

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](http://www.btps.co.uk)



Email:

[member@btps.co.uk](mailto:member@btps.co.uk)



Call:

UK **0800 731 1919**

Intl **+44 (0) 20 3023 3420**



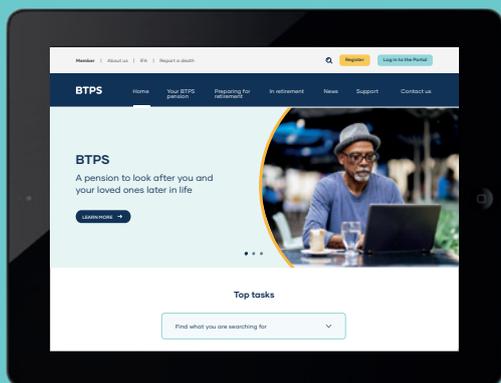
Write to:

**BTPS, Sunderland, SR43 4AD**

# Payslip Guide

## Section A and B

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



In late spring 2021, you will be able to view and download your pension payslips and other documents online. You can find out more about the new website and portal by visiting [btps.co.uk](http://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 find out about our new online services, coming soon.

## Your BTPS Payslip

Personal details	
BTPS Payroll ID:	National Insurance Number:
Tax Code: <b>1</b>	Pay Date:
Employer PAYE Reference: <b>2</b>	
<b>Your gross pension for this period <b>3</b></b>	
- Tax deducted* <b>4</b>	
- Deductions Net <b>5</b>	
+ Additions <b>6</b>	
<b>Your net pension for this period <b>7</b></b>	

**8**

The pension increase for Section A & B of the Scheme for the 2021/22 financial year is **0.5%**.

If you have any deductions, net additions or your circumstances change, this figure may vary from month to month. For more information, read our Payslip Guide.

If you have a query, you can find details of who to contact on the reverse. The accompanying Payslip Guide covers frequently asked questions, including details of the payment dates for your pension. Your regular payslip information will soon be available on the BTPS portal at [btps.co.uk](https://btps.co.uk), and we produce a further payslip if your net monthly pension changes by £1 or more.

**\*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

This total shows any arrears of pension, lump sum or other 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 A/B pensions in payment for the 2021/22 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 2021. Please see the "Understanding your pension increase" section of this guide for further details.

# Understanding your pension payments

We issue you a payslip at the end of April every year to confirm your pension payment amount for the current tax year, unless otherwise advised. To help you better understand when and how your weekly, monthly or quarterly pension is paid, and how the pension increase is calculated, we've included answers to the most commonly asked questions below.

## Q1: How frequent are my payslips?

Your regular payslip information will be available to view and download from late spring 2021 on our new member portal at [btps.co.uk](https://btps.co.uk). We also produce a payslip in April each year and if your net monthly pension changes by £1 or more.

It's important that you keep your payslips, as you may need them as proof of your Scheme pension for benefit claims.

## Q2: When are my pension payments made?

Your monthly pension payments will be made on the following dates during 2021/22.

Pay Month	Payment Date
April 2021	30 April 2021
May 2021	28 May 2021
June 2021*	30 June 2021
July 2021	30 July 2021
August 2021	31 August 2021
September 2021*	30 September 2021
October 2021	29 October 2021
November 2021	30 November 2021
December 2021*	23 December 2021
January 2022	31 January 2022
February 2022	28 February 2022
March 2022*	31 March 2022

\* 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 will soon be able to change the bank or building society account you currently have your benefits paid into by logging onto the new BTPS portal at [btps.co.uk](https://btps.co.uk). Alternatively, you can download a Change of Bank form from the forms and guides section on our website at [btps.co.uk](https://btps.co.uk)

If you bank outside of the UK, you will soon be able to download a Western Union overseas (non-UK) bank mandate for the country you want, from the portal at [btps.co.uk](https://btps.co.uk). Alternatively you can contact us on **0800 731 1919** or **+44 (0) 20 3023 3420** from abroad to request an overseas payment form.

## 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 B 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.

# 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 may be proportionate to the number of months of pension payments you have received. You will receive a full increase next year.

Your pension is split into different components. Your 2021 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). GMPs also attract pension increases but some or all of this pension increase is paid along with your State Pension. The increase applied to your GMP may therefore be paid either by BTPS, the government, or a combination of both depending on your dates of service and when you reach State Pension age. See Q5 and Q6 for further details.

Pension component	Do I have this pension component?	How the 2021 pension increase is calculated	2021 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"> <li>• 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</li> <li>• you are either a member who has reached GMP payment date (65 for male members and 60 for female members) or you are a dependant.</li> </ul>	GMP for service from 6 April 1978 to 5 April 1988 does not receive any increases from BTPS (unless your State Pension age is between 6 April 2016 and 5 April 2021 inclusive).	0% (or 0.5% – see Q6)
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 2020, up to a maximum of 3% (unless your State Pension age is between 6 April 2016 and 5 April 2021, where no maximum applies).  CPI over this period was 0.5%. Therefore, this is the increase that will apply to this element of pension in April 2021.	0.5%
Increasing pension in excess of GMP	Most Section A & B members will have some element of increasing pension in excess of GMP, including all members that left service after 6 April 1997.	In Section A & B of the Scheme, this element of pension receives increases based on the rise in the CPI over the 12 months to September 2020.	0.5%

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 2021 will be somewhere between 0% and 0.5% depending on the proportions of each element that make up your pension.

## Q5: 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).

You may have seen in the news the decision by the High Court that pension schemes should equalise benefits between women and men who have a GMP within their pension. This is a complex area and the Trustee is currently talking to its advisers and BT to assess any potential implications.

It is not necessary for you to take any action at this point. We will contact any affected members at the appropriate time. Any updates will also be published on our website.

## Q6: How does your State Pension age affect how your GMP pension increases are paid?

If you reached State Pension age before 6 April 2016, you will not receive increases from BTPS on any GMP you built up to 5 April 1988 (Pre 88 GMP). Instead, the government will effectively pay the annual increases on this element of your pension as part of your State Pension.

If your State Pension age is on or after 6 April 2016 and up to and including 5 April 2021, any increase due on your Pre 88 GMP (an increase of 0.5% in 2021) will be paid by BTPS.

If you are unsure of your State Pension age, you can check it at [www.gov.uk/state-pension-age](https://www.gov.uk/state-pension-age)

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.