

Proposed Changes to the SHAPS Defined Benefit Pension Scheme

The Management Committee keeps under review its involvement with the Defined Benefit (DB) Scheme and carries out a more comprehensive review when the outcome of the 3 yearly actuarial valuation is published. The actuarial valuation 2024 was published this year and after taking independent pensions advice, the Management Committee is proposing the following change to the DB Pension Scheme:

To close the scheme to new entrants (including staff who are not already in the DB scheme). The scheme would close effective from 1st May 2026.

Why is the change being proposed?

Over the last few years, the number of employers participating in a DB pension scheme has decreased, with some leaving the scheme entirely (i.e. closed it to all staff including those who were in it) and others closing it to new entrants. This is due to increasing DB costs and the risk of future costs becoming unaffordable as other scheme members continue to exit.

Under a DB pension scheme, the risk and liability sits with the employer e.g. any shortfalls in funding have to be covered by employers and are typically recovered through deficit payments and an increase in future service contribution rates. In addition, another issue with the DB pension scheme is the “last man standing” set-up which means current employers underwrite the liabilities of former employers.

The results of the 2024 actuarial valuation were:

- the funding position had reduced from the 2021 valuation, from 98% to 90%. It was also reported that the overall size of the Scheme, both assets and liabilities, had also reduced.
- deficit contributions are being reintroduced from 1st April 2026, which for Rosehill is an additional £86,000 p.a. The overall Scheme deficit contributions will be £15.6m p.a., increasing by 3% each 1st of April, and will be payable for four years until 31 March 2030. Rosehill will be allocated its share of the overall deficit.
- a reduction in the future service rates, which reflects the change in market conditions and increase in Government bond yields. We offer one option within the DB pension which is the final salary (1/60th). The current and future service contribution is as follows:
 - current combined rate of 32.8% reducing to 21% from 1st April 2026
 - the current rate is split 18% (employer) and 14.8% (employee)
 - the Management Committee has decided to split the new rate of 21% with the employer paying 12% and employees paying 9% as it wished to share the savings equally with employees

How does this affect you?

Existing DB Pension Members

If you are currently a member of the DB Pension Scheme, the proposal to close the scheme to new entrants does not affect you and you will continue to be a member of the DB Pension for the time being. Committee's decision on the allocation of the new future service contribution rate of 21% will see your pension contribution reduce from 14.8% to 9% and see the employers' contribution reduce from 18% to 12% effective from 1st April 2026. Any employees directly affected by this change will be consulted with separately.

Members of the Defined Contribution Pension (DC) and those not in either Pension Scheme

The proposed closure of the DB scheme means you will no longer have the option to join this scheme from 1st May 2026. The majority of staff have chosen to join the DC Pension Scheme and this will remain as the sole option for new and existing staff from 1st May 2026.

What happens next?

We understand you may have questions or want to hear more about the proposal, so we will hold a session (offering a choice of dates) to enable you to come along and do just that. Dates will be issued shortly and staff will be invited to sign up for one of the sessions. A follow-up session can be arranged to provide an update based on any questions or issues raised by staff.

Timelines and Deadlines

The consultation on the proposed change to the DB scheme will run to 4 pm on Friday 9th January 2026.

If you decide that you would like to join the DB pension scheme before it closes on 1st May 2026, you will need to notify our Finance Team by Friday 27th February at the latest. This is to ensure sufficient time for the necessary processes to be carried out and for you to be added to the DB pension effective from your April salary.

Advice

Before making any decision about changes to your pension, you are advised to take independent financial advice.

If you require further details about your pension scheme, please visit the 'Your Pension' area of our pension scheme website www.tpt.co.uk. Alternatively, you can call 0113 234 5500 or email them at enquiries@tpt.co.uk. Please quote your membership number and scheme name as this will help them deal with your enquiry more efficiently.

For more information and advice...

[Personal pensions: Get help - GOV.UK](#)

[Perkbox - Unbiased Financial Advice \(Free Consultation\)](#)