

THE CHURCH OF SCOTLAND PENSION TRUSTEES

May 2009

PROPOSED DELIVERANCE

The General Assembly

1. Receive the Report and note the changes to the Trustees.
2. Ratify the appointment of Hamish John Grundell Scott as a new Employer Nominated Trustee.

REPORT

1. Scheme Statistics

As at 31 December 2008, the three Church of Scotland Pension Schemes had a total combined membership of 5674 with approximately £240m assets under management.

2. Statutory & Discretionary Increases and Standard Annuity from January 2009.

2.1 Ministers' & Staff Schemes

After taking advice from the Schemes' Actuary, the Trustees regrettably decided not to award any discretionary increases to pensions in payment. The Trustees' discretion applies to pensions which accrued in respect of pensionable service prior to April 1997; increases to pensions in respect of service after that date attracted statutory increases at the rate of 5% for service accrued 1997-2005 and 2.5% for service accrued post 2005.

The Trustees decided to maintain the 2009 Standard Annuity, applicable to the Ministers' Scheme, at its 2008 level, *ie* £13,642.

2.2 National Mission Scheme

Pensions in respect of service accrued prior to 2005 were increased at the rate of 5% whilst pensions in respect of service accrued post 2005 were increased at 2.5%.

3. Actuarial Valuations of the pension Schemes

The next Actuarial Valuations of the Pension Schemes are due as at 31 December 2009.

4. Trustees

The Assembly is asked to note changes in the Board of Pension Trustees as follows:

4.1 David Drysdale Fotheringham FFA is retiring as Chairman of the Pension Trustees. He will remain a Trustee for the balance of his term.

Mr William John McCafferty ACII, ASFA, TEP has been appointed to serve as Chairman of the Pension Trustees for the next four years.

4.2 Arthur John Briggs has retired as a Trustee having given 17 years service to the Pension Trustees.

4.3 The Assembly is asked to ratify the appointment of Hamish John Grundell Scott as a new Employer Nominated Trustee for a six year term.

4.4 The Assembly is asked to note the following changes to the Member Nominated Trustees within the Church of Scotland Pension Schemes for Staff and National Mission.

Pauline Willder resigned from her position within the Church of Scotland and, consequently as a Member Nominated Trustee for the Staff Scheme, with effect from 31 December 2008.

The Rev John Chalmers and Mr Glenn Liddall both completed their terms as Member Nominated Trustees for the Staff Scheme on 9 February 2009; both are standing for re-election with the result unknown at time of going to print.

The Rev John Potter resigned as a Member Nominated Trustee for the National Mission Scheme in August 2008 having served for 12 years.

5. Pensions Manager

The Assembly is asked to note that Steven David Kaney was appointed as Church of Scotland Pensions Manager with effect from 1 October 2008.

In the name of the Trustees

DAVID D FOTHERINGHAM, *Chairman*
W JOHN McCAFFERTY, *Vice-Chairman*
STEVEN D KANEY, *Pensions Manager*

ADDENDUM

David Drysdale Fotheringham FFA first joined the Personnel Committee which dealt with the Staff Pension Scheme in 1987 and became a Pension Trustee in 1997. He has, therefore, given 22 years service in these roles. He became Chairman of the Trustees four years ago on the retirement of Bill Cameron and has provided a “steady hand on the tiller” giving sound leadership in recent volatile investment times.

As noted in the Report, he remains a Trustee, and so the Trustees and the Church will continue to benefit from his valuable experience.

W JOHN McCAFFERTY, *Vice-Chairman*
STEVEN D KANEY, *Pensions Manager*