

If you have any queries that aren't covered in this guide, you can contact us in the following ways:



Visit:
www.btps.co.uk



Call:
UK **0800 731 1919**
Intl **+44 (0) 20 3023 3420**



Email:
member@btps.co.uk



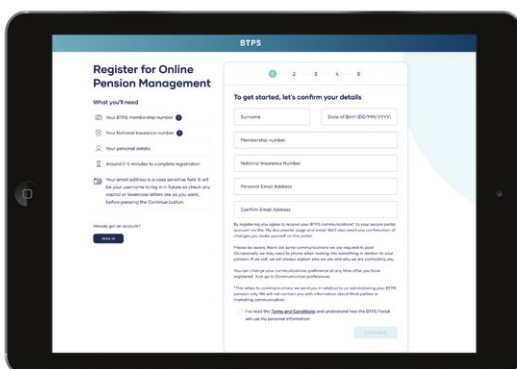
Write to:
BTPS, Sunderland, SR43 4AD

Payslip Guide 2023

Section C

This guide aims to help you understand your pension payments from the BT Pension Scheme (BTPS) and answers some frequently asked questions.

The pension increase for Section C of the Scheme for the 2023/24 financial year is **5%**.



Register for our member portal to view and download your pension payslip history, update your details and access your documents online. You can register at btps.co.uk.

Understanding your payslip

BTPS



KEEP THIS SAFE

Please keep a copy of this payslip as proof of the pension you receive for any benefit assessments or financial references.



VISIT BTPS.CO.UK

To view and download your pension payslips online, register for our member portal at btps.co.uk.

Your BTPS Payslip

Personal details

BTPS Payroll ID:

National Insurance Number:

Tax Code:

1

Pay Date:

Employer PAYE Reference:

2

Your gross pension for this period

3

■ Tax deducted*

4

■ Deductions (net)

5

+ Additions (net)

6

Your net pension for this period

7

8

The pension increase for Section C of the Scheme for the 2023/24 financial year is 5%.

If you have any deductions, net additions or your circumstances change, this figure may vary from month to month.

If you have a query, you can find details of who to contact on the reverse.

Read more about payments and how pension increases are applied in the Payslip Guide on our website at btps.co.uk/Payments. You can view past Payslips and P60s online, as well as view documents and update your contact details, by registering for our member portal at btps.co.uk.

***NOTE:** If the 'Tax deducted' value above is negative, this amount has been refunded to you by BT Pension Scheme (BTPS).

The tax refund may have been spread over several months or may have been paid in one instalment.

1. Tax code

This is the tax code that HM Revenue & Customs (HMRC) has provided to us for you. If you think this may be incorrect, please contact HMRC directly on **0300 200 3300** (+44 135 535 9022 from abroad), and they'll tell us if there's any change. Please note, we're unable to contact HMRC on your behalf to alter your tax code. In addition, we're only able to update your tax code on the instruction of HMRC.

2. Pay As You Earn (PAYE) reference

This reference number is provided by HMRC to BTPS to identify the pension scheme for employee income tax and National Insurance purposes. You'll need this reference number if you contact HMRC about your tax code.

3. Gross pension

This includes all elements of pension due for the current pay period, including arrears of pension owed, if applicable. This is the amount of pension before any tax is deducted.

4. Tax deducted

This is the total amount of tax deducted in this period, based on your tax code. BTPS only changes your tax code when it receives instruction from HMRC. All tax queries should be directed to HMRC on **0300 200 3300** (outside UK: +44 135 535 9022). You will need to quote your National Insurance Number and BTPS's Employer PAYE Reference, both of which can be found on your payslip.

5. Deductions (net)

This shows any deductions you've asked us to take from your pension, such as health cover, and will also include deductions for Court Orders.

6. Additions (net)

This total shows any lump sum or other non-taxable ad hoc payments, if applicable.

7. Net pension

This is the amount you will receive in each pay period, whether that be weekly, monthly or quarterly, unless you are advised otherwise.

8. Pension increase

This shows the pension increase which was applied to Section C pensions in payment for the 2023/24 tax year. This increase is applied to the element of your pension above any Guaranteed Minimum Pension (GMP) you may have. There are separate increases applied to your GMP. In addition, the increase will not be applied if you elected the pension increase exchange option, i.e. you elected to give up increases on the part of your pension that built up before 6 April 1997 and in excess of your GMP. The increase is applied from 1 April 2023. If you started taking your pension less than 12 months ago, your increase will be pro-rata, based on the number of complete months since your pension start date. Please see the "Understanding your pension increase" section of this guide for further details.

Understanding your pension payments

To help you better understand when and how your pension is paid, and how the annual pension increase is calculated, we've included answers to the most commonly asked questions below.

Q1: Where can I view my payslips?

You can view your regular pension payment details online and download past payslips on our member portal. Register at btps.co.uk. There's a handy registration video and guide on our website to help you, go to btps.co.uk/Support.

Once registered, head to 'My account' then click 'My documents' then 'Payslips' and you'll find your payslips ready to view or download.

Q2: When are my pension payments made?

Your monthly pension payments will be made on the following dates during 2023/24. Payment to overseas accounts may arrive up to 5 working days after these payment dates. Please factor in this timing when setting up any direct debits for household expenses.

Month	Payment date
April 2023	28 April 2023
May 2023	31 May 2023
June 2023	30 June 2023
July 2023	31 July 2023
August 2023	31 August 2023
September 2023	29 September 2023
October 2023	31 October 2023
November 2023	30 November 2023
December 2023	22 December 2023
January 2024	31 January 2024
February 2024	29 February 2024
March 2024	28 March 2024

If you're paid weekly, payments will be made every Thursday.

Q3: How can I change my bank account details?

You can update your bank or building society account details on the member portal. Register for online access at btps.co.uk. Alternatively, you can find a Change of Bank form on our website or write to us at BTPS, Sunderland SR43 4AD.

If you want us to pay your pension into an overseas account you can download an international payment form for the country you want from our website or portal. Go to btps.co.uk/Support/InternationalPaymentForms.

Alternatively you can contact us on **0800 731 1919** or **+44 (0) 20 3023 3420** from abroad to request one.

Q4: Will my pension payment change?

Your pension payment is typically a fixed amount each month, but it could change for various reasons, including:

- If it is your first pension payment, it could include arrears or be a pro-rated instalment;
- If your tax code is adjusted by HMRC after the beginning of the tax year (April), your tax deductions may vary over two months and this may alter your net pension amount;
- If you are a Section C member and built up benefits in the Scheme after April 2009, your pension may be reduced by the State Pension Offset once you reach State Pension age (as outlined to you in the correspondence issued when you retired);
- If you have any voluntary deductions (such as health cover), these may vary;
- If you have any net additions for a particular period (such as a refund of a voluntary deduction); or
- If you receive a pension increase.

If any of these apply, you can check your regular pension payments online on the member portal - visit btps.co.uk.

Understanding your pension increase

Pension increases are applied annually to your BTPS pension to help protect its value and spending power. How much your pension increases by varies from year to year and across different elements of your pension, depending on your individual circumstances.

Your BTPS pension is normally increased each year on or after 1 April. If the start date of your pension was less than 12 months ago, your first pension increase will be proportionate to the number of complete months since that start date. You will receive a full increase next year.

Your pension is split into different components. Your 2023 pension increase will depend upon the split of your pension between each of these components. For instance:

- If you chose the option to exchange pension increases on part of your pension for a higher initial pension at retirement (or as part of the special offer period in 2014), then you will have an element of your pension which no longer receives increases.
- Your pension may include an element of Guaranteed Minimum Pension (GMP). The increases on your GMP depend on whether the GMP was built up before or after 5 April 1988. See Q7 for further details.

Pension component	Do I have this pension component?	How the 2023 pension increase is calculated	2023 increase
Non-increasing pension	Where you have exchanged pension increases for a higher initial pension.	This part of your pension will stay at its original level and will not receive any increases.	0%
GMP for service from 6 April 1978 to 5 April 1988	The pension being paid to you will probably include an element of GMP if: <ul style="list-style-type: none"> • you (or the member if you are a dependant) were a contributing member of the Scheme at any time between 6 April 1978 and 5 April 1997; and • you are either a member who has reached GMP payment date (65 for men and 60 for women) or you are a dependant. 	GMP increases are defined by the government and GMP for service from 6 April 1978 to 5 April 1988 does not receive any increases.	0%
GMP for service from 6 April 1988 to 5 April 1997		Based on the rise in the Consumer Prices Index (CPI) over the 12 months to September 2022, up to a maximum of 3% . CPI over this period was 10.1%. Therefore an increase of 3% will apply to this element of pension in April 2023.	3%
Increasing pension in excess of GMP	Most Section C members will have some element of increasing pension in excess of GMP, including all members that left service after 6 April 1997.	Currently based on the rise in the Retail Prices Index (RPI) over the 12 months to the previous December, up to a maximum of 5% . RPI over this period was 13.4% and therefore an increase of 5% will apply to this element of pension in April 2023.	5%

Most members will have a pension that is a combination of some, or all, of the various elements outlined above. The increase you will receive in April 2023 will be somewhere between 0% and 5% depending on the proportions of each element that make up your pension.

Q5: Do you send paper payslips for pension changes during the year?

In view of our Net Zero 2035 goal, apart from the annual pension increase in April every year, we do not issue paper payslips for any pension changes during the year. The reasons your pension could change mid-year are set out in Q4, with the most common being either HMRC changing your tax code, or the first payment you receive at retirement, which is likely to include either a part month or arrears payment. In each of these scenarios, you will already have been notified of the change – either by HMRC or in our retirement communications. We have also made regular payslips available online so members can view their payslip history on our member portal at any time.

Q6: Why hasn't my pension increased by the full 5%?

Your pension is made up of different components and different percentage increases apply to these different components. This means your pension won't necessarily increase by exactly 5% this year. Which rate of increase applies to which component of your pension is set out in the table on page 5. It's determined by a range of factors including the dates you were a contributing member, whether you chose a Pension Increase Exchange option when you retired (which would mean part of your pension never increases), and whether you've reached GMP age. The Understanding your pension section on page 5 explains this in more detail. If it's been less than 12 months since your pension started, your increase will be pro-rata, based on the number of complete months since your pension start date.

Q7: What is a Guaranteed Minimum Pension (GMP)?

If you were an active member of BTPS for any period between 6 April 1978 and 5 April 1997, an element of your pension will be GMP.

You and BT will have paid less National Insurance Contributions for this period of your employment. As a result, you receive a lower level of pension from the State and BTPS ensures that your pension is at least equal to a specific amount, your GMP.

GMP is payable to members from GMP payment age, which is age 65 for male members and 60 for female members. Following the death of a member who had GMP, the dependant's pension will typically include a proportion of the member's GMP (generally half the member's GMP in the case of a widow and half the member's post 5 April 1988 GMP in the case of a widower, civil partner or same-sex spouse).

The courts have ruled that pension schemes should equalise benefits between women and men who have a GMP within their pension. As a result, there are likely to be some Section C members who will be owed additional money. However, in reality, this is likely to be very small, or negligible, in almost every case. We're busy working with our advisers to understand exactly what is required and will then be carrying out the calculations for equalising the GMP. This is a complex process which we expect to take some time. You do not need to take any action as we will update those directly affected as soon as we can.

Q8: How are Section C pension increases determined?

The method and timing for applying annual pension increases are set out in the Scheme Rules, which the BTPS Trustee is obliged to follow.

The Scheme Rules determine that Section C members' pensions currently increase by the rise in the cost of living as measured by the Retail Prices Index (RPI). The RPI figure is taken over the 12 months to the previous December **up to a maximum of 5%**.

The Trustee's fundamental duty is to administer the Scheme in line with the Scheme's Rules and legislation. This means that the Trustee can only pay members the benefits they are entitled to under the Scheme's Rules and legislation.

Q9: Is the use of RPI changing in future?

In November 2020, the Government announced that the Retail Prices Index (RPI) would be aligned with the Consumer Prices Index + owner occupiers' housing costs (CPIH) from 2030. These inflationary measures have widespread applications in the economy but are also used by many pension schemes to calculate annual inflationary increases to benefits. This change may result in the benefits of Section C members increasing more slowly after RPI is aligned with CPIH, resulting over time in a lower overall benefit than they would otherwise have received.

Once this change is introduced, Section C members' pensions will continue to increase by the revised Retail Prices Index, up to a maximum of 5%.

Q10: Where can I find out about cost of living support for pensioners?

The government's free, impartial MoneyHelper service has a lot of information about support available. You can find out more from their website at moneyhelper.org.uk or you can call them on **0800 011 3797** (Mon to Fri 9am to 5pm).

Q11: How can I find out if I am eligible for Pension Credit?

For people over State Pension age and on low incomes, the government's Pension Credit provides extra retirement income. However, one in three people who are entitled to it don't claim it and could be missing out on over £3,300 of extra income a year.

Even if you find out you're only entitled to a small amount of Pension Credit, it's worth claiming. This is because it might help you qualify for other benefits, as well as providing some extra income. You can claim Pension Credit regardless of whether you're still working or have retired. You can also claim if you have other income, savings or own your own home.

Find out if you are eligible for Pension Credit and how much you could get on the government's website at gov.uk/pension-credit-calculator

You can apply online or using the **Pension Credit claim line** on **0800 99 1234** (Textphone: 0800 169 0133). You can also use Relay UK if you cannot hear or speak on the phone: 18001 then 0800 99 1234.

This guide aims to provide general information about your BTPS benefits. In the event of any conflict between this guide and the BTPS Rules, the Rules take priority.

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