

REPORT
OF THE
PERSONNEL COMMITTEE

Remit from the General Assembly

- To assume oversight of all matters relating to the working conditions of ministers (including stipend) and other staff members.
- To develop contracts of service for staff where required and, working with other committees and boards to take responsibility for recruitment, training and development (for non-ministerial staff).
- To oversee pension arrangements.
- To work with Presbyteries in seeking to further equip ministers in areas such as leadership and management skills.
- To provide a forum for development of meaningful pastoral support mechanisms.
- To be consulted by the Board of Ministry regarding the oversight of the Student Finance Scheme.
- To be consulted by the International Missions Board on all matters relating to conditions of service, including remuneration and payment of expenses for missionaries and other personnel.
- To be consulted by the College Board on matters relating to the remuneration and working conditions of Professors.
- To review annually its Memorandum of Procedure.

The Committee, in its third year of existence, met four times since the 2010 Assembly. The Committee continues to be indebted to Mr Rod Morrison for his support and the advice he provides.

(A) WORKING CONDITIONS OF MINISTERS

1. **Stipend** The Personnel Committee recommended to the Finance Sub-Committee in March 2010 that the stipend should be increased from the current level of £19,500 to £21,000 as from 1st January 2011, an increase of £1,500. At the Commission of Assembly on 6 October 2010 the Board of Trustees were supportive of the aspiration of the Personnel Committee to implement a programme of annual increases aimed at bringing the level of stipend up to a more acceptable level. However, in order to arrive at a balanced budget for 2011, the Board proposed that an increase of £1,000 be implemented from 1 January 2011 bringing the level of stipend to £20,500 and this was agreed.

The Committee remains of the view that, *as a short term target*, the stipend should approximate to the median gross weekly earnings for males in full employment in Scotland, after allowing for benefits received. It is proposed, therefore, that this should be achieved, as follows:

1st January, 2012	£22,000
1st January, 2013	£23,000

Further work is planned to review underlying assumptions and calculations, particularly as the proposed measure for a long term target, namely the top of the scale for an unpromoted teacher in Scotland, is examined. It is realised that financial constraints are affecting many and that affordability remains a major issue. However, the Personnel Committee must recommend what is considered equitable, given that the stipend level is currently at a low base level.

2. **Management of Absence due to Illness (Act XVIII, 2010) and Annual Leave and Leave of Absence for reasons other than Illness (Act XIX, 2010)** The arrangements for the foregoing were revised at the 2010 General Assembly. It is proposed to review the working of these regulations in the coming year, and the Committee will welcome any comments.

Following the replacement by the government of the *Sick Note* with the *Fit Note*, an information document has been prepared for Presbyteries and their Pastoral Committees.

3. Ministers' Expenses The Committee reviewed the existing legislation relating to Ministers' Expenses (Act XV, 1983) and Ministers' Car Expenses (Act XXIII, 2005 and Act X, 2008), in order to reflect the current practice.

The terms of the Draft Act appear as Paragraph 4 of the Committee's Deliverance.

4. Regulations relating to Retirement and Resignation of Ministers and Seats on Presbyteries It has been remitted to the Committee by the Board of Trustees to consider "bringing forward draft legislation in relation to the circumstances in which a minister loosed from his pastoral tie where the ministry has been declared to be financially unsustainable might, by petition to the General Assembly, be granted a seat on Presbytery." In the light of the fact that the existing legislation (Act XIX, 2004) refers back to a number of earlier Acts, it has been decided to review some six Acts extending over the last 30 years, making adjustments as appropriate, with the aim of encompassing the arrangements into one document. A first draft has been reviewed already, and the Committee wish to record their thanks for the advice of Rev. Angus Howat.

5. Regulations relating to Probationers In reviewing the legislation noted in paragraph 4, it was considered appropriate to review additionally the legislation relating to Probationers enacted prior to 1990. A draft will be forwarded for review to the Board of Ministry, to seek any comments in relation to the complementary legislation of Act XLVI, 2008 anent Probationary Placements.

6. Statement of Good Practice The existing Statement of Good Practice, drawn from current Assembly legislation, seeks to "provide useful guidance to ministers and Kirk Sessions in terms of the standards that the Free Church of Scotland aims to achieve for its ministers". The Statement was issued in May 2006. This document has been reviewed substantially, but its re-issue is being delayed until the work noted in the previous paragraphs 3, 4 and 5 is completed. It is planned to issue a revised document, following consultation with the Home Missions Board.

7. Ministers' Starter Pack A Ministers' Starter Pack is made available to new ministers. It is intended that in future, rather than circulating to ministers a lot of material, the information will be made available on the web site or, where more appropriate, a schedule of topics will indicate what is available on request.

8. Manse and long term accommodation needs At the 2010 Assembly, the Personnel Committee reported the results of an anonymous survey of ministers to assess the extent of personal concern over housing provision for their own retirement or for their family in the event of their death. There was an encouraging response rate of 82%. Amongst the conclusions drawn from the survey, the most significant was:

Over half of those responding have no provision in the event of illness or death and most of those responding felt that the church should help in the event of unforeseen circumstances.

Currently, each minister has life assurance provision of three times' stipend; it is the view of the Finance Sub-Committee that any increase to this provision may have tax implications. The Personnel Committee is exploring whether it is possible to provide housing for ministers and/or their families in the event of unforeseen circumstances. A draft Policy Document has been prepared which contains practical options; following further revision the proposed Policy will be forwarded to the Board of Trustees for consideration.

(B) WORKING CONDITIONS OF STAFF

Progress The Committee has reviewed employment policies with the Chief Administrative Officer. The Committee has agreed to review employment procedures and policies annually, to ensure that they are kept up to date.

A pro forma contract of employment is available from the Chief Administrative Officer. Deacons' Courts and Presbyteries are reminded that both the Chief Administrative Officer and the Committee are available to advise and ensure consistency of wording in contracts across the church.

(C) PENSION ARRANGEMENTS

Approach The Personnel Committee has reviewed the level of employer contribution of 10% to the Defined Contribution scheme with Standard Life. The conclusion reached was similar to previous years, namely:

It remains the view of the Committee that the current employer's contribution of 10% is inadequate, on its own, to generate a reasonable level of pension. However, the employer's contribution should remain at 10%, with the emphasis continuing to be stressed on the need to increase stipend so that ministers have an increasing financial ability to make their own additional contributions to their Pension Scheme through "salary sacrifice".

This approach leaves the financial decision on pension contribution with the individual.

The Finance Sub-Committee accepted the Committee's recommendation that, where "salary sacrifice" is exercised, the "employer's" contribution saved will be added to the additional pension contribution.

Ministers and staff are reminded that they should seek independent financial advice regarding options for their pension plans, including their pension plan with Standard Life and any other pension provider, some months prior to their decision to retire.

(D) EQUIPPING MINISTERS

Leadership and management skills Any work in this field is to be in conjunction with Presbyteries; it is considered that the issue of managing any presbytery staff may be a matter to address. No work has been undertaken to date

(E) PASTORAL SUPPORT MECHANISM

A forum for development of meaningful pastoral support mechanisms It was reported at the 2010 Assembly that a letter was written to each Presbytery suggesting that the Pastoral Committee should have an annual informal meeting with each minister; depending upon resources a bi-annual pattern may be more appropriate. It was emphasised that the approach must aim to be beneficial and encouraging, rather than starting with a "problems and difficulties" approach. A considerable number of generic issues were suggested; it was noted that the issues will also be appropriate for the mentoring of new ministers. The Committee will consider asking Presbyteries in the coming year whether any action has been taken.

(F) CHANGES IN PERSONNEL

1. *The following changes in Personnel are brought to the attention of the General Assembly:*

Deaths

Rev. Angus Macleod	formerly of Point	18th March 2010
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Retirements

Rev. Ian M. Allan	Bracadale	8th August 2010
Rev. Andrew M. Fraser	Assynt and Eddrachillis	27th August 2010
Rev. Ronald F. Morrison	Tain and Fearn	1st September 2010
Rev. Douglas MacKeddie	Maryburgh and Killearnan	12th September 2010

Resignations

Translations

Rev. Calum I. Macleod	from Barvas to Back	10th August 2010
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Inductions

Rev. Neil MacMillan	Development Officer, Home Missions Board	18th August 2010
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2. ***Register of Ministers without charge available for call***
None

3. ***Register of Probationers***

Dr James Eglinton 37(1F2) Stewart Terrace, Edinburgh
Licensed by Presbytery of Edinburgh and Perth 26th June 2007

Mr William Paterson Blue Waters, GowanBank Place, Hilton, Fearn
Licensed by Northern Presbytery 2nd July 2010

(G) CONSULTATION WITH OTHER COMMITTEES AND BOARDS

The International Missions Board provided to the Personnel Committee a draft revision of their *Regulations for Missionaries*; this is being reviewed currently.

There is a willingness on the part of the Personnel Committee to be consulted on any personnel issues which arise in other committees or boards.

MURDO MURRAY, *Convener*
DUNCAN MACLEOD, *Vice-Convener*

PROPOSED DELIVERANCE

1. The General Assembly receive and adopt the report of the Personnel Committee, and thank the Committee, especially the Convener and Vice-Convener.

2. The General Assembly note the recommendation of the Personnel Committee that the stipend be increased to £22,000 as from 1st January 2012, and instruct that this be transmitted to the Board of Trustees and the Home Missions Board for their consideration in the light of the Church's financial position.

3. The General Assembly note the planned review of the working of the regulations enacted in 2010 relating to the Management of Absence due to Illness and Annual Leave and Leave of Absence for reasons other than Illness, and that the Committee will welcome any comments.

4. The General Assembly re-enact the regulations relating to Ministers' Expenses as follows:

4.1 The General Assembly ordain that legitimate expenses incurred by ministers or lay preachers in the course of their duties shall be reimbursed, or met directly where appropriate, by their congregations. Such expenses shall include council tax, relevant telephone expenses, communion expenses, hospitality, travel, a proportion of heat and light and removal expenses. Payment of such expenses shall not be regarded as a supplement.

4.2 The minimum rate at which ministers' car expenses shall be met is 30p per mile for the first 10,000 miles in any tax year. Expenses for mileage in excess of 10,000 miles shall be met at the rate of 25p per mile. These rates shall be reviewed on an annual basis by the Finance Sub-Committee of the Board of Trustees, in consultation with the Personnel Committee. A congregation may pay expenses at a higher rate if they so desire but any such higher rate should not exceed the approved rates set by HMRC. Expenses for travel on motor cycles or bicycles shall be met at the prevailing rates set by HMRC.

4.3 In all congregations the agreement regarding reimbursement of ministers' expenses should be reviewed annually.

4.4 Claims for reimbursement of expenses should be made on a regular basis and must be submitted on the claim form approved for use by the Finance Sub-Committee of the Board of Trustees. All expenses claimed must relate to actual expenses incurred and must be backed by receipts. In the case of mileage expenses, claims must detail actual journeys undertaken.

4.5 In the case of a vacant Congregation, the Interim-Moderator shall have refunded to him by the Congregation, all travelling and other expenses incurred by him in discharging such duties on behalf of the Congregation as would normally fall to be undertaken by the minister if the charge were settled.

4.6 Expenses incurred in respect of travel to church courts or committees shall be met by the Presbytery or Committee concerned.

4.7 Cash supplements in addition to payment of expenses shall only be allowable by congregations meeting all required levies payable under the prevailing remittance system. In no case shall cash supplements exceed 50 per cent of the Equal Dividend.

4.8 The General Assembly repeal Act XV, (Class 2), 1983, Act XXIII (Class 2), 2005 and Act X (Class2), 2008.

5. The General Assembly note that the regulations relating to Retirement and Resignation of Ministers and Seats on Presbyteries are being reviewed.

6. The General Assembly note that the regulations relating to Probationers are being reviewed.

7. The General Assembly note that, following the anonymous survey of ministers to assess the extent of personal concern over housing provision for their own retirement or for their family in the event of their death, the Personnel Committee is exploring the potential to provide housing for ministers and/or their families in the event of unforeseen circumstances, with the aim of producing a Policy Document, for consideration by the Board of Trustees.

8. The General Assembly thank Mr Rod Morrison, the Chief Administrative Officer, for his contribution to the work of the Personnel Committee.