

Supporting clergy to prepare for retirement: guidance for bishops and archdeacons

Guidance summary

This guidance has been produced to assist bishops, archdeacons, and senior staff in supporting clergy to prepare for retirement from office. It flags up sources of existing information where clergy can be directed on

- (a) long term financial planning for retirement (including retirement housing), which needs to be considered right from the start of their ministry
- (b) starting discussions with the Pensions Board about retirement housing in good time before retirement with initial discussions at least 5 years from retirement
- (c) spiritual preparation for retirement from office, relinquishing a leadership role, and making arrangements for active involvement in a worshipping community
- (d) considering what ministry they might wish to offer in retirement, which may involve a gradual transition from full time stipendiary ministry to part time or a period of holding office as a self-supporting minister before retirement on pension with PTO, and may also involve considering new possibilities for refreshing their vocation.

Potential ways of involving clergy in retirement planning include

- Ministerial Development Review (MDR) and Continuing Ministerial Development (CMD)
- Pre-retirement courses
- Circulating information
- Contacts with retired clergy

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Introduction

1. Planning for retirement - and the kind of ministry that someone is able to exercise in retirement– may involve different considerations, depending on whether someone is stipendiary or self-supporting.
2. Stipendiary clergy are likely to be leaving a house provided for the better performance of their duties and may need to plan and make arrangements for their housing in retirement. This may involve moving to a different diocese, applying for PTO, and having discussions with the Pensions Board about help with housing in retirement, which need to start at least 5 years before retiring. This can be because they have
 - reached the retirement age of 70 or
 - given the necessary three months’ notice and chosen to retire from office and receive their pension, which they may do without any reduction in retirement benefits for early retirement once they reach 68. (65 for anyone who left stipendiary service before 2011).
3. Although some self-supporting ministers may be carrying out their ministry in a house provided for the better performance of their duties, SSMs are more likely to own their

housing already, and not need to move house in retirement. They may remain in the parish where they are already exercising a ministry, although they will need to apply for permission to officiate when they reach the retirement age of 70. If they have been working full time for an employer in a paid role, they may have more time to give to ministry on retirement and may be able to take on a more active role, whether in their existing parish or outside it.

4. This guidance is primarily intended to provide informal advice and suggestions or flag up other sources of relevant guidance and information. Where it does refer to specific legal requirements, with which bishops, archdeacons and clergy must comply, it uses must or required. Where something is regarded as minimum good practice, but there is no specific legal requirement, it uses should. This good practice should be followed unless there is a good reason not to. The guidance draws on diocesan good practice and further input from the Retired Clergy Association of the Church of England (RCACoE) in the hope that it will encourage the ministry of retired clergy – on which the Church relies so heavily – to continue to flourish.

Purpose

5. This guidance has been produced to assist bishops, archdeacons and senior staff in supporting clergy to prepare for retirement from office in a way that will enable them, if they wish, to continue to have a fruitful and flourishing ministry and to contribute towards the Church's mission once they have retired. Much of this will be about directing clergy to existing information and sources of advice – see section 8 - so that clergy can plan for their retirement, which is something that needs thinking about well in advance of retirement.
6. Bishops are encouraged to share this document with rural/area deans, retirement officers and senior staff who have contact with and prepare retirement courses for retired clergy.

Scope

7. This guidance for bishops, archdeacons and senior staff sets out information to which they can refer clergy, who all need to make plans about how to support and house themselves in retirement.

Supporting clergy to prepare for retirement: guidance for bishops and archdeacons

The (Ecclesiastical Offices) Age Limit Measure 1975

1. The Ecclesiastical Offices (Age Limit) Measure 1975, as amended by the Ecclesiastical Offices (Terms of Service) Amendment Regulations 2017, requires all officeholders to vacate their office at 70 years of age. They may retire before 70, provided that they give three months' notice.
2. The retirement age should not be confused with the age (now 68) at which it is possible for clergy to retire on pension without any reduction in retirement benefits for early retirement.

Early retirement

3. Clergy may take early retirement after the age of 55 but the pension and lump sum payable will be reduced to take account of the early commencement and the longer potential period of payment. The Pensions Board is happy to provide clergy with individual illustrations of early retirement benefits on a confidential basis.

Ill health retirement

4. Clergy may be eligible for an ill-health pension if they are unable to continue their ministry as a result of illness or disability and their illness or disability is likely to be permanent. An ill-health pension can be paid at any age.
5. If clergy apply for an ill-health pension, the Pensions Board would normally expect them to have consulted their diocese or employer and to have co-operated with any occupational health assistance offered. The Pensions Board will invite the bishop or employer to comment on the application, and obtain a report from the cleric's GP or other medical practitioner as appropriate and refer the case to its own medical adviser who will make a recommendation as to whether the conditions for ill-health retirement are satisfied.

Preparation for retirement

6. Retirement can involve an enormous change in the lives of clergy. They will be leaving a house provided for the better performance of their duties, and will often be moving to a house that is smaller, and will be having to pay for their accommodation and council tax for the first time in their ministry, as well as upkeep, repairs and decorations.
7. They may be leaving friends or social structures, or moving away from relatives. On retirement, some experience a sense of loss, similar to bereavement. Some may also suffer from their loss of position or 'status': they were automatically leader of a ready-made community, and are no longer looked to for leadership and help in the way that they were before retiring from office.
8. A six-month break from ministry on retirement from office will often help clergy to make the adjustment from a leadership role as incumbent to a supporting role in which they continue to minister as a priest without the responsibilities of leading a parish.
9. Pre-retirement courses (see paragraphs 36-39) provide a helpful opportunity for clergy, spouses and civil partners to
 - access advice from the Pensions Board on housing and pension provision well in advance of retirement at a time when they are able to do something about it
 - be given up to date information about ministry in retirement
 - prepare emotionally and spiritually for retirement and reflect about this life change, with its significant spiritual and psychological dimensions.

10. Offering life membership of the Retired Clergy Association of the Church of England on retirement will also be helpful.

Long term Financial Planning

11. Clergy should be encouraged to consider taking independent financial advice right from the start of their ministry, and, if able, get on the housing ladder as soon as they can, although this may not be an option without additional income from other sources. They should make themselves aware of the level of pension and assistance with housing provision that will be available in retirement by contacting the Pensions Board.
12. Before finding a financial advisor, it is important for clergy to consider what type of financial advice they require. For example, they should ensure that any financial advice obtained is properly independent and not provided by a body selling its own financial products. Anyone seeking financial advice should contact a number of suitable advisors and check their credentials, experience, and charges before making any decisions
13. Those providing retirement guidance for clergy should not, by law, offer financial advice nor recommend a particular financial adviser or product. However, the Pensions Board wants to ensure that clergy do not approach unsuitable advisers and to enable pensions scheme members to have the option of going in confidence to a reputable firm of financial advisers whose charges are reasonable and who are familiar with the Pension Board's pension schemes.
14. Following a competitive tender process the Pensions Board has appointed Liverpool Victoria (LV), to provide this service. LV has a good understanding of all our pension scheme. This service covers Clergy and lay members. While financial advice can be expensive, LV offer a very competitive service, which could be less than other financial advisers.

Retirement Housing

15. Clergy who live in a provided house may need to find a home of their own in retirement. Clergy should be actively considering the question of retirement housing from the start of their ministry.
16. They should start discussions with the Pensions Board at least 5 years before the likely date of retirement. It can be helpful to make the initial approach after attending the pre-retirement course at aged 55 onwards.
17. It is important that clergy know whether they qualify for help with retirement housing. In particular It is important to remind clergy who are self-supporting office holders that they will need to make their own provision for housing in retirement, as they are not eligible for housing assistance from the Pensions Board in retirement unless they have previously been stipendiary and accrued at least 15 years' pensionable service.
18. Having these discussions at an early stage enables the Pensions Board to plan in advance and match the supply of housing to the likely needs of clergy. Once discussions have started, and suitable housing has been found, the housing can, if necessary, be let on a short term basis to another party, while the office holder continues to live in a provided house and exercise office until they are ready to retire.
19. **Incumbents and priests in charge are expected, and advised for their own sake, to move an appropriate distance from their last parish on retirement.** This is to enable the parishioners to establish a relationship with their new priest and the new priest to develop their new ministry without feeling inhibited by their predecessor.

Ministry in Retirement

20. Clergy should generally be encouraged to continue to provide a ministry on retirement, as the mission of the Church benefits greatly from the ministry of retired clergy, although bishops should feel able to turn down requests for PTO in exceptional circumstances, where there is good reason. The form that exercising a public ministry will take after retirement from office will depend on the needs of the Church in a particular place, and on the talents and capability of the individual priest, but bishops should be supportive of clergy ministry in retirement and encourage them to apply for PTO, whether they are staying in the diocese or moving elsewhere.
21. Clergy need to be aware that the Clergy Age Limit Measure requires clergy to retire at 70 and that remaining in office after 70 is likely to be the exception rather than the norm and is ultimately a decision for the bishop. Guidance to which bishops must have regard is available on the Church of England website.
22. There are several ways of exercising ministry available to clergy as a preparation for retirement. These include working in a part time post, or, in exceptional circumstances, at the Bishop's discretion, staying in post after the retirement age of 70 on a temporary basis.
23. Most clergy, on retirement, will exercise ministry on permission to officiate, but ministry on PTO should not be seen as limited to providing cover and taking weddings and funerals. It may be an opportunity to refresh someone's ministry, try something new, and develop new skills.
24. Clergy may need to be reminded that they have to apply in advance for permission to officiate if they wish to exercise a ministry in retirement. For further details, see the House of Bishops Policy on PTO.

Holding office after 70

25. In exceptional circumstances, clergy on common tenure¹ may continue in their office beyond the age of 70, on a renewable, time-limited basis, without any maximum age, provided that the bishop of the diocese has issued the appropriate direction. In the case of parochial clergy, the bishop needs to obtain the consent of the PCC before issuing the direction.
26. Whether to issue a direction is a decision for the bishop. Before issuing a direction, the bishop must have regard to guidance issued by the Archbishops' Council². This advice makes it clear that
 - Giving a direction to extend the term of someone's office beyond 70 or to appoint them to a new parochial office is not intended to be the norm;
 - Clergy should not be given an office purely in order to increase their pension provision or provide housing in retirement.
27. Clergy over 70 may also be appointed to another office as incumbent, priest in charge or assistant curate, again on a renewable, time-limited basis without any maximum age, provided that the appropriate direction is issued. It is even possible in certain circumstances to take up a new stipendiary post when retired and in receipt of pension³

¹ Clergy on historic freehold may only remain in office after 70 for up to two years. They would need to move on to common tenure in order to remain in office after that.

² https://www.churchofengland.org/sites/default/files/2017-10/ac-age-limit-measure-guidance-for-website-october-2017_0.pdf

³ Subject to a clear break between the last period of stipendiary pensionable service and any post-retirement stipendiary service

28. Suffragan bishops and deans may continue in office beyond the age of 70, up to a maximum of 75, by a direction from the diocesan bishop, with the agreement of the archbishop; but they may not be newly appointed to the office after the age of 70.
29. Archdeacons and residentiary canons may continue in office beyond the age of 70, up to a maximum of 75, by a direction of the diocesan bishop; but they may not be newly appointed to the office after the age of 70.
30. Diocesan bishops may continue in office beyond the age of 70, up to a maximum of 75, by a direction from the archbishop; but they may not be newly appointed to the office of diocesan bishop after the age of 70.

Potential ways of involving clergy in retirement planning

31. These include
 - Ministerial Development Review (MDR) and Continuing Ministerial Development (CMD)
 - Pre-retirement courses
 - Circulating information
 - Contacts with retired clergy.

(i) MDR and CMD

32. Discussions during ministerial development review can flag up the need to consider arrangements for the provision for housing in advance of retirement, and enable clergy to be directed to available advice.
33. It may be helpful to arrange specifically for a mid-term review of ministry that focuses on the longer term future. Alternatively, discussions about preparation for retirement can usefully be raised as a matter of course during ministerial review from age 40, so that clergy can be encouraged to plan financially for their retirement, especially in relation to housing provision. This should also be done at age 60 in order, to provide information to clergy to consider their options for the future. However, it is important not to raise this in a way that is perceived as an encouragement to retire in case that is misconstrued.
34. It may also be helpful to include retirement planning and attending a pre-retirement course as part of CMD.
35. Dioceses may also find it helpful to be aware of the possible retirement plans of their clergy when considering their mission plans and deployment strategies in the longer term.

(ii) Pre-retirement courses

36. Bishops are encouraged to provide and arrange free retirement courses for clergy and their spouses/civil partners. These can be arranged jointly with neighbouring dioceses. Clergy should attend a course any time after reaching their 55th birthday. Bishops should encourage attendance at these courses more than once, as options and opportunities can change before retirement. Details of pre-retirement courses should be shared with retirement officers.
37. These courses are a useful opportunity for clergy to be reminded to make contact with the Pensions Board about retirement housing well in advance of retirement.
38. Bishops are encouraged to ensure pre-retirement courses cover the following topics, and the courses allow sufficient time for practical and spiritual reflection and

discussion. It is recommended the course is spread over 2 days, but one full day can be sufficient.

- Information and guidance on how the Clergy pension works
- Information on Pensions Board housing options
- Financial and tax planning for retirement
- Guidance on legal aspects such as Wills and Powers of Attorney
- What to expect from your health in retirement, and how to manage this
- How to continue ministry in retirement
- Emotional guidance and what to expect in the early years of retirement
- Maintaining and refreshing your vocation in retirement.

39. Retirement officers may wish to organise a follow up course 6 – 18 months after retirement.

(iii) Information

40. See resources in the appendix.

(iv) Contacts with retired clergy

41. Some dioceses have found it useful to have a number of suitably qualified recently retired clergy supported and commended by the bishop, to meet clergy and their spouses/civil partners around the age of 55 and between one and three years before retirement. These clergy can

- advise on the kinds of ministry clergy might undertake after retirement from stipendiary ministry;
- explain the changes that come with retirement (including how some clergy can feel outside the family of the Church once they retire) and stress the value of available diocesan clergy networks for retired clergy;
- encourage the cleric and spouse/civil partner to go on the retirement courses offered by the diocese; and
- encourage the cleric to make contact with the staff at the Pensions Board to clarify the support and level of pension available to them in retirement.

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Revision history

Version no.	Revision date	Previous revision date	Summary of changes
1	2007		
2	2014	2007	Updated to take account of changes to parochial fees
3	2021	2014	<p>Split into 2 separate guidance notes on retirement preparation, and ministry in retirement, plus a booklet available from the Pensions Board on ministry after retiring from office.</p> <p>Also amended to reflect:</p> <ul style="list-style-type: none"> • House of Bishops Policy to officiate • Changes to the Age Limit Measure • Changes that allow any authorised member of the clergy to conduct any funeral if requested to do so by the family

APPENDIX

Resources to assist clergy in planning for retirement

Policy documents on the Church of England website:

Information about the Clergy pension Scheme

[Planning for retirement](#)

[Church of England Pension Scheme Members' Booklet: CEPB Guidance,](#)

[Clergy pensions | The Church of England](#)

[Helping you find pensions advice](#)

[Help with retirement housing](#)

Guidance on the Clergy Age Limit Measure and the circumstances in which clergy might exceptionally remain in office after 70

- https://www.churchofengland.org/sites/default/files/2017-10/ac-age-limit-measure-guidance-for-website-october-2017_0.pdf

The House of Bishops Policy on PTO

<https://www.churchofengland.org/sites/default/files/2018-07/House%20of%20Bishops%20Policy%20on%20PTO%20July%202018.pdf>

The Parochial Expenses of the Clergy: CSA Booklet, available from Payroll Services

<http://www.churchofengland.org/clergy-office-holders/clergypay.aspx>

Guidance on parochial fees issued by the Archbishops' Council issued in 2012

<http://www.churchofengland.org/weddings-baptisms-funerals/fees.aspx>

Retired Clergy Association of the Church of England - <https://rcacoe.org/useful-information/>

Other information about finding pensions advice is available at =

- the Financial Conduct Authority website www.fca.org.uk
- <https://www.moneyhelper.org.uk/en?source=mas#>
- www.unbiased.co.uk.