

For Information If you reach State Pension Age Between 6 December 2018 and 6 April 2021. (Updated 30th April 2018)

Alan Unwin, a member of www.btpensionersreconnect.co.uk, has been doing some research into the GMP aspects of the BT Pension Scheme for members reaching state pension age on the dates between 6 December 2018 and 6 April 2021. If you are in that age group he feels that the information below may be of some help to such members.

The current pensions website <https://www.btpensions.net> makes a reference to government decisions on the GMP uplifts for BTPS members who retire after the start of the New state pension. It recently commented on the current position for members who reach SPa after 5th Dec 2018 as being still out for Government consultation. The government consultation has now completed and the government has in fact already responded to the issues of GMP inflation increases in the following document, released January 2018

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/675360/Indexation_and_equalisation_of_GMP_in_public_service_pension_schemes_government_response_web.pdf

where Section 4.17 of this document clearly stated:

"The government is announcing the extension of the current interim solution so that it applies to those who reach SPa on or before 5 April 2021. Members of public service pension schemes with guaranteed minimum pension entitlements, who reach SPa on or after 6 December 2018 and before 6 April 2021 will be covered by this extension of the interim solution. The end date of 5 April 2021 is the day before annual guaranteed minimum pension increase orders are applied."

I have further checked this change with the BT pensions team and the pensions website has now been brought into line with this update and you can see the full text there. Whilst I have only checked this info for Section B members I believe this to also be the case for Section A members. If you are in any doubt you can go to the pensions site and check this for your own circumstances, make sure you have the correct pensions settings for your circumstances when you view this site.

I have reproduced the current Section B info on the pensions site as of 30th April 2018 below.

"If you reached State pension age before 6 April 2016, the government will continue to pay the increases on your GMP built up before 6 April 1988. The Scheme will continue to pay increases on the GMP element of your BTPS pension that was built up after 5 April 1988, in line with orders published by the government, up to 3% each year. Any increase above 3%, on the GMP you built up after 5 April 1988, will be paid by the government. Increases paid by the government will be paid along with your basic State Pension and any additional State pension you receive.

If your State pension age is on or after 6 April 2016 and up to and including 5 April 2021, any increase due on the GMP element of your BTPS pension will be paid by the Scheme.

If you reach State pension age after 5 April 2021 any increase on the GMP element of your BTPS pension will depend on the application of the BTPS rules and relevant legislation at the time. We are not able to be more precise at this time as the government has not yet decided what the requirements will be"

I wonder if this information will be of use to your website which for me has been very useful in the past and currently.

Perhaps also the government may pull their fingers out and extend this important action even further for people affected after the above dates.

Please note that this site does not support community discussion, nor does it have any pensions expertise and cannot deal with any questions about this issue.