

BOARD OF FINANCE AND PERSONNEL

Convener: Mr JOHN HUNTER

EXECUTIVE SUMMARY

1. The Board is seeking the General Assembly's approval to:
 - (i) rates of assessment which would reduce the overall rate on Congregations from 73.50 pence per £ of stipend in 2010 to 69.00p in 2011.
 - (ii) implement, following consultation with Congregations and Presbyteries during 2010, the recommendations of the Tyrone Memorial Review Panel on the remuneration of Ministers. This is subject to the General Assembly agreeing to the proposal of the General Board Panel on Pensions and Assessments to change the basis of assessment from stipend to assessable income.
 - (iii) introduce updated Rules for the Retired Ministers' House Fund.
2. The report provides an update on the external stonework repairs and internal refurbishment works.
3. The Board acknowledges the challenging financial circumstances many Congregations are facing which have resulted in some Congregation being unable to pay their stipends and assessments.
4. A Summary of Congregational Statistics is appended along with, for the first time, a summary of Presbytery accounts.
5. Finally, the Board wishes to acknowledge the contribution of several Committee Conveners who have completed their terms of office.

THE BOARD'S REPORT

1. Over the past year the Board of Finance and Personnel has carried forward a number of important issues on behalf of the General Assembly including Congregational assessments, various personnel policies, the refurbishment of Church House and the operation of the shopping mall, the auditing of accounts and the strengthening of the IT Department.
2. The Board is conscious of the very difficult financial circumstances facing many Congregations and members. With that in mind, it has continued to exercise tight control of expenditure in an effort to reduce Congregational assessments. The PCI Pension Scheme (2009) continues to be the largest single item of assessment and reflects, in part, the large deficit in the Scheme at its last revaluation. The next revaluation of the Scheme, due at the end of December 2011, will provide an opportunity to review the position. Meanwhile, the low level of both interest rates and investment returns have exacerbated the Church's overall financial position. Nevertheless, by paring various individual assessments and other financial adjustments the Board proposes to reduce the overall level of assessments from 73.5p in 2010 to 69.0p in 2011.

	2011 p/£stipend	2010 p/£stipend	2009 p/£stipend
Central Ministry Fund	18.50	18.50	20.00
Retired Ministers' Fund	1.50	2.75	4.25
Widows of Ministers' Fund	4.00	4.50	5.00
Prolonged Disability Fund	0.25	0.25	0.50
Incidental Fund	5.00	5.00	5.00
Ministerial Development Fund	0.25	0.25	0.25
Special Assembly	—	0.25	0.25
Church House Repair Work	3.50	3.50	3.50
Sick Supply Fund	0.25	0.25	—
Students' Bursary Fund	5.75	5.25	—
Sub-Total	39.00	40.50	38.75
PCI Pension Scheme (2009) Fund	30.00	33.00	33.00
Total	69.00	73.50	71.75

Please refer to Appendix 3, which provides a history of assessments from 1994 to 2011 in the form of a graph.

3. At its October meeting the Board considered the stipends of Ministers (and associated grants) and the salaries of Church House staff. The Board reluctantly concluded that against a backdrop of the economic recession it could not recommend any increase in 2011. It reached this conclusion with much regret, conscious of the pressures facing Ministers and their families on the Ministerial Minimum scale and those on the lower pay scales in Church House.

4. The Board noted the outcome of the employee consultation process on changes to the Pension Scheme agreed at the General Assembly in 2010 and welcomed the appointments of Mr Bob McCullagh, Mr Dougie Crowe and Dr Rosemary Hamilton as Employer Nominated Pension Scheme Trustees. It also noted the government delay in implementing the new Charities legislation due to technical issues surrounding the “public benefit test”.

5. The Board is responsible for the “Retired Ministers’ House Fund”. It approved revised scheme rules at its March meeting and a copy is included in Appendix 4. The Board also approved various new personnel policies – the latter consistent with the requirements of NI legislation.

6. Throughout the year, the Board kept under review the progress of the various building projects in Church House. It was pleased to learn that the external stonework contract had been completed slightly under budget. The internal renovations have proved very disruptive to staff in Church House to whom the Board is grateful for the understanding they have shown. At the time of the March Board meeting, the contract was slightly behind schedule but the contractor remains hopeful of completing the work in time for the General Assembly. The refurbished facilities should prove to be a most attractive city centre conference venue. Meanwhile the Board has been disappointed by the

difficult trading climate affecting units in the Mall. Efforts continue to find suitable retailers.

7. The Board's Tyrone Memorial Review Panel continued its work throughout the year. In accordance with the decision of the General Assembly last year, the Panel referred its report to Congregations and Presbyteries for discussion and comment, aided by a questionnaire covering the key issues. Five open meetings were held across Ireland at which Panel members presented and explained the report and its recommendations. The Board was pleased to learn that the 207 responses received showed a substantial measure of support for the proposed reduction in stipend differentials between Ministers, including the introduction of a Local Allowance and new arrangements for the payment of Incremental Allowances. Appendix 1 contains a full report on the consultations, together with specific recommendations. In response to a request at one of the consultations, a separate report has been made to those who responded to the consultations.

8. However, the consultation showed serious concern on the part of some Congregations over the proposed new "assessment" methodology, based on "assessable income" rather than "stipend". The Board recognises that it would be unfair to continue to use stipends as the basis for assessment, as this would favour larger Congregations at the expense of smaller ones. This issue falls to be considered by the General Board's Panel on "Pensions and Assessments", on which a separate report has been prepared for the General Assembly. The Board is therefore seeking the Assembly's agreement to its proposals for achieving over time and with transitional arrangements a reduction in stipend differentials – subject to the Assembly's agreement to the recommendations in the Report of the General Board's Panel on "Pensions and Assessments". Should the Assembly agree to the proposal an appropriate overture to amend Code Par 315 is appended.

9. The Board also endorses the conclusions reached by the Tyrone Memorial Review Panel on its associated review of Ministerial expenses. The existing arrangements would continue, but with more vigorous oversight by Presbyteries.

10. Finally, the Board wishes to express its sincere thanks to those Committee Conveners who have completed their terms of office. Mr Douglas Crowe (Pensions and Assessment Committee), Mr Michael Fitch (Finance, Legal and IT Committee), Mr David Lamb (Personnel Committee) and Mr Hubert Martin (Co-Convener, Property Management Committee). They have all devoted a significant amount of time and effort to the work of their Committees and to the wider work of the Board. Their contributions have been invaluable and they have carried out their roles with a deep sense of calling to the work and of faithful service. The Board would also wish to thank the staff in the Financial Secretary's Office for all their work on behalf of the General Assembly. They have responded efficiently and effectively to all the requests made of them by the Board and have continued to provide important advice and support to Ministers and Treasurers.

PENSIONS AND ASSESSMENTS COMMITTEE

1. The Pensions and Assessments Committee continues to be aware of the heavy burden placed upon Congregations by the payment of assessments.

2. Last year a new approach was used to minimise the impact of the transfer of financing for Students' Bursary Fund from United Appeal to Assessments. This involved a phased release of cash reserves in the Retired Ministers' Fund (RMF) and the Widows of Ministers' Fund (WMF), over the expected period during which substantial benefits are to be funded.

3. The Committee now wish to implement further changes which will have a significant effect on the assessments levied on Congregations in both the short term and the long term.

4. The RMF and the WMF, in addition to having cash reserves, also have investment assets which were accumulated to provide income for the purposes of these funds.

5. The Committee considered, and agreed to recommend, that assessments for these funds should be further reduced by a phased disposal of investment assets, over the expected period during which substantial benefits are to be funded. The Committee reserves the right to recommend that disposals be deferred, should investment conditions prove to be particularly adverse. In extreme circumstances, this might necessitate, from time to time, an increase in assessments to raise sufficient cash to meet grants as they fall due.

6. Disposals will normally take place by the sale of units in the General Investment Fund each half year. The Board wishes to enter into discussions with the Church Trustees about the process for managing this planned disinvestment.

7. Another change in practice, which will have a shorter term effect, is with regard to the management of contributions to The Presbyterian Church in Ireland Pension Scheme (2009). Funding rates for the pension scheme are calculated as a percentage of pensionable income. Congregational contributions to the scheme are collected by an assessment on stipend rather than as a percentage of pensionable income. Matching these two different calculations has proved, over the years, to be not an exact science. Clearly the assessment, if anything, has to err on the side of caution and this has resulted in more being collected than is precisely needed for Scheme contributions. The existing practice has been to invest any such surplus in the Pension Scheme, which has helped, in some measure, to reduce the deficit in Scheme funding. The Committee now believe that the reduction of Congregational assessments is of more pressing importance and have, therefore, recommended that any surplus, instead of being invested, is used to reduce assessments in a way that is prudent. The effect of these recommendations on the individual funds is set out in the Paragraphs below, relevant to RMF, WMF and PCI Pension Scheme (2009) Fund.

8. Taking these changes together with the Committee's recommendations for other funds will have the combined effect of reducing total assessments, for 2011, to 69.0p per £ of Stipend, a 4.5p reduction from 73.5p per £ of Stipend in 2010.

9. Prolonged discussion took place regarding the issue of the ministerial minimum, family grants and Tyrone Memorial increases. The position of many

Ministers, particularly those on the minimum stipend with young families, was recognised.

10. It was agreed that the payment of any salary increases this year, in the context of what is being faced by people in the workplace generally, would, at best, seem to be insensitive. The Committee, therefore, with reluctance, recommended that no stipend increases are awarded for 2011. This also applies to those grants that are linked to the minimum stipend and to grants made under the Prolonged Disability Fund.

11. The General Assembly, in 2009, passed a resolution 'authorising the Board of Finance and Personnel to set provisional assessments for existing funds which can be applied from 1 January each year and approved, or otherwise, at the ensuing General Assembly when over or under-provisions can be corrected'.

12. Recommendations were made by the Pensions and Assessments Committee and approved by the Board in October. These recommendations were subsequently reviewed in February and further reduced by 2.0p per £ of Stipend to take into account the factors described in Par 8 above. The revised provisional assessments have been applied with effect from the February direct debit.

13. The recommendations for each fund are set out in the Paragraphs below.

Central Ministry Fund

14. At the end of 2010, CMF had a retained balance (excluding investments) of £2,172,927 an increase of £5,998 on 2009, in line with budgeted forecasts.

15. The proposed rate of assessment for 2011 is 18.5p per £ of Stipend, the same as in 2010.

16. No increases were set by the Board, under the Tyrone Memorial Scheme.

17. The following recommendations were approved by the Board for 2011:

(a) Ministerial Minimum

	Northern Ireland 2011	Rep of Ireland 2011
Ministerial Minimum	£22,416	€35,241
After 5 years service	£22,977	€36,123
After 10 years service	£23,538	€37,005
After 15 years service	£24,099	€37,887
After 20 years service	£24,660	€38,769
After 25 years service	£25,221	€39,651
After 30 years service	£25,782	€40,533

(b) Family Grants 2011

	2011		2010	
	£	€	£	€
Birth to 10 years	335	982	335	982
11 to 15 years	502	1,548	502	1,548
16 years and over				
At school	752	2,862	752	2,862
At university	2,503	4,774	2,503	4,774
Bands – Joint Incomes				
<i>Reduction - Nil</i>	26,771	40,940	25,673	39,404
<i>Reduction - £1 for every £5</i>	36,002	55,066	34,538	52,999
<i>Reduction - £1 for every £2</i>	36,002	55,066	34,538	52,999

- (c) The grant in respect of any child who is 16 years + falling into category (b) and who is in receipt of a maintenance or training grant shall be reduced by £1 every £1 by which such grant or other sponsorship or scholarship exceeds £1,000.
- (d) The amount a Minister may earn, apart from congregational work, without the augmented grant being affected shall be £4,680 under Par 316(2)(d)(i) of the Code, or £2,350 under Par 316(2)(d)(ii). The maximum under the above paragraphs shall be £4,680.
- (e) That in reckoning augmentation for 2011, the CMF shall not take account of a sum not exceeding the annual bonus, being income from the Commutation, Sustentation and Central Ministry Funds. Code Par 316(2)(e).
- (f) The Board recommended that in the light of the strain placed upon CMF funding by the continued growth in Bonus payments as highlighted in Reports 2008, p 238, par 5, CMF Bonus for 2010 continues to be held at £1,518 pa. The future of bonus forms part of the discussions of the Tyrone Memorial Review Panel.

Widows of Ministers Fund

18. At the end of 2010, WMF had a retained balance (excluding investments) of £912,906, a decrease of £73,250 on 2009.

19. Factors contributing to the reduction in the retained balance were a decrease in assessment of 0.5p per £ of Stipend together with a decrease in Bank Interest on reserves of circa £6,000.

20. The Committee, nevertheless, wish to reduce further the assessment for the reasons stated in Pars 3 to 5 above.

21. The following recommendations were approved by the Board for 2011:

22. That the assessment for 2011 be 4.0p per £ of Stipend, a reduction from 4.5p in 2010, continuing with the pattern of reductions over recent years.

- (a) That the maximum Widows Pension be £ 6,165.
- (b) That widows, not in receipt of the Northern Ireland State Pension, receive a maximum of £ 6,165 plus £475.

- (c) That widows not in receipt of Northern Ireland State Pension or PWFA receive a maximum of £ 6,165 plus £500.
 - (d) That widows, whose husbands were not eligible for Northern Ireland State Pension receive a maximum of £6,165 plus £5,018.
23. The recommended reduction in assessment implies, on budgeted figures, a planned further reduction in reserves during 2011 of some £184,000.

Presbyterian Widows Fund Association

24. All Ministers, under the provisions of the Code, are required to join this Association at ordination. The annual membership subscription is 1.25% of the Ministerial Minimum for active Ministers and is 0.2% for retired Ministers. An additional 0.1% is charged to Ministers not under the jurisdiction of the Presbyterian Church in Ireland. Membership provides an annuity to widows, which is currently £1,200.

Retired Ministers Fund

25. At the end of 2010, RMF had a retained balance (excluding investments) of £1,444,107 a decrease of £305,344 on 2009.

26. Factors contributing to the reduction in the retained balance were a decrease in assessment of 1.5p per £ of Stipend together with a decrease in Bank Interest on reserves of circa £12,000.

27. The Committee, nevertheless, wish to reduce further the assessment for the reasons stated in Pars 3 to 5 above.

28. The following recommendations were approved by the Board for 2011:

29. That the assessment for 2011 be 1.5p per £ of Stipend, a reduction from 2.75p in 2010, continuing with the pattern of reductions over recent years.

30. That the maximum Basic Retirement Allowance be £11,208.

31. That Supplemental Grant for those living in the Republic of Ireland with no State Pension is currently £8,037 married, £5,018 single.

32. The recommended reduction in assessment implies, on budgeted figures, a further reduction in reserves during 2011 of some £458,000.

PCI Pension Scheme (2009)

33. Changes to the benefit structure under the scheme, reducing future accrual rate to a $\frac{1}{70}$ th basis from a $\frac{1}{60}$ th basis, and a change to the definition of normal retirement age to match male State Pension age, were agreed at the 2010 General Assembly.

34. Under the law, scheme members must be consulted about such changes. A formal period of consultation was undertaken between 1 October, 2010 and 30 November, 2010. No issues were raised during this period and, consequently, the changes were implemented with effect from 1 January, 2011.

35. Following the Actuarial Valuation of the scheme, at 31 December, 2008, the funding rate required for the provision of future benefits and to repay the actuarial deficit, is 34.4% of pensionable earnings, 7% of which is paid by the scheme members and 27.4% by the Church.

36. Congregational contributions to the scheme are collected by an assessment on stipend rather than as a percentage of pensionable income.

37. Following the Committee's recommendation that collection of assessments in excess of the required scheme contribution be used to reduce assessments, as explained in Pars 8 to 11 above, the following recommendation was approved by the Board for 2011:

(a) That the assessment required to fund the agreed contribution is 30p per £ of Stipend, a reduction from 33p in 2010.

38. Since the last Assembly, the following were granted leave to retire, at or over age 65, by their Presbyteries: Rev Dr D Murphy (First Ballymacarrett), Rev JK McCormick (Second Derry & Burt), Rev JW Fleck (Upper & Lower Clonaneese), Rev JF Murdoch (First Omagh), Rev HS Boyd (Millisle & Ballycopeland), Rev WJ Keefe (Sloan Street, Lisburn), Rev G Moore (Kilbride), Rev D Bannerman (Toberkeigh), Rev J H McIntyre (Cregagh), Very Rev Dr REH Uprichard (Trinity, Ahoghill), Rev ST Carson (Dunluce), Rev WPH Erskine (Windsor) and Very Rev Dr HA Dunlop (Knock).

39. Leave to retire early on ill health grounds was granted to the Rev T Harte (Trinity, Boardmills), having been approved by his Presbytery and Pensions and Assessments Committee.

40. Unanimous approval was given to the Rev Dr JA Thompson (Dervock) to seek the permission of the 2011 General Assembly to retire following his 64th birthday, on 4 May, 2011.

41. The Trustees did not award any discretionary increase for pensions in payment, accrued pre 1997, in excess of the Guaranteed Minimum Pension.

Ministers Prolonged Disability Fund

42. At the end of 2010, the Fund had a retained balance of £726,134, a decrease of £21,223 on 2009.

43. Factors contributing to the reduction in the retained balance were a decrease in assessment of 0.25p per £ of Stipend together with a decrease in Bank Interest on reserves of circa £4,000.

44. This fund remains 'sensitive' to low interest rates as, historically, interest represents a significant proportion of its income.

45. The Committee, however, feel that it is prudent to maintain the assessment at the 2010 level.

46. The following recommendations were approved by the Board for 2011:

(a) That the assessment for 2011 be 0.25p per £ of Stipend, the same as in 2010.

(b) That the maximum level of grant for 2011 remains at £11,298.

47. In 2010, 4 Ministers received benefits under the Fund.

48. In addition to annual grants, pension contributions to PCI Pension Scheme (2009) are paid by the Fund until the beneficiary returns to work or attains his or her normal retirement age. In broad terms, the cost to the Fund, for each person receiving benefit, including pension contributions, is in excess of £19,000 pa.

49. The Committee agreed that explanatory notes should be appended to Rule 6(b) of the Prolonged Disability Fund making it clear that an application

for benefits under the Fund can be considered, in principle, prior to a Minister resigning his or her charge.

50. It was also agreed to recommend that changes to Rule 17(c) should be submitted to the General Assembly in order to provide greater clarity regarding current and future courses of treatment.

Sick Supply Fund

51. At the end of 2010 the fund had a retained balance of £9,019, an increase of £10,095 on 2009, when the fund had shown a deficit of £1,076.

52. The following recommendation was approved by the Board for 2011:

53. That the assessment for 2011 be 0.25p per £ of Stipend, the same as in 2010.

Incidental Fund

54. At the end of 2010, the Incidental Fund had a retained balance of £102,095, a decrease of £54,781 on 2009, but substantially less than the projected deficit of £87,814.

55. Grants from the Incidental Fund are approved by General Assembly under resolutions pertaining to individual Boards. It is the role of the Board of Finance and Personnel, acting on advice from its Pensions and Assessments Committee, to recommend an appropriate assessment, sufficient to meet the grants agreed and to maintain a prudent reserve.

56. On budgeted figures, should the assessment remain at 5p per £ of stipend, the underlying reserve in the Incidental Fund at the end of 2011 will be circa £67,500. The Committee's view is that, in normal circumstances, a minimum retained balance of £100,000 is more prudent and provides greater resilience against unexpected 'events'.

57. Being mindful, however, of the burden of assessments on Congregations, the Committee agreed to recommend that the assessment for 2011 should remain unchanged.

58. The following recommendation was approved by the Board for 2011:

(a) That the assessment for 2011 be 5.0p per £ of Stipend, the same as in 2010.

Collection of Congregational Assessments

59. During the past year, a small but increasing number of Congregations have not met the full amount of their assessments on time. Additionally, in some cases, payment has not been received in respect of Stipend. The Committee seeks to treat situations of hardship sympathetically and continue to monitor this area carefully.

60. Union Commission is considering guidelines as to how such matters should be dealt with, believing that the payment of Stipend should be the first call upon a Congregation's finances.

61. The Code provides sanctions that can be used in such circumstances but these sanctions are solely against the Minister and not the Congregation. The Committee expressed the view that they would be most unwilling to exercise sanctions against a Minister.

62. A Panel, consisting of representatives of Union Commission and the Pensions and Assessments Committee, has been set up to explore how these matters should be handled, to develop guidelines for the Committee and Presbyteries and to consider making urgent recommendations to the General Assembly for changes in the Code. An appropriate overture is appended.

63. Currently requests from two Congregations, to diminish their assessments under Par 316(3) of the Code, are under consideration.

The Students' Bursary Fund

64. Responsibility for recommending the assessment for the Students Bursary Fund lies with the Board of Christian Training.

The Ministerial Development Fund

65. At the end of 2010, the Ministerial Development Fund had a retained balance of £349,667. Responsibility for recommending any assessment for this fund lies with the Board of Christian Training.

Church House Stonework Repair

66. Responsibility for recommending any assessment for repairs to Church House lies with the Property Management Committee.

DOUGLAS CROWE, Convener

PERSONNEL COMMITTEE

1. The Committee met on two occasions during the year.
2. An excellent and professional Human Resources service continues to be provided by the team headed by Mrs Laura Palmer, Head of Personnel, and thanks are due to all of them.
3. Thanks are also due to Mr Herbie Smyth and Mr Ian McElhinny for the sterling work carried out to further the work of the Retired Ministers' House Fund.

PERSONNEL MATTERS

4. Work on the implementation of the Job Evaluation Scheme has continued, although at a somewhat slower pace than had been hoped. Executive posts are now being processed.

5. Work on policy development has been progressed through the Personnel Advisory Panel. Following changes in legislation, the Paternity Leave and Maternity Leave policies were amended and the Retirement policy will be withdrawn in due course. The Equal Opportunities policy was amended, while policies for New Drivers and the Acceptable Use of Electronic Media were introduced.

HEALTH AND SAFETY MATTERS

6. The Health and Safety Panel has continued to make progress on this important area of work.

7. Advice on the use and maintenance of congregational mini-buses is currently at draft stage. Peninsula Business Services have updated the Health and Safety manual for Congregations in the Republic of Ireland.

RETIRED MINISTERS' HOUSE FUND

8. During the year, the Fund was bequeathed a property in Bangor which was the former home of the late Mrs Eleanor Doris Clark. The Fund is extremely grateful for this most generous bequest and once transfer arrangements have been completed the house will be made available for rent under the Rules of the Fund.

9. The scheme rules were redrafted, discussed with the Assembly Solicitor and approved (See Board Appendix 4).

10. The land in Cullybackey continues to be held and routine maintenance carried out as necessary, awaiting sale in better market conditions.

11. The Fund continues to provide assistance either by loans or letting of available property. The Ministers newsletter is used to advise on the availability of properties.

12. To allow the Fund to continue to meet demand for financial assistance through loans etc. the Committee and Board have approved an overdraft limit of £350,000.

DAVID LAMB, Convener

COMMITTEE APPENDIX 1

Sterling Salary Scales of Staff in post on 1 January, 2011 (no discretionary increase was applied from 1 January, 2011 following the annual review of salaries.)

EXECUTIVE POSTS

Scale 1 (£22,200 - £26,565)

Communications Officer, BMI
Payroll and Assessment Manager

Scale 2 (£25,201 - £30,519)

General Secretary, PW
Taking Care Trainer and Co-Ordinator
Assistant Residential Services Manager
Buildings Manager & Safety Officer
Children's Development Officer
Young Adults Development Officer
Youth Development Officer
Director of Nightlight
Financial Manager
Finance Manager, BMI
Project Manager, Willowbrook
Support Officer, BMI

University Chaplain UUJ
 Minister/Ministry Co-ordinator, Kinghan Church
 Mission Training Officer, BMO
 Chaplain in Residence, Queens University, Stranmills, Union College
 College Librarian

Scale 3 (£28,316 - £34,730)

Director of Programmes
 Education in Mission Officer, BMO
 Mission Development Officer, BMI
 Personnel Officer, BMO

Scale 4 (£31,311 - £39,367)

Head of Personnel
 Residential Services Manager
 Senior Financial Accountant
 IT Development and Support Manager
 Christian Training Development Officer

Scale 5 (£34,730 - £42,539)

Communications Secretary and Press Officer
 Director of Youth & Children's Ministry
 Executive Secretary BMI
 Deputy General Secretary

Scale 6 (£37,374 - £45,750)

Executive Secretary, BMO
 Director of Social Service

Scale 7 (£42,539 - £55,006)

General Secretary
 Financial Secretary

ADMINISTRATIVE AND RELATED POSTS

Scale 1 (£12,205 - £14,250)

Clerical Officer (FSO)
 Secretary/Receptionist (BMO)
 Secretary/Receptionist (BSW)
 Secretary (GSO)
 Telephonist
 Clerical Officer (8) OPS/BSW

Scale 2 (£13,208 - £15,431)

Clerical and Resource Officer, Nightlight
 Clerical/Secretarial Assistant (FSO)

Handyperson
 Personnel Assistant (2)
 Receptionist/Telephonist
 Secretary (JS), (BMI)
 Secretary/Receptionist (PW)
 Taking Care Administrator
 Office Secretary, (BMI)
 Clerical Officer – Carlisle House (3) (BSW)

Scale 3 (£14,944 - £17,435)

Co-ordinator – Counselling Services
 Clerical Officer (FSO)
 Deputy Building Manager
 Nightlight Development Officers (one FT)
 Personnel Assistant (BMI)
 Secretary (YACM)
 Senior Secretary (BSW)
 Senior Secretary (PW)
 Senior Secretary – Publications & Information (BMO)
 Senior Secretary – Mission Training & External Funding (BMO)
 Senior Secretary (BMO)
 Senior Secretary (BMI)
 Senior Secretary (GSO)
 Senior Secretary, Finance (YACM)

Scale 4 (£17,066 - £19,805)

Administrative Assistant (JS) (YACM)
 Administrator, Derryvolgie
 Departmental Secretary
 Payroll and Clerical Assistant
 Personnel Administrator
 Personal Secretary (FSO)
 Senior Secretary (GSO)
 Senior Secretary (JS) (YACM)
 Wages Clerk

Scale 5 (£18,766 - £21,819)

Communications Co-Ordinator
 Assistant Accountant
 Development Officer, PW, (FT)
 Financial Assistant
 IT Support Assistant
 Office Supervisor and Personal Secretary, BMI
 Personal Assistant to the Director of Social Service
 Production Manager
 Resident Manager, Tritonville Close (Euro Scale)

Scale 5 (Enhanced) (£20,828 - £23,953)

Assistant Chaplain, QUB
Personal Secretary and Office Supervisor (GSO)
Personnel Officer
Senior Administrative Officer (BMO)
Senior Administrative Officer (YACM)

PROPERTY MANAGEMENT COMMITTEE

1. The General Assembly in 2010 approved the refurbishment and redevelopment of the first phase of Church House, comprising the upgrading of the Assembly Hall and second and third floor offices, together with the provision of a new entrance, lift and reception area from Fisherwick Place. This contract commenced on site in August 2010 at a total cost of approximately £4,200,000 including professional fees, furniture and VAT at 17.5%.

2. The Contract is progressing in a satisfactory manner and despite several difficulties due to unforeseen structural problems on the ground floor and in the existing lift shaft, it is anticipated that all work will be completed to the required quality standards, within the agreed timescale and within the approved costs.

3. It is anticipated that the building will be formally handed over by the contractor on 19 May, and will be available for the PW Rally in late May and the Meetings of the General Assembly in early June.

4. The Spires Shopping Mall continues to struggle in the present economic climate. The reality is that this is a small shopping mall on, at best, a secondary retail pitch and increasingly as Landlord the Church is responsible for the voids and service charge liabilities resulting from vacancies. The Committee is constantly monitoring the situation and agree, in the absence of any initiative to use the space for Mission or wider Church use, to maximise the income stream from the Mall, Fisherwick Buildings and Assembly Hall lettings.

5. DTZ continue to act as Managing and Letting Agents but the Committee has recently appointed Osborne King as joint letting agents and the Committee is actively marketing the vacant retail units in Spires Mall and office accommodation in Fisherwick Buildings.

6. Due to the internal refurbishment work, the Assembly Hall and some ancillary meeting space has not been available for hire since Summer 2010. However the Committee is preparing for the re-opening by launching a new web site and brochure to assist in the marketing of this unique building as a Conference and meeting facility in the heart of Belfast. The proximity to the City Centre, Hotels, George Best City Airport and public transport links means that Church House is well placed to take advantage of the local, national and international markets. There appears to be mild optimism that this market sector has the potential to grow. Church House offers conference space for over 1,000 delegates, sufficient flexible meeting space for groups ranging from 10-200 people and, if required, exhibition space.

7. The Committee wishes to thank those members of staff who worked so hard during the renovations to ensure that Church House remained functional.
HUBERT MARTIN & ADRIAN McLERNON, Co-Conveners

FINANCE, LEGAL AND IT COMMITTEE

1. **General Expenses** – General Expenses (which is the cost of the General Secretary's Office and Financial Secretary's Office) for the year ended 31 December, 2010 were 3.4% below budget and considered to be satisfactory.

Budgeted expenses for the year ended 31 December, 2011 reflect a budgeted increase of about 5.98% compared to 2010. This reflects the additional IT posts, which were expected to fill in 2010, a new receptionist post and staff incremental scale point increases.

2. **Auditors/SORP accounts** – For the year ended 31 December 2010 two sets of SORP (Statement of Recommended Practice) accounts have been prepared. One for the activities under the General Assembly and the other for the Trustees who have separate legal status. The audit opinion is expressed on these accounts. The audit opinion was unqualified. Further to consultation with the Trustees and the General Assembly Solicitor it has been agreed to consolidate the Trustee Accounts into the Accounts of the General Assembly for year ended 31 December, 2011.

3. **Statistics** – see appended tables

4. **Statistics Form and Statement of Recommended Practice** – A final draft of the new Statistics Form was completed during the year. A consultation evening was held with Presbytery Clerks and Finance Conveners in December. It is hoped that all Congregational Treasurers will attend training courses in 2011 and complete a new return for 2010 on a trial run basis sometime in mid 2011. The new return will be introduced for 2011.

5. **Statistical Returns from Presbyteries** – Annual Financial Returns from Presbyteries are now being submitted to the Board of Finance and Personnel and a summary is appended to this report.

6. **Regulation of Charities** – The Charities Act (Northern Ireland) 2008 will result in some significant administrative changes over the next few years. Although the Charity Commission for Northern Ireland has now been established, much of its work has been put in hold pending a legal challenge to the Primary Legislation. It is expected that this matter will be resolved in 2011. The Committee will continue to inform proactively Presbyteries and Congregations about their obligations under the new legislation.

7. **Fraud Policy** – A Fraud Policy and Response Plan was developed and approved by the Committee during the year.

8. **Risk Assessment** – Risk Assessment is ongoing. A questionnaire was passed to all Board Conveners/Secretaries to enable them to report to The Board. At the time of writing nothing yet has come to our attention which we need to report on.

9. **Bank Overdrafts and deposit accounts** – The Committee continued to receive reports on overdrafts and deposit accounts. The four banks used met

the agreed minimum credit ratings in accordance with the Board's policy set in 2009.

10. **Ministerial expenses** – A number of Treasurers failed to submit Ministerial Expenses Returns and their names were reported to Presbytery Clerks accordingly.

11. **Handbook for Treasurers** – The update of the handbook, last updated in 2002, has been deferred until the introduction of the Charities legislation.

12. **Insurance** – Overall premiums are expected to be £151,739 for 2011 compared to £155,867 for 2010. Rates and sums assured for 2011 have been fixed at the 2010 levels and overall premiums reflect the benefit of some 3 year fixed agreements.

13. **Information Technology** – Mr Steve McMurray has made an extremely valuable contribution with respect to IT and is now providing valuable support to IT systems in PCI projects outside Church House. An additional IT Support Officer was appointed and is settling in well. The recruitment exercise for an IT Development Officer was not successful and the position is to be re-advertised.

14. The Committee continues to work on a number of other tax, finance, legal and IT matters.

15. Special thanks go to the staff in the Financial Secretary's Office for their hard work and assistance to the Committee during the year.

16. The Convener would also like to express his own personal thanks for the opportunity to serve the Presbyterian Church in Ireland as Convener of the Finance Legal and IT Committee over the last 7 years.

MICHAEL FITCH, Convener

TABLE ONE
PERSONS AND AGENCIES

	2009	2010	Increase	Decrease
Retired Ministers	205	220	15	
Ministers in Active Duty	385	390	5	
Retired Missionaries	11	13	2	
Missionaries in Active Duty	46	43		3
Total Ministers and Missionaries	647	654	7	
Licensures	10	18	8	
Congregations	549	545	0	4
Total Families	106,475	104,931	0	1,544
Persons of All Ages	251,053	246,480	0	4,573
Contributors to FWO or Stipend	84,450	82,642	0	1,808
Baptisms	1,689	1,624	0	65
Admitted to Lord's Table for First Time	2,061	1,863	0	198
Communicants	108,246	107,743	0	503
Attended at Least One Communion during year	65,634	66,318	684	0
Ruling Elders in Kirk Session	6,685	6,660	0	25
Number on Rolls in Sunday Schools and Bible Classes	25,515	24,617	0	898

TABLE TWO
CONGREGATIONAL INCOME

	2009		2010		% Difference	
	£	€	£	€	N.I.	R. of I.
Specified Sources	31,345,545	3,145,614	31,621,051	3,122,831	0.9%	-0.7%
Building Fund etc.	16,676,447	1,982,620	14,400,937	1,703,047	-13.6%	-14.1%
Received "For Others"	7,648,728	626,742	8,664,071	609,450	13.3%	-2.8%
Raised from other sources	4,780,361	1,074,431	5,109,897	1,119,867	6.9%	4.2%
Bequests, etc.	5,402,954	911,911	7,266,214	388,800	34.5%	-57.4%
Total Receipts	65,854,035	7,741,318	67,062,170	6,943,995	1.8%	-10.3%
Total Receipts Less						
Bequests etc.	60,451,081	6,829,407	59,795,956	6,555,195	-1.1%	-4.0%
Bequests	2,071,455	211,865	2,086,096	95,121	0.7%	-55.1%

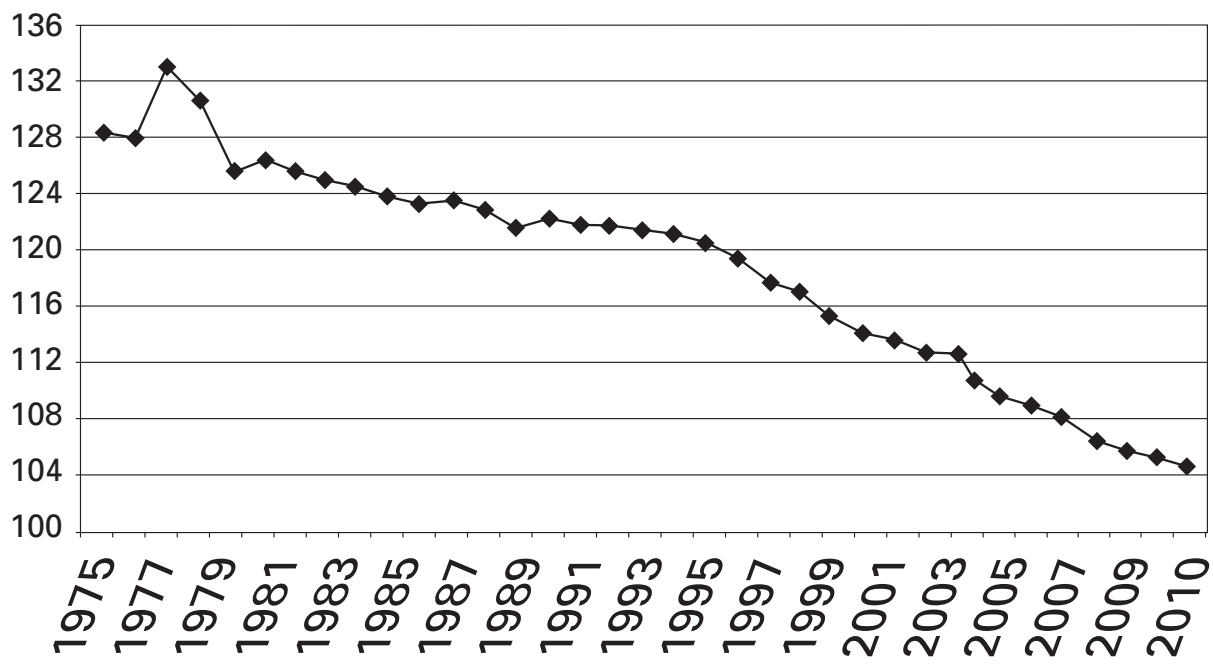
TABLE THREE
CONGREGATIONAL EXPENDITURE

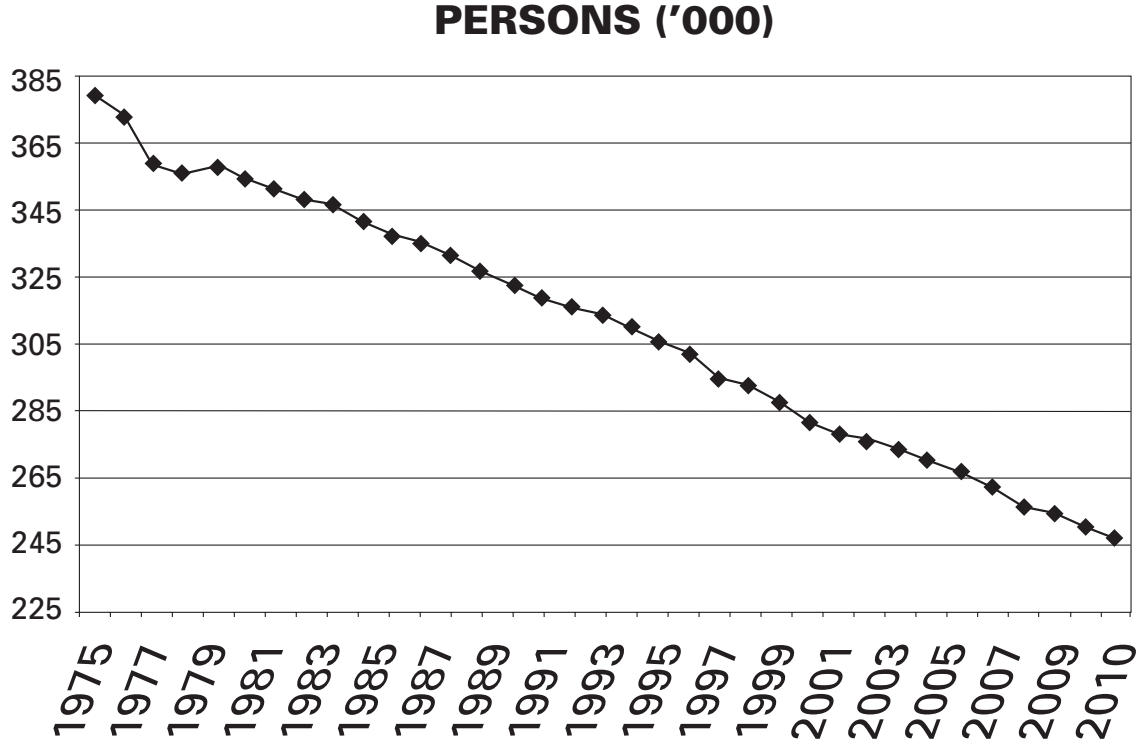
	2009		2010		% Difference	
	£	€	£	€	N.I.	R. of I.
Paid to ministers, other salaries and wages, allowances to ministers and others	17,537,744	1,706,655	17,685,415	1,732,085	0.8%	1.5%
Payments under Assembly Assessments	6,705,091	678,686	7,027,900	714,583	4.8%	5.3%
Building, Repairs, etc.	16,951,593	2,677,047	15,520,793	2,108,950	-8.4%	-21.2%
United Appeal Schemes	3,381,809	227,308	3,168,834	250,658	-6.3%	10.3%
Supplementary Schemes Other Religious and Charitable Objects	5,359,337	563,115	6,896,076	578,562	28.7%	2.7%
General Expenses	10,372,708	1,278,163	10,110,112	1,272,102	-2.5%	-0.5%
Total Payments	60,308,282	7,130,974	60,409,130	6,656,940	0.2%	-6.6%

TABLE FOUR
CONGREGATIONAL BALANCES

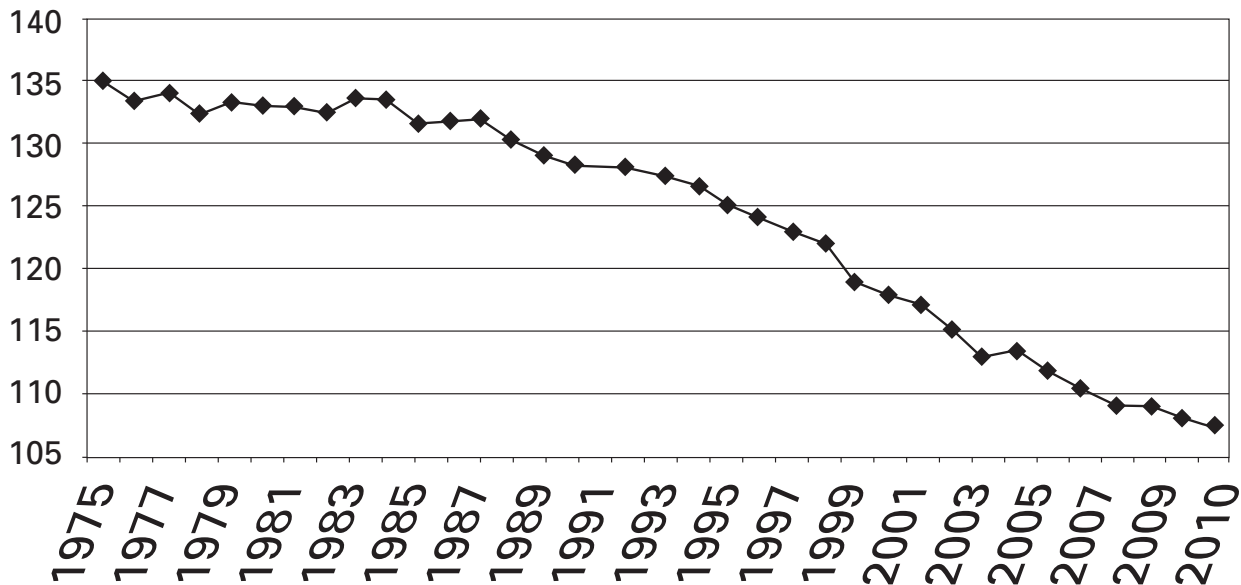
	Closing 2009		Opening 2010		Closing 2010		% Difference	
	£	€	£	€	£	€	N.I.	R. of I.
Credits	47,972,851	5,044,929	47,814,277	5,028,867	48,125,218	4,705,683	0.7%	-6.4%
Debits	8,788,995	359,159	8,655,750	358,773	9,652,925	250,235	11.5%	-30.3%
Net Credits	39,183,856	4,685,771	39,158,527	4,670,094	38,472,293	4,455,448	-1.8%	-4.6%

FAMILIES ('000)

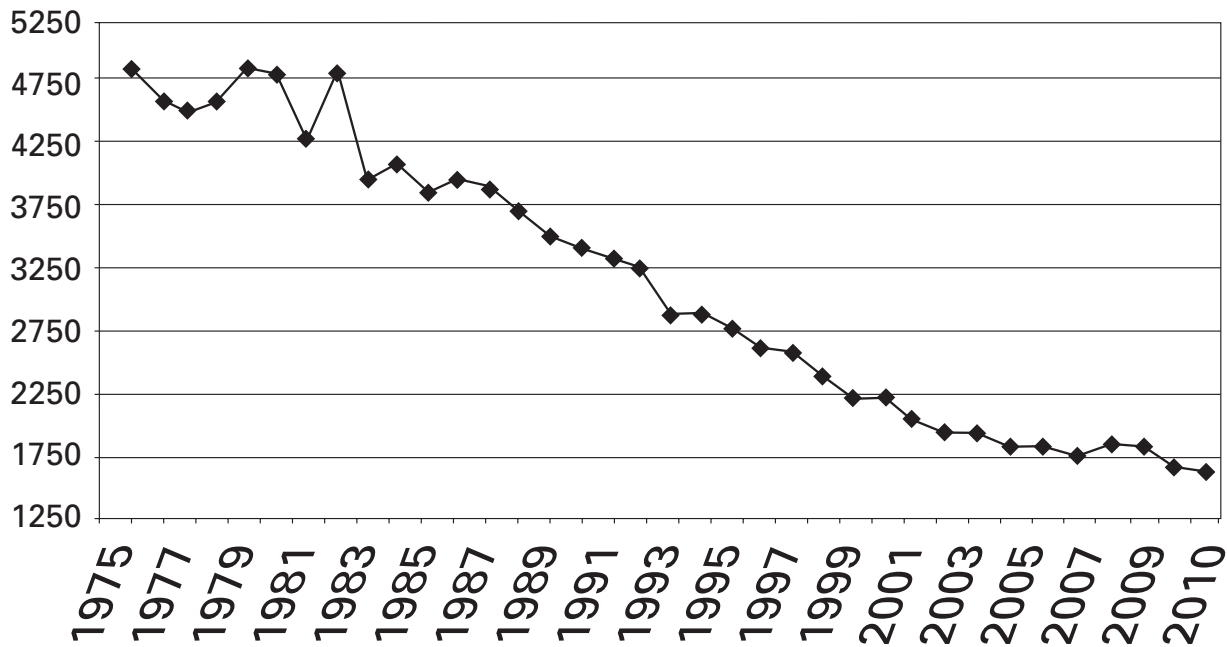




COMMUNICANTS ('000)



BAPTISMS



APPENDIX 1**TYRONE MEMORIAL REVIEW PANEL****EXECUTIVE SUMMARY**

1. This report summarises the outcome of the consultations initiated at the 2010 General Assembly on the proposals for the payment of Ministers set out in the report of the Tyrone Memorial Review Panel (see pages 296-302 of Annual Reports, Belfast 2010.) The consultations show a substantial measure of support across Congregations and Presbyteries for the proposed reduction in stipend differentials between Ministers, including the introduction of a Local Allowance and new arrangements for the payment of Incremental Allowances.

2. However, it is clear that the implementation of the proposed measures has raised serious concerns – not least in regard to the proposed change in the method of assessment from “stipend” to “assessable income”. The Panel is clear that it would be unfair and inequitable to continue to use stipends as the basis of assessment, since this would favour larger Congregations at the expense of smaller ones. (It would also be necessary to introduce some transitional arrangement to protect any Congregation whose assessments would substantially increase under the adoption of an “assessable income” methodology.) This issue falls to be considered by the General Board’s Panel on “Pensions and Assessments”, on which a separate report has been prepared for the 2011 General Assembly.

3. The Panel is therefore seeking the agreement of the General Assembly to its proposals for achieving, over time, a reduction in stipend differentials, subject to the Assembly’s agreement to the recommendations in the report of the General Board’s Panel on “Pensions and Assessments”.

4. The report also endorses the existing arrangements for the payment of Ministerial expenses, but recommends that they are more vigorously overseen by Presbyteries, as set out in Par 237 of The Code.

BACKGROUND

5. At the General Assembly in June 2010, it was agreed that “the General Assembly send out the proposals set out in the paper on the Review of the Tyrone Memorial to Presbyteries and Congregations for discussion and comment, with report to the Board Convener by 31 December, 2010, and ask the Board to bring a report with appropriate Code changes to the 2011 General Assembly.” A Consultation Document was issued in September 2010, containing a questionnaire covering the proposals in the report to the General Assembly. In addition, the Panel organised five Consultation Meetings in Londonderry, Banbridge, Dublin, Belfast and Cookstown, to aid the process of discussion.

6. At the Consultation Meetings, a request was made for a summary of the responses to the questionnaire to be issued to Presbyteries and Congregations in advance of the General Assembly. In fulfilment of that request, a summary that draws largely on this report has been circulated widely to recipients of the questionnaire.

RESPONSES TO CONSULTATION DOCUMENT

7. The Appendix to this report contains a summary of the 207 responses received up to 3 February, 2011; the closing date for responses was 31 December 2010. The Appendix does not summarise the wide range of comments received to those supplementary questions that invited a narrative answer. As far as possible, those comments have been taken into account in the following analysis, which follows the order in the consultation response form. (The statistics included below have been rounded to the nearest full percentage point.)

Aims and Objectives

8. 89% of respondents agreed that the Church “should seek to reduce the inequality in stipends between Ministers”. 6% disagreed and 4% was undecided. One Presbytery disputed the assertion in the consultation document that “the chief aim of the Tyrone Memorial was ... to reduce the inequality in stipends between Ministers”. It is true that this aim was never expressly stated in the report of the Ad Hoc Committee on the Tyrone Memorial in 2000. However, there is no doubt that the intention of the report’s recommendations (accepted by the General Assembly) was to reduce the differential between Ministers by the application of a basic rate percentage increase to stipends below £20,999, with a sliding scale and lower rate of increase payable to Ministers on stipends above this figure.

9. The second question in this section sought views on a possible reduction in the disparity between the highest and lowest stipend to “not more than 50% of the basic Ministerial minimum”. 77% of respondents agreed, with 20% opposed and 3% undecided. 13 respondents suggested, on average, that the differential should be 72%, rather than 50%. A similar number of respondents (78%) agreed that a Minister’s stipend should “be based primarily on years of service, with in some cases an additional local allowance”. 17% were opposed and 4% undecided. A few respondents suggested that the pay of Ministers should instead be based on performance.

Basic Ministerial Minimum

10. This section sought responses on whether the current Ministerial Minimum of £22,416 was set at an appropriate level. 78% of respondents agreed that it was set at an appropriate level, while 20% disagreed. 25% of respondents favoured an increase in the minimum, with 70% against. Those that supported an increase suggested, on average, that the Minimum should be set at £25,417. Several argued that increasing the Minimum was a more appropriate way to reduce differentials than setting a maximum figure, notwithstanding the current financial climate. Indeed, it was suggested that with no increase to the Minimum, ministry could become a second career option.

11. The Panel is sympathetic to the argument that Ministers are underpaid compared to their counterparts in other professions. While starting salaries may be comparable to those paid in other professions, Ministerial pay quickly falls behind as their counterparts receive annual increments and promotions. Nonetheless, the Panel concluded that it could not argue for an increase in the Minimum at the present time given affordability issues. Such an

increase would almost certainly require an acceleration in the pace of amalgamations, combined with higher CMF assessments. The Panel notes that these are issues explored in the recent paper from the Union Commission on “Ministry, Finance and Mission” and encourages their further consideration in that forum.

12. At one of the Consultation Meetings, it was suggested that the discussion should be informed by comparative figures for remuneration paid in other denominations. This information had been collected by the Panel at an earlier stage in its deliberations. It is difficult to make exact comparisons, given variations in remuneration packages, including pension provision, expenses and family grants. However, the Panel believes that at lower levels, the remuneration paid in the Presbyterian Church in Ireland is either comparable to or in excess of, that paid to Ministers in other denominations. At higher levels, it is generally above that paid elsewhere. The Church of Scotland, for example, operates a scale with the minimum (£22,239 in 2008) rising to a maximum some 33% higher, over a period of 10 years.

13. Finally, in this section, an argument was made that the remuneration of Ministers employed in Church House or Union College should be reviewed in the light of decisions on the review of the Tyrone Memorial. This matter does not fall within the remit of the Panel, but the Panel supports the need to consider the position of Ministers in Church House and Union College in the light of decisions on this report and has referred the matter to the Personnel Committee of the Board of Finance and Personnel.

Incremental Allowance

14. This section sought views on the payment of an Incremental Allowance based on years of service up to 20 years, rather than the present 30 years. The increment would be paid every five years at the rate of 5% of stipend, instead of the present 2.5%. 88% of respondents supported the payment of an Incremental Allowance based on years of service, with 10% opposed. 59% supported a five year period for the payment of increments, with 37% opposed. 60% favoured the payment of increments over a 20 year period, with 36% opposed. The latter group favoured, on average, extending the incremental period from 20 years to 27.5 years. Lastly, 64% of respondents accepted that the increase in the level of Incremental Allowance (from 2.5% to 5.0%), partially offset by a reduction from 30 years to 20 years, would result in an increase in costs. 33% questioned whether an increase in the cost of the Allowance was affordable and rejected the proposal, while others suggested that progression should be dependent on some measure of performance or output, without defining precisely what the measure might be.

Local Allowance

15. The responses showed broad support for a Local Allowance – 78% in favour and 18% against. There was an almost identical level of support for the principle that a Local Allowance should be the only way a Congregation could pay their Minister more than the appropriate point on the scale. (The proposed scheme was costed on the basis that any Local Allowance should be funded by

the Congregation and not paid by way of augmentation.) The responses of the 18% that opposed this principle reflected, at least in part, a concern over local autonomy and a belief that it represented a transfer of authority over stipends to Church House, although the Union Commission already exercises a role in regard to setting stipends in respect of granting “leave to call”. Nonetheless, the proposals were perceived by this group to represent a centralisation of authority at variance with congregational responsibility.

16. In regard to the factors to be taken into account in setting the level of the Local Allowance, some 82% of respondents supported the inclusion of the size of the Congregation, any specific Ministerial responsibilities, local additional responsibilities and the general needs and resources of the Congregation. A number of respondents suggested additional factors, while others noted the challenge the proposals would present to the Union Commission in setting the level of stipend when granting “leave to call”. However, the Commission’s present process for setting stipend levels is arguably equally challenging. The local Congregation makes its case to the Commission, whose decision is far from formulaic.

17. Finally, 62% of respondents agreed that the maximum Local Allowance should be set at 30% of the Basic Ministerial Minimum. 30% of respondents disagreed with the level: the average increase suggested by this group came to 22%, although there was a wide range. The Panel believes that the size of the Local Allowance is central to its proposals. It reflects a belief that Ministers undertake broadly the same duties, wherever they are called to serve: the Allowance is designed to reflect appropriately the variation in the scale of responsibilities at local level.

The Bonus

18. Responses to questions on the payment of the Bonus produced a mixed response. 52% of respondents favoured continuing to pay the Bonus in accordance with the provisions of the Code. 37% disagreed. Only 30% of respondents favoured fixing the Bonus at the present level and not applying any further increases – a view rejected by 57% of respondents. There was a slight majority in favour of taking steps over time to reduce the Bonus to the amount required under the Regium Donum (approximately £275) – 48% to 41%.

19. A number of respondents expressed unease over the term “Bonus”, but were also unhappy with the proposed alternative “Discretionary Grant”. Following discussion in the Panel, it was agreed to adopt the term “CMF Grant”.

Existing Leave to Call Arrangements

20. A substantial majority of respondents (85%) supported the introduction of the “proposals to all new leave to call arrangements and the protection of the present leave to call arrangements”. That figure dropped to 66% in respect of the proposal that protected stipends should only receive an annual increase of 50% of the increase applied to the Basic Ministerial Minimum. 28% opposed the figure of 50% and on average suggested 26%. Again, there was a wide spread around the 50% figure. The Panel welcomed the

comment from a number of respondents that the call of God was the paramount consideration.

Assessments

21. This section concerned the proposal to move from assessments based on “stipend” to “assessable income”, with Congregations contributing according to their means. While 73% of respondents supported this proposal with 21% against, it was clear from comments that a number of Congregations have serious concerns about the implementation of this proposal and sought clarification of the definition of “assessable income”. The Panel still considers it necessary to change the method of assessments if the proposals in regard to stipends are accepted by the General Assembly. The proposals should have the effect over time of reducing the overall stipend bill, with a consequent saving to wealthier Congregations whose Ministers are currently above the Minimum. To maintain an assessment methodology based on stipends would have the effect of increasing assessments to smaller Congregations least able to afford an increase. Some respondents suggested that a “super” assessment should be introduced on stipends exceeding that recommended to discourage what were described as “maverick payments”.

22. At the same time larger Congregations already have substantial commitments, including staff, and cannot be expected to meet a greatly increased assessment in the short term – without the risk in some cases of making staff redundant. The Panel therefore believes that there needs to be some transitional arrangement to allow those adversely affected to plan for an increased assessment in the future and make any necessary adjustment to their local mission plans. The transitional arrangement should take into account the combination of increased assessments on such Congregations while still paying their existing Minister on his or her protected stipend. It would also be important to smooth out annual variations in the level of “assessable income” for assessment purposes. It is for these reasons that the Panel seeks the endorsement of the General Assembly to its proposals, subject to the Assembly’s agreement to the proposals in the report from the General Board’s Panel on “Pensions and Assessments”.

Overall View of the Proposals

23. The final question invited respondents to categorise their support or otherwise for the proposals. 71% of respondents expressed themselves either in “broad support” (26%) or in “support with reservations or suggested changes” (45%). 10% accepted that “change is necessary but do not support the proposals”, with 5% arguing for “no change”. No alternative schemes were suggested. 15% did not answer the question.

EXPENSES

24. The General Assembly also asked the Tyrone Memorial Review Panel to review the system for paying Ministerial expenses. The present system was devised by the Board of Finance and Personnel in consultation with the Union Commission. The basis for the present method, which enjoys the

endorsement of HMRC, is that Ministers are reimbursed for actual expenses based on certain assumptions about travel expenses, manse expenses etc. A single allowance is intended to cover all expenses incurred by the Minister. Ministers and Treasurers are regularly advised of the detailed procedures, which, if followed, satisfy the requirement to make an annual return of Ministerial expenses to HMRC.

25. The Panel reviewed the existing system and concluded that it remained fit for purpose. Any alternative could place potentially significant additional responsibilities on Treasurers and Ministers and add to the existing paperwork. The Panel believes that the problems lie not in the system itself but in the failure of some Congregations to pay adequate expenses or the practice in some Congregations of using expenses to add to the remuneration of Ministers. Income tax is levied on any amount paid over and above what is declared to be a legitimate expense by HMRC. However, if this additional amount becomes excessive it creates anomalies in the Church's own financial system. For example, it is unfair that Congregations, which draw on augmentation from the centre to fund their ministry, can by this method make an additional payment to their Minister over and above the agreed appropriate Ministerial minimum.

26. The Panel wishes to remind Presbyteries of their responsibilities in relation to expenses as set out in Par 237 of The Code. To that end, the Board of Finance and Personnel and the Union Commission intend to issue a joint communication to Presbyteries setting out their responsibilities and to organise a training event for Presbytery Clerks and Presbytery Finance Conveners.

CONCLUSIONS

27. The Tyrone Memorial Panel invites the General Assembly to:
- (a) receive its Report; accept the Panel's proposals for achieving a reduction in stipend differentials between Ministers, including the introduction of a Local Allowance and new arrangements for the payment of Incremental Allowances, subject to the agreement of the General Assembly to the proposals in the report of the General Board's Panel on "Pensions and Assessments";
 - (b) agree that Presbyteries should more vigorously exercise their responsibilities in regard to ministerial expenses, in accordance with the terms of Par 237 of the Code

TYRONE MEMORIAL REVIEW

SUMMARY OF CONSULTATION RESPONSE FORMS

	YES No.	NO No.	N/A No.	TOTAL No.	YES %	NO %	N/A %
1. AIMS AND OBJECTIVES							
1.1 Do you support the chief aim of the Tyrone Memorial which was that the Church should seek to reduce the inequality in stipends between Ministers?	185	13	9	207	89.37	6.28	4.35
1.2 One of the objectives in the Review Panel's Report is to reduce the disparity between the highest and lowest stipend to not more than 50% of the Basic Ministerial Minimum (see 2 below). Do you support this objective?	159	41	7	207	76.81	19.81	3.38
If you do not support the 50% is there another % that you believe the Panel should be trying to achieve (if so please specify)? (Average percentage and number of Congregations who responded indicated)	71.77	13					
If you do not support the 50% is there another % that you believe the Panel should be trying to achieve (if so please specify)? (Average percentage and number of Congregations who responded indicated)							
1.3 One of the fundamental changes arising from the proposals is that a Minister's stipend would be based primarily on years of service, with in some cases an additional local allowance. Do you support, in principle, the introduction of such a method of remunerating Ministers?	162	36	9	207	78.26	17.39	4.35

	YES No.	NO No.	N/A No.	TOTAL No.	YES %	NO %	N/A %
2. THE BASIC MINISTERIAL MINIMUM							
2.1 The Basic Ministerial Minimum for 2010 is currently £22,416. Do you consider that this is at an appropriate level? (Please note that Ministers in Congregations also receive a supplement from the Central Ministry Fund which is currently £1,518 – see Section 5 below))	161	41	5	207	77.78	19.81	2.41
2.2 Would you support an increase in the Ministerial Minimum recognising that this will result in an increase in the assessment for the Central Ministry Fund and may impact on the financial viability of some Congregations	52	144	11	207	25.12	69.57	5.31
2.3 If you support increasing the Basic Ministerial Minimum, have you a view on the level at which it should be set? (If so please indicate amount) (Average and No. of Congregations indicated)	35	25,417					
3. INCREMENTAL ALLOWANCE							
3.1 Do you support an increase in the incremental allowance recognising that this will result in an increase in the assessment on all Congregations for the Central Ministry Fund?	133	68	6	207	64.25	32.85	2.90
3.2 Do you support an incremental allowance based on years of service?	182	20	5	207	87.93	9.6	2.42
3.3 Do you support increments every 5 years of 5% (currently 2.5%)?	122	77	8	207	58.94	37.20	3.86
3.4 Do you support increments over a 20 year period?	125	75	7	207	60.39	36.23	3.38
If Not, What period do you suggest? (please specify) (AVERAGE INDICATED)	2.75						

	YES No.	NO No.	N/A No.	TOTAL No.	YES %	NO %	N/A %
4. THE LOCAL ALLOWANCE							
4.1 Do you support the introduction of a Local Allowance as part of the overall remuneration paid to Ministers?	161	37	9	207	77.78	17.87	4.35
4.2 Do you support, in principle, the proposal that the only way a Congregation could pay their Minister more than the appropriate point on the scale is through a Local allowance?	160	37	10	207	77.29	17.87	4.84
4.3 Do you agree that the factors to be taken into account should include the size of the Congregation, the staffing resources of the Congregation, any specific Ministerial responsibilities, local additional responsibilities, general needs and resources of the Congregation?	169	21	17	207	81.64	10.14	8.22
4.4 Are there any additional factors that should be taken into account or any that should not be taken into account? If so please detail below	57	92	58	207	27.54	44.44	28.02
4.5 Do you agree that the maximum local allowance should be 30% of the Basic Ministerial Minimum? (i.e. based on a Basic Ministerial Minimum of £22,416 it would be £6,725)	128	62	17	207	61.84	29.95	8.21
4.6 If not what percentage or amount do you suggest? (please specify) (AVERAGE INDICATED)		22%					
5. THE BONUS							
5.1 Do you believe that the Board should							
(i) Continue to pay the Bonus in accordance with the provision of the Code	107	77	23	207	51.69	37.20	11.11
(ii) Fix the amount of the bonus at the present level and not apply any further increases	62	117	28	207	29.95	56.52	13.53
(iii) Take steps over time to reduce the bonus to the amount which is required to be paid under the Regium Donum (i.e. approx £275)	99	84	24	207	47.83	40.58	11.59

	YES No.	NO No.	N/A No.	TOTAL No.	YES %	NO %	N/A %
7. EXISTING LEAVE TO CALL ARRANGEMENTS							
7.1 Do you support the proposals being introduced to all new leave to call arrangements and the protection of present leave to call arrangements?	175	26	6	207	84.54	12.56	2.90
7.3 Do you support the proposal that protected stipends should only receive an annual increase of 50% of the increase applied to the Basic Ministerial Minimum? If not, what increase should be applied? (please specify)? (AVERAGE INDICATED)	136	57 26%	14	207	65.70	27.54	6.76
8. ASSESSMENTS							
8.1 Do you support, in principle, the move from assessments being based on stipend to assessable income so that Congregations contribute according to their means?	151	44	12	207	72.95	21.26	5.79
9. OVERALL VIEW OF THE PROPOSALS							
9.1 Subject to your detailed responses to the questions above how would you categorise your support or otherwise for the proposals (delete as appropriate)							
- In broad support of the proposals	54						
- In support but with reservations or suggested changes	93						
- Accept that change is necessary but do not support the proposals	20						
- Prefer no change to present arrangements	10						
Did not answer question	<u>30</u>						
	<u>207</u>						

APPENDIX 2**COPY OF REPORT SUBMITTED TO 2010 GENERAL ASSEMBLY****TYRONE MEMORIAL REVIEW PANEL PROPOSALS****1. EXECUTIVE SUMMARY**

In accordance with a resolution of the General Assembly in June 2009 this report outlines new proposals for the financial support of Ministers. In bringing forward these proposals the Panel wishes to reaffirm the original aims of the Tyrone Memorial and address some of the issues arising out of its implementation and operation. It is proposed that a new Stipend Scale be introduced, with five-yearly service increments over a 20-year period. In addition, and depending on circumstances, a local allowance may be payable. Payment outside these arrangements would not be permitted. Present call arrangements would continue to be honoured and, if approved by the General Assembly, these proposals would only be implemented in respect of all future leave to call arrangements.

These proposals also include arrangements to change the basis of Congregational assessments from stipend to income.

2. BACKGROUND

At the General Assembly in June 2008, it was agreed that the Board of Finance and Personnel should “prepare detailed proposals for an alternative basis for the provision of financial support for Ministers and make a further report to the General Assembly 2010”.

The Board delegated this work to the Tyrone Memorial Review Panel, which includes representatives from the Board, Union Commission, the Board of Mission in Ireland and other interested parties.

The membership of the Panel is:

John Hunter (Board Convener), Revs Drew Abernethy, David Porter, Leslie Casement, Dr Uel Matthews, Dr Michael Barry, Dr Donald Watts (General Secretary), Messrs James Livingstone, Douglas Crowe, Douglas Cowan and Clive Knox (Financial Secretary).

3. AIMS/OBJECTIVES

In considering an alternative basis for the financial support of Ministers the Panel reaffirms the main aims of the Tyrone Memorial and in particular:

- to reduce the inequality in Stipends / disparity between Ministers
- to enable Bible teaching on giving to be carried out free from the accusation of self interest on the part of Ministers
- to enable Congregations to retain income for local mission

Based on experience of the Tyrone Memorial and in line with its original aims the Panel’s objective is to:

- (i) eradicate as many as possible of the present anomalies (e.g. Congregations exceeding recommended increases, the anticipated timescales required to reduce the gap between the highest and lowest

stipends, varying rates of annual increase under the Tyrone Memorial etc.)

- (ii) reduce the disparity between the highest and lowest stipends to not more than 50% and to take account, where terms permit, of additional sources of income such as bequests, land lettings and manse rents. *(The Panel notes that at one time the highest stipend paid was more than 2.6 times the minimum. At present apart from one instance no Minister has a stipend in excess of twice the minimum.)*
- (iii) address the anomaly which has arisen under the operation of the Tyrone Memorial arrangements where some stronger Congregations are contributing proportionately less by way of assessment than previously was the case.

While it is not within the remit of the Panel to increase the Ministerial Minimum the Panel did consider this matter but concluded that the additional cost to central funds would result in a considerable increase in the rate of the assessment for the Central Ministry and other assessment funds.

The Panel recognises that while some allowance needs to be made for additional responsibilities and pressures it believes the Church ought to recognise every call as a call from God and has a responsibility to provide adequately for the needs of every Minister no matter where the call takes him or her. The Panel does not believe that financial reward should be a contributory factor in a call.

4. SUMMARY OF PROPOSALS

The Panel proposes that a Minister's remuneration is made up of 4 elements

- (i) A Basic Ministerial Minimum
- (ii) An Incremental Allowance reflecting years of service
- (iii) A Local Allowance (where appropriate) reflecting local congregational circumstances
- (iv) A Discretionary Grant which includes the amount due from the Regium Donum (this is an amount that used to be paid by the Crown to Ministers until a lump sum payment was made by the Crown to the Church to take over the payment of this. The amount received is invested in the Commutation Fund. The annual income from this Fund is paid through the Sustentation Fund to the Central Ministry Fund which pays the "bonus" to Ministers under the provisions of The Code Par 315.)

The total of (i) and (ii) above is referred to as the "Appropriate Ministerial Minimum" i.e. the minimum amount of remuneration a Minister of the Presbyterian Church in Ireland should receive based on their years of ministry.

Throughout this paper, references to "Stipend" mean the amount a Congregation contributes or pays towards a Minister's remuneration and not the total amount paid to a Minister.

(i) The Basic Ministerial Minimum

The Basic Ministerial Minimum is the minimum amount of remuneration a Minister of the Presbyterian Church in Ireland should receive.

Current:

The Basic Ministerial Minimum for 2010 is £22,416. The Panel compared the minimum with that in other denominations and found that the basic Ministerial minimum compares favourably, taking into account the additional bonus of £1,518 Ministers received from the Central Ministry Fund. However, some other denominations have better incremental allowances for those with longer service. The Panel therefore decided that rather than increasing the basic Ministerial minimum it ought to consider improving the incremental allowance.

Proposed:

No change is proposed. The Basic Ministerial Minimum should continue to be reviewed annually by the Board of Finance and Personnel under the provision of The Code, Par 314 in light of relevant factors and where appropriate a discretionary increase applied.

(ii) An Incremental Allowance**Current:**

At present Ministers are entitled to an increment of 2.5% of the Basic Ministerial Minimum after each period of 5 years up to a maximum of 15%, i.e. after 30 years service). The Panel considered a number of improvements to the incremental allowance but the costs of implementing some of these improvements were considered to be more than the Church could pay at this time.

Proposed:

It is proposed that the 5 yearly increments are increased from 2.5% to 5% but only up to 20 years service i.e. maximum of 20% after 20 years.

The proposed STERLING scale (using 2010 as a base year) is as follows

Year	STIPEND			
	Current (2.5%) £	Proposed (5.0%) £	Increase (2.5%) £	%
Increment	561	1,121	560	
1 to 5	22,416	22,416	Nil	
6 to 10	22,977	23,537	560	2.44%
11 to 15	23,538	24,658	1,120	4.76%
16 to 20	24,099	25,779	1,680	6.97%
21 to 25	24,660	26,900	2,240	9.08%
26 to 30	25,221	26,900	1,679	6.66%
31 +	25,782	26,900	1,118	4.33%

The proposed EURO scale (using 2010 as a base year) is as follows

Year	STIPEND			
	Current (2.5%) €	Proposed (5.0%) €	Increase (2.5%) €	%
Increment	882	1,762	880	
1 to 5	35,241	35,241	Nil	
6 to 10	36,123	37,003	880	2.44%
11 to 15	37,005	38,765	1,760	4.76%
16 to 20	37,887	40,527	2,640	6.97%
21 to 25	38,769	42,289	3,520	9.08%
26 to 30	39,651	42,289	2,630	6.66%
31 +	40,533	42,289	1,748	4.33%

The Panel notes that the Board of Finance and Personnel has undertaken a review of the differential between the Sterling and Euro scales. In the light of current cost of living and other relevant factors the Board has concluded that no changes are required to the differential at this stage, but will keep the matter under review.

The Panel proposes the following:

- (a) A Minister should be remunerated on the appropriate point on the scale and Congregations should not make any additional payment other than the local allowances if authorised by Union Commission.
- (b) An annual discretionary increase should be applied to the scales as approved by the Board of Finance and Personnel based on cost of living increases and other relevant factors.
- (c) The new scales should apply to all calls issued after 1 January 2012 following General Assembly approval of the Scheme and, from the same date, to all existing arrangements where a Minister is on the Basic Ministerial Minimum or Appropriate Minimum.
- (d) In the case of augmented Congregations, the Union Commission will continue to set the Stipend when leave to call is being granted. The Stipend paid by the Congregation should be increased annually in line with the annual discretionary increases in (b) above.

(iii) The Local Allowance

In addition to the Basic Ministerial/Appropriate Minimum, Ministers may be entitled to a local allowance as agreed by the Union Commission. The maximum allowance is 30% of the Basic Ministerial Minimum, which for 2010 would be £6,725 (30% x £22,416). In deciding the amount of the local allowance Union Commission will take into account a number of factors including, but not limited to

- the size of the Congregation in terms of families, membership etc
- the staffing resource of the Congregation
- specific Ministerial responsibilities

- any local congregational issues which may be appropriate and require additional responsibilities and experience (including missional issues)
- the general needs and resources of the Congregation

A Congregation's ability to pay will not be a determining factor in setting the level of the local allowance.

Congregations will normally be expected to pay the full amount of the local allowance as determined by the Union Commission.

(iv) The Bonus (including the Regium Donum) (to be renamed The Discretionary Grant)

Present:

Under the provisions of The Code Par 315(2) every "qualified" Minister receives a bonus. The amount of the bonus is calculated in accordance with the provision of Par 315(2) or is fixed by the Board of Finance and Personnel. For 2010 the Board of Finance and Personnel has fixed the bonus at £1,518

The Bonus is paid to all active Ministers in Congregations and Ministers who have retired from a Congregation. It is paid to active Ministers, as a monthly amount of £30 i.e. £360 for the year plus an annual bonus paid in December of £1,158. Retired Ministers receive the total bonus on a monthly basis. The following table summarises the position and approximate annual costs based on 360 active and 205 retired Ministers.

RETIRED MINISTERS		ACTIVE MINISTERS		ALL MINISTERS
When Paid	Monthly	Monthly	Annually	Total
Amount per annum	£1,518 (£126.50/month)	£360 (£30/month)	£1,158	£1,518
Active Ministers (360)	-	£129,600	£416,880	£546,480
Retired Ministers (205)	£311,190	-	-	£311,190
TOTAL BONUS	£311,190	£129,600	£416,880	£857,670

In the first place the bonus is paid out of income received from the Sustentation Fund (this includes the income from the Commutation Fund, the "Regium Donum"). In keeping with the principles of the Sustentation Fund, and based on present levels of income, each Minister should receive approx £550 per annum (assuming 565 eligible Ministers). The remainder of the bonus is paid for out of the Central Ministry Fund and it is this part which is discretionary.

Proposed:

It is proposed that the term Bonus is no longer used and a “Discretionary Grant” of an amount to be determined annually by the Board of Finance and Personnel, and set initially at £1,500, is paid to “qualified” Ministers. This is to be paid to active Ministers in December each year and monthly to retired Ministers. This Discretionary Grant is to include the amount due for the Regium Donum.

5. OTHER SOURCES OF INCOME

Ministers will be entitled to receive in addition to the Basic Ministerial/Appropriate Minimum and Local Allowance any bequest or endowment income where the terms specify that it is “**for the benefit of the Minister**”. Bequest or Endowment income “**for stipend**” is a source of funds contributing to the cost of stipend and therefore should be applied for that purpose by the Congregation and not paid in addition to stipend.

Existing arrangements should continue to apply until a vacancy arises.

6. MINISTERIAL EXPENSES

The initial level of Ministerial Expenses is agreed when leave to call is granted. Congregations are entitled to review the level of the expenses allowance to cover actual expenses incurred but expenses should not be used as a means of increasing the level of Ministerial income.

The Panel support expenses being paid to Ministers based on a reimbursement of actual expenses incurred and recommend that the Board of Finance and Personnel undertake a review of the present system in conjunction with the Union Commission. The review should take account of the impact any change in arrangements would have on a Minister’s current level of remuneration.

7. EXISTING LEAVE TO CALL ARRANGEMENTS

It is proposed that where the level of remuneration from the Congregation in an existing leave to call arrangement exceeds the proposed stipend scales the original leave to call arrangement should continue to apply until the Congregation becomes vacant. In other words where a Minister’s stipend at the date of implementation is higher than the proposed scale their stipend will be “protected” and not reduced. However, in such circumstances the annual increases should be limited to 50% of the normal discretionary increase.

Where a Ministers existing level of remuneration is below the proposed scale, the new scale should be applied with effect from the introduction of the scheme. It is expected that non-augmented Congregations will meet in full the additional costs, but where this creates genuine financial difficulties for a Congregation, they may apply to Union Commission for a review.

8. CONGREGATIONAL ASSESSMENTS

The Panel has also considered whether the assessments, which Congregations have to pay in addition to stipend, should continue to be based on the stipend paid to Ministers in the preceding year. The Pensions and

Assessment Panel of the General Board which was initially set up to review pensions but has had its remit extended to look at the level of assessments has also been considering this matter. It appears both panels are minded to recommend a change in the way assessments are levied to one based on Income rather than Stipend. The Panels view is that this will lead to a fairer distribution of the burden of assessments.

The change from Stipend to Income as a rule will mean that the level of assessment will better reflect a Congregation's ability to contribute. The rates of assessment for the various Assessment Funds will continue to reflect the ongoing expenditure requirements of those funds.

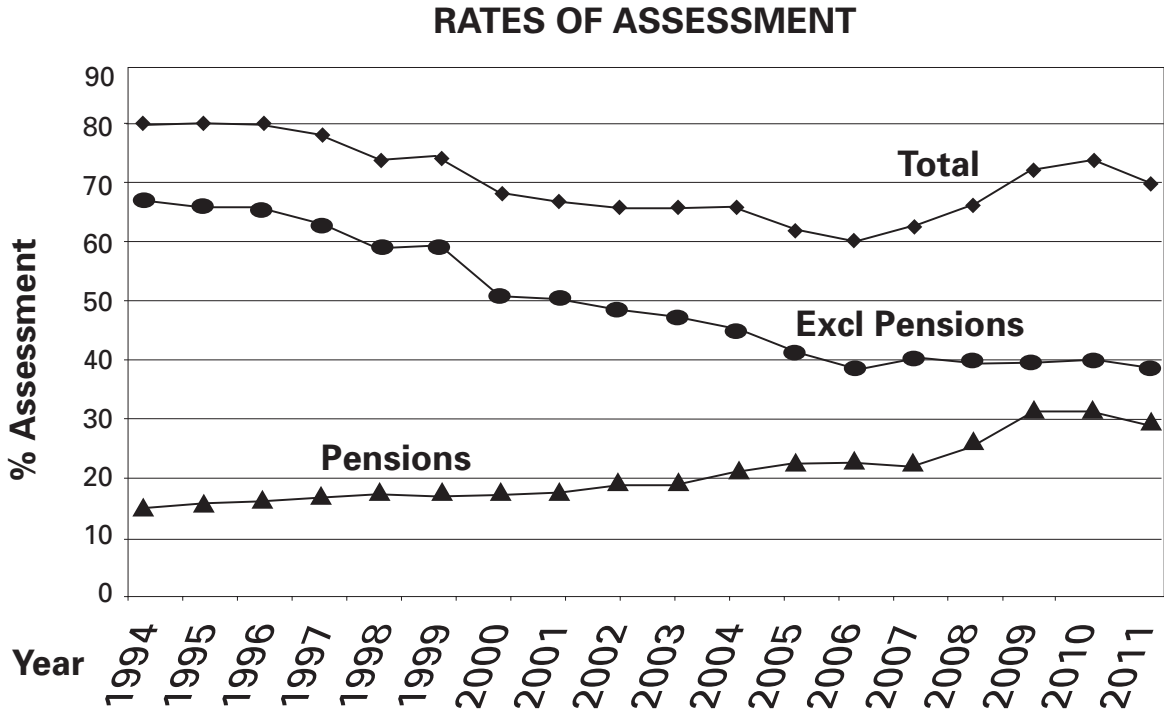
9. COST IMPLICATIONS OF THE PROPOSAL

In estimating the cost implications of the proposals it has been assumed that if a Congregation is currently augmented it will continue to be augmented and no increase in stipend will be requested from the Congregation. If the proposed scales were to be applied in 2010:

- (i) the overall cost of stipends to the Church would reduce from approx. £9.1m to £7.9m. There would, however, not be a saving of the difference as these proposals include provisions to protect the stipend of Ministers in excess of the proposed scales.
- (ii) it is estimated that the additional annual cost of augmentation to the Central Ministry Fund would be £180k. For those Congregations not augmented whose Ministers receive less than the proposed scales there would be an additional cost of £38k.
- (iii) There are currently 69 Ministers in Northern Ireland and 32 in Republic of Ireland receiving augmentation (via augmented or incremental grants).

APPENDIX 3

ASSESSMENTS



APPENDIX 4**RULES OF THE RETIRED MINISTERS' HOUSE FUND****BRIEF HISTORY OF RULES OF RETIRED MINISTERS FUND**

The Retired Ministers' House Fund ("the Fund") was established in 1961. At the General Assembly in 1964 Interim Rules were approved (see Minutes, 1964, Pages 55 and 56). The Fund operated on those Interim Rules until 1967 when the General Assembly adopted Rules (see Assembly Reports Pages 203 to 206 and Minutes Page 37). At the General Assembly in 1970 Revised Rules were approved (see Annual Reports Pages 263-25 and Minutes Page 49). In 1996, in consultation with the Church's legal advisers, some amendments to the Rules were made (see Assembly Reports Page 193, Minutes Page 72). The General Assembly approved these updated Rules on [date] June 2011 [IF AGREED].

1. The Object of the Fund

The object of the Fund is to provide assistance to approved Borrowers seeking to make provision for a home for their retirement.

2. Administration

2.1 The Fund shall be administered by a Committee ("the Committee") appointed by the Board of Finance and Personnel ("the Supervising Board").

The Committee may appoint a Retired Ministers' House Fund Panel ("the Panel") to administer the Fund in accordance with these Rules. The Panel membership should include the Board and Committee Conveners, Financial Secretary and an appointed officer with responsibility for the day-to-day management of the Fund along with a person with an appropriate level of experience of the property sector.

2.2 The Committee shall prepare annual accounts and present these to the General Assembly to be examined by the General Assembly's Auditors.

3. Eligibility for Assistance

3.1 Ministers or servants of the Presbyterian Church in Ireland (which may include spouses) of limited financial means ("the Borrower") who are retired or contemplating retirement may apply to the Fund for assistance.

3.2 The Committee is permitted to prioritise the provision of assistance to those who:

- 3.2.1 are over 60 years of age;
- 3.2.2 intend to repay the loan in less than 5 years;
- 3.2.3 require less than the maximum loan;
- 3.2.4 are willing to make regular repayments of the loan; or
- 3.2.5 have more limited financial resources.

3.2 For the avoidance of doubt, these Rules do not create a right to assistance. Furthermore, an application may be refused if the Fund does not have

sufficient financial or other resources available at the time of application or for any other reason at the absolute discretion of the Committee.

4. Forms of Assistance

The Fund is permitted to provide assistance on the following terms:

4.1 Loans

- 4.1.1 Loans may be provided:
 - 4.1.1.1 to assist with the purchase of properties for retirement;
 - 4.1.1.2 in exceptional circumstances for the improvement of properties;
 - 4.1.1.3 or to assist with the purchase of properties prior to personal funding becoming available as short-term bridging loans.
- 4.1.2 The maximum amount of a loan shall be determined by the Committee and approved by the Supervising Board.
- 4.1.3 The term of a loan shall not exceed 15 years and shall be repaid no later than 5 years after retirement.
- 4.1.4 Interest on a loan is to be calculated on a daily basis at a rate of 50% of the sum of The Bank of England Base Rate plus 2%.
- 4.1.5 Interest repayments on all loans approved after the adoption of these Amended Rules are to be deducted each month from the Borrower's remuneration or pension paid by the Financial Secretary's Office, Church House.
- 4.1.6 Failure to make payments for 3 months in breach of agreed interest repayment arrangements in respect of loans approved after the adoption of these Amended Rules may require the loan to be repaid in full.
- 4.1.7 A letter of offer setting out the terms of the Fund's offer must be accepted by the Borrower, a mortgage deed must be signed by the Borrower and title must be reviewed and found to be satisfactory to the Fund's legal advisers before any monies are released. The legal cost of preparation of the letter of offer and mortgage deed and review of title is to be borne by the Fund. The Borrower shall seek his or her own legal advice.
- 4.1.8 As long as any sum secured by a mortgage is outstanding, whether principal or interest, the documents relating to such mortgage shall be held by the Trustees of the Presbyterian Church in Ireland ("the Trustees"). A first ranking mortgage against the property should be taken by the Fund in the name of the Trustees. A second ranking mortgage may be taken if there is evidence according to a valuation of the property that there is sufficient equity to discharge all sums due to the Fund.
- 4.1.9 The Borrower shall be responsible for arranging appropriate Building Insurance and shall provide satisfactory evidence of cover prior to completing the mortgage deed. The Borrower must provide evidence of the annual renewal of building insurance to the satisfaction of the Committee.

4.2 Equity Sharing/Joint Ownership arrangements

- 4.2.1 Equity Sharing/Joint Ownership arrangements may be entered into by the Fund up to a maximum amount determined by the Committee and approved by the Supervising Board.
- 4.2.2 The borrower must provide a minimum of 10% of the value of the property towards the purchase price.
- 4.2.3 Interest on the amount provided by the Fund will be charged at the rate for Loans (see 4.1.4 above).
- 4.2.4 The Borrower must obtain the approval of the appointed officer in relation to the price offered on any property and completion will be subject to a satisfactory survey and title review.
- 4.2.5 A letter of offer shall be prepared setting out the principal terms on which the monies will be advanced to the Borrower. A Trust Deed shall be prepared in respect of the Fund's interest in the property. The legal cost of preparation of the Trust Deed shall be borne by the Fund. The Borrower shall seek his or her own legal advice.
- 4.2.6 All rates, costs of regular maintenance, utility bills and all other routine outgoings relating to the property shall be borne by the Borrower. The Fund shall bear a proportion of any repairs to the structure of the property or repairs or replacement of fixed plant and equipment, based on the equity sharing interests.
- 4.2.7 The Borrower is not permitted to make any alterations to the property without the written permission of the Committee. The cost of such alterations shall be borne in proportion to the Fund and the Borrower's interest in the property. Where the Borrower proceeds with alterations without written permission, the Committee shall not be obliged to contribute towards the cost of work or amend its proportional interest in the property.
- 4.2.8 Building insurance will be included in the Fund's insurance policy Scheme and the Fund will recoup the appropriate proportion of the premium from the Borrower based on the equity sharing interests.
- 4.2.9 The Committee shall arrange for periodic inspection of all property owned on an equity sharing basis.
- 4.2.10 The Borrower must report any structural defects or faults to fixed plant and equipment to the Fund's appointed officer.

4.3 Renting Property owned by the Fund

- 4.3.1 The Fund may rent properties belonging to it with rent calculated based on 2.25% of the purchase price or estimated value of the property. Rents should be reviewed annually on 1 October and amended in accordance with adjustment approved by the Northern Ireland Housing Executive on the previous 1 April.

- 4.3.2 In exceptional circumstances the Fund may reduce the rent payable depending on the Borrower's financial circumstances.
- 4.3.3 The Committee shall arrange for periodic inspection of the property owned by the Fund.
- 4.3.4 In exceptional cases, and resources permitting, the Fund may purchase properties for letting.
- 4.3.5 A letter of Offer and Tenancy Agreement setting out the terms of the tenancy shall be prepared when such a property is purchased. The legal costs of preparation will be borne by the Fund. The tenant shall seek his or her own legal advice.
- 4.3.6 The Fund shall arrange appropriate building insurance on all properties owned by the Fund.
- 4.3.7 All rates, costs of routine maintenance, utility bills and all other outgoings relating to the premises shall be borne by the tenant. The Fund shall be responsible for any repairs to the structure of the property and repairs or replacement of fixed plant and equipment.
- 4.3.8 The tenant must report any structural defects or faults in relation to plant and equipment to the Fund's appointed officer.
- 4.3.9 A right to continue as tenant passes to the tenant's spouse on the Borrower's death but terminates on the death of the spouse.

The Committee reserves the right to withdraw any of the above forms of assistance if the Fund does not have sufficient financial or other resources available at the time of application or for any other reason at the absolute discretion of the Committee.

5. Applications for Assistance

- 5.1 All Borrowers must complete a formal application in the form determined by the Committee.
- 5.2 The decision of the Committee in respect of any application or in relation to the termination of any form of assistance shall be final.

6. Income of the Fund

All payments of interest, rent, repayments of capital, or other income received by the Fund shall be held for the objects of the Fund and for no other purpose.

Amendment to Rules

Any changes to these Rules must be approved by the Supervising Board and reported to the following General Assembly.

8. Trustees

- 8.1 All property of the Fund shall be held in the name of the Trustees.
- 8.2 The Trustees are permitted to:
 - 8.2.1 purchase, take on lease or in exchange or otherwise acquire real or personal property and any right or privilege which the

Committee think necessary for the objects of the Fund and in particular any land, buildings, easements, rooms, furniture, fittings, apparatus, appliances, conveniences and accommodation.

- 8.2.2 Sell, lease or grant, with or without a fine, improve, manage, develop, exchange, mortgage or dispose of, all or any part of the real or personal property and rights acquired by the Trustees.
- 8.2.3 Invest and deal with personal property acquired by the Trustees, not immediately required for the purposes above mentioned, in such manner as may from time to time be determined by the Trustees.
- 8.2.4 Stand possessed of any real or personal property or rights acquired by the Committee as trustees for the objects of the Fund. It is declared that the Purchaser or Mortgagee or any real or personal property acquired from the Trustees shall hold the same freed and discharged from all trusts hereby created and shall not be bound to see to the application of the purchase or mortgage monies, the receipt of the Trustees to be sufficient discharge for the same.

9. Borrowing

The Committee is permitted to borrow to fulfil the object of the Funds as authorised by the Supervising Board.

These Rules were approved by the Board of Finance and Personnel on [ENTER DATE] and the General Assembly on [ENTER DATE] June 2011.

RESOLUTIONS

1. That the Report be received.
2. That the rate of assessment for the Central Ministry Fund for 2011 be 18.5p in the £ of stipend.
3. That the rate of assessment for the Retired Ministers' Fund for 2011 be 1.5p in the £ of stipend.
4. That the rate of assessment for the Widows of Ministers' Fund for 2011 be 4.0p in the £ of stipend.
5. That the rate of assessment for the Prolonged Disability Fund for 2011 be 0.25p in the £ of stipend.
6. That the rate of assessment for the Church House Repair Fund for 2011 be 3.50p in the £ of stipend.
7. That the rate of assessment for the Incidental Fund for 2011 be 5.00p in the £ of stipend.
8. That the rate of assessment for the PCI Pension (2009) Fund for 2011 be 30.00p in the £ of stipend.
9. That the rate of assessment for the Sick Supply Fund for 2011 be 0.25p in the £ of stipend.
10. That the General Assembly approve the proposals of the Tyrone Memorial Review Panel, subject to the General Assembly agreeing to the

proposal of the General Board Panel on Pensions and Assessments to move the basis of assessments to assessable income and that the proposals be implemented from 1 January, 2013.

11. That the General Assembly approve the new Rules as set out in Appendix 4 for the Retired Ministers House Fund.

12. That rule 17c of the Prolonged Disability Fund be amended to add the word “currently available” as follows “evidence which demonstrates to the satisfaction of reasonable medical opinion that all **currently available** appropriate treatment option have been thoroughly investigated and appropriately explained to the applicant/prospective applicant.”

13. That under the provisions of the Code Par 556(3) Rev Dr JA Thompson (Dervock) be given permission to retire on or after his 64th birthday, on 4 May, 2011.

14. That the resignation of Mr Douglas Crowe as Convener of the Pensions and Assessments Committee be accepted, that he be thanked for his services and that the Rev DC Porter be appointed in his place.

15. That the resignation of Mr Michael Fitch as Convener of the Finance, Legal and IT Committee be accepted, that he be thanked for his services and that Mr Robert McCullagh be appointed in his place.

16. That the resignation of Mr David Lamb as Convener of the Personnel Committee be accepted, that he be thanked for his services and that Mr Robert Campton be appointed in his place.

17. That the resignation of Mr Hubert Martin as Co-Convener of the Property Management Committee be accepted, that he be thanked for his services and that the Rev Adrian McLernon become sole Convener of the Committee.

18. That the Board of Finance and Personnel, with its associated working Committees for the ensuing year, be appointed in accordance with Par 286 of the Code as follows:

OVERTURES TRANSMITTED

Anent Par 315 of the Code

It is hereby overtured to the General Assembly to enact that in sub-paragraph 315(3) of the Code the words “, or of more than 25 years service, or of more than 30 years service since ordination of 102.5%, 105%, 107.5%, 110%, 112.5%, and 115% respectively of the Basic Ministerial Minimum;” be deleted and the words “since ordination of 105%, 110%, 115% and 120% respectively of the Basic Ministerial Minimum;” substituted in their place.

Anent Par 318 of the Code

It is hereby overtured to the General Assembly to enact that sub-paragraph 318(2) of the Code be deleted and the following substituted in its place:

“(2) If there is any failure to make the foregoing returns or notifications or any failure to transmit any portion of the quarterly moneys which may be due, either from a congregation or a minister:

- (a) the Financial Secretary shall immediately refer the case to Presbytery, which shall be under obligation to take such action as it may deem necessary to ensure that the information is supplied or moneys paid up without delay;
- (b) if the Presbytery fails to ensure that the information is supplied or moneys paid without delay, the Presbytery and/or the Board of Finance and Personnel shall refer the matter to the Union Commission which shall investigate and take whatever action it may deem necessary. This referral shall take place no later than following the third failure within any three year period to transmit any portion of the quarterly moneys which may be due.
- (3) The Union Commission shall have the power, in the foregoing circumstances:
 - (a) to instruct the Pensions and Assessments Committee to reduce the assessments payable by the congregation in the current financial year;
 - (b) to make any appropriate arrangement for future ministry in the congregation;
 - (c) to instruct the Presbytery, under the Union Commission guidelines, to loose the minister from the charge and to declare the congregation vacant, prior to a reconfiguration of ministry;
 - (d) to make whatever arrangements for the minister as are agreed by the Commission. In so acting, the Union Commission shall have power to fix a retiring allowance, according to the rules for the time being of the General Assembly, or to fix an allowance for a temporary period.
- (4) The Union Commission shall not give leave to call to any vacant congregation, or linkage, which remains in default to the Central Ministry Fund or other funds of the Church”.

JOHN HUNTER