



The housing sector scheme of choice

Social Housing Pension Scheme

House Policies and Rules Employer Guide

September 2021



Retirement Solutions

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Introduction

Following the introduction of benefit structure choice from April 2007, the Social Housing Pension Scheme (SHPS) Pensions Committee (in place at the time) documented the key 'house policies and rules' by means of the House Policies and Rules Employer Guide.

The number of defined benefit (DB) structures has since been extended and a defined contribution (DC) benefit structure introduced.

There is more information on the [SHPS website](#).

Background

History

SHPS was established in 1977 as the NFHA/HC Pension and Assurance Scheme. Since 1985 SHPS has operated as a scheme within The Pensions Trust.

From small beginnings – 65 founder employers and 405 members – SHPS has developed into an industry-wide scheme with over 400 employers and 170,000 members (as at September 2021).

Change to SHPS governance structure

With effect from 1 December 2017 the existing SHPS Pensions Committee was replaced by two separate committees. Under this structure the Scheme Committee (SC) exercises delegated Trustee responsibilities. The Employer Committee (EC) acts as the representative body for employers participating in SHPS.

The main roles of the two committees are set out as follows:

Scheme Committee

- Scheme funding, setting of valuation assumptions and recovery plan
- Investment strategy
- Participate in panels considering Appeals and Discretions cases
- Other delegated trustee powers

Employer Committee

- Represent participating employers where consultation is required such as setting valuation assumptions, recovery plan and investment strategy
- Scheme stewardship – monitor TPT service levels
- Scheme benefits – consider benefit structures

Working principles

In the conduct of their business the Committees seek to adopt the following approach:

To be proactive: To take the initiative in addressing the many issues confronting pensions generally and SHPS specifically and take the lead in key areas of primary interest to both employers and members.

To consult: The statutory duty to consult with members lies with the employers. However consultation remains an important process in identifying key issues and opinions and both Committees agree that this will be given high priority under the governance structure SHPS now operates under.

To be pragmatic: The world of pensions has become increasingly complex. Within the plethora of rules, regulations and practices the Committees seek to adopt a practical common sense approach.

To promote fairness: In a multi-employer scheme like SHPS there can be many different and potentially conflicting interests. In their management of the Scheme the Committees seek to promote the concept of fairness, to do what is fair and reasonable having due regard to all the circumstances and plurality of interests.

Employer responsibilities

The House Policies and Rules Employer Guide details the current rules applied by the Committees relating to SHPS membership.

In addition to the policies and rules set out in this guide, where SHPS operates an open section to new entrants, a participating employer should offer membership to all.

The Committees consider this obligation to be fair, reasonable and necessary to maintain the integrity and financial strength of SHPS. The Committees will use the powers vested in them to secure adherence to this responsibility and, as appropriate, to apply sanctions for non-adherence.

House policies and rules

Benefit structures

Policy

The benefit structure options available in SHPS are shown in the table below.

Please note: From April 2016 all sections of the Scheme will be contracted-in following the removal of contracting-out by the Government.

| Benefit Type | Prior to 1 April 2010 | From 1 April 2010 | From 1 October 2010 | From 1 April 2013 |
|---|---|--|--|--|
| Final Salary | 1/60ths 1/70ths (from April 2007) | 1/60ths 1/80ths 1/70ths (only if employer already offers this basis) | 1/60ths 1/80ths 1/70ths (only if employer already offers this basis) | 1/60ths 1/80ths 1/70ths (only if employer already offers this basis) |
| Career Average Revalued Earnings (CARE) | 1/60ths (from April 2007) | 1/60ths 1/80ths | 1/60ths 1/80ths | 1/60ths 1/80ths 1/120ths |
| DC | N/A | N/A | Minimum total contribution 6% (see page 9) | Minimum total contribution of 2% (see page 9) |

Rules

1. An employer can elect to operate different benefit structures for its active existing members and new entrants. The relevant contribution rate for each benefit structure will operate in respect of all of the members in a particular membership group and benefit structure.
2. **Up to 30 June 2019**, an employer may operate one open DB structure plus CARE 1/120ths, together with the DC benefit structure for new entrants at any one time. The benefit structures in place for pre-2013 members can continue as live benefit structures but no new members can be admitted if an alternative DB structure has been selected for new entrants. However, existing employees as at 31 March 2007 and those members who transfer from one SHPS employer to another may, subject to the conditions set out in this document, be permitted to join a DB structure to that which is normally offered to new entrants. For further information see 'Member movements' on page 13.
3. From 1 July 2019, there are no restrictions to the number of structures an employer can offer to their employees. Where a structure is open to new members it must be offered to all and not restricted for instance to senior managers or directors.

In the event that an **employer** elects to change to a specific CARE or DC benefit structure for their active members, the members' benefits accrued under any of the previous final salary benefit structures, up to the date of change, will continue to increase by reference to their final pensionable earnings whilst those members remain active in the new section (please see the example below). However, where a **member** voluntarily elects to switch from a live final salary benefit structure to an open CARE or DC benefit structure offered by their employer, the earnings link will be broken and the accrued final salary benefit will be revalued as a deferred benefit.

A member may choose to voluntarily break the salary link at any point. Circumstances where this may be beneficial are if the member's full time equivalent salary has been reduced or if the member believes the relevant inflationary increase to the deferred pension is likely to be in excess of their future potential salary increases. Changes cannot be backdated and once the member has broken the salary link it cannot be reinstated.

Example

A member has 10 years of pensionable service built up in the 1/60ths final salary section and the employer closes the final salary section to existing members and moves all the members to CARE 1/60ths. The member has a final pensionable salary of £24,000 at the date of switch. If the member left the Scheme at this point they would have a deferred pension of:

$1/60 \times £24,000 \times 10 \text{ years} = £4,000 \text{ a year}$ (this would increase with the relevant inflationary link up to retirement).

However the member has been moved by the employer and continues in the Scheme under the new structure (i.e. CARE or DC). They continue to work for the employer and at the point of leaving the Scheme their final pensionable salary is £36,000. This is the salary the final salary benefits would be calculated on, taking account of the 10 years completed to the point of change to the new structure, as follows:

$1/60 \times £36,000 \times 10 \text{ years} = £6,000 \text{ a year}$

4. If an employer elects to offer a different open benefit structure for new entrants, existing members can elect to change to the open benefit structure. Any change will be subject to any payroll time constraints set by the employer and a decision cannot be reversed at a later date.
5. Employers are able to review and make changes to the benefit structure and/or contribution arrangements for their organisation. The operative date for any change will be the first day of any month.
 - A minimum of two months' written notice must be given to SHPS to change contribution rates.
 - A minimum of three months' written notice must be given in respect of any change to the DB structure arrangements.
 - A minimum of three months' written notice must be given for the introduction of the DC benefit structure.
 - There may be a cost incurred in completing any amendments.

6. Provided an employer meets the SHPS requirements for the provision of the DB structures, they can select from any of the benefit structures available under the Scheme, subject to Rules 2 and 3. A new benefit structure can be used for new entrants only, or for all existing employees, including existing active members (but only for future benefit accrual).
7. Any proposed changes to the benefit structure and/or the funding arrangements of an organisation's pension scheme must have due regard to the organisation's Terms and Conditions of employment.

Please note: The obligation on employers to consult with their employees on specified changes to pension schemes arises from the Pensions Act 2004. A document 'Employer Guidance: the duty to consult on scheme changes' is available at:

www.thepensionsregulator.gov.uk

8. Employers wishing to enhance a member's benefits can do so by way of an augmentation payment which will be determined on actuarial advice. This augmentation facility only applies to employees of SHPS employers as at 1 December 2006. Age discrimination legislation prevents augmentation for employees who were employed by a SHPS employer on or after 1 December 2006 unless the reason is to enhance pension benefits in redundancy cases. Please contact TPT for details and costs.

Contribution Rates

Policy

DB structures

The total future contribution rate for each final salary and CARE benefit structure will be determined at each actuarial valuation. The split of the total contribution rate between member and employer can be set at individual employer level.

The current contribution rates are communicated following each triennial actuarial valuation and can be found in the Valuation Guide which has been issued to each employer.

The total SHPS DB contribution requirements are made up of various components and may include:

- the future service rate for the relevant DB benefit structure,
- a closed employer loading, if appropriate,
- the past service deficit costs, and
- a Scheme expense charge, based on scheme membership at the latest valuation date.

Accelerated deficit contributions

'Accelerated 'Accelerated deficit repair contributions' is a facility to enable employers to pay their recovery plan contributions by way of a lump sum payment in advance; in return they will receive a discount for early payment. A level of flexibility is available. For example an employer may wish to reduce the level of their ongoing recovery plan payments whereas another may wish to have a zero £s recovery plan window in return for a lump sum upfront payment.

This facility may be attractive to some employers that have built up financial surpluses and might be tax efficient for some organisations. However, employers must consider that, due to the multi-employer nature of SHPS, it is not possible to ring fence an employer's contribution, whether regular or one-off. So if for example, an employer wished to exit SHPS voluntarily, or inadvertently does so as a result of a merger, the employer would receive negligible credit for the accelerated deficit payments against its employer debt on withdrawal (known as its 'buy-out' liability).

It is important that any employer interested in this facility considers carefully the merits or otherwise of paying accelerated contributions. The accelerated contribution option may appeal to those employers who envisage their ongoing participation in SHPS over the medium to long term.

To put in place any arrangement it will be necessary to take actuarial advice from the Scheme Actuary and enter into a formal legal agreement. The costs associated with this would be met by the employer.

It is recommended that any employer considering this option should engage with TPT early in the process and some months in advance of the intended payment date, to ensure that the agreement can be reached ahead of their financial year end.

An employer should contact the Client Relations Team if they are interested in this option and require further information (see page 21 for contact details).

Defined Benefit

Closed employer loading

In certain circumstances an employer may be liable to pay a closed employer loading, calculated as a percentage of current active DB members' pensionable earnings.

| Benefit type | Active Members | Open to all new members | Closed employer loading payable |
|---------------------------|----------------|-------------------------|---------------------------------|
| SHPS final salary or CARE | Yes | Yes | No |
| SHPS final salary or CARE | Yes | No | Yes |
| SHPS final salary or CARE | No | No | No |

The closed employer loading is recalculated by the scheme actuary at each actuarial valuation.

DC benefit structure

Contributions

With the advent of auto-enrolment the SHPS Pensions Committee reviewed the contributions and pensionable earnings requirements for the DC structure, acknowledging that a sudden influx of members would increase employers' pension costs.

From 1 April 2013, employers were given flexibility to define pensionable earnings for their DC members. Please refer to the Glossary of Terms on page 19 for details.

DC structure and auto-enrolment: pensionable pay/contribution structures

Recognising that under the auto-enrolment requirements employers may wish to include different components in their pensionable pay structure, SHPS allows a degree of flexibility. However, employers will have to self-certify that their pensionable pay/contributions structure meets the minimum auto-enrolment qualifying criteria.

Further information on the definitions of pensionable pay is available via

- TPT's website www.tpt.org.uk
- The Pensions Regulator's website at www.thepensionsregulator.gov.uk/automatic-enrolment

Both employers and members may pay more than the minimum contribution and employers are permitted to operate an 'employer matching' or 'non-contributory for members' basis if they wish.

DC Charges

Member charges: An annual management charge is applied to cover costs. Different funds will have different charges, please see the relevant fund fact sheet on TPT's website. The charge covers the cost of investment and administration services. The charge is deducted on a monthly basis.

Lump sum death in service benefit: life cover costs are paid in excess of normal contributions. Each 1 October employers will be able to amend the life cover provision they wish to have in place for their SHPS DC members. The cost of providing life cover will be confirmed each year

Contribution rules

Rules

1. The employer is free to determine the split of contributions between members and the employer. It is likely that consultation with staff will be required prior to increasing Members' contribution rates or introducing member contributions where the Scheme was previously non-contributory as these are 'listed' changes.
2. Anti-age discrimination legislation provides exemptions to allow age-related contribution structures where the purpose of these is to reflect the increasing cost of providing DB benefits in respect of members as they get older. However, the Trustee has recently received actuarial advice that the cost of providing DB benefits for Scheme members at the latest valuation no longer increases as members get older and cannot be justified from a financial cost perspective. Having considered the current position, the Trustee has decided that the Scheme will no longer offer age-related contributions with effect from 1 April 2022. Member contribution rates will be the same at all ages which will be fair across the membership. Employers who currently offer age-related contributions should review their contributions structure and make appropriate changes.
3. Employers wishing to adjust member contribution rates are able to do so by submitting an Employer Form of Authority, from the first day of any month provided two months' written notice is given. Prior consultation with staff will be required if member contributions are being increased and there are 50 or more full-time equivalent employees (not members).
4. A closed scheme loading may be payable in certain circumstances as described previously. If a closed scheme loading is not applied initially in any of the cases shown in the table, TPT reserves the right to apply one at a later date.
5. Historically, members of the DB structures were allowed to elect to pay a reduced contribution rate and give up their entitlement to a survivor's pension on death. The reduction in contribution rate for each benefit structure is shown in the 30 September 2020 valuation: Employer Guide issued following the most recent triennial actuarial valuation. Since April 1997 the option to pay the reduced contribution rate ceased. Members of the DB structures paying the full contribution rate who do not wish to provide for a full survivor's pension have the option, when their pension starts, to give up part of the survivor's pension and receive enhanced personal benefits. A statutory minimum pension must be paid to a legal spouse or civil partner upon death and this part cannot be given up. Details are provided to every eligible member on retirement.
6. The past service deficit contribution is payable in addition to the future service contribution rate for each DB structure. Where an employer elects the DC benefit structure for future benefit provision, the past service deficit contribution will be payable only in respect of any members who had accrued defined benefit pensions as at the date of the last Actuarial Valuation and is payable to the DB section (and not the DC section).
7. With regard to the past service deficit there are special time limited arrangements in place for new employers who join the Scheme. Please refer to 'Past service deficit' in the 'Glossary of Terms' for further details. Those employers affected will be advised when their contributions will increase to include the past service deficit cost.

8. The same contribution basis must apply to all members of the same membership group within the same Final Salary or CARE benefit structures. Employers are permitted to set different contribution rates for each membership group even if the same benefit structure is offered to more than one group. The membership groups are:
 - members pre-1 April 2007;
 - members who joined between 1 April 2007 and 31 March 2010;
 - members who joined between 1 April 2010 and 31 March 2013;
 - members who join on or after 1 April 2013 and 31 March 2016; and
 - members who join on or after 1 April 2016.

9. Members can pay Additional Voluntary Contributions (AVCs) to increase their benefits at retirement. AVCs can be paid to the DC benefit structure of SHPS. Members will be required to make an investment choice in respect of their AVCs or be placed in the default fund. Employers who were using one of the products offered by TPT as an AVC vehicle for their members as at 30 September 2010 can continue to do so. (Members can elect to pay AVCs to a provider outside TPT. In these cases the member will liaise directly with the provider regarding the payment of contributions and benefits provided).

Member movements

Policy

When a member moves from one participating employer to another (an internal transfer) they will be allowed to join whichever open benefit structure the new employer offers. However, the treatment of benefits earned to the date of transfer will depend on the application of the following Rules.

In all cases where the break between leaving the Scheme with the former employer and re-joining with the new employer exceeds 30 days, the earlier period of membership will be treated as deferred.

Where the break between leaving the Scheme with the former employer and re-joining with the new employer is 30 days or less, continuous membership of DB structures may be permitted.

Some employers choose to operate a 'waiting period' before allowing new employees to join the Scheme. Where any such waiting period results in a break in membership of more than 30 days, continuous membership will not be permitted.

Internal transfers are not provided for members in the DC benefit structure, nor those members voluntarily switching from a DB structure to a DC structure. A new membership number will be allocated in any such cases.

It is not possible to provide an exhaustive list of all the variations for member movements. Below are the rules for the most common cases. Please contact the Client Relations Team (see page 21) for member movement queries not covered in the Rules below.

Rules

1. Members moving from one employer to another, both of whom participate in SHPS, will be able to have their membership of the Final Salary or CARE benefit structures treated as continuous as long as the new employer operates an open benefit structure and the member commences employment with the new employer and joins the open benefit structure of the Scheme operated by the new employer, within 30 days of leaving their previous employment. An employer who has closed the Scheme to new entrants will not be able to admit such new employees into the Scheme.
2. The member will join whichever open benefit structure the new employer offers except in the circumstances set out in Rule 3.
3. If the new employer operates different live Final Salary, CARE or the DC benefit structures for existing members and new entrants, the employer will be able to admit the transferring member into that live Final Salary or CARE benefit structure provided:
 - the member was already in that same Final Salary or CARE benefit structure at the date of transfer; and
 - the employer admits all such transferring members to that same Final Salary or CARE benefit structure if offered by that employer at the date of transfer and has a policy to this effect.

Example

A member participates in the final salary 1/60ths section of the Scheme. The member switches to another participating employer within 30 days of leaving their last employer.

The new employer has an open section of CARE 1/60ths which is open to all employees to join. However the employer also still has active members in a live final salary 1/60ths section although this is now closed to new entrants.

Providing the employer has a policy of allowing all such transferring members the option, this member can continue their membership in the final salary 1/60ths section. This cannot be operated on a one-off basis, it must be open to all such transferring members, until the employer confirms in writing they are no longer wishing to allow this.

Please note: Whilst the procedures in Rule 3 above are acceptable for the Scheme, it is possible that such action could lead to employment discrimination issues. It is therefore strongly recommended that legal advice be sought in such circumstances. When a member moves from one participating employer to another which is a closed employer, that member will not be allowed to continue in the Scheme. If the new employer wishes to admit the member they must re-open (and promote) the Scheme to all employees.

Closed Scheme and withdrawal from SHPS

Policy

An employer who closes the Scheme (including the DC section) to new entrants will be classified as operating a closed scheme policy.

An employer who closes the Scheme to new entrants AND to future accrual for existing active members will be deemed to have withdrawn from the Scheme.

An employer who no longer has active members in the Scheme, and who is not offering it to new entrants, will be deemed to have withdrawn from the Scheme from the date the last active member leaves.

Rules

1. An employer who offers at least one of the available benefit structures to new entrants will be deemed not to have a closed scheme (i.e. for the purpose of triggering its employer debt on withdrawal). This includes the DC benefit structure.
2. If an employer closes either the Final Salary or CARE benefit structures to new entrants but existing active members continue to accrue Final Salary or CARE benefits, a closed employer loading will be imposed. The closed employer loading is reviewed at each actuarial valuation by the Scheme Actuary. See page 10 for more information.
3. An employer who closes the Scheme to new entrants and to accrual of future benefits for all members will be deemed to have withdrawn from the Scheme. Legislation determines that this action triggers payment of the employer debt on withdrawal. In this situation the employer will be required to meet the cost of securing the pensions of their current deferred and pensioner members, plus their share of any orphan liability. The cost will be determined on the basis of the Scheme Actuary's estimate of the cost of securing the benefits by the purchase of annuity contracts from an insurance company (the buy-out basis). If the Scheme is in deficit on the buy-out basis, the employer will be required to meet the shortfall. The cost is likely to be substantial.
4. Despite offering the Scheme to new entrants, an employer may cease to have active members in SHPS due to natural staff turnover. In this situation the employer will be treated as having withdrawn on the date that it ceased to employ any active members. Regulations do provide for a 'period of grace' which allows an employer to continue in the Scheme provided the employer notifies the Trustee of the intention to enroll a member within the following twelve months.

If after twelve months the employer still has no active members, then it may be deemed to have withdrawn from the Scheme unless the Trustee, at its absolute discretion, allows further time (of up to two years) for the employer to enroll a new member.

To take advantage of the 'period of grace' provisions, the employer must give notice to TPT within two months of its last active member leaving the Scheme. Giving notice to TPT can be done by completing the Period of Grace Notice Form that is available in the Resource Library on the [SHPS DB website](#).

If notice is not received within two months of the last active member leaving, the employer will not be able to take advantage of the 'period of grace' provisions and will be immediately liable for a withdrawal debt.

Please note: Employers are strongly recommended to contact the Client Relations Team prior to taking any action which may trigger a withdrawal from the Scheme, or when its membership reduces to below five members

If an employer is considering any corporate activity you must consider the impact of this on your pension scheme. Please take five minutes to read our [corporate activity briefing note](#) which highlights key considerations, timescales and costs

Other

Employer financial assessment

Since 2011 a financial assessment of SHPS employers has been conducted annually to assist the SC as it seeks to manage the risk of employers triggering a cessation event and not being able to meet their share of liabilities. These employers' liabilities remain in SHPS and fall on the remaining employers as 'orphan debt'.

The SC will continue to monitor the financial position of employers and information will be requested from time to time to rate employers and assess whether employers can reasonably continue to provide DB accrual.

The financial assessment process was developed by the Trustee in conjunction with its professional advisers. Each participating employer is required to provide details to enable an assessment to be made of its ability to afford the DB structure(s) it provides for its employees. Each is rated on a lower to higher risk basis.

Employers may appeal against their rating. Once the appeals process is complete, higher risk employers who cannot provide satisfactory security or a group guarantee will be requested to adopt the DC structure for the provision of future service benefits as a condition of continued participation in the Scheme.

TUPE transfers

TUPE transfers raise a number of issues which tend to be specific to each set of circumstances. It is strongly recommended that general instruction and information be obtained from the Client Relations Team (see page 21) at an early stage.

Where an employer has closed the Scheme to new members it may be possible to admit new employees under a TUPE transfer, provided the employer currently has active members contributing to the SHPS benefit structure which is to be offered to the TUPE transfer members.

Transfers of benefits into the Scheme

It is possible for members to transfer benefits from previous pension arrangements into the DC benefit structure of the Scheme. The DB structures no longer accept transfers.

The transfer payment will be invested in line with the member's existing investment instructions, unless the member instructs otherwise, where the member is already in the DC benefit structure. Transfers can also be accepted into the DC benefit structure for members of the DB structure.

Mergers and group reorganisations

Mergers and group restructures raise many issues which tend to be specific to each business transaction. Transfers of engagements may trigger an event leading to payment of an employer debt on withdrawal. Group restructures can also lead to an Employer debt on withdrawal liability if an organisation which is a SHPS employer ceases to exist.

If an employer is considering any corporate activity you must consider the impact of this on your pension scheme. Please take five minutes to read our [corporate activity briefing note](#) which highlights key considerations, timescales and costs.

It is strongly recommended that employers seek clarification of the position and options available from the Client Relations Team at an early stage in the process

Salary reductions due to downgrading of jobs

Employers may occasionally find it necessary to review posts and this may result in members' salaries being reduced. Please refer to the Employer Administration Guide for guidance on how members may protect their accrued DB in these circumstances.

Aggregation

Active DB members as at 31 March 2007, who also have a deferred record at this date, are entitled to the aggregation of their records at retirement where this proves to be beneficial. This facility is not available if the member's deferred record was created on or after 1 April 2007.

Glossary of terms

Active members: Current employees who are members participating in the Scheme and for whom contributions are being paid into the Scheme.

Additional Voluntary Contributions (AVCs): Additional contributions made by members or employers, over and above their main scheme contributions, to secure additional benefits at retirement. These are often held outside of the main scheme and are usually secured on a DC basis.

Assets: These are the investments held by the Scheme and are used to meet the liabilities.

Auto-enrolment: Auto-enrolment was introduced by the Government, and as a result means 'eligible workers' must be automatically enrolled into a qualifying workplace pension scheme. Employers and members will be required to contribute at certain minimum levels (although higher contribution rates will be permitted).

It is an employer's responsibility to meet their obligations and ascertain the scheme they use is a qualifying scheme for auto-enrolment purposes.

Defined benefit (DB): Also referred to as Final Salary or Career Averaged Revalued Earnings (CARE). A benefit calculated with reference to a predetermined formula, e.g. 1/60th of Final Salary or 1/60th CARE for each year of membership.

Defined contribution (DC): Also referred to as Money Purchase. Benefits are based on the amount of money available at retirement. At retirement the member's fund may be used to purchase an annuity policy from an annuity provider (usually an insurance company), purchase some form of income drawdown or be taken as a single lump sum. Benefits cannot be calculated in advance with any level of certainty.

Liabilities: These are the assumed value of the pensions already earned by DB members of the Scheme at a given date. These include pensions in payment, deferred pensions and benefits accrued by active members up to the given date.

Live benefit structure: This is a benefit structure which an employer has now closed to new entrants, though some employees who joined the structure before its closure continue to accrue benefits in it. An employer may have more than one live benefit structure if it has changed its SHPS benefit offering since choice was introduced in 2007 and widened in 2010 and again in 2013.

New entrants: Employees who are prospective new members of the Scheme.

Open benefit structures: The benefit structures operated by an employer which are open to new entrants. **Prior to 1 July 2019**, only one DB plus CARE 1/120ths and the DC benefit structure can be operated on an open basis. The open benefit structure(s) are also available to existing members who may choose to switch to them from alternative live benefit structures. **From 1 July 2019**, there are no restrictions to the number of structures an employer can offer to their employees

Participating employer: An employer who has employees who are members of SHPS. The employer must have active members to be a participating employer, otherwise the employer will be deemed to have withdrawn from the Scheme.

Past service deficit: The deficit which exists at the date of valuation, being the shortfall between the market value of the assets at that date and the assessed value of the liabilities accrued up to that date.

Past service deficit contribution: These are the additional contributions payable to eliminate the deficit over a period of time as agreed with The Pensions Regulator and the Scheme Actuary.

New employers joining the Scheme after 1 April 2010 will be liable for past service deficit contributions from the valuation following joining. In practice contributions agreed as part of the valuation process become payable from 1 April eighteen months after the effective date of the valuation. For example, changes as a result of the 30 September 2014 valuation are effective from 1 April 2016.

Pensionable earnings: For the DB structures, these are normal gross pay including London Weighting (where applicable), shift pay, contractual bonuses, overtime, allowances and such other emoluments as agreed with TPT, but excluding non-contractual overtime. For the DC structure, pensionable earnings will be determined by the employer, subject to a minimum of members' basic pay.

Qualifying Scheme: A qualifying scheme (for auto-enrolment purposes) is a registered occupational or personal pension scheme that meets certain minimum requirements.

The Scheme: The Social Housing Pension Scheme (SHPS).

The SHPS Team

Client Relations Team

For queries regarding the content of this Guide, mergers and group restructures, contact your SHPS Client Relations Manager at TPT:

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gary.bradley@tpt.org.uk

Telephone: **0113 394 2723**

Fran Marsden – Head of Client Relations

fran.marsden@tpt.org.uk

Operational Team

For queries regarding enrolments (new joiners), salary updates, contribution processing and annual Benefit Statements contact:

Telephone: **0113 394 2894**

Email: **employersupport@tpt.org.uk**

Pensions Administration Teams

For any other queries contact:

Member Process Team helpdesk telephone: **0845 608 5252** (local rate)

Email: **enquiries@tpt.org.uk**

Matthew Doggett – Head of Pensions Administration

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Or visit the **[SHPS website](#)**

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