



15 May 2013

## PRESS SUMMARY

**The President of the Methodist Conference (Appellant) v Preston (Respondent) [2013] UKSC 29** *On appeal from: [2011] EWCA Civ 1581*

**JUSTICES:** Lord Hope (Deputy President), Lady Hale, Lord Wilson, Lord Sumption, Lord Carnwath

### BACKGROUND TO THE APPEAL

In 2003 Ms Preston was admitted to full connexion in the Methodist Church and thereupon ordained. She was then stationed at the Taunton Circuit as a probationer and, in November 2005, she accepted an invitation to become the Superintendent Minister in the Redruth Circuit. In 2009, she brought a claim against the Church in an employment tribunal for unfair dismissal.

Under section 94 of the Employment Rights Act 1996, only an employee has the right not be unfairly dismissed. Section 230 of that Act defines an employee as someone who has entered into or works under a contract of service or apprenticeship. The question at issue on this appeal is whether Ms Preston was employee. The tribunal held she was not. That decision was, however, reversed by the Employment Appeal Tribunal in a decision subsequently upheld by the Court of Appeal.

### JUDGMENT

The Supreme Court allows the appeal by a majority of four to one (Lady Hale dissenting), and restores the order of the Employment Tribunal dismissing Ms Preston's claim. Lord Sumption (with whom Lords Hope, Wilson and Carnwath agreed) gives the main judgment of the Court.

### REASONS FOR THE JUDGMENT

The modern authorities made clear that the question whether a minister serves under an employment contract can no longer be answered by classifying the minister's occupation by type: office or employment, spiritual or secular. Nor can it be answered by any presumption against the contractual character of the service of ministers. The primary considerations are the manner in which a minister is engaged, and the rules governing his service. This depends on the intentions of the parties and, as with all such exercises any such evidence of the parties' intentions falls to be examined against the factual background. Part of that background is the fundamentally spiritual purpose of the functions of a minister of religion [10, 33].

The constitution and standing orders of the Methodist Church showed that [20]: (1) A minister's engagement is incapable of being analysed in terms of contractual formation. Neither admission to full connection nor ordination are themselves contracts. (2) A minister's duties thereafter are not consensual. They depend on the unilateral decisions of the Conference. (3) The stipend and manse are due to a minister by virtue only of admission into full connection or ordination, and while a minister remains in full connection and in active life, these benefits continue even in the event of sickness or injury. (4) The disciplinary rights under the Church's Deed of Union, which determine the way a minister may be removed, are the same for ordinary members as well as ministers. (5) The relationship between the Church and the minister is only terminable by the Conference or its Stationing Committee or by a disciplinary committee, and there is no unilateral right to resign, even on notice. The ministry

described in the constitution and standing orders is a vocation, by which candidates submit themselves to the discipline of the Church for life. Absent special arrangements with a minister, a minister's rights and duties arise from their status in the Church's constitution and not from any contract [20, 34].

With regard to Ms Preston's ministry, the exchange of letters by which she came to be stationed at Redruth might in other contexts be viewed as contractual. However, the standing orders showed that a circuit's invitation is no more than a proposal to the Conference's Stationing Committee that they should recommend the candidate to the Conference for stationing in their circuit. While every effort is made to meet the preferences of circuits and ministers, the decision is reserved to the Conference. It may be delegated only to the President of the Conference, not to the circuit, and then only if the appointment has to be made between Conferences. The relevant relationship is between the minister and the Conference, and the Conference can move a minister from one circuit to another even before the end of the period for which the circuit invited the candidate to serve. There is no fresh relationship with each invitation or with each appointment. Ms Preston was serving as a minister at Redruth not pursuant to the five-year relationship envisaged in the exchange of letters, but pursuant to the life-long relationship into which she had already entered when she was ordained [23].

Lady Hale (dissenting) held that it would be odd if a minister who was not paid his or her stipend or evicted from his or her manse could not rely upon his or her terms of appointment to enforce the payment or to regain possession. The suggestion that a minister would be a beneficiary under a trust upon which the Church holds its property was inconsistent with the stipend being paid centrally and the Church holding property under numerous different trusts. The Conference controls a minister's remuneration and accommodation. There is a distinction between being a minister and having a particular appointment within it. A minister is assigned to a particular post for a defined period with particular duties, a particular manse and a stipend dependent on the level of responsibility. In any other context, such a post would involve a contract of employment. A prior (non-enforceable) commitment to go where you are assigned does not negate a mutual contractual relationship when you are assigned and agree to go to a particular place [48].

#### **NOTE**

**This summary is provided to assist in understanding the Court's decision. It does not form part of the reasons for the decision. The full judgment of the Court is the only authoritative document. Judgments are public documents and are available at:**

[www.supremecourt.gov.uk/decided-cases/index.html](http://www.supremecourt.gov.uk/decided-cases/index.html)