39. Methodist Ministers' Pension Scheme

Basic Information

Title	**Methodist Ministers' Pension Scheme**
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Status of Paper	Final
Resolution/s	As set out at the end of Paper B

Summary of Content

Subject and Aims	To recommend changes to the benefits of the MMPS in response to the review that was commissioned after changes to contributions that were agreed by the Conference in 2009.
Main Points	Paper A provides a short background to the review and the context of its recommendations. Paper B makes detailed recommendations regarding the benefits offered by the MMPS to its members. It also details the necessary rule changes and business that the trustee board is required to bring to the Conference annually.
Background Context and Relevant Documents	2009 Conference papers. 2010 Council papers: MC1019; MC1067. Context for the proposal re ill health pensions in Paper B is to be found in Report 38 being presented to this Conference.
Impact	Approving the resolutions will reduce the necessary increase in circuit contributions in 2010–11 to the MMPS from the 7% of stipends agreed by the Conference in 2009 to 2%. It will, however, reduce the pensions benefits in relation to future service available to all active ministers that are members of the scheme.
Risk	There is a risk that some ministers will see this as a weakening of the covenantal relationship between themselves and the Church. The risk of not accepting the resolutions is an unrealistic financial burden on circuit finances.

39. Methodist Ministers' Pension Scheme

PAPER A: METHODIST MINISTERS' PENSION SCHEME (MMPS) OVERVIEW

Background to the Review

1. All occupational pension schemes, such as the MMPS, are required to be valued every three years in accordance with the prevailing guidelines and regulations enforced by the Pensions Regulator. Such a valuation was performed on the MMPS as at 1 September 2008.

2. The valuation revealed a past service deficit in the scheme of £38.9m. Under pensions legislation the Church is defined as the "employer" of all ministers so it had a statutory duty to agree a course of action that would repay this deficit over a fixed period of time.

3. Although the downturn in financial markets had contributed to the size of the deficit, this was not the only significant factor.

4. The biggest contributor to the deficit was a dramatic change in the longevity assumptions that the Pensions Regulator required the actuaries to use. For example, the life expectancy of a male minister currently aged 45 had increased from 84.8 to 89.7 years. In other words, the scheme would have to pay the average male member's pension for an additional five years than had previously been planned. The situation for female members is similar.

5. After a 60-day consultation with scheme members, the Methodist Conference in 2009 agreed a plan to eradicate the deficit that required increased contributions from ministers and their employing bodies, primarily circuits. It agreed (Resolution 31/2) that each minister's contribution rate would increase by 2.0% of stipend from 1 September 2009. In addition, it agreed that the contribution from circuits would increase in two stages – an additional 5.0% from 1 September 2009 and a further 7.0% from 1 September 2010.

6. Recognising the financial burden that this would potentially have on circuits, the Conference asked for the benefits offered by the MMPS to be reviewed.

Overview of the Review

7. The Methodist Council reported to the 2009 Conference that it believed that a "fundamental review of the structure of the fund and the benefits it provides needs to be undertaken" [2009 Agenda item 31 para 15]. It therefore asked the MMPS Trustee Board to work with the scheme actuaries to investigate various options and make recommendations to the Conference in 2010. The Strategy and Resources Committee (SRC) liaised with the trustee board on behalf of the connexion; primarily via the Connexional Treasurers.

8. Having evaluated options provided by the trustee board, the SRC produced

recommendations which were endorsed by the Methodist Council. The Conference is now asked to consider those recommendations which are contained in the accompanying paper B.

9. The Conference needs to be aware that the resolutions adopted at Wolverhampton in 2009 have satisfied the legal requirements of the 2008 valuation, so the trustee board has no statutory interest in the outcome of the review.

10. The Conference now has two choices: by adopting the recommended review of benefits it will reduce the increase in costs to circuits of ministerial pension contributions; although they would still increase by 2% in 2010–11.

11. If the recommended changes are not adopted, the cost to circuits will increase by 7.0%. Combined with the proposed 2.65% increase in the standard stipend, this would result in an increase of virtually 10% of stipend costs for circuits from 1 September 2010.

PAPER B: REPORT FROM THE METHODIST MINISTERS' PENSION SCHEME TRUSTEE

Review of Scheme

1. The Methodist Council informed last year's Conference of its intention to carry out a review of the structure of MMPS and to make a report to the 2010 Conference. In response to concerns about how circuits could afford to pay the additional contributions, the review included looking at possible changes in the Scheme's benefits to achieve cost savings.

2. The group set up to review the benefits of MMPS consisted of representatives of the Trustee, the Connexional Treasurers and the Scheme Actuaries, in their advisory capacity. The group made a report to the Trustee Board of MMPS and to the Methodist Council.

Main Recommendation

3. The review group concluded that the current Scheme, which is a defined benefit or final salary scheme, is the most satisfactory type of scheme for ministers because it provides a predictable level of pension and is the most appropriate within the context of the Church's life-long covenant relationship with ministers. The Methodist Council is therefore recommending that fundamentally the structure of MMPS remains unchanged, that is, it remains a defined benefit scheme. The Conference is therefore asked to agree this recommendation as per **Resolution 39/1**.

4. The review group examined ways of reducing the Scheme's benefits for future service to achieve cost savings (given that benefits for past service cannot

legally be changed) and proposed three main changes detailed in items 8 and 9 below. The proposals have been endorsed by the Methodist Council and are being put forward for the Conference to discuss and to consider implementing with effect from 1 September 2010.

5. The combined cost saving of these three proposals is 5% of stipends. If implemented these changes would therefore reduce the additional pension contributions due to be paid by circuits to the Scheme from 7% to 2% of stipends making a revised total circuit contribution rate of 24% of stipends from September 2010.

6. The Trustee of MMPS reiterates the comment made in its report to last year's Conference that, in order to satisfy the Pensions Regulator, unless the additional contributions of 7% of stipends are paid by circuits from 1 September 2010, the Trustee will have to reduce the future service benefits of the Scheme for active members.

7. The Conference needs to decide whether or not circuits can afford the increase in contributions already agreed or whether a lower increase in contributions should be agreed, to be achieved by reducing the Scheme benefits as proposed by the review group. The Trustee does not have a preference but the Council recommends the latter course (**Resolution 39/2**).

Proposed Changes to MMPS

8. The proposed changes to the Scheme to take effect from 1 September 2010, are:
   (i) The Scheme's Normal Pension Date (NPD), currently 31 August in the calendar year of attaining age 65, be changed, for future service only, to 31 August in the calendar year of attaining age 68.
   (ii) The rate at which pension accrues be reduced, for future service only, from 1/70th of final stipend for each year of pensionable service, to 1/80th of final stipend.
   (iii) The enhancement of an ill health pension be based in future on a proportion of a member's prospective service to the new NPD 68 related to the actual service already completed by the member.

9. Each of the proposed changes is explained in more detail below. The effects of the changes on benefits are shown in the illustrations in Appendix 1 to this paper.
   (i) The proposed change to the Scheme's Normal Pension Date (NPD) does not affect the age at which ministers can apply to become supernumerary. It relates only to the way pension is calculated at whatever age a minister decides to retire. Ministers who are members of the Scheme will still be able to retire and take their pension at age 65; they are not required to

continue in the active work for three more years for they can retire at any age between 65 and 68.

That part of a member's pension which accrued to 1 September 2010 would be payable in full for retirement at the current NPD (age 65) and would be enhanced if the member continues in active work and retires at a later date. However pension which accrues after 1 September 2010 will be funded for payment at the revised NPD (age 68) and will be reduced to take account of earlier payment if retirement is at an earlier date.

One of the main comments made by Ministers in response to a consultative letter about the proposed changes to benefits (see item 13 below) was that the change in NPD should be phased in, perhaps in line with increases in the State Pension Age. This is what is in effect being proposed. By retaining unreduced pensions for retirement at the current NPD (age 65) for service accrued to 1 September 2010, the impact of the increase in NPD to age 68 is being phased in. The impact on Ministers close to age 65 today will be small. Whilst the increase in the State Pension Age is effective from a future date and is then to be phased in over a period, it applies to the whole of the State Pension amount and not just to future accruals of State Pension as is being proposed in the case of ministerial pensions.

The phasing in effect of the proposed changes can be shown by the graphs in Appendix 1.

(ii) In the past the Trustee was able, when funds permitted, to improve progressively the pension accrual rate. To help reduce costs it is now proposed that the accrual rate for service from 1 September 2010 be reduced from 1/70th to 1/80th of stipend. The latter is the accrual rate which applied prior to 1 September 2000, when the current 1/70th accrual rate was introduced for all pensionable service. Again, like the increase in the NPD to age 68, the impact on pensions of this change will be phased in.

Members who wish and can afford to do so, can pay additional voluntary contributions to the Scheme to make up for the reduction in their current pension expectation as a consequence of the reduced pension accrual rate. The Methodist Council recommends that members are made more aware of the availability of the Additional Voluntary Contribution (AVC) Scheme as a means by which Scheme members can enhance their pensions (**Resolution 39/3**).

(iii) The Trustee has been concerned about the cost of ill health pensions particularly for younger members. The proposed graduated enhancement to ill health pensions, based on a proportion of the member's prospective service related to the member's accrued service, will help reduce the overall cost of these pensions. Younger members with short service will receive a smaller pension than under the current basis but longer-serving members will, depending on age and length of service, receive either a larger pension or a similar pension to that received under the current basis. For example, the change will have no effect on the current level of ill health pension for a member retiring due to ill health at age 60 with 20 years' service; a member aged 60 with more service will be better off under the proposed new basis (see illustrations under item 2 of Appendix 1).

Comments on the Proposals

10. In accordance with pensions law, a consultative letter was sent to all members and prospective members of MMPS on behalf of the Trustee and the Methodist Council to inform them of the proposed changes in benefits and to invite comments. Around 50 responses were received from 2,320 letters sent out. The majority of respondents objected to either some or all of the proposals. An analysis and summary of the comments received is included in Appendix 2 to this paper.

Rule amendments

11. If the Conference adopts the proposed changes to the benefits of the Scheme, the Trustee will implement the changes by amending the Scheme Rules with effect from 1 September 2010 (**Resolution 39/4**).

12. The Trustee of MMPS has amended from 3 December 2009 Rule B17 to the effect that a current member may remain temporarily absent from service for a continuous period up to five years after which time the member will be regarded as having left service with an entitlement to a deferred pension (**Resolution 39/5**).

13. The Trustee of MMPS has amended Rule B8 from 1 September 2010 to enable a member to receive part of their pension entitlement on flexible retirement whilst postponing receipt of the remainder of their pension entitlement until a later date (**Resolution 39/6**).

GENERAL

Increase in Pensions In Payment

14 The Rules of the Scheme provide for an annual increase to pensions in payment on 1 September each year in line with the annual rise in the Retail Prices Index (RPI) as published in the preceding January. The increase is subject to a maximum of 5% on pensions earned in

respect of pensionable service before 1 September 2006 and a maximum of 2.5% on pensions earned for pensionable service completed after 31 August 2006. The annual rate of increase for the RPI for January 2010 was 3.7% per annum. Therefore pre 1 September 2006 pensions will increase by 3.7% and post 1 September 2006 pensions by 2.5% with effect from 1 September 2010 (**Resolution 39/7**).

Directors of Methodist Ministers' Pension Trust Limited

15. Mr Michael Willett, the Chair of the Trustee Board of MMPS, and Sir Michael Partridge intend to retire from the Board at the Annual Meeting of the Trustee Company in September 2010. They have been directors of the Board since the formation of the Trustee Company in 1992 and prior to that were members of the Committee of the Ministers' Retirement Fund. Michael Willett will have served a total of 19 years and Sir Michael Partridge a total of 34 years (**Resolution 39/8**).

16. The Methodist Council have nominated for appointment to the Trustee Board of MMPS Mr Ronald Calver and Mr Robin Harris. Mr Calver is retiring as Connexional Treasurer and as a member of the Methodist Council at the end of this connexional year. Mr Harris is a member of Christ Church Methodist/United Reformed Church in Marlborough, Wiltshire. He has served as a Circuit Steward and is a Chartered Accountant who held senior positions with two national corporations. He has experience of pensions having served as a pension fund trustee (**Resolution 39/9**).

17. The Revd Michael Giles has been elected a director of Methodist Ministers' Pension Trust Limited by the active members of the Scheme to take office on 1 September 2010 in place of the Revd Stuart Ellis who is resigning as a director on 31 August 2010 (**Resolution 39/10**).

The full list of directors of Methodist Ministers' Pension Trust Limited would then be:

Mr Ronald Calver; Mr Graham Danbury; Mrs Ruth Edmundson; Revd Robert Foster; Revd Michael Giles; Mr Robin Harris; Revd David Hulme; Mr Colin Pearson and Mr Keith Woodley.

***RESOLUTIONS**

Note on Procedure:

If the Conference rejects Resolution 1 the Trustee would require the additional 7% contribution to be paid until the position has been resolved.

39/1. The Conference agrees that MMPS should remain a defined benefit Scheme.

39/2. The Conference adopts the proposed changes to the benefits of MMPS and agrees that the further 7% increase in the Circuit contribution to the Scheme from September 2010 be revised to 2% of stipends, making a revised total Circuit contribution rate of 24% of stipends.

39/3. The Conference agrees that members should be made more aware of the Additional Voluntary Contribution (AVC) scheme as a means by which Scheme members can enhance their pensions.

39/4. The Conference notes that the Trustee will amend the Scheme Rules with effect from 1 September 2010 to implement the proposed changes to benefits adopted by the Conference, as follows:

<u>The following words shall be added to the end of Rule B5(a):</u>

"prior to 1 September 2010 and one eightieth of Final Stipend at Normal Pension Date for each year of Pensionable Service on or after 1 September 2010"

<u>The following words shall be added to the start of Rule B6(c)(iii):</u>

"if Rule B6(c)(v) does not apply"

<u>The following words shall be added to Rule B6(c):</u>

"(v) in the case of a Member who dies on or after the date on which a pension commenced to be payable from the Scheme on grounds of incapacity in accordance with the third paragraph of Rule B8(b) but prior to Normal Pension Date the annual rate of pension calculated in accordance with paragraph (i) above as if the Member had died on the date of retirement."

<u>The following words shall be added after the words "Rule 13" in line 1 of the first paragraph of Rule B8(b):</u>

"or sub-paragraph (d) of this Rule"

<u>The following words shall be added after the words "40 years of Pensionable Service" in the second paragraph of Rule B8(b):</u>

"if such Pensionable Service is completed at 31 August 2010 or with not less than 43 years of Pensionable Service otherwise."

<u>The final sentence of the third paragraph of Rule B8(b) shall be deleted and replaced with the following:</u>

"Such pension shall be calculated as described in the preceding paragraph of this Rule B8(b) except that in the calculation of the Member's pension under Rule B13 Pensionable Service shall be deemed to include an additional period of Pensionable Service calculated as follows:

$\frac{A}{T} \times P$, where

A = the Current Member's accrued Pensionable Service to the date of retirement on grounds of incapacity

P = the Current Member's prospective Pensionable Service from the date of retirement on grounds of incapacity to Normal Pension Date calculated as if the Current Member had continued in service until Normal Pension Date and had not retired".

T = A + P

<u>The following words shall be deleted from the second paragraph of Rule B8(c)(i):</u>

"Actuary having regard to the period of deferment, or, in the case of a Member who has continued to pay contributions under Rule B4(a) after Normal Pension Date, as at the date of cessation of such contributions but increased to the extent determined by the Actuary having regard to any subsequent period of deferment"

and replaced by the following words:

"Trustee on the advice of the Actuary"

<u>The definition of Normal Pension Date shall be deleted from Part A of the Appendix to the Rules and replaced with the following:</u>

" "Normal Pension Date" means the 31st August in the calendar year of the Member's 68th birthday provided that for the purpose of the calculation of benefits only

(i) <u>in the case of a female Member who has so elected prior to 31 August 1991 and who has not revoked such election (such revocation being final) Normal Pension Date means the 31 August next following the attainment of age 60 in respect of Pensionable Service prior to 17 May 1990, and</u>

(ii) with the exception of Pensionable Service referred to in (i) above, in the case of all Members Normal Pension Date means the 31 August in the calendar year of the Member's 65th birthday in respect of Pensionable Service prior to 1 September 2010."

39/5. The Conference notes that the Trustee has amended Rule B17 with effect from 3 December 2009 as follows:

In the fourth line of Rule B17(a) the words "up to five years" shall be added after the words "remain a Current Member in Service for any period"

The following words shall be added at the beginning of Rule B17(b):

"If a Current Member is absent from Service for a continuous period of 5 or more years, the Member should be deemed to have left Service and the provisions of Rule B13 shall apply."

39/6. The Conference notes that the Trustee has amended Rule B8 of the Scheme with effect from 1 September 2010 as follows:

By the addition of paragraph B8 (d) which reads:

"A Current Member may with the consent of the Trustee elect to receive part of their pension entitlement under this Rule while postponing receipt of the remainder of their pension entitlement subject to such terms and conditions as may be determined by the Trustee and are consistent with the requirements of Rule B22. A Current Member so electing may also elect to continue as a Current Member on such terms and conditions as may be determined by the Trustee and are consistent with the requirement of Rule B22."

39/7. The Conference notes the increases to pensions in payment from 1 September 2010.

39/8. The Conference notes the forthcoming retirement of Mr Michael Willett and Sir Michael Partridge from the Trustee Board of MMPS at the Annual Meeting of the Trustee Company in September 2010 and expresses its appreciation for their long and dedicated service to the Board.

39/9. The Conference approves the appointments of Mr Ronald Calver and Mr Robin Harris as directors of Methodist Ministers' Pension Trust Limited in place of Mr Michael Willett and Sir Michael Partridge.

39/10. The Conference notes the appointment of the Revd Michael Giles in place of the Revd Stuart Ellis as a member-nominated director of Methodist Ministers' Pension Trust Limited.

39/11. The Conference amends Standing Order 790 as set out in Agenda Item 38 paragraph 7.

Appendix 1

Illustrations to show the effect of proposed changes to benefits

The figures in the following illustrations are based on the current stipend and assume for simplicity that both stipend and pension increases are zero between age 65 and 68. The early/late retirement factors (ERF/LRF) in these illustrations are those which the Trustee proposes to adopt from 1/9/10 but will be subject to change in future.

1. Illustration to show the combined effect of the change in Normal Pension Date to age 68 and the reduction in the accrual rate from 1/70th to 1/80th of final stipend. It assumes that the member is aged 50 with 15 years' accrued service at 1.9.2010 and a further 15 years' prospective service to age 65 (18 years' prospective service to age 68).

Current prospective pension at age 65

£19,836 × 1/70 × 30 years	=	£ 8,500 p.a.

Revised prospective pension at age 65

£19,836 × 1/70 × 15 years	=	£ 4,250
plus £19,836 × 1/80 × 15 years × ERF 0.82	=	£ 3,050
		7,300 p.a.

Note: Pension for service after 1.9.2010 will be reduced for payment before age 68. The early retirement factor (ERF) shown above for payment at age 65 is 18% ie 82% or 0.82 of the full pension.

Prospective pension at age 68

£19,836 × 1/70 × 15 years × LRF 1.20	=	£ 5,100
plus £19,836 × 1/80 × 18 years	=	£ 4,460
		£ 9,560 p.a.

Note: Pension for service before 1.9.2010 will be increased for payment after age 65. The late retirement factor (LRF) shown above for payment at age 68 is 20% ie, 120% or 1.2 times the full pension. Members can, of course, retire at ages 66 or 67. The pension available at those ages, in the above example, would be £7,990 p.a. at age 66 and £8,760 p.a. at age 67.

2. Illustrations to show the combined effect on ill health pensions of the proposed three changes viz, NPD age 68; accrual rate 1/80th and a graduated enhancement.

a) This illustration assumes that the member is aged 60 with 30 years' accrued service at 1.9.2010 and a further 5 years' prospective service to age 65 (8 years' prospective service to age 68).

Current ill health pension		
£19,836 × 1/70 × 35 years	=	£ 9,920 p.a.
Revised ill health pension		
£19,836 × 1/70 × 30 years	=	£ 8,500
plus £19,836 × 1/80 × 6.32 years	=	£ 1,566
		£ 10,066 p.a.

Note: The graduated enhancement of 6.32 years is calculated as A ÷ T × P where A = 30 years' accrued service, T = 38 years' prospective service to NPD age 68 and P = 8 years' prospective service from date of ill health retirement to NPD age 68. Thus 30 ÷ 38 × 8 = 6.32 years.

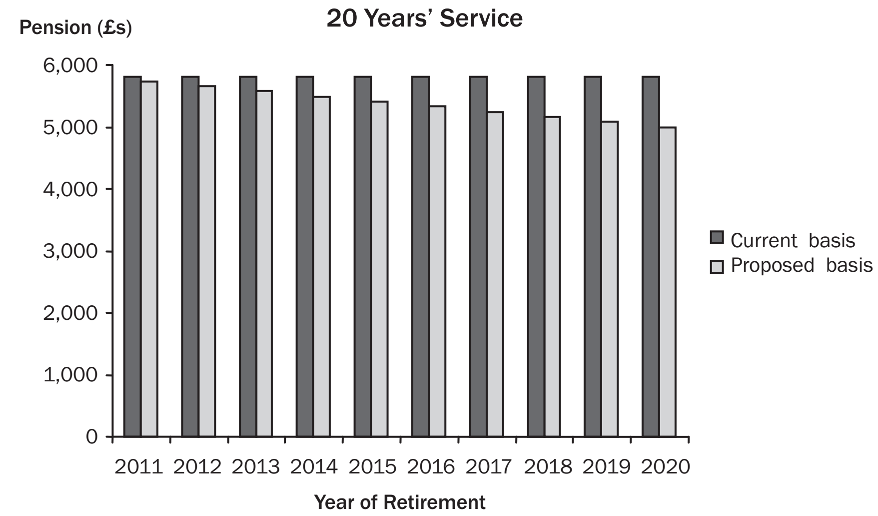
b) This illustration assumes that the member is aged 50 with 20 years' accrued service at 1.9.2010 and a further 15 years' prospective service to age 65 (18 years' prospective service to age 68).

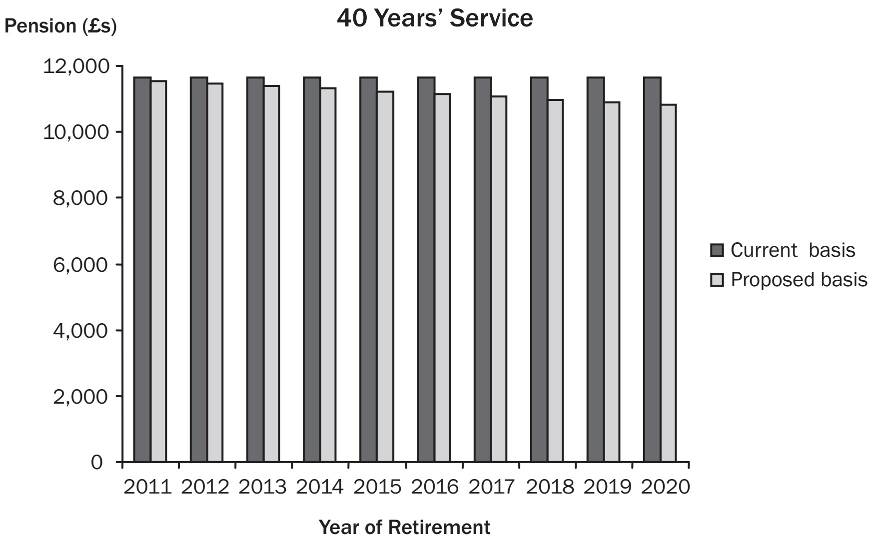
Current ill health pension		
£19,836 × 1/70 × 35 years	=	£ 9,920 p.a.
Revised ill health pension		
£19,836 × 1/70 × 20 years	=	£ 5,660
plus £19,836 × 1/80 × 9.47 years	=	£ 2,340
		£ 8,000 p.a.

Note: The graduated enhancement of 9.47 years is calculated as A ÷ T × P where A = 20 years' accrued service, T = 38 years' prospective service to NPD age 68 and P = 18 years' prospective service from date of ill health retirement to NPD age 68. Thus 20 ÷ 38 × 18 = 9.47 years.

Graph to show the phasing in nature of the proposed change to NPD 68 and the reduced accrual rate.

The graphs show the pension of a minister retiring at age 65 in the years 2011 to 2020. The calculations are based on the 2010 stipend.


20 Years' Service
Pension (£s)
6,000
5,000
4,000
3,000
2,000
1,000
0
2011 2012 2013 2014 2015 2016 2017 2018 2019 2020
Year of Retirement
Current basis
Proposed basis


40 Years' Service
Pension (£s)
12,000
10,000
8,000
6,000
4,000
2,000
0
2011 2012 2013 2014 2015 2016 2017 2018 2019 2020
Year of Retirement
Current basis
Proposed basis

Appendix 2

Summary of comments received about the proposed change in Scheme benefits

A letter was sent by the Secretary to the Trustee to all active members (1700) and prospective members (620) informing them of the proposals to change the benefits of the Scheme. Comments were invited within the statutory 60-day consultation period.

At the time of writing (end April 2010) just over 50 written comments had been received. The majority of respondents object to either some or all of the proposals; only five were wholly in favour of them. The principal objection (27 respondents) was to the immediate introduction of the new Normal Pension Date of age 68, although it is apparent that most members do not appreciate that the impact on pensions will be phased in and that members are not required to work an extra three years (see graphs in Appendix 1). An analysis of other comments received is given in the table below:

Comment	Number
Demands of ministry preclude working to 68.	16
Normal Pension Date should be linked to State Pension Age.	8
Concerns about the effect on pensions of the reduction in the accrual rate.	16
Concerns about the reduction in ill health pensions.	9
Increase member contribution rate to retain current benefits.	12
Not in the spirit of the covenant relationship.	7

The following are typical of the comments received:-

> "I appreciate the reasons for the changes you are proposing to this scheme, but want to make a plea for the increase in normal retirement age to be phased in over 5 years. For a church that takes time to make decisions this seems to be rushing things."

"I suspect that there will be more ministers in their 60's requesting early retirement on health grounds rather than struggle on to 68 or retire at 65 on reduced pension."

"With regard to the move in NPD from 65–68 this is an unfortunate but necessary step. I am however concerned that it is being changed overnight and would support some phasing as the government is doing in relation to its increasing pension ages."

"I would suggest that the scheme's Normal Pension Date is pegged to that of the State Pension."

"I have already had to increase my contributions by 2% and now I am told that despite that Conference decision I shall now have my pension cut or have to work longer."

"In the discussion we need to be clear about the key issue, which is the pressure from some Circuits not to pay the proposed extra 7% contribution from September 2010. I think there needs to be clarity as to whether or not it is the view of the majority of the Circuits that the cost of the cut back should be borne wholly by the ministers."

"It is my understanding that the reason why these proposals have been brought forward is because Circuits have indicated they cannot bear the extra costs of supporting the pension scheme despite the fact they have now all budgeted for them. I would strongly suggest that if the Methodist Church is concerned to reduce the financial burden it imposes on Circuits then a serious reduction in the size of the Connexional team would be far more in order."

"Regarding the reduction paid to those retiring early through ill health, it seems fair enough to me that the amount of service one has put in should be a factor in considering the level of help offered."

"I am concerned that as a caring Church we should offer whatever support we can to those ministers who have to retire early through ill health. If the numbers who retire through ill health are not large, then surely we should and can support them as fully as possible? If the numbers of ministers retiring through ill health are large, and those numbers are significantly higher than in other vocations, then I think that as a caring Church we need to ask the question 'Why are so many ministers retiring with ill health?' and look at remedying the problem rather than penalising those who have become ill in seeking to serve the Church."

"I think for ministers under 60 years old the proposals are eminently reasonable given everything we know about people living longer, affordability etc. However I think that how these proposals affect ministers aged 60 and over need more careful consideration."

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"Expecting ministers in their last stage of active ministry to suddenly have to consider an extra 3 years is pastorally insensitive. I should have thought that since the costs are relatively marginal it would be better to say this new level of benefits will not come into force until 2015 for this group of ministers. The costs for this transitional 5 years shouldn't be too great and even if it meant say an extra 1% for Circuits this would still be much less than the current increase if the Scheme was left as it is. I feel that most Circuits would accept this cost as it would be showing compassion and pastoral understanding for a group of people who have given many years' service to the church."