

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 2024

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 2024/25 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 2024/25 financial year is 5%.

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

Tax queries? Any questions about your tax code, or the tax deduction shown on this payslip, you will need to contact HMRC directly. We are not able to speak to HMRC on your behalf and can only change the tax code on your pension record if instructed to do so by HMRC. You can find their contact details on the reverse of this payslip.

For more information about how pension increases are applied read the Payslip Guide at btps.co.uk/Payments

***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 and 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 non-taxable lump sums 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 2024/25 tax year. This increase applies to members' increasing pensions, in excess of any Guaranteed Minimum Pension (GMP). Your pension is made up of different components and different percentage increases apply to these different components. The rate of increase applied to each component is determined by a range of factors, such as the dates you were a contributing member, whether you chose a Pension Increase Exchange (PIE) option when you retired or as part of the special offer period in 2014 (which would mean part of your pension never increases), and whether you have a GMP and you've reached GMP age. The increase is applied from 1 April 2024. 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 2024/25. 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 2024	30 April 2024
May 2024	31 May 2024
June 2024*	28 June 2024
July 2024	31 July 2024
August 2024	30 August 2024
September 2024*	30 September 2024
October 2024	31 October 2024
November 2024	29 November 2024
December 2024*	23 December 2024
January 2025	31 January 2025
February 2025	28 February 2025
March 2025*	31 March 2025

*If you're paid quarterly, your pension payments will be made on these dates.

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 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). Find out more in the State Pension Offset factsheet on the Forms and Guides section on our website;
- 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.

Your pension is split into different components. Your 2024 pension increase will depend upon the split of your pension between each of these components. For instance:

- If you chose the Pension Increase Exchange (PIE) 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 any 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 2024 pension increase is calculated	2024 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 never 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 2023, up to a maximum of 3% . CPI over this period was 6.7%. Therefore an increase of 3% will apply to this element of pension in April 2024.	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 5.2% and therefore an increase of 5% will apply to this element of pension in April 2024.	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 on your total pension in April 2024 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.

If you are registered on our member portal and have opted to receive your communications digitally, we will not issue a paper payslip as you can view and download your payslips online. Log in to the portal at btps.co.uk and go to My account, My documents and then My Payslips.

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 (PIE) option when you retired (which would mean part of your pension never increases), and whether you've reached GMP age. The Understanding your pension increase 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).

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: Why am I paying tax on my pension?

Your pension income, including your BTPS pension and State Pension, is taxable. You pay income tax once your total annual income is above your Personal Allowance. If the annual pension increase for your State Pension, or from BTPS, has pushed your annual income above your tax-free Personal Allowance then you are likely to have to pay income tax. For tax and tax code queries you must contact HMRC directly as we are unable to speak to them on your behalf. Contact details for HMRC are on your Payslip and in the notes on page 3 of this guide.

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.

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](https://www.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.

Further cost of living support is also available from the government's free, impartial MoneyHelper service. You can find out more from their website at [moneyhelper.org.uk](https://www.moneyhelper.org.uk) or you can call them on **0800 011 3797** (Mon to Fri 9am to 5pm)

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.

BTPS