit level as soon as possible.'

Background

1. In 2007 there was a real concern about the sustainability of the then arrangement for clergy pensions, and the pressure that contributions to the pension scheme were putting on diocesan finances. The actuarial concerns about pension scheme contributions were not limited to the Church of England.
2. Paper GS 1660 proposed a change in the 'accrual rate', so that the full pension was only gained after 40 years' service (FTE) rather than 37 years.
3. Annex one contains the answer to Dr Neill Burgess' question at the July 2023 group of sessions.
4. The Synod motion passed at the time ran as follows:

   > "That this Synod (a) endorse the recommendations contained in paragraph 52 of GS 1660, and (b) request the Archbishops' Council, in the event that the pensions climate improves sufficiently, to bring forward recommendations to the Synod, after consultation with the Pensions Board and the Church Commissioners, with a view to restoring pension levels."

   In other words, the intention was always for this to be a temporary, and not permanent, change. That commitment appears not to have been followed up.

Further Changes

5. In 2011, there was a further change in the accrual rate, from 40 to 41.5 years of service, and a significant change of the pension from 2/3 of the National Minimum Stipend to 1/2 of NMS. This change was introduced in the light of Government changes to the state pension, and the possibility of employers contracting into the State Earnings Related Pension, soon know as the State Second Pension (S2P) which was intended as a top-up to the state pension.
6. However, the S2P was abolished in 2016 when the Government introduced a revised, flat-rate, state pension. The benefits in the Clergy Scheme remained unchanged at 1/2 NMS.
7. The net results of the change in the accrual rate, and the reduction of the pension as a proportion of NMS, mean that the clergy pension is now 1/3 less than it would have been had these changes not been made.
8. Full details of the changes, and the wider pension context, are set out in the supporting Technical Note from the Pensions Board.
9. This loss of pension has been further compounded by the steady erosion of the NMS compared with average pay. We are now in a situation where many retired clergy are facing situations of genuine hardship.

Current situation

10. During this time, the investment scene has changed markedly, including for pension funds. As a result of improved investment performance, the Pension Fund has recently reduced the demand it makes on dioceses for contributions. This reduction is approximately the amount that would be required to restore the clergy pension to its previous level, and fulfil the commitment made by Synod in 2007 (see Question 111 in Synod Questions paper, February 2022).

11. Given the continued pressures on diocesan finances (which vary from one diocese to another), it would not be appropriate to ask for additional contributions from them to restore the pension to its previous value. However, there has been a significant growth in the overall assets of the Church as a whole. In answer to Q16 in February 2022, John Spence replied:

    "According to Diocesan Boards of Finance's financial statements, at the end of 2019 the total of unrestricted funds held by dioceses was £798m, £184m of which was held in cash. Since then, diocesan reserves have been adversely impacted by the pandemic, although deficits have been mitigated to some extent by sustainability fund grants totalling £24m across 2020 and 2021 combined.

    According to data compiled for Parish Finance Statistics 2020 which will soon be made available on the Church of England website, at the end of 2020 the estimated aggregate of parishes' restricted and unrestricted reserves were £1,545m, of which £824m was held in cash and £721m in investments."

12. In addition, the Church Commissioners' assets have grown by an average of 10% per year in real terms over the last 30 years. The annual cost of restoring the clergy pension would be 0.25% of their asset base.

13. In the Report of the Clergy Remuneration Review GS 2247 February 2022, the Chair of the Remuneration and Conditions of Service Committee (RACSC) Bishop Richard Jackson commented:

    "We are aware that the value of the package has declined in real terms over the last 20 years, as a result of stipends not being able to keep up with inflation and changes to the pension scheme. This emphasises the importance of ensuring that future aspirations are realistic and affordable."

14. He went on to report, from the survey that had been conducted, that 38% of clergy in service, nearly 2/5 of the whole ordained 'workforce', are either finding it 'quite or very difficult to manage', or are 'just getting by'. This figure will certainly be higher for retired clergy who are reliant on the clergy pension.

15. We no longer face the challenging pension situation of 2007. The overall investment assets of the Church have grown significantly. We have failed to honour own own commitment to restore the clergy pension. And in the meantime, retired clergy are facing real hardship. This is a change we can make; it is one we should make; and given the overall position it is now one we must make.

Revd Dr Ian Paul, Southwell and Nottingham 229
Member of the Archbishops' Council
October 2023

Published by the General Synod of the Church of England

Supplementary information for Q232 from Dr Neill Burgess

Table 1: CEFPS contributions total

This table covers all Responsible Bodies, of which diocesan contributions would account for roughly 92% of the total in any given year.

Year	Future service Contributions (£000)	Deficit Reduction Contributions (£000)	Total: Future Service + Deficit Contributions (£000)
2011	41,924	26,233	68,157
2012	42,710	26,727	69,437
2013	43,253	27,022	70,275
2014	43,615	27,290	70,905
2015	48,440	26,468	74,908
2016	46,472	26,637	73,109
2017	46,115	26,893	73,008
2018	50,593	22,727	73,320
2019	51,102	22,983	74,085
2020	51,981	23,322	75,303
2021	61,909	14,091	76,000
2022 *	61,039	8,169	69,208
2023 **	56,000	0	56,000

Notes: Data drawn from CEFPS Annual Report and Accounts, except *draft 2022 accounts, and **2003 figures are an estimate assuming a contribution rate of 28% of pensionable stipends of approximately £200m. Table excludes any additional contributions made by Responsible Bodies for purposes of augmenting a member's benefit at retirement.

Table 2: CEFPS Contribution rates over time

The contribution rates have changed over time, usually as a result of a triennial valuation. This table sets out the applicable contribution rates over the same time period as set out in the Schedules of Contributions.

NB contributions are expressed as a percentage of the "Pensionable Stipend" which is derived from the previous year's National Minimum Stipend. (Hence applying these percentages to actual stipend payments would overstate the contribution.)

From	To	Total Contribution Rate %	Future Service Contribution Rate %	Deficit Contribution Rate %
01/04/2008	31/12/2009	39.7	34.5	5.2
01/01/2010	31/12/2010	45.0	34.5	10.5
01/01/2011	31/12/2014	38.2	23.5	14.7
01/01/2015	31/12/2017	39.9	25.8	14.1
01/01/2018	31/12/2020	39.9	28.0	11.9
01/01/2021	31/03/2022	39.9	32.8	7.1
01/04/2022	31/12/2022	36.0	32.8	3.2
01/01/2023		28.0	28.0	-

GENERAL SYNOD

Private Member's Motion on Clergy Pensions

Summary

This note should be read alongside (i) GS 2330A from Revd Dr Ian Paul who will propose the motion: 'That this Synod request the Archbishops' Council, the Pensions Board, and the Church Commissioners to work together to find a way to make use of the whole range of assets and resources across the Church to enable the restoration of the clergy pension to its pre-2011 benefit level as soon as possible'; and (ii) the technical note GS 2330T from the Church of England Pensions Board which sets out the history of changes to the Church of England Funded Pension Scheme (CEFPS) since its inception in 2008.

Background

1. The changes made to the CEFPS in 2008 and 2011 in respect of pension benefits that would be earned from future service changes were made in the context of the Global Financial Crisis. General Synod voted for these changes to keep the Scheme affordable in the face of a large funding deficit in the scheme and to limit to some extent the required increase in contribution rates.
2. The funding challenge was not unique. The same factors affected pension schemes for other organisations within and outside the Church, many of which closed their Defined Benefits schemes either completely or for new entrants. Most if not all Defined Benefit Schemes that remained open reduced the benefits for future service. For example, the National Church Institutions switched to a Defined Contribution Scheme for staff commencing service from mid 2006 and reduced the future service benefits for those in the Defined Benefit scheme which was subsequently switched to a career average scheme. Most dioceses and cathedrals took similar actions for their pension arrangements.
3. The changes made in 2008 and 2011 ensured the survival of the clergy defined benefit scheme at a time when defined contribution schemes were becoming the norm.

Adequacy of the pension scheme benefits

4. In his paper, Revd Dr Ian Paul rightly recalls the Synod resolution from 2007: *"That this Synod (a) endorse the recommendations contained in paragraph 52 of GS 1660, and (b) request the Archbishops' Council, in the event that the pensions climate improves sufficiently, to bring forward recommendations to the Synod, after consultation with the Pensions Board and the Church Commissioners, with a view to restoring pension levels."*
5. However, it is worth noting that this resolution was passed when relatively modest changes to the pension benefits in respect of future service were made. When more significant changes were made in 2010, the recommended changes were endorsed by the General Synod with an amendment made to "*invite the Archbishops' Council's Deployment, Remuneration and Conditions of Service Committee (i) to convene a small working group to consider the effect that these recommendations will have on the performance, deployment and morale of the clergy and on the wider mission of the Church and (ii) in the light of the group's findings to offer guidance on these matters to bishops and archdeacons within the next two years*." A summary of this work was reported back to General Synod in GSMisc 1010.

6. The Council most recently reviewed clergy pensions as part of the Clergy Remuneration Review, which was carried out by the Remuneration and Conditions of Service Committee (RACSC) between January 2020 and June 2021. The Review's report was published in July 2021 as GS Misc 1298, and the subject of a take note debate at the February 2022 Group of Sessions.

7. In concluding that the "the current level of pension (when combined with the state pension) is adequate" (paragraph 8.52) this Review declined to make recommendations to increase the level of benefits on affordability grounds (Annex 3, page 92). This was based on diocesan feedback and work commissioned for the Review from actuaries Barnett Waddingham. However, it was recognised "*that there might be unique pressures for clergy based on their individual circumstances" (para 8.52)*

8. General Synod's 2007 resolution is explicit though that the matter should be revisited "in the event that the pensions climate improves sufficiently…" As the Barnett Waddingham work showed, at the time of the Clergy Remuneration Review in 2020/21, the pensions climate had arguably not improved materially compared to 2007. For example, interest rates and gilt yields remained at historically low levels, driving up the cost of providing future pension benefits, and the CEFPS still had a significant funding deficit. In the last year or so however, there are reasons for thinking that the "pensions climate" has improved.

9. The most recent full valuation of the CEFPS, concluded late last year, reported that the funding position of the scheme had improved materially. Whereas the scheme had been in deficit (i.e. the estimated cost of pension promises exceeding the value of assets) almost since its inception in 1998, the valuation reported the scheme was in surplus for the first time. This enabled the Pensions Board as trustee of the scheme to reduce the contribution rate charged to responsible bodies from 39.9% of the previous year's National Minimum Stipend that had been in pace since the start of 2015 to 28.0% from the start of 2023 (an interim rate of 36.0% applied between April and December 2022). From the start of 2023, this enabled dioceses to request lower parish share contributions than would otherwise have been the case and, to some extent, increase clergy stipends by a greater amount that might otherwise have been the case.

10. More generally, only in the last year have interest rates and the yields on government bonds increased back to levels seen before the Global Financial Crisis. It does not look likely that rates will revert back to the historic lows of the last decade any time soon. Inflation has also been higher than we have become used to and the economic outlook and investment conditions are relatively lackluster.

11. However, although the pensions climate may have changed, the economic climate and its impact on church finances has also changed, impacting the affordability of any reversal of the changes made in 2008 and 2011 that might be contemplated. Diocesan Boards of Finance (which are the Responsible Bodies charged with meeting around 90% of the contributions paid into CEFPS although they rely on parish share for over 60% of their annual incomes) have recorded aggregate deficits of just over £100m between 2019 and 2022. Aggregate deficits of at least £40m p.a. are forecast for 2023-25. This is in contrast to the aggregate annual surpluses recorded in Parochial Church Councils (PCCs) since 2012, although it is acknowledged that many individual PCCs will have recorded deficits.

What changes does the motion seek and what might they cost to investigate and implement

12. In their retirement clergy with stipendiary service receive the state pension alongside a clergy pension. An analysis of the combination of these two pension entitlements for those having completed the maximum (full time) pensionable service at incumbent level is set out in the Appendix to GS 2330T. This analysis shows that although the clergy pension entitlement for such clergy retiring in 2024 is expected to be 25% less than those who retired in 2004 (but 7% more than those who retired in 1984), their clergy and state pension combined entitlement is likely to be around 10% less than those who retired in 2004 (but 15% more than those who retired in 1984).

13. The figures in table 3 – showing the combined clergy and state pension - may also be compared with the clergy stipend. Assuming a 5% increase in the National Minimum Stipend (NMS) and the National Stipends Benchmark (NSB) from April 2024, these figures will be £28,134 and £30,066 respectively. It can be seen that the combined maximum clergy and state pension exceeds the NMS in the majority, but not all, of the illustrations but is less than the NSB in most cases.

14. The motion seeks the restoration of the clergy pension to the pre 2011 benefit levels – i.e. to reverse the changes agreed by General Synod in 2010[1]. However, it is not clear whether the motion seeks to do this only in respect of benefits earned for future service from a date to be determined or to seek to uprate benefits earned since the start of 2011 to the level that would have been earned had the changes agreed by the General Synod in 2010 not been made. So these two interpretations will be discussed in turn.

(i) Increasing benefits in respect of future service only

15. This would reverse the first three changes set out in paragraph 10 of GS 2330T in respect of future service from a date to be determined, i.e.

- Decrease the accrual rate from 41½ years to 40 years,
- Decrease the Normal Pension Age from 68 to 65,
- Increase the proportion of the (previous year's) National Minimum Stipend on which the starting pension is based from one-half to two-thirds

16. The Archbishops' Council would need to commission the Pensions Board to obtain the necessary actuarial advice to assess accurately the future contribution rate that would need to apply if these changes were to be made through the necessary amendments to the Scheme Rules which would require General Synod approval. The work to assess the future contribution rate would need to be funded by the Council and might be relatively modest, perhaps in the region of £10,000.

[1] In 2010 changes were also made in respect of ill health early retirement and surviving civil partners. It has been assumed that the motion does not seek to amend these changes.

17. In the absence of a formal assessment and in the interests of trying to provide some scaling, Finance team staff have made an estimate assuming the costs would increase pro-rata with benefits based on the current contribution rate set following the end 2021 full valuation and no other changes. This leads to an illustrative estimate that these changes might increase the current contribution rate from the current level of 28% of the previous year's National Minimum Stipend (NMS) to between 40% and 45%, i.e. likely at or a little above the contribution rates in place between 2011 and 2022. This would mean that the Responsible Bodies would need to pay additional annual contributions of between £25m and £35m based on figures from the end 2021 valuation, the recent value of the NMS and the current number of active scheme members.

18. There may of course be other factors to consider, which an actuarial assessment would pick up. In particular the cost of any change would be strongly influenced by prevailing and projected gilt rates, plus mortality assumptions which will inevitably change, sometimes quite significantly, between valuations. Gilt rates are currently higher than they were at the time of the end 2021 valuation which, in the absence of other factors, would be expected to reduce the cost of both providing future benefits and making the change envisaged in the motion. But this cost cannot be quantified without actuarial advice. In any case such figures can only be illustrative at this point as market conditions will change and other factors might emerge by the time of the next full valuation. As is always the case with defined benefit schemes, the cost of providing future benefits can rise or fall, sometimes quite significantly, from one triennial valuation to another.

19. As noted earlier, dioceses are responsible for funding the majority of pension contributions for CEFPS. Taking the mid-point of the range in the preceding paragraph for illustration, additional contributions on this scale would increase their forecast aggregate deficits by around 75% unless mitigated by additional income, for example an increase of around 10% in parish share contributions, or expenditure reductions which could include reigning back on plans for other elements of the clergy remuneration package such as stipend increases, housing provision or Continuing Ministerial Education.

20. It is noted that GS 2330A states that it would not be appropriate to ask dioceses for additional contributions for this purpose. However, it is the legal responsibility of Responsible Bodies to make the required contributions into CEFPS and the paper makes no suggestion as to how additional contributions might be funded. There are comments on the level of assets held at parish, diocesan and national Church level, but it should be noted that it is the income (or return if a total investment return approach is used) from these assets that should be taken into account in forecasts and spending plans.

21. In this context it needs to be borne in mind that the returns achieved on the endowment fund managed by the Church Commissioners has enabled them to increase aggregate planned distributions by 55% over the past two triennia and their on-going core and strategic funding in the current 2023-25 triennium will be more than double the level in 2017-19. In advance of the end 2024 triennial review which will inform the Commissioners' reassessment of available funding for 2026-28 and beyond, any additional calls on Commissioners funding would need to be matched by reductions in other planned expenditure. Although the Commissioners have been able to agree significant increases in the funding they have provided in support of the Church's

mission and ministry in the two most recent triennial reviews following very high investment returns, there can be no guarantee that this will be the conclusion following future such reviews.

22. In respect of paragraph 11 of GS 2330A it should be noted that the Church Commissioners have achieved a total return averaging 10% per year over the past 30 years. Over this period the assets under their stewardship have grown by an average of 5% per year in nominal terms, and around 2% per year in real (i.e. net of inflation) terms.

(ii) Increasing benefits in respect of all service since 2011

23. As noted in paragraphs 22-25 of GS 2330T, if such a step were to be considered there are several complex practical and policy questions that would need to be addressed before considering the cost of making such a change. Investigating the options would require specialist legal and actuarial advice, the overall cost of which is estimated to be least £100,000. This would need to be borne by the Archbishops' Council.

24. The impact of this step on the funding position of the scheme would be very significant: effectively increasing the liability for pensions earned from service since the start of 2011 by a little over 50% as well as requiring an adjustment to pensions already paid in respect of service since then which would be very complex as outlined below and in GS 2330T. The Finance Team's illustrative estimate is that scheme liabilities would increase by somewhere in the region of £0.6billion - £0.7billion if this change were made.

25. If such a move had been included at the last valuation, the change would have turned the surplus into a substantial deficit, requiring a new deficit recovery plan to be put in place and increasing the risk of volatility of contributions that would be required following future valuations. The additional cost of a deficit recovery plan would depend on a range of factors including the length of a recovery plan, investment growth assumptions and subsequent actual returns.

26. Practical implementation would be challenging, requiring specialist legal and actuarial advice. The implementation period would likely be lengthy – years rather than months – and would require considerable staff time in the Pensions Board which would probably need additional fixed term staff.

Other possible options

27. It is noted that in GS 2330T, the Pensions Board also identifies alternative ways in which an objective of more generous clergy pensions might be realised. One of these was also identified in the Clergy Remuneration Review report as a potential longer term consideration. The cost of implementing any such alternative options would need to be assessed and considered.

Conclusion

28. In considering the motion the General Synod will need to consider a range of factors including:

    - the cost of obtaining professional advice and staff time that would be needed to assess the full cost and consider the implications and practicality of restoring clergy pension benefits to the pre 2011 level
    - the likelihood of the necessary funding being found to deliver such a change on a sustainable basis, and the trade-off in terms of reductions to other national church funding
    - to what extent making such a change might impact on other elements of the clergy remuneration package
    - where this change might rank against other spending priorities
    - how the risks of any deterioration in the funding position of CEFPS would be managed

William Nye
Secretary General, Archbishops' Council
October 2023

Published by the General Synod of the Church of England

GENERAL SYNOD

Technical Note to accompany GS2330A prepared by the Church of England Pensions Board as Trustee and Administrator of the Church of England Funded Pension Scheme

Executive Summary

This is a technical note prepared by the Church of England Pensions Board ("the Board") as Trustee and Administrator of the Church of England Funded Pensions Scheme ("CEFPS", commonly called the 'clergy pension scheme') in relation to the Revd Dr Ian Paul's Private Member's Motion on clergy pensions.

The Board's role in relation to the CEFPS is to oversee (as Trustee) and administer the Scheme in line with the Scheme Rules approved by General Synod. This means that it is Synod, rather than the Board, that ultimately sets the benefits structure. The Board is also a source of pensions expertise on which the Church is able to draw.

Accordingly, this note provides background on the CEFPS and comments from a technical perspective on the motion. The Board offers no view on the policy questions in the motion. If the PMM is passed, the Board would seek to work with the other relevant bodies on the questions raised and in line with its legal and fiduciary responsibilities.

In summary, a change to the Rules relating to future service is mechanically straight forward provided there is a commitment to meet the resulting future service contribution rate. Retrospective changes would need much more detailed examination, be highly complicated, and may have unintended consequences. There could be a simpler way to address a similar end. Finally, the note identifies a potential further alternative which could be considered.

Background: the CEFPS

1. The CEFPS is a regulated occupational pension scheme for stipendiary clergy and certain other office holders. The CEFPS provides a defined benefit pension (a "stipend in retirement") together with a lump sum at retirement.

2. The size of the pension depends on various factors including the number of years of pensionable service, and the benefit structure in place at the time of that service. The starting pension is based on the National Minimum Stipend (NMS): pensions are calculated at retirement date as a proportion of the previous year's NMS.

3. Pension contributions are made by 'Responsible Bodies' (typically Diocesan Boards of Finance for parochial clergy). The scheme is non-contributory for members, though members can boost their pension through Additional Voluntary Contributions (AVCs). Following the last triennial valuation, the contribution rate is set as 28% of pensionable stipends (i.e. 28% of the *previous year's* NMS). No deficit contributions are required.[1]

4. The CEFPS covers service from 1 January 1998. Pensionable service prior to this date is covered by the past service scheme which is funded by the Church

[1] For more information on the history of contribution rates, please refer to the answer to Neill Burgess's question (Q232) from the July 2023 group of sessions.

Commissioners. Clergy with service prior to 1998 will have a mix of benefits under the past service scheme and the CEFPS. The Board administers both schemes so that scheme members have a single port of call for pension queries and administration.

5. The benefit structure is set out in the Scheme Rules. Any changes to the Rules – including the benefit structure – require the approval of the General Synod.

6. Information on the CEFPS can be found on the Church of England website at: https://www.churchofengland.org/resources/pensions/clergy-pensions. This page includes various guides for members. The Scheme Rules and Amending Deeds are also on the website.

Changes to the Rules since 1998

7. The CEFPS as adopted in 1998 essentially carried over the benefit structure from the past service scheme. Synod has approved significant changes to the benefit structure on two occasions since.[2] On each occasion, the Synod record shows that the driver for change was to reduce the current or anticipated cost of the CEFPS to the dioceses.

8. The key changes are summarised in the following table:

	Measures Pre-1998	CEFPS 1998-2008	CEFPS 2008-2011	CEFPS 2011- NOW
Scheme type	Defined benefit – a pension for life			
Pension details	Up to two thirds of NMS, with accrual rate of 1/37.	Up to 2/3 NMS, with accrual rate of 1/37	Up to 2/3 NMS, with accrual rate of 1/40	Up to ½ of NMS, with accrual rate of 1/41.5
Increases	RPI up to 5%	RPI up to 5%	RPI up to 3.5%	
Normal Pension Age	65	65		68

9. The changes applicable for service from 2008 centred around a changed 'accrual' rate, which in essence meant that a full pension required 40 years of pensionable service rather than 37 years. The inflation cap on the guaranteed increase was also amended.

10. The changes applicable for service from 2011 were more significant, including:

- A further increase in the accrual rate to 41½ years,
- An increase in the Normal Pension Age to 68 from 65,
- A reduction in the proportion of the (previous year's) National Minimum Stipend on which the starting pension is based from two thirds of NMS to one half, and
- Contracting back into the State Earnings Related Pension Scheme.

11. It is important to note that changes to CEFPS only affect pension earned *after* the date of the change. Consider three examples by way of illustration. First, a cleric who entered ministry in 1984 and retires in 2024 will have tranches of benefits under all of the above benefit structures. Second, a cleric who retired in 2012 would have been

[2] There have been other minor changes during the period, for example amending the criteria for ill health pensions in 2022. For simplicity, these minor changes are omitted from the narrative.

relatively unaffected by the 2011 benefits changes, as almost all of their service will have been prior to the change. Third, a cleric who retired in 2021 with 20 years' service would have had half of their pensionable service under the post 2011 benefit structure. And so on.

12. As noted in the fourth bullet, the other important change in 2011 was that the CEFPS was 'contracted back in' to the State Earnings Related Pension Scheme (SERPS) which later became the State Second Pension (S2P). SERPS was intended to provide an additional state pension. However, employers could contract-out of SERPS if they provided an occupational scheme meeting certain standards. Contracting out resulted in reduced employer and employee National Insurance contributions. The Church was far from alone in contracting out. According to the Synod records of the time, the decision to contract back in to SERPS/S2P was intended as an offsetting move to the reduction in the CEFPS benefits.

13. The picture is further complicated by the subsequent abolition of S2P in 2016. From 6 April 2016 the Basic and Additional State Pensions (i.e. S2P) were replaced with the new, higher, flat rate State Pension. By way of illustration, this year, the full basic state pension is £156.20 per week. This is effectively the limit of the state pension that a contracted out pre-2011 retired cleric would receive. The full new state pension is ~30% higher at £203.85 a week.

14. An attempt to estimate the combined effect of the various changes over time is set out in the appendix to this paper.

A commentary on the motion

15. The Board does not take a view on whether the benefit level should be changed as proposed in the motion. That is properly a resource allocation decision for Synod and other bodies. The following comments cover process and technical considerations.

Amending the Rules relating to future service

16. The motion seeks "restoration of the clergy pension to its pre-2011 benefit level". Changing the benefit structure for future service – i.e. pensionable service from the date of a change – would not present any significant technical difficulty. It would introduce a further tranche of benefits, such that at retirement, benefits would be calculated with relevant shares of service under each tranche of benefits.

17. As with previous benefit changes, the effect of the change would be more greatly felt by those with a greater period/proportion of service after the date of the change.

18. From a technical perspective, the Board would have to draw up an amending Deed to the Rules, which would require the approval of General Synod before it could be operative.

19. The Board would first wish to calculate a new Future Service Contribution Rate based on the new, higher, benefits level. The Board has not made any estimate of what this would be, as any calculation would also sensibly consider changes in other factors at the same time. It may be desirable therefore to align the effective date of a change with the results of a triennial valuation.

20. The Archbishops' Council could commission the Board and its advisers to estimate the new Future Service rate; this need not be particularly expensive.

21. In summary, the process is comparatively straight-forward. It would be for Synod to consider the overall business case, including cost.

Retrospectively amending service post-2011

22. It is unclear from the motion whether "restoration of the clergy pension to its pre-2011 benefit level" is proposed to be retrospective.

23. The Board would need to take advice on the legality, practicality and implications of any retrospective changes to benefits. The list of issues to consider would be lengthy and might include the potential for personal tax liabilities for members, and the benefits of those who have died in the intervening period.

24. The Board would look to the Archbishops' Council to fund the cost of undertaking the work, and it may be appropriate for certain aspects to be commissioned by the Council and Board separately to avoid conflicts of interest. While estimates of the costs of doing the legal and actuarial work have not been sought, one might reasonably expect the overall cost on professional advice to run into six figures.

25. A retrospective change would also come with a significant increase to the accrued liabilities, which would have to be factored into a valuation of the scheme to assess whether and to what extent there is a funding shortfall, and the resulting contribution rate.

Interaction with the National Minimum Stipend

26. As noted above, all starting pensions are determined with reference to the (previous year's) NMS. There is an important implication of this which may be overlooked, namely that to the extent that the previous year's NMS varies from the rate of inflation, the real value of the starting pension changes. This means that if the NMS does not keep pace with inflation over time, the starting value of pensions reduces in real terms.[3] Conversely, if the NMS increases ahead of inflation, the starting value of pensions rises in real terms.

27. An increase in the NMS would be a mechanically simpler way to augment pension benefits for those who have not retired. It would not require a Rule Change and the implications for liabilities and contribution rates would be captured in the triennial valuation as one among other 'experience' items. The issues and complications associated with seeking to change the Rules retrospectively would be avoided.

28. Of course, there would be other implications, including an increased minimum stipend for those on common tenure who receive the NMS (typically curates).

[3] Once in payment, pensions are guaranteed to increase by the RPI measure of inflation to a cap of 5% for service pre-2008 and 3.5% on service post 2008. In years where actual inflation is greater than the guaranteed increases, the Board may consider (but is not obliged to) exercising its powers to grant a discretionary increase. This discretionary power was used for the first time to provide for a 10.1% increase to pensions in payment from April 2023.

An alternative?

29. As the motion implicitly recognises, all other things being equal, a higher level of future benefits in the CEFPS would imply higher pension contributions, i.e. increased cost for the Responsible Bodies.

30. It is worth noting that there could be another way to target higher pension benefits without the commensurate increase in costs.

31. Pensions legislation in the UK is being broadened to permit the introduction of a different type of pension scheme. Known in the jargon as 'Collective Defined Contribution' or 'Collective Money Purchase' pensions, these types of pension have been operative in certain other countries for some time but are new to the UK.

32. In such a scheme, contributions go into a collective fund which provides a monthly income in retirement to the member. The scheme targets a rate of increase in the monthly pension, which the Trustee would vary according to the scheme funding level.

33. This means that good investment performance is effectively returned to members through higher pension increases or higher targeted future increases. Poor experience would imply lower targeted increases, which in extremis could even be a decrease. This flexibility means that for the employer, the cost of contributions is fixed and there is no concept of deficit recovery plans.

34. This flexibility also means that the same £n contribution in a CDC scheme can target a higher level of benefits than it would in a traditional Defined Benefit scheme where the guarantees require a margin for prudence. Clearly, if such a scheme were to be proposed for clergy, there would have to be full consideration of the trade-off between higher benefits and guarantees.

35. The *Clergy Remuneration Review* (GS2247) drew attention to this new type of pension arrangement (Recommendation 17) and the Board continues to monitor these developments and engage with the Department for Work and Pensions as it develops the legislative and regulatory framework for such schemes. Although the regulatory details will not be available for some months yet, the lower costs, higher returns and greater fairness are of great interest.

36. The Board also notes that CDC has the potential to deliver much better outcomes for those in DC schemes who do not enjoy traditional defined benefit pensions. Potentially therefore, CDC could provide a compelling alternative for 'lay' pensions in the future.

John Ball, Chief Executive
on behalf of the Church of England Pensions Board

October 2023

Published by the General Synod of the Church of England

Appendix: Estimating the effect of changes to CEFPS benefits[i]

37. This appendix is a research note prepared by the Church of England Pensions Board to seek to explore the impact of changes to the clergy pension schemes over time, particularly the 2010/11 changes and the interaction with the state pension. Please note that, as set out below, there are limitations in the methodology of this analysis.

38. The various changes to the benefit structure and state pension described in the main paper above led to different outcomes over time. Clergy pensions relating to service after 2010 are less generous than those earned prior. The effect of this will become more pronounced over time as clergy retire with a greater proportion of their service accrued after 2010. However, there is also an offsetting effect on household income relating to the state pension, itself affected by various changes. Because these changes make it difficult to compare outcomes over time, this analysis has been prepared to try to provide some clear comparators of retirement income experience across different generations of clergy.

Methodology

39. This analysis takes a series of snapshots at 10-year intervals. In each case, the member is assumed to have retired after April of the given year, at age 68 and having completed maximum pensionable service (full-time) at incumbent level. For the member retiring in 2024, a service period of 41.5 years is assumed. These common assumptions are used to isolate, as far as possible, the effects of how the benefit changes apply differently over time.

40. The analysis looks at the estimated pension received by a cleric who retires in each of 1984, 1994, 2004, 2014, and 2024. The analysis considers estimates of both clergy and state pension income. Having calculated the starting pension for each snapshot year, the analysis then rolls forward the pension based on the actual or estimated increases applied each year to the next decadal point. In effect this provides an estimate of how a pension will have grown over time, so that it can then be compared with the starting pension for someone retiring a decade later.[4]

41. This back-calculation approach is not without its difficulties. Clergy pensions have been calculated based on the Rules in operation at the relevant point. State Pensions are harder to calculate because of the various changes in approach over time and the difficulty in obtaining data on state pension increases over the whole time series. It should be noted that where 2024 figures are not already available, a standardised assumption of a 5% increase has been used. (This assumption is for the purpose of this exercise only.)

42. Actual experience for a member of the same age with the same service may differ from the estimates provided below for other reasons such as an individual's marital status, any caps in service and their National Insurance record. The analysis assumes the member has not made any additional voluntary contributions and does not consider any other retirement income that might be due. Nonetheless these figures give a reasonable estimate and basis for comparison.

[4] For example, what the 1984 retiree would be receiving in 2024 for each of clergy and state pension following annual increases. Of course, the 1984 retiree would be an improbable but not impossible 108 years of age by 2024.

43. Lastly, all figures have been rounded to the nearest £100 to avoid spurious accuracy especially given the number of assumptions that have had to be made.

Results

44. In the following tables, the rows show the year in which the member retired. The columns show the estimated value of their pension in a given year, allowing for indexation. Table 1 shows the benefits from the clergy pension schemes. Table 2 shows the estimated state pension. Table 3 shows the combined income.

Table 1: Clergy Scheme Benefits

Clergy scheme benefits	**1984**	**1994**	**2004**	**2014**	**2024**
Retired in					
1984	**4,000**	6,200	8,000	11,100	15,700
1994		**8,100**	10,500	14,600	20,700
2004			**11,300**	15,800	22,400
2014				**14,900**	21,100
2024					**16,800**

Table 2: Estimated State Pension[5]

State pension	**1984**	**1994**	**2004**	**2014**	**2024**
Retired in					
1984	**1,900**	3,000	4,100	5,900	8,500
1994		**3,000**	4,100	5,900	8,500
2004			**4,100**	5,900	8,500
2014				**5,900**[6]	8,500
2024					**11,100**[7]

Table 3: Combined Clergy Pension and State Pension

Combined	**1984**	**1994**	**2004**	**2014**	**2024**
Retired in					
1984	**5,900**	9,200	12,100	17,000	24,200
1994		**11,100**	14,600	20,400	29,200
2004			**15,400**	21,700	30,900
2014				**20,800**	29,600
2024					**27,900**

45. The tables show that:

- The clergy starting pension for each of the 1994 and 2004 retirees was greater than the indexed pension from the previous cohorts in the same points.

[5] The table shows the state pension in payment at age 68, assuming its drawn at State Pension Age
[6] For simplicity this excludes any S2P earned from January 2011 to early 2014
[7] This figure assumes the retiree has earned the full singe tier state pension entitlement

- The clergy starting pension in 2014 is higher than the starting pension a decade earlier, but lower than the indexed value of the pensions that the 2004 pension cohorts would be receiving.
- The clergy starting pension in 2024 is slightly higher than the starting pension a decade earlier, but lower than the indexed value of the pensions that the 1994, 2004, and 2014 pension cohorts would be receiving. This follows because the 2024 retiree would have a greater proportion of service post the 2011 benefit changes than the 2014 retiree. (And hence, this effect would grow over time.)
- By contrast, the illustrative state pension is higher for the 2024 retiree than for the earlier cohorts, even accounting for the replacement of S2P.
- The combined state and clergy pension for the 2024 retiree comes out at an estimated £27,900 per annum on commencement. The tables suggest that the higher state pension has mitigated the impact of the lower clergy pension, but not fully. However, a potentially important reason for this may be that the National Minimum Stipend has lagged behind inflation over the last two years. Starting pensions for members within the clergy scheme are calculated with reference to the previous year's National Minimum Stipend.

Conclusions

46. As noted above, this analysis is limited by the available data affecting back calculation of state pensions, and individual experience will differ from this hypothetical case. Nonetheless, the analysis confirms that clergy pensions are lower for those with a higher proportion of post 2011 service. This will be due to two factors: the change in the accrual rates and the growth of the National Minimum Stipend relative to inflation. The former relates to the Rules of the scheme set by Synod; the latter to the decisions of the Central Stipends Authority. The analysis also suggests that the assumption made in 2010 – that the reduction in benefits from 2011 would be offset by higher state pensions – has been borne out to some extent, but not fully.

---

[i] Disclaimer: this appendix has been produced for general guidance on matters of interest only, and does not constitute professional advice. It must not be reproduced without written permission from The Church of England Pensions Board. No representation or warranty (express of implied) is given as to the accuracy or completeness of the information contained in this presentation, and The Church of England Pensions Board, its Trustees, employees and agents do not accept or assume any responsibility or duty of care for any consequences of you or anyone else acting or refraining to act in reliance of the information herein.

AGENDA ITEM 6. MOTION FROM EASTBOURNE DEANERY SYNOD

Carlisle Diocesan Synod Motion (DSM) to General Synod
Background Information

The motion now being brought to Chichester Diocesan Synod started life as a Deanery Synod Motion in the Carlisle Diocese in February 2019, the purpose of which was to enable the voice of Palestinian Christians, expressed in the Kairos Document "A moment of truth: A word of faith, hope and love from the heart of Palestinian suffering" to be heard and affirmed by the national church. In 2020 a successor document, "Cry for Hope" was issued by the ecumenical group of Palestinian Christians and became the renewed focus of the call for solidarity to international churches. A motion to endorse this was passed by Carlisle Diocesan Synod and became the DSM submitted to General Synod in October 2021. **That original Carlisle DSM was brought to Eastbourne Deanery Synod for debate and passed in October 2024 and is therefore brought to Chichester Diocesan Synod today.** It has also been debated and passed by Sheffield Diocese.

However, as the original Carlisle DSM has sat in a queue for debate at General Synod since 2021, the Business Committee of General Synod invited Carlisle Diocesan Synod to submit a revised version, since in the intervening period the situation for Palestinians across the Holy Land has become increasingly difficult. The terrible events of October 7th 2023 and the war on Gaza also led to a renewed call from Palestinian Christians in "A Call to Repentance". So, a **revised Carlisle Diocesan Synod Motion was indeed submitted at their Diocesan Synod and passed in March 2025**. The purpose of the motion however remains unchanged: to enable the voice of Palestinian Christians to be heard and affirmed by the national church. The nature of the solidarity they ask of us has also not changed, only the context. **The revised motion is therefore the one that will be debated by General Synod and is attached to the end of this briefing document**, as it is more appropriate to the current context both in the Holy Land and in Britain.

The purpose of bringing this topic to Chichester Diocesan Synod is to signal support for the Carlisle motion when it is debated at General Synod this July.

Context: Some recent examples of Palestinian Christians' suffering

Palm Sunday Statement on the Bombing of the Anglican Ahli Arab Hospital in Gaza 13/4/2025 "The Diocese of Jerusalem condemns in the strongest terms today's missile attacks on the Ali Arab Hospital, an institution run by the Anglican Church in Jerusalem. The twin strikes demolished the two-storey Genetic Laboratory and damaged the Pharmacy and the Emergency Department buildings. It also resulted in other collateral damage to the surrounding buildings, including the church building of St. Philip's. A mere twenty minutes prior to the attack, the Israeli army ordered all patients, employees, and displaced people to immediately evacuate the hospital premises prior to its bombing. We thank God that there were no injuries or deaths as a result of the bombing. However, one child who previously suffered a head-injury tragically died as a result of the rushed evacuation process. The Diocese of Jerusalem is appalled at the bombing of the hospital now for the fifth time since the beginning of the war in 2023-and this time on the morning of Palm Sunday and the

beginning of Holy Week. We call upon all governments and people of goodwill to intervene to stop all kinds of attacks on medical and humanitarian institutions. We pray and call for the end of this horrific war and the suffering of so many."
The Archbishop of York made a statement following this attack:
The Anglican-run Ahli Hospital in Gaza is a place of healing and care for Palestinians living through unimaginable suffering. In unbearable conditions, its heroic doctors and nurses have cared for civilians who have endured 18 months of devastating violence. For the only Christian hospital in Gaza to be attacked on Palm Sunday is especially appalling. I share in the grief of our Palestinian brothers and sisters in the Diocese of Jerusalem. I pray for the staff and patients of the hospital, and for the family of the boy who tragically died during the evacuation. At the start of Holy Week, I join the cries of Christians around the world for an end to this violence – and for justice, security, dignity and peace for Palestinians and Israelis.

Palestinians trying to access Christianity's holiest sites in the Old City of Jerusalem face restrictions and hostility
https://www.theguardian.com/world/2025/apr/18/jerusalem-christians-easter-israeli-crackdown-church-holy-sepulchre

Layan Nasir
Layan Nasir, a 23 yr old Christian - raised in a devout Anglican family – described by her church as a remarkable young woman with a calm demeanour, tender spirit, and incredible potential. Layan was arrested by the Israeli Forces in 2021, interrogated, mistreated and held without trial in an Israeli military prison for several months before being released. Since then, Layan has been living with her parents at their home in Bir Zeit and recently graduated from Birzeit University with a degree in Nutrition. However, in April last year, Layan and her family were woken in the night when 4 Israeli army jeeps, with at least 20 heavily armed Israeli soldiers, stormed the Nasir's family house, aggressively held her parents at gun point, searched the house, blindfolded and handcuffed Layan, and took her away. The soldiers offered no explanation or indication of what charges they are making against her or to where she would be taken. Former Archbishop Justin described her subsequent transfer from the West Bank to an Israeli prison, as a violation of the Fourth Geneva Convention. Canon Richard Sewell of St George's Jerusalem reported at that time: "it is now 200 days since Layan was taken into "administrative detention" by Israeli security forces. Since then, still no charge against her, no trial, no visits from family or her priest. None of these are permitted. Layan's family continue to be distraught at this intolerable situation as she languishes in an Israeli prison. Her current period of incarceration is set to last until Dec but can be indefinitely extended. Her case, along with thousands of other Palestinians in a similar plight is a grave injustice." Layan was finally released after 8 months in prison.

The Revised Carlisle Motion:

"That this Synod responds to the call of Palestinian Christians to stand in solidarity with them and their fellow Palestinians in non-violent resistance to the ongoing occupation. We lament the loss of Israeli and Palestinian lives and the violations of human dignity and rights on both sides, as well as the displacement of population. We commit to a better understanding of the situation in Israel and the occupied Palestinian territory, seeking peace and security for all the peoples of those lands and pursuing that which leads to the establishment of a just and lasting peace.

In particular, we:

1. Reject anti-Semitism, anti-Muslim sentiment and all forms of prejudice based on religious affiliation and ethnicity;
2. Pray for all victims of the current conflicts in Israel and the occupied Palestinian territory and for a lasting peace;
3. Receive the Kairos Palestine Declaration (2009), the Cry for Hope (2020), and the Call for Repentance (2023) as heartfelt expressions of the lived experience of Palestinian Christians and:
    a. encourage the Church of England at all levels to engage with those documents as part of a quest for greater understanding of the situation;
    b. Ask the the Faith and Public Life Division to commend resources that enable Dioceses and local churches to promote a full understanding of the situation and to respond through prayer, theological study, advocacy and practical support for the work undertaken by the Episcopal Diocese of Jerusalem and other Churches in the service of the people of Israel and the occupied Palestinian territory;
4. Call on the National Investing Bodies to review their investment policies in the light of the International Court of Justice Advisory Opinion of 19 July 2024 on the illegality of the occupation of Palestinian territory, and to:
    a. disinvest from any entity or corporation with a persistent, on-going, and direct business involvement in severe human rights violations or violations of international law as part of Israel's military occupation;
    b. provide advice and guidance to the Dioceses to review their investments; and
    c. report back to General Synod accordingly.
5. Ask His Majesty's Government to work urgently for a lasting peace in Israel and the occupied Palestinian territory, that will ensure safety and security for all parties and the upholding of the rights and inherent dignity of all people."

Gilli Howarth, Eastbourne Deanery

CRY FOR HOPE: A CALL TO DECISIVE ACTION

WE CANNOT SERVE GOD AND THE OPPRESSION OF THE PALESTINIANS

Public launch: 1st July 2020

We, Kairos Palestine and Global Kairos for Justice, a worldwide coalition born in response to the Kairos Palestine "Moment of Truth: a word of faith, hope, and love from the heart of Palestinian suffering," issue this urgent call to Christians, churches and ecumenical institutions. We do this together with committed Christians in Palestine and around the world. **This is a call for decisive action** on a matter that we believe relates to the integrity of our Christian faith.

We have arrived at a critical point in the struggle to end the oppression of the Palestinian people. The State of Israel's adoption of the Nation State Law in 2018 legalized institutional discrimination in Israel and the Palestinian territories, officially depriving Palestinians of their rights to life, livelihood, and a future in their homeland. Recent acts of the U.S. administration have supported Israel's ongoing project of land taking and attaining control over the entire territory of Palestine. These include the 2018 move of its embassy to Jerusalem, its announcement in 2019 that the U.S. government no longer deems West Bank settlements to be "inconsistent with international law," and the 2020 "Peace to Prosperity" plan. Fueled by U.S. support and emboldened by the ineffectual response of the international community, Israel's newly-formed coalition government has cleared the way for outright annexation of around one third of the occupied West Bank, including the Jordan Valley. These developments make it all the more clear that we have come to the end of the illusion that Israel and the world powers intend to honor and defend the rights of the Palestinian people to dignity, self-determination, and the fundamental human rights guaranteed under international law, including the right of return for Palestinian refugees. It is time for the international community, in light of these events, to recognize Israel as an apartheid state in terms of international law.

In affirming this reality, we realize that it is incumbent upon us as followers of Jesus to take decisive action. The very being of the church, the integrity of the Christian faith, and the credibility of the Gospel is at stake. We declare that support for the oppression of the Palestinian people, whether passive or active, through silence, word or deed, is a sin. We assert that Christian support for Zionism as a theology and an ideology that legitimize the right of one people to deny the human rights of another is incompatible with the Christian faith and a grave misuse of the Bible.

We call upon all Christians and on churches at congregational, denominational, national, and global ecumenical levels to engage in a process of study, reflection and confession concerning the historic and systemic deprivation of the rights of the Palestinian people, and the use of the Bible by many to justify and support this oppression. We call on churches to reflect on how their own traditions can express the sacred duty to uphold the integrity of the church and the Christian faith concerning this issue. We cannot serve God while remaining silent about the oppression of the Palestinians.

As we face this *kairos*, we are mindful of the legacy of faith and action of those who have come before us and have faced circumstances of urgency and crisis. In 1933 German pastor and theologian Dietrich Bonhoeffer declared that the Nazi regime's denial of the rights of Jews and the interference of the state into matters of religion placed the church in *status confessionis*. The Barmen Declaration of 1934 reinforced the church's obligation to stand up to injustice and to unequivocally oppose ideologies of tyranny. In 1964 the first General Secretary of the World Council of Churches (WCC), Willem Visser 't Hooft, stated that racism, like apartheid, constitutes a *status confessionis* for the churches. The WCC followed this word with action in 1969 in implementing its courageous and far-reaching Program to Combat Racism. In 1977 the Lutheran World Federation (LWF) declared that "apartheid created a *status confessionis* for the church" and in 1984 suspended the white Lutheran Churches in Southern Africa who practiced apartheid. In 1982 the World Alliance of Reformed Churches (WARC) declared apartheid incompatible with Christian belief, and suspended the member churches practicing racial separation. The World Communion of Reformed Churches (WCRC) in 2017 affirmed "that with respect to the situation of injustice and suffering that exists in Palestine, and the cry of the Palestinian Christian community, that the integrity of Christian faith and praxis is at stake" and directed the General Secretary to initiate six direct action steps. Since 2009, Kairos documents from ecumenical organizations from around the world have appeared in response to the Kairos "Moment of Truth" document of the Palestinian Christians, pledging action and providing theological affirmation of this prophetic call by the Palestinian churches.

The present times call for actions as bold, as faithful, and as resolute. The time for decision has arrived. "We call out as Christians and as Palestinians to our Christian brothers and sisters in the churches around the world" reads the 2009 Kairos Palestine document. Eight years later, in 2017, in the Open Letter to the World Council of Churches and the ecumenical movement, the National Coalition of Christian Organizations in Palestine wrote: "Things are beyond urgent. We are on the verge of a catastrophic collapse. This is no time for shallow diplomacy, Christians!" Now, three years later, this is a cry for hope to our brothers and sisters throughout the world. We invite our fellow Christians, their local congregations, churches and international ecumenical organizations, to receive and respond to our common witness, to join the process of confessing, and to initiate processes to formally reject the oppression of the Palestinian people and any use of the Bible to justify this injustice by committing to the following actions:

- **Initiate processes** at local, denominational and ecumenical levels that recognize the present kairos and the urgent requirement for decisive action regarding the denial of Palestinian rights and the misuse of the Bible. These actions will express the unity of the church in its commitment to stand up to injustice wherever it is to be found.

- **Engage in study** and discernment with respect to theologies and understandings of the Bible that have been used to justify the oppression of the Palestinian people. Offer theologies that prophetically call for an inclusive vision of the land for Israelis and Palestinians, affirming that the creator God is a God of love, mercy and justice; not of discrimination and oppression.

- **Affirm the Palestinians' right to resist** the occupation, dispossession, and abrogation of their fundamental rights, and join the Palestinians in their creative and nonviolent resistance. The 2005 Palestinian call for Boycott Divestment and Sanctions (BDS) provides a framework for economic, cultural, and academic measures and for direct political advocacy as nonviolent means to end occupation and oppression. The purpose of BDS is not to punish or isolate Israel. It is rather to exert pressure on Israel to comply with international law, and to call upon its government and its people, in the spirit of the Word of God, to enter into the ways of justice and peace, thereby affirming its own rights as well as the rights of the Palestinian people.

- **Demand** also that governments and world bodies employ political, diplomatic and economic means to stop Israel's violations of human rights and international law.
- **Oppose anti-Semitism** by working for justice against anti-Judaism, racism and xenophobia; oppose the equating of criticism of Israel's unjust actions with anti-Semitism.
- **Support initiatives** between Israelis and Palestinians and interfaith partnerships that combat apartheid and occupation and create opportunities to work together for a common future of mutual respect and dignity.
- **Come and see** the reality in the Holy Land with compassionate eyes for the suffering of Palestinians, and stand in solidarity with grassroots initiatives on the part of all faiths and secular groups who challenge the occupation and who work for a just peace.

We make this call out of concern for the future of both peoples. In the words of Kairos Palestine, our call is rooted in the *logic of love* that seeks to liberate both the oppressor and oppressed in order to create a new society for all the people of the land. We continue to hold firm to the hope articulated in the Kairos document that Palestinians and Israelis have a common future -- that "we can organize our political life, with all its complexity, according to the logic of love and its power, after ending the occupation and establishing justice." As followers of Jesus, our response to ideologies of exclusivity and apartheid is to uphold a vision of inclusivity and equality for all peoples of the land and to persistently struggle to bring this about.

We acknowledge that by our commitment as Christians to the liberation of the Palestinian people we stand against the theology of Empire, a global order of domination manifesting in racial, economic, cultural, and ecological oppression that threatens humanity and all of creation. In making this confession, we embrace our membership in the community of the broken bread, the church fulfilling its mission to bring the good news of God's gift of love, mercy, compassion, and abundant life for all.

H.B. Michel Sabbah

H.B. Michel Sabbah
Patriarch Emeritus: Latin Patriarchate of Jerusalem
President: Kairos Palestine

Rifat Kassis

Rifat Kassis
General Coordinator: Global Kairos for Justice

AGENDA ITEM 8. REPORTS ON THE BISHOP'S COUNCIL

Bishop's Council meeting on 5th December 2024

The December Bishop's Council Meeting began with prayers from Bishop Martin.

Canon Rebecca Swyer spoke to her Annual Apostolic Life Report. She talked about a high turnover of staff for understandable reasons and how new roles had been created in response to missional needs. Online courses for the Year of the New Testament being well attended.

Colin Perkins spoke to his Safeguarding and Serious Incident Report. The Department had had a very busy month which included Simple Quality Protects and a new Parish Dashboard aimed at helping to measure standards and find out how best to assist parishes. The Safeguarding team were getting a high number of referrals with clergy anxious about admitting they have made mistakes.

The Minutes of the September 2024 meeting were approved, there were no matters arising and reports were received from the Board of Education and Operating Committee.

Catherine Dawkins referred to her paper on the Update to the 2025 Budget and Parish Ministry Costs required because of the National Insurance changes. These changes mean that an extra £80k of clergy NI in 2025 will need to come out of contingency, the cost will be even higher in 2026. She reported on the poor attendance at Autumn Deanery Meetings, this sparked a few new ideas including a diocesan pack for new PCC Members, a pack for new treasurers, zooms for PCC members and generally a simpler way of keeping parishes and clergy informed.

Council as the Standing Committee of the Diocesan Synod then approved a Motion from the Eastbourne Deanery asking that all parishes be made aware of the Alternative Parish Share restricted fund, this was approved.

The Diocesan Secretary spoke on the process for Diocesan Strategy and Application for Church Commissioners Diocesan Investment Programme funding. The paper explained the direction of travel for the initial tranche of £10m funding, a special Synod by zoom was planned for spring 2025 to follow the required timescale. There are 3 key themes, Inspiring Prayer and Worship, Nurturing Children and Young People and Excellent Leaders. The focus will be principally on the poorest parishes, many along the coastal strip of the diocese and on a larger number of smaller budget projects to spread the investment. An encouraging discussion followed.

Council approved the following policies: Clergy Menopause Policy, DBF Menopause Policy, Conflict of Interest Policy, Equal Opportunities Policy, Anti-Harassment and Anti-Bullying Policy, Mutual Expectations at Work Policy. Council reviewed the November Diocesan Synod and filled a number of vacancies on various committees. It also agreed the disestablishment of the Parsonage and Houses sub-committees to be replaced by a Parsonages Panel. The Audit Plan for 2024 was noted, changes to the Brighton St John

School Trust were approved, the updated version of the DBE Scheme of Delegation was approved and alterations to the Committee Handbook were noted as was the variations to a number of schools instruments of government.

Bishop Martin thanked all members for serving on the Council for the last three years and those who would be serving again in 2025. A special thanks was given to Lesley Lynn for her many years of service as DBF Chair, she was presented with gifts and a card. The meeting ended with prayer.

Sara Stonor
Chair of the House of Laity

Bishop's Council meeting on 30th January 2025

The January meeting was the first meeting of the new Bishop's Council and a large part of the focus was on induction of the new Council.

In addition to outlining the roles and responsibilities of trustees the Council was presented with an overview of the finances of the Diocese and considered its financial obligations. It received an update on Safeguarding and reflected on the responsibility of Charity Trustees with regard to Safeguarding. Council members were also briefed on the Council's risk policy and presented with the risk register.

A number of reports of minutes were received from sub-committees.

The Council then looked at the Diocesan Strategy and DIP Application, considering the work done so far, the three key themes of the strategy (Inspiring Prayer and Worship; Nurturing Children and Young People; and Excellent Leaders) and the need for an additional Synod in March to approve the strategy before submission to the National Church.

Bishop's Council appointed a number of people to vacancies on various committees.

Revd Martin King
Vice Chair House of Clergy

Bishop's Council meeting on 10th April 2025

The Council received the Annual Church Buildings and Pastoral Reorganisation (DAC & DMPC) report presented by Dr Emma Arbuthnot and the Revd Canon Paul Doick. The report highlighted the changes in personnel that are happening within the team and acknowledged the dedicated work that has seen the level of permissions for work is back up to pre pandemic levels.
The annual reports were also received from the Parsonages and Houses Committee and the Audit Committee.

The Bishop informed Council that Revd Canon Andrew Woodward was leaving the Diocese and thanked him for his work as liaison officer with the LGBTIQ+ community and noted the enormous importance to the diocese of this bridge building.

The statutory accounts, red book, audit findings report, letter of representation and assessment of going concern were approved by the Council and the Chair of the DBF highlighted the risk from the current turmoil on the stock market and advised Council that this was being monitored closely to assess the risk to the Diocesan budget.

The Bishop updated the Council on the Living in Love and Faith process and advised that until there was something substantive to debate the process would not be taken to Diocesan Synod as a debate at this time would not be of benefit to anyone.

The Diocesan strategy and Diocesan Investment Programme (DIP) was discussed and the application approved for submission to the national church for funding to develop ministry across the Diocese.

There was a report on safeguarding and the recommendations made during the recent inspection of Diocesan safeguarding were discussed.

Martin Auton-Lloyd
Vice Chair House of Laity

AGENDA ITEM 9. REPORT FROM GENERAL SYNOD

General Synod, February 2025

The Archbishop of York began proceedings with a Presidential Address based on the Beatitudes urging us to make prayers of penitence for past wrongs. In doing this he set the scene for the debate on the Makin Report when we repented of the failures of safeguarding in the C of E and asked for those in leadership roles to implement best safeguarding practice. An amendment noted that victims and survivors were not just historic cases as they are still suffering the consequences of prolonged cover up by the C of E.

The following day we looked at the future of Safeguarding in the C of E. It was noted that much work has gone in to improving safeguarding and much of this has come from parish safeguarding officers who make sure it is a priority in every level including Diocesan Safeguarding Officers. However, it was felt that there needed to be greater independence. Professor Jay's report along with the Wilkinson report looked at 'independence' and the Response Group came up with two different models. There was a long debate and a number of amendments put forward. Model 4 would have given complete independence but many felt that it would mean that a new, untried way of working would be set up and there was no guarantee that it would be successful – it was also estimated to take a long time for it to come to fruition. Eventually an amendment endorsing Model 3 (keeping some autonomy within the diocese) as the way forward in the short term was passed. This called for further work as to the legal and practical requirements necessary to implement Model 4.

A debate on Racial Justice was held in which the positive outcomes on the implementation of the recommendations in 'From Lament to Action' were recognised but affirmed that the need for further work to embed racial justice in the life of the Church was needed.

A private member's motion on a strategy for working class ministry was debated. This was asking for a strategy to be developed for the encouragement, development and support of vocations, both lay and ordained of people from working class backgrounds. The motion received enthusiastic support.

'Growing Younger and more Diverse' – hearing and responding to the voices of Young Adults (18 -25}.. In this we debated the formation of a group of up to 200 young adults from across all dioceses to support the leadership development, faith journey and advocacy of young adults and request that 3 -5 young adults be present at each session of the General Synod – this is a successor to the C of E Youth Council. In an amendment we should ensure that links are made with the under 18s.

Legal business took up much time – proposed changes to standing orders relating to the Crown Nominations Commission. There were many amendments put forward most of which were narrowly lost. A long debate on the National Governance Measure was held and approved for final drafting. The Clergy Conduct Measure was approved as were the legal officers' fees order and the Mission and Pastoral Measure was sent for revision. There was a challenging debate on the Vacancy-in-See Committees regulation. Several amendments were put forward and the voting was very close.

A presentation on Living in love and Faith was given. There is still work to be done before recommendations are brought to Synod.

Another debate was held on Wellbeing and Sport Ministry. There were several pieces of legislation and finances which will be held over to the next group of sessions in July.

It was a tiring Synod with much business done but a number of items held over until July to enable time to debate them in depth.

Mary Nagel
Jacob Vince