

Employer Form of Authority

Defined Benefit and Defined Contribution

PLEASE COMPLETE THIS FORM FOR AMENDMENTS TO BE EFFECTIVE AFTER 1 APRIL 2010

1. Your details

Employer Name: _____

Employer Number: _____ Effective date for amendment: ____/____/____

Please refer to the 'House Policies and Rules Employer Guide' (which is available at www.shps.org.uk > I want to find out about DB > Document Library > Employer Literature) and the accompanying 'Employer Form of Authority Notes' for assistance with completing this form.

Please complete a separate form for each change.

Number of form(s) completed: _____

2. Benefit structure and contribution rate amendments

Please indicate below which benefit structure the amendment applies to and the relevant contribution rate and benefit structure status.

Benefit Structure <i>Please tick here</i>	Contribution Rates			Benefit Structure Status
	Employer	Member	Total required	Only one option is applicable <i>Please put a line through the options that do not apply</i>
Final Salary 60th	%	%	17.80%	1. Open to all 2. Open to specific members only 3. Closed to new entrants 4. Closed to future accrual
Final Salary 70th (see Note 4 on page 3)	%	%	15.40%	1. Open to all 2. Open to specific members only 3. Closed to new entrants 4. Closed to future accrual
Final Salary 80th	%	%	13.50%	1. Open to all 2. Open to specific members only 3. Closed to new entrants 4. Closed to future accrual
Career Average Revalued Earnings (CARE) 60th	%	%	14.90%	1. Open to all 2. Open to specific members only 3. Closed to new entrants 4. Closed to future accrual
CARE 80th	%	%	11.90%	1. Open to all 2. Open to specific members only 3. Closed to new entrants 4. Closed to future accrual
Defined Contribution (DC) (if you will operate a range of contribution rates please complete Section h on page 2)	% (Min 3%)	%	Min 6%	1. Open to all 2. Open to specific members only 3. Closed to new entrants 4. Closed to future accrual

Social Housing Pension Scheme

a. The past service deficit contribution is payable in addition to the contribution rates stated above. This is calculated as 7.5% of your current active members' pensionable earnings at the date of the last actuarial valuation, 30 September 2008. See Note 9 on page 3.

b. If you do not allow new members to join any of the defined benefit (DB) structures a closed scheme surcharge will be payable. This is calculated as 3% of your current DB active members' pensionable earnings if you do not offer the DC structure of the Social Housing Pension Scheme (SHPS) or 1.5% of your current DB active members' pensionable earnings if you do offer the DC structure to new employees.

c. Do you wish member contributions for the DB structures to be deducted on an age-related basis?
(See Note 10 on page 3)

Yes No

d. Are member contributions to be deducted under a salary sacrifice arrangement? (See Note 3 on page 3)

Yes No

e. Do you have an alternative DC arrangement available to new employees through another provider?
(See Note 8b on page 3)

Yes No

f. If the benefit structure indicated above is only available to certain members/employees, please specify the conditions for membership here: _____

g. If you are closing a specific benefit structure to future accrual, please confirm the new benefit structure that will apply to existing members from the effective date. (See Note 6 on page 3)

Benefit structure: _____

Contribution standard employer rate: _____%

Contribution standard member rate: _____%

Do age related member contribution rates apply? Yes No

h. If the DC structure is to operate with variable contribution rates, please confirm the maximum rates payable by employer and member and the ratio employer to member rates payable:

Maximum rate payable by employer: _____% Maximum rate payable by member: _____%

Employer ratio payable _____ : Member ratio payable _____

This form must be signed by both the Chair and the Secretary of the employer. Signatures on behalf of a Group structure cannot be accepted.

Signed: _____ Print Name: _____ Chair Date: ___/___/___

Signed: _____ Print Name: _____ Secretary Date: ___/___/___

Please return this form to The Pensions Trust, Verity House, 6 Canal Wharf, Leeds LS11 5BQ

Thank you for confirming the changes to the benefit structures you intend to offer to your employees under SHPS. Your changes will be acknowledged once they have been accepted. Please ensure that the person responsible for running your payroll is fully aware of these changes.

Social Housing Pension Scheme

Employer Form of Authority Notes

These notes are provided to assist you in completing the 'Employer Form of Authority'.

The following notes are to be used when completing the 'Employer Form of Authority' for amendments to benefit structures after April 2010. Please also refer to the 'House Policies and Rules Employer Guide' available at www.shps.org.uk > I want to find out about DB > Document Library > Employer Literature.

1. Three months notice is required for the introduction of a new DB structure.
2. Six months notice is required for the introduction of the DC structure. (Three months notice is required to introduce the DC structure after 1 January 2011).
3. Two months notice is required for any other amendment, such as a change in contribution rates for the employer and member. This includes the change to contribution rates as a result of the introduction of a salary sacrifice arrangement where the member contribution will be 0% and the employer contribution will be the total future service rate applicable to the benefit structure.
4. The Final Salary 70ths structure is only available to employers who were already offering this structure as at 1 April 2010.
5. Only one 'open' DB structure is permitted at one time. More than one 'live' structure is allowed, as you may wish to offer different 'live' benefit structures to different groups of members. A 'live' benefit structure is a benefit structure which is closed to new entrants (but still continuing to be offered to existing members already paying into it). An 'open' benefit structure is open to new entrants as well as existing members.
6. If you are closing a benefit structure to future accrual, you must specify the alternative benefit structure which the affected members will be switching to.
7. The minimum total contribution for the DC structure is 6%, with a minimum of 3% paid by the employer. The total contribution will increase to the minimum required through the introduction of National Employment Savings Trust (NEST). You can determine how this is split between the employer and member.
8. (a) If there is no remaining open DB structure available to new employees, a closed scheme surcharge will become payable calculated as 3% of your active DB members' pensionable earnings. If the DC structure is the only option available to new employees, a partial surcharge will apply calculated as 1.5% of your active DB members' pensionable earnings.

(b) If you offer an open DB structure and you have an alternative DC arrangement other than SHPS (including other Trust schemes) available for new employees, a partial surcharge of 1.5% will be payable. Please refer to the SHPS 'House Policies and Rules Employer Guide' for further details regarding surcharges.
9. Past service deficit contribution – The past service deficit contribution is payable at the amount you have been advised in addition to the future service contribution rates shown above. If your intention is that the member will contribute towards this cost you should increase the future service rate shown for the member in Section 2 and reduce the employer future service rate by the corresponding amount.
10. Age related contributions – For the DB structures you can elect for member contributions to be deducted on an age related basis. If you do the member's future service rate shown in Section 2 should be altered for the relevant age groups as follows:

Members Age	Adjustment to Standard Member Contribution Rate
Under 30	Reduce by 1.6
30 - 40	Reduce by 0.6
Over 40	Increase by 0.4

The member's rate will change on the 1 April following their 30th or 40th birthday.

Social Housing Pension Scheme

11. Reduced rate – If any of your members have elected to pay reduced rate contributions to give up part of the survivor's benefit the member's future service contribution rate should be adjusted as follows:

Benefit Group	Adjustment to Member Future Service Rate
Final Salary 60ths	Reduce by 1.0%
Final Salary 70ths	Reduce by 0.6%
Final Salary 80ths	Reduce by 0.3%
CARE 60ths	Reduce by 0.6%
CARE 80ths	Reduce by 0.3%



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