

2023

Member Handbook

New Airways Pension Scheme



Contents

Glossary	4
<hr/>	
Welcome	
How to navigate this handbook	8
Contact us	
<hr/>	
1. General information about the Scheme	
Managing your pension online	9
<hr/>	
2. I am a Deferred Member - When can I retire?	
When is my normal retirement age (NRA)?	
Can I retire before or after my NRA?	
Can I retire early if I am in ill-health or serious ill-health?	10 - 11
Serious ill-health lump sum	
Reviewing an ill health pension	
<hr/>	
3. I'm a Deferred Member - what happens to my benefits before I retire?	
Increases before NRA	
Can I choose to transfer my benefits to another pension arrangement?	12
Where can I find out more information?	
<hr/>	
4. What are my benefits on retirement?	
Pension calculation	
Pension increases	
Tax-free cash lump sum	
Can I take all of my benefits as a cash lump sum?	13 - 17
How is my pension paid?	
Can I add to my pension?	
What about transferring other pension pots into my NAPS pension?	
<hr/>	
5. Additional Voluntary Contributions (AVCs)	
AVC Funds	
AVC Investments	18
At retirement	
<hr/>	

Contents

6. What happens to my benefits when I die?

Adult Survivor's pension	
What if I don't have a legal spouse or civil partner?	
Registering a Pensionable Dependant	
Dependant child allowance	19 - 21
Lump sum death benefit	
Notice of Wish forms	
Additional optional dependant pension	

7. Transferring your benefits out of the Scheme

Can I transfer my pension rights to another provider?	
Transferring AVCs only	
Transferring part of your benefits	22 - 23
Flexible access tax rules- transferring your benefits, including AVCs	
Requirement to obtain financial advice	
Pension scams	

8. Other useful information

When do I receive pension statements?	
Tax information	
If you need to make a complaint	24 - 27
Your data	
Legal	

9. Keeping in touch

Online form	
What about other changes?	28 - 29
What happens if I get divorced?	

10. Useful addresses

30

Important note: This handbook is only intended as a summary of the benefits available under NAPS and does not confer any rights to membership or benefits. Those rights are conferred solely by the Scheme's governing documentation (as amended from time to time) as it applies to you and by applicable legislation and subject to certain discretions and factors which may change from time to time. Some benefits may differ depending on when you left Service. If there is any conflict between the information set out in this handbook and relevant legislation, or the Scheme's governing documentation (as amended from time to time), it is the relevant legislation and governing documentation which will prevail.

As a result, you should not rely on the contents of this handbook when making any decisions relating to your pension benefits and the NAPS Trustee does not make any representations as to the benefits provided nor warrant the accuracy of the information in this handbook.

Glossary of terms

We try hard to avoid jargon where we can, but there are some technical terms that we need to use to describe your benefits and the Scheme. To help you understand these terms we have put together this short definitions list. Where a term is defined in this list it will appear in bold in the handbook. There is also an online glossary which contains definitions of all the technical terms used on the website.

Active Member:

A member of the Scheme at the time they were paying contributions and building up pension. Since the Scheme closed to future build-up on and from 1 April 2018, there are no Active Members in NAPS.

Additional Voluntary Contributions (AVCs):

Extra tax-free contributions (if you made them) on top of your standard pension to provide additional benefits for you and your dependants when you retire or die.

Adult Survivor's pension:

This is the pension payable to your legal spouse or civil partner at date of death, of up to two thirds of the amount of your pension over the period of time that higher rate contributions were paid by you towards this cover. If you do not have a legal spouse or civil partner when you die, and the Trustee determines in its discretion that you have a Pensionable Dependant, a pension will be paid to them.

Band Earnings:

Your total pay within a band set by the government each year on which employee National Insurance rates are based. To find the current rates, visit the [Gov.uk website](#).

BAPP:

The British Airways Pension Plan was introduced by BA in 2018. The Plan is administered externally by Aviva Life & Pensions.

British Airways (BA) Pensions:

Is the in-house service provider jointly owned by the Trustee and the Trustee of the Airways Pension Scheme (APS). BA Pensions administers and provides other services to the Scheme.

Cash Equivalent Transfer value (CETV):

The equivalent cash value of the benefits you have built up in a pension scheme available to be transferred to another Registered Pension Scheme or a Qualifying Recognised Overseas Pension Scheme (QROPS).

Company or BA:

British Airways Plc.

Contracted Out:

Historically UK pension schemes could opt-out of the State Second Pension (S2P), formerly known as the State Earnings Related Pension Scheme (SERPS). The Scheme was contracted-out until 5 April 2016. As the Scheme was Contracted Out it has to provide most members with Guaranteed Minimum Pension (GMP) benefits (see below).

Deferred Member:

A member of the Scheme who has not yet drawn their pension and in most cases will have left employment with the Company.

Dependent Child:

A child of a member who is either (i) under age 16; (ii) between the ages of 16 and 23 and in full time education or vocational training approved by the Trustee; or (iii) between the ages of 16 and 23 and is unable to earn their own living due to a serious and permanent illness or disability.

Employed Deferred Member:

A member of the Scheme who was in employment with the Company when the Scheme closed to future accrual on 1 April 2018, and remains in employment with BA.

Glossary of terms

Flying Staff:

Pilots, flight engineers, navigating officers and air cabin crew.

Ground Staff:

All employees other than pilots, flight engineers and air cabin crew.

Guaranteed Minimum Pension (GMP):

Most members will have a GMP. This is a small part of a member's overall pension relating to any Pensionable Service completed between 6 April 1978 and 5 April 1997 whilst the Scheme was Contracted Out. If you have a GMP the Scheme must pay you at least a minimum amount of pension, called GMP, as a condition of the Scheme being Contracted Out. The amount of GMP is very small for most members, broadly equal to the State Second Pension you would have built-up had you not been Contracted Out. GMP is included in your Scheme pension and you may see it referred to in benefit statements and certain parts of this handbook and the Trust Deed & Rules.

Legacy Schemes:

Some members will have transferred in from one of the Legacy Schemes historically. These include:

- The Arrowsmith Limited Retirement Benefits Plan
- The British Airways Associated Companies Pension Scheme (BAACS)
- The British Caledonian Group Pension and Life Assurance Scheme (BCAL)
- The Dan-Air Services Limited Pension and Life Assurance Scheme (also referred to as the Dan-Air Aircrew Scheme)
- The Davies & Newman Holdings PLC Pension and Life Assurance Scheme (also referred to as the Dan-Air Groundstaff Scheme)

Members of Legacy Schemes will have some of their pension benefits governed by the relevant governing documentation of the Legacy Scheme. So if you are a Legacy Scheme member not all of this handbook will apply to you. If you have any questions about your benefits you should get in touch with BA Pensions using the contact details on [page 8](#).

Lower Earnings Limit (LEL):

The Lower Earnings Limit is set each tax year by the government. It is the amount of earnings which allow an employee to qualify for certain state benefits (such as qualifying years for the basic state pension).

NAPS:

New Airways Pension Scheme.

Normal Retirement Age (NRA):

This is the age at which you can retire on your full pension entitlement. You may choose to retire before, at, or after your NRA. There are four NRAs within the Scheme: 65, 63, 60 and 55.

NRA in respect of pensionable service up to 31 March 2007:

Age 55 for **Flying Staff**

Age 60 for **Ground Staff**

Age 63 for a male Ground Staff member who **left service before 1 December 1989**

Your NRA in respect of pensionable service up to 31 March 2007 may differ from those shown above if at any time you served overseas on a permanent posting outside Europe whilst you were a member of NAPS.

NRA in respect of pensionable service from 1 April 2007:

Plan 65: This is the standard pension benefit calculation for the build-up of all benefits from 1 April 2007 based upon a NRA of 65.

Plan 60: Active Members could pay higher pension contributions in order to have an earlier NRA of 60 for Post April 2007 benefits.

Option 55: Active Members could pay higher pension contributions in order to draw their Plan 60 pension at age 55 or later free of any early retirement reduction.

Glossary

of terms

Pensionable Dependant:

When you die the Trustee has discretion in some cases to award pension benefits to an individual that meets the definition of “Pensionable Dependant”. It means someone who, in the opinion of the Trustee is, at the date of your death, either: (i) living with you in a relationship closely resembling marriage and with whom you are financially interdependent e.g. a long term unmarried partner, or (ii) someone who is financially dependent upon you to a substantial extent for the everyday necessities of life. Children's pensions are dealt with separately in most cases (see [Dependent Child Allowance](#)) however an adult child may potentially qualify as a Pensionable Dependant subject to the circumstances set out in (ii) above.

Pensionable Pay:

This means the part of your pay that is used to calculate your pension benefits subject to certain limitations in the Rules. The Company determined the elements of pay counted for pension purposes and over what period those elements applied. For GSS staff participating in the GSS Option, Pensionable Pay was increased in accordance with the original agreement made in 2003. For Flying Staff, Post 2007 Service benefits were based on a different level of Pensionable Pay to Pre 2007 Service benefits. There are also two related terms:

NAPS1 Pensionable Pay: This is Pensionable Pay but reduced by broadly 1.5 times the [Lower Earnings Limit](#).

NAPS2 Pensionable Pay: This is Pensionable Pay but reduced by the lower of 15% or the NAPS1 reduction.

Pensionable Service:

This means the time during which you contributed to and built up pension in the Scheme, plus any service provided as a result of a transfer of pension from a previous scheme. If you worked part-time for any periods, your Pensionable Service is adjusted in line with the percentage of full-time hours you worked. Any non-pensionable breaks were deducted, such as unpaid maternity leave, if you decided not to make it pensionable when you returned from leave. In some places you'll see that Pensionable Service is referred to as Pre-2007 and Post-2007:

Pre 2007 Service benefit: This means the pension earned in relation to Pensionable Service before 1 April 2007.

Post 2007 Service Benefit: This means the pension earned in relation to Pensionable Service from 1 April 2007 onwards.

Pensioners:

Are any members who are receiving a pension from the Scheme, apart from individuals that are receiving a pension following the death of a member (see ‘Survivors’ on [page 7](#)).

Qualifying Recognised Overseas Pension Scheme (QROPS):

Means a scheme that falls within the definition of “recognised overseas pension scheme” in tax legislation.

Recognised transfer:

A transfer representing a member's accrued rights under a Registered Pension Scheme to another Registered Pension Scheme (or, in certain circumstances, to an insurance company) or a Qualifying Recognised Overseas Pension Scheme (QROPS).

Registered Pension Scheme:

A pension scheme that has been registered by His Majesty's Revenue & Customs (HMRC), or through acquiring registered status by virtue of being an approved pension scheme on 5 April 2006, is registered under Chapter 2 of Part 4 of the Finance Act 2004. The Scheme is a Registered Pension Scheme.

Retiring Pay:

This is generally calculated as the average of the best two years' Pensionable Pay in the five years before you left the Scheme, retire or die. In respect of the pre April 2007 service, Retiring Pay for that period of service is calculated at the earlier of the date of your Pre April 2007 NRA or the date that you left Pensionable Service, unless you were over your Pre April 2007 NRA on 31 March 2007 and still paying contributions on or after 1 April 2007, in which case it was calculated on 31 March 2007. Retiring Pay always used the full-time equivalent of Pensionable Pay even where part-time hours were worked (Pensionable Service was adjusted to any applicable part-time rate).

Glossary

of terms

Scheme:

The New Airways Pension Scheme (NAPS).

State Pension Age (SPA):

The age at which you become eligible for a State pension. Originally State Pension Age was age 65 for men and age 60 for women. State Pension Age increased for men and women to age 66 by April 2020. It is set to increase to age 67 by April 2028 and will gradually transition to age 68 between 2044 and 2046 for people born on or after April 1977. You can find out your actual State Pension Age by using the State Pension Age calculator on [Gov.uk website](#).

Surviving Dependant:

An individual whom a member or pensioner wishes to register to be considered by the Trustee for an Adult Survivor's pension in the event of the member or pensioner dying without leaving a legal spouse or civil partner. Before qualifying for an Adult Survivor's pension, the Trustee must agree that any Surviving Dependant meets the criteria of a Pensionable Dependant.

Survivors:

Any individuals who are receiving a pension from the Scheme following the death of a member.

Trust Deed & Rules:

The main governing documentation of the Scheme in force at the relevant time.

Trustee:

The Trustee is currently made up of individual Trustee Directors under the corporate trustee company New Airways Pension Scheme Trustee Limited. The Trust Deed & Rules provide that half of the Trustee Directors are appointed by the Company and half of the Trustee Directors are elected by the members. The Trustee company is responsible for managing all aspects of the Scheme, such as making decisions in relation to Scheme benefits and ensuring that contributions are paid. More information on who your Trustee Directors are can be found on our [website](#).



Welcome

This handbook explains the benefits members may be entitled to under the final salary section of the New Airways Pension Scheme (NAPS). It sets out how benefits work before and after retirement, and also any benefits your dependants may receive if you die. It is designed to allow members to access all the key information about their benefits in one place. However, the handbook does not cover every detail about the Scheme. The full details can be found in the Trust Deed & Rules, as amended from time to time. You can find the latest copy of the Trust Deed & Rules and any amending Deeds on the member [website](#). The website also contains further useful information on things like:

- AVC arrangements and fund choices
- Tax allowances
- Scheme operating rules
- Useful forms, e.g. for death benefits, transfers out, changes of circumstances
- Information about your Trustee Directors and BA Pensions
- Our service standards, and our vision and strategic objectives
- Annual report and financial statements
- Statement of Investment Principles

The handbook is updated periodically to reflect any changes to how benefits work under NAPS, for example following changes in the law affecting pensions or changes made to the Trust Deed & Rules. Members are also kept up to date on important changes through our website where we regularly update the [news page](#) and our yearly In Focus magazine.

[Back to contents](#)

How to navigate this handbook

Each page of the handbook is marked as Deferred Member, Pensioner, and/or Survivor, or All. You can use the guide below to work out which category you are in and then look for sections of the handbook marked as relevant to you.

D

Deferred Members* have benefits in the Scheme that have not yet come into payment and in most cases have left the Company.

P

Pensioners are any members who are receiving a pension from the Scheme, apart from individuals that are receiving a pension following the death of a member.

S

Survivors are any individuals who are receiving a pension from NAPS following the death of a member.

*Following the closure of the Scheme to future accrual on 1 April 2018, there is a category of Deferred Members known as "Employed Deferred Members." These members were in employment with BA when the closure took place and remain in employment with BA. If you are an Employed Deferred Member you will have been notified of this at the time of closure. Where benefits are different for Employed Deferred Members this is clearly explained on the relevant Deferred Member pages.

Contact us

NAPS is administered by British Airways Pension Services Limited which is an in-house service provider jointly owned by the NAPS Trustee and the Trustee of the Airways Pension Scheme (APS). You can contact BA Pensions if you have any questions about your benefits or encounter any problems. They can be reached at:

British Airways Pension Services Limited
PO Box 2074
Liverpool
L69 2YL

E-mail: [Contact us via our website](#)

Telephone: 020 8538 2100
(9am to 1pm, Monday to Friday)

Fax: 020 8538 2190

Website: www.mybapension.com/naps

1. General information about the Scheme



NAPS is a final salary, occupational pension scheme (sometimes referred to as a defined benefit scheme) established by BA in 1984 and it was contracted-out of the State Second Pension (S2P – formerly known as SERPS) until 5 April 2016. In recent years NAPS has been closed to new members (this took effect from 1 April 2003) and also closed to future accrual (this took effect from 1 April 2018). This means NAPS no longer has any members that are accruing pension benefits and so all Scheme members are either Deferred Members, Employed Deferred Members or Pensioners (or Survivors).

NAPS is a final salary pension scheme. This means that your pension benefits were calculated using a defined formula linked to your Pensionable Service and the Pensionable Pay. This is a very valuable pension benefit and all members should consider this when making any decisions in relation to their pension, e.g. a decision to transfer out of the Scheme.

The way benefits operate are governed by the Scheme's Trust Deed & Rules (available on our website) and by pensions and tax law. Some are subject to certain factors and discretions which may change over time. The Trustee of the Scheme is responsible for managing all aspects of the Scheme, including making decisions on pension benefits and ensuring contributions are paid on time.

BA also sponsors the Airways Pension Scheme (APS). NAPS and APS are wholly separate pension schemes with separate Trustee Companies, key advisors and governing documents. They are run independently

of each other but sometimes discuss issues that are common or of relevance to both Schemes where it is practical and permissible to do so.

Managing your pension online

You can access lots of other useful information on our website, such as:

- Online pension modeller (deferred members)
- Pension statements (for example: yearly deferred pension statements, AVC statements, pension increase statements and P60 certificates, pension payslips etc)
- Online e-Forms (change of address, change of bank details, AVC investment changes, Notice of Wish etc)
- Video guides
- FAQs to a variety of commonly asked questions
- Leaflets and infographics (e.g. AVC Plan information leaflet and investment commentary, drawing your deferred pension leaflet, pensions and divorce)
- Latest news updates from BA Pensions and your Trustee
- In Focus – our yearly update provided to all beneficiaries of the Scheme
- Scheme documents, such as: Valuation reports, Trustee Reports & Financial Statements, Summary Funding Statements

2. I am a Deferred Member- when can I retire? D

When is my normal retirement age (NRA)?

As explained on **page 14**, your pension has a different NRA depending on whether it includes Pre 2007 Service benefits and/or Post 2007 Service benefits. In general:

- For Pre 2007 Service benefits your NRA is 55 for Flying staff, or 60 for Ground staff (or 63 for male Ground Staff who left before 1 December 1989)
- For Post 2007 Service benefits your NRA is 65 (all staff)

Lower NRAs - Post 2007 Service benefits only - Members could choose a higher tier of pension contributions to build Post 2007 Service benefits with an earlier NRA, called "Plan 60". Members who chose this option have an NRA of 60 for Post 2007 Service Benefits for the period higher contributions were paid. Within Plan 60, members could choose the highest tier of pension contributions for 'Option 55'. Plan 60 benefits built up under Option 55 can be drawn from age 55 free of any early retirement reduction.

Whilst your pension may be made up of several elements with different NRAs, if you draw your pension from NAPS at retirement, your entire pension must all be drawn at the same retirement date.

Can I retire before or after my NRA?

Yes, you can choose when to draw your NAPS pension:

- Retiring early: You can currently choose to retire from age 55 if you wish (subject to Trustee consent in some circumstances). If you opt to retire early your pension benefits will be reduced to take account of the earlier payment using factors provided by the Scheme Actuary.
- Retiring late: You can currently choose to draw your pension later than NRA (subject to Trustee consent in some circumstances) on at least one month's notice to the Trustee. If you opt to retire late your pension benefits will usually be increased to take account of late payment using factors provided by the Scheme Actuary (late payment increases are added instead of standard Scheme increases until payment starts).

We will automatically provide you with full details of these options shortly before you reach your NRA.

Important note: your ability to retire early or late is based on the Scheme Trust Deed & Rules and any overriding legislation. The Government announced in 2021 that it will increase the minimum early retirement age from 55 to 57 in 2028. This might mean that from 2028 you will need to wait until age 57 before being able to retire early, unless you qualify for transitional protection.





Can I retire early if I am in ill-health or serious ill-health?

Ill-health pension

Deferred Members can, in some cases, draw pension before age 55 on the grounds of ill-health, however the Trustee must be satisfied that the requirements of the Trust Deed and Rules and the relevant legislation are met.

As with other types of early retirement, the pension will be reduced by an amount determined by the Scheme Actuary as it is being drawn earlier than NRA. If your reduced benefit would mean that you will receive a lower pension amount than your GMP at age 65 (men) or 60 (women), then you will instead receive the reduced amount of the part of your pension that is above GMP and you will receive your full GMP from age 65 (men) or 60 (women).

To be considered for early payment of a pension on grounds of ill-health, a registered medical practitioner (such as your GP) must provide written confirmation that you are medically incapable (either physically or mentally) of continuing your current occupation as a result of injury, sickness, disease or disability, and as a result of the ill-health you have ceased to carry on that occupation. The Trustee may also need to be satisfied that further criteria have been met.

Reviewing an ill health pension

Prior to 1 April 2018, the granting of an ill health pension for an Active Member was solely within the Company's power. It is the Trustee's responsibility to periodically review the continued eligibility of the Pensioner over the period from retirement until NRA in respect of an ill-health pension granted to an Active Member prior to 1 April 2018. Where appropriate, suggested review dates are passed to the Trustee by British Airways Health Services at the time of retirement.

If, during a periodic review, the Trustee is advised by its own medical advisers that the Pensioner is capable of working but is not doing so, or is capable of working more than is being undertaken, the ill-health pension may be reduced or suspended until NRA, or stopped completely. Where an ill-health Pensioner returns to work, the Trustee needs to ensure that the total income – ill-health pension plus any earnings – does not exceed the earnings received immediately prior to leaving the Company on ill-health grounds.

Once you have reached NRA, no further reviews will be carried out. Your ill-health pension will continue at the full amount or, if the amount being paid has been suspended or reduced, a standard non-ill health pension will be paid if this is a greater amount.

Serious ill-health lump sum

If you are suffering from a life-threatening illness it may be possible to receive your entire pension as a tax-free lump sum (calculated on reduced actuarial terms) whilst continuing to provide a pension for your Survivors should you die. The tax rules will only allow such payments if you have a short time to live. We will ask you to provide written confirmation from a registered medical practitioner that you have less than 12 months to live.

You must have Lifetime Allowance available and you must not have previously drawn any of your NAPS benefits. Please contact us if you wish to learn more about this option.

3. I'm a Deferred Member - what happens to my benefits before I retire?

Increases before NRA

If you have not yet drawn your deferred pension, it is held in the Scheme and is increased each year to help protect against the effects of inflation. Your pension will increase in line with the rate specified within the Government's yearly Pensions Increase (Review) Orders up to a maximum of 5% a year as a right under the Trust Deed & Rules up to your Normal Retirement Age (NRA). These Orders currently reflect the increase in the Consumer Prices Index (CPI) but the method of measurement is determined by the Secretary of State and may change from time to time.

Can I choose to transfer my benefits to another pension arrangement?

Yes, you are currently able to transfer your benefits to another pension arrangement before you retire. You will be given details of this option and transfer value (known as a Cash Equivalent Transfer Value or CETV) in your retirement pack.

See [page 22](#) for full details of transferring your benefits out of the Scheme.

Where can I find out more information?

There is a section for Deferred Members on our [website](#) if you click on the Deferred Members tile.

You'll find other useful leaflets such as the Deferred Retirement leaflet [here](#).

Please remember it is your responsibility to keep your contact details up-to-date. If you have registered for Online Communications you can now inform us of address changes online rather than in the post. Simply **login** and click on 'Change postal address' in the 'My account' panel on the home page of 'Your benefits online'. If you have not registered for Online Communications you can do so at any time by clicking on 'register' at the top of the screen.

Address changes can also be accepted in writing with a signature (our address is on the **Contact us** page). Please quote your pension reference number which can be found at the top of most of our correspondence to you. . For security reasons address changes cannot generally be accepted by email.



4. What are my benefits on retirement?



When you draw your pension you will be entitled to a pension and a tax free lump sum from the Scheme. You may also have alternative options available, such as transferring out of the Scheme instead of drawing your pension, and different ways to use any AVCs you may have in the Scheme. You'll receive a retirement pack at least three months before your NRA which will provide full details for your options. In the meantime this section gives an overview of your pension benefits.

Members of Legacy Schemes will have some of their pension benefits governed by the relevant governing documentation of the Legacy Scheme. If you have any questions about your benefits you should get in touch with BA Pensions using the contact details on [page 8](#).

Pension calculation

Your pension benefits in the Scheme are worked out using a formula, this is different depending on a number of factors including whether your pension was built up before 1 April 2007 or after 1 April 2007 (called Pre 2007 Service benefits and Post 2007 Service benefits). The standard pension calculations for both Pre 2007 Service benefits and Post 2007 Service are detailed below. You can see a worked example in the Pension Calculation section of this handbook.

Whilst your pension may be made up of several elements of pension due at different dates, when you retire your entire pension must usually be drawn from a single retirement date. You may be able to draw your deferred pension before your NRA but it will be reduced if we pay it early (the Scheme Actuary will work out the reduction). This option is only available if the value of your reduced early retirement benefit is enough to cover your guaranteed minimum pension (GMP). Equally, you can delay receiving your pension until after your NRA. If you do this, we will add late-retirement increases to your pension to compensate you for the delayed payment. The Scheme Actuary will work out the increases, and we will add them instead of normal Scheme increases. When you start drawing your pension, normal Scheme increases will apply. You can find details on our [website](#) of the reductions and increases that currently apply.



Calculation for Pre April 2007 Service benefits (Pre 2007 Service benefits)

In general, the standard pension benefit calculation for pension benefits earned in relation to service up to 31 March 2007 was determined by the individual's occupational category (Flying Staff, for which the standard pension build up rate was 1/52nd, or Ground Staff, for which the standard pension build up rate was 1/56th).

Ground Staff: For Ground Staff, the standard pension benefit calculation was:

$$\frac{\text{Retiring Pay} \times \text{Pensionable Service}}{56 \text{ (build up rate)}} = \text{Pension payable from Normal Retirement Age (60)}$$

Flying Staff: For Flying Staff, the standard pension calculation was:

$$\frac{\text{Retiring Pay} \times \text{Pensionable Service}}{52 \text{ (build up rate)}} = \text{Pension payable from Normal Retirement Age}^* (55)$$

***Retiring Pay** for these purposes is that applicable to your Pre 2007 Service Benefits. Pensionable Service for these purposes was established as at 31 March 2007. Your pre 2007 Service Benefits will be adjusted to make them actuarially equivalent to the pension that would have been paid if you had retired at your pre-April 2007 NRA or 31 March 2007 depending on whether you were above or below your pre-April 2007 NRA on 31 March 2007.

Calculation for Post April 2007 Service benefits (Post 2007 Service benefits)

BA introduced three options for all active members of NAPS for service after April 2007 – Plan 65, Plan 60 and Option 55. These options provide pension benefits starting at age 65, 60 or 55 on top of those earned before April 2007 (which were due from age 55 for flying staff or age 60 for ground staff).

The standard pension benefit calculation for pension benefits earned in relation to service from 1 April 2007 was the same for both Flying Staff and Ground Staff. The standard plan was Plan 65, for which the NRA is age 65. NAPS members could choose to pay higher rates of pension contributions to draw their pension earlier - building up benefits within Plan 60, for which the NRA is age 60. Alternatively, members could select the highest tier of pension contributions to build up benefits in Plan 60 plus Option 55. The NRA for Option 55 was age 60, but benefits built up within Option 55 can be drawn at any time from age 55 without being actuarially reduced for early payment.

The standard build up rate for Pensionable Service between 1 April 2007 and 30 September 2010 was 1/60th.

The standard build up rate for Pensionable Service from 1 October 2010 onwards was 1/75th. NAPS members could elect to pay higher contributions for a faster build up rate of 1/67th, or 1/60th. From 1 April 2012, a slower build up rate became available, of 1/130th. From 6 April 2016 an additional lower build up rate of 1/83rd became available to members who were under State Pension Age and who did not wish to pay the extra pension contributions equivalent to 3.1% of **Band Earnings** they would otherwise be required to pay with effect from 6 April 2016.

The standard pension calculation from 1 October 2010 was:

$$\frac{\text{Retiring Pay} \times \text{Pensionable Service}}{75 \text{ (build up rate)}} = \text{Pension payable from Normal Retirement Age (65)}$$

* Retiring Pay, Pensionable Service and Normal Retirement Age are all defined in the Glossary.

Pension increases

All pensions increase in some way under the rules of the Scheme. The arrangements are as follows:

Increases before your pension starts

Increases have been added each year from the date you leave the Scheme. The increases are set out in the Government's Pensions Increase (Review) Orders (PIRO) and apply to any elements of your pension that qualify for yearly increases under the Trust Deed & Rules. In NAPS, these increases are limited to 5% in any year. The PIRO currently reflects the increase in the Consumer Prices Index (CPI) but the method of measurement is determined by the Secretary of State and may change from time to time.

Increases after your pension starts

Your pension in NAPS (including any extra pension you have bought with severance or redundancy pay) is usually increased each year. The increases will generally be in line with PIRO (described above) and apply to any elements of your pension that qualify for yearly increases under the Trust Deed & Rules. In NAPS these increases are limited to a maximum of 5% in any year. The yearly increase arrangements change after age 65 for men or after age 60 for women if your pension is in payment and if you have a guaranteed minimum pension (GMP). If you reach your State Pension age on or after 6 April 2016, once your pension is being paid, when you reach age 60 (women) or age 65 (men), the Scheme stops paying increases to your GMP which built up before 5 April 1988. The Scheme continues to increase your GMP which built up from 6 April 1988 to 5 April 1997 by the rate stated in the Government's GMP increase orders each year, or 3%, whichever is lower.

You can check your State Pension age [online](#).

Tax-free lump sum

You can normally take a tax-free lump sum of up to 25% of the value of your Scheme benefits on the date you draw them – up to a maximum of 25% of the standard lifetime allowance (LTA) or 25% of your remaining LTA if you are already drawing other pension benefits. If you want to take a tax-free lump sum, you can take this from your AVCs, or by exchanging some of your yearly pension, or both).

When you're coming up to retirement, we will provide you with an illustration of the maximum tax-free lump sum available to you and the residual pension that you will be left with. You can choose to take as much or as little of the available lump sum as you want. If you have registered to manage your NAPS pension online, you can login to use your pensioner modeller to see the effect of taking a tax-free lump sum or drawing your pension at different retirement ages.

Taking a tax-free lump sum from your own pension at retirement does not reduce any Adult Survivor's pension or the dependent child allowances, which are available upon your death. Full details about the benefits payable on death can be found on [page 19](#).

Please remember that any tax-free lump sum must be taken at the same time that you draw your pension benefits. You cannot change your mind about the tax-free lump sum option after you draw your pension.

Can I take all of my benefits as a one-off lump sum?

In some cases you may be able to take all of your Scheme pension benefits as a one-off lump sum. This applies if you have a small pension, currently around £500 a year or less, and:

- If you have a GMP you are a man aged at least 65 or a woman aged at least 60, or
- If you do not have a GMP, you are over 55.

This applies for both Deferred Members and Pensioners.

You may also be able to take all your benefits as a lump sum if you are suffering from serious ill health. Details can be found on [page 11](#).

You can find more details about this on our [website](#).

Is there a time limit for claiming my benefits?

Yes, the Scheme's Trust Deed & Rules states that benefits must be claimed within six years of the payment date they are due and any claims made outside this limit will not be met unless the Trustee decides otherwise.

You also cannot give or 'assign' your benefits to anyone else. This includes, for example, trying to use your benefits as security for a loan. If you attempt to assign any part of your benefits, you may lose your benefit rights under NAPS.

How is my pension paid?

Your pension will be paid monthly, in arrears, into your bank or building society account in the UK.

The first payment is generally made at the end of the month following the month in which you retire. For example, if you retire on 11 August your first pension payment will be made on 30 September (covering the payment due for both part of August and the whole of September). We will provide a pension pay slip when your first pension payment is made. Further pay slips will only be provided if the amount of your pension (after the deduction of income tax, if applicable) changes by more than 99 pence.

BA Pensions will need to deduct UK income tax from your pension under the Pay As You Earn (PAYE) system unless you are resident abroad and the tax authorities have notified us that you are exempt from UK income tax.

If you live abroad, your pension can be paid to an overseas account. Payment is dispatched in UK Sterling and converted by the Scheme's bankers into the local currency, free of charges, and is generally paid in the local currency to your overseas bank for remittance into your account. Alternatively, you can of course, choose to have your pension paid to a UK account.



It is important that you notify BA Pensions of any changes to your address or bank details as soon as they occur. As a general rule instructions that are received by the 10th of a month can be applied to your pension payment for that month. Later notifications will be applied to the following month's pension.

If you have registered for online communications and you are a Pensioner or Deferred member, you can update your details online rather than by post. Login to '**Mybapension online**' to access our range of online forms. If you haven't registered for online communications, you can do so at any time by clicking on 'register' at the top of the screen.

We can also accept address changes in writing, with your signature (our address is on the '**Contact us**' page of our website). Please quote your pension reference number in all correspondence (you can find this at the top of any letter or statement you receive from BA Pensions).



Can I add to my pension?

Since the Scheme closed in 2018 members can no longer add to their pension by making pension contributions or by transferring benefits to NAPS from another pension arrangement.*

*In limited cases Employed Deferred Members can make a one-off transfer into the Scheme of their AVCs at retirement – see below.

Before the Scheme closed to future build up on and from 1 April 2018, NAPS members who were actively building up pension benefits could choose to save Additional Voluntary Contributions (AVCs) under the Scheme. If you saved AVCs into the Scheme, please refer to [page 18](#).

What about transferring other pension pots into my NAPS pension?

NAPS does not accept transfers into the Scheme from other pension arrangements.

The only exception is for certain Employed Deferred Members, who are able to transfer their pension in from BAPP to NAPS at the date of retirement. Employed Deferred Members may transfer in funds from BAPP so that these funds plus any AVCs may be taken as part of their tax-free lump sum. This option is only available for retirement before 31 March 2023.

5. Additional Voluntary Contributions (AVCs)

AVC Funds

If you saved AVCs before the Scheme closed these are kept in a separate AVC account and you can choose how they are invested. The value of AVCs when you retire will depend on several factors including the amount of the contributions paid, the performance of investments and the costs of converting AVCs into an annuity.

There are three AVC funds available to invest in, the Short-dated Gilts Fund (SGF), the Equity-Biased Fund (EBF) and the Mixed Portfolio Fund (MPF). For further information about each Fund, please visit our [website](#).

AVC Investments

If you have AVCs that you have not yet drawn, you can switch them between the three available funds by completing an online 'AVC Switch form' after you have logged into Mybapension Online. If you prefer, you can download a paper form from the 'Forms' section on the website to fill in and send to us in the post. At retirement, the balance of your AVC account will depend on the amount of AVCs you saved and the investment returns achieved over the time your AVCs have been invested. If any of your AVCs are invested in the MPF, the value of your AVCs may go down as well as up.

At retirement your AVCs plus any investment return can be put towards any tax-free lump sum (which may mean you give up less of your pension to achieve the maximum tax-free lump sum).

At retirement

If you decide to delay drawing some or all of your AVCs at your retirement, you will normally be able to take a tax-free lump sum from them of up to 25% (subject to Scheme and Lifetime Allowance limits). You may be required to take independent financial advice before drawing your benefits in this way.

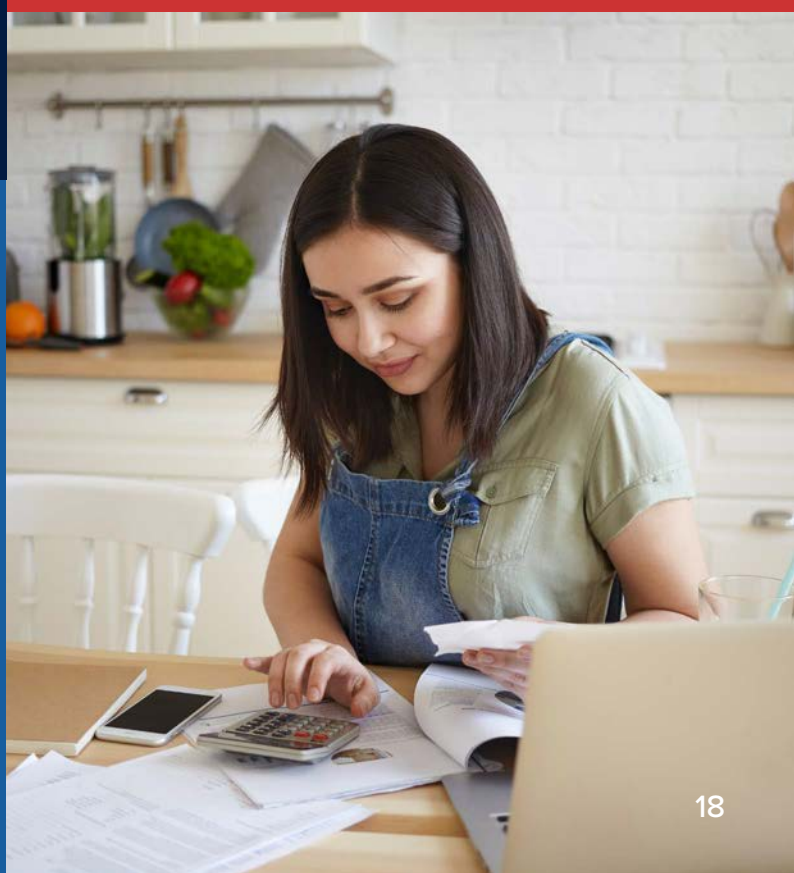
If you have AVCs, your options will be clearly explained to you in your retirement pack.

AVC investment returns are published on our [website](#) where you can also find more details about our AVC Funds in our 'AVC Plan – Information Leaflet'.

Alternative AVC options

If your AVC balance is higher than the maximum tax-free lump sum you can take from the Scheme, you can choose to:

- Transfer some or all of your AVCs to a different pension provider independently of your Scheme benefits, instead of drawing them from the Scheme.
- Buy an additional AVC pension called an 'annuity' either from the Scheme or externally at a current market rate from an insurance company of your choice (known as the Open Market Option):
 - An annuity from the Scheme can be provided in respect of any AVC funds for members who elected to draw their NAPS pension before 1 April 2007 but elected to defer part or all of their AVC funds, or any member who has an AVC fund of less than £1000. The Trustee has appointed an annuity broker, Hargreaves Lansdown, to provide quotations on the annuities available in respect of AVC funds exceeding £1000 for all members who leave after 1 April 2007, as annuities are not provided via the Scheme in respect of larger AVC funds.
 - The Open Market Option can be used to provide an annuity externally from an insurance company of your choice. All members with AVCs have the right to choose this option if they wish.



6. What happens to my benefits when I die?

Members of Legacy Schemes will have some of their pension benefits governed by the relevant Legacy Scheme governing documentation. If you have any questions about your benefits you should get in touch with BA Pensions.

When you die, your dependants may receive the following benefits from the Scheme:

1

An Adult Survivor's pension for your legal spouse or civil partner, or in some cases, for another Pensionable Dependant (see [page 20](#)) provided you chose this option and paid higher contributions.* This is calculated as 2/3rds of your pension for the period of time you paid higher contributions.

2

An allowance for your Dependent Children (see [page 21](#)) generally calculated as:

- One child – 1/6th of your pension
- Two children – 1/6th of your pension each
- More than two children – Generally a total of 1/3rd of your pension divided as the Trustees sees fit

3

A lump sum may also be payable, consisting of:

- If you have an AVC account, it will be paid as a lump sum
- If there is no Adult Survivor's pension payable, there may be a lump sum payable calculated as the difference between the pension and lump sum you have received (if any) and your Scheme contributions plus interest.

*If you did not choose this option as part of your pension benefits your legal spouse or civil partner may still be entitled to a minimum amount of pension which is required by the Trust Deed & Rules and applicable legislation in respect of Pensionable Service before 6 April 2016.

Adult Survivor's pension

If you:

- are legally married or in a registered civil partnership at the date of your death; and,
- chose the Adult Survivor's pension option and paid higher contributions to the Scheme,

a pension calculated as 2/3rds of your pension for the period of time you paid higher contributions will automatically be paid to your legal spouse/civil partner. This is known as an Adult Survivor's pension.

When calculating the pension benefits payable to your dependants when you die, BA Pensions will take your basic pension calculation before any reduction applied to your own pension for early payment (i.e. if you took your pension earlier than Normal Retirement Age) and before any reduction applied for exchanging part of your pension for a tax-free lump sum.

If your legal spouse or civil partner is more than ten years younger than you, the Adult Survivor's pension is reduced by 1.25% for each complete year by which the age difference exceeds ten years (e.g. 13 complete years difference = reduction of 3.75%).

The normal Scheme increase arrangements apply to Adult Survivor's pensions and they are payable for life. If you die before your pension commences payment or before the first annual increase of your pension, the first increase of the Adult Survivor's pension will be a proportion of the full increase to reflect that the pension has not been in payment for a full year.

Please remember, if you elected not to pay towards an Adult Survivor's pension and die leaving a legal spouse, civil partner or Pensionable Dependant, they will not receive benefit from this important pension cover. However, a legal spouse or civil partner may still be entitled to a minimum amount of pension required by legislation in respect of Pensionable Service before 6 April 2016.

What if I don't have a legal spouse or civil partner?

If you do not have a legal spouse or civil partner when you die, the Trustee has discretion to consider paying a pension to another adult survivor who, to the satisfaction of the Trustee, meets the criteria of a Pensionable Dependant.

This means someone who, at the date of your death and in the opinion of the Trustee, is either:

- living with you in a relationship resembling marriage and with whom you are financially interdependent; or
- someone who is financially dependent on you to a substantial extent.

Where a member's pension commenced after 1 July 2008, an adult child who is over age 23 may only qualify for consideration by the Trustee as a Pensionable Dependant if they are physically or mentally impaired.

Registering a Pensionable Dependant

If you are not legally married or in a registered civil partnership but think you may have a Pensionable Dependant, you can register details of your dependant online. Simply log in to Mybapension online and fill out the Surviving Dependant Registration. If you have not registered for online communications please visit our **website** and click on 'Forms' to print off a Surviving Dependant Registration form, complete it, sign it and send it to BA Pensions. Whilst not legally binding on the Trustee, registering your dependant provides clear information to the Trustee. Please ensure you keep the information about your dependants up-to-date.



Dependent child allowance

When you die any Dependent Children may receive an allowance, generally calculated as:

- One child – 1/6th of your pension
- Two children – 1/6th of your pension each
- More than two children – generally a total of 1/3rd of your pension divided equally

If you paid higher rate contributions but no Adult Survivor's pension is payable, the above amounts are trebled.

The calculation of pension benefits for Dependent Children is on the same basis as for the Adult

Survivor's pension, that is BA Pensions will take your basic pension calculation before any reduction applied to your own pension for early payment (i.e. if you took your pension earlier than Normal Retirement Age) and before any reduction applied for exchanging part of your pension for a tax-free lump sum.

The dependent child pension can be paid to children up to the age of 16, or up to the age of 23 if in full-time education/vocational training approved by the Trustee, or if seriously and permanently incapacitated and unable to earn a living. Eligible children are your own children, legally adopted children, step-children and any child for whom, in the opinion of the Trustee, you are legally responsible immediately prior to death.

Lump sum death benefit

D

P

When you die a lump sum may be payable, consisting of:

- If you have an AVC account, it will be paid as a lump sum
- If there is no Adult Survivor's pension payable, there may be a lump sum payable calculated as the difference between the pension and lump sum you have received (if any) and your Scheme contributions plus interest.

Notice of Wish forms

Any lump sum death benefits are payable to beneficiaries selected by the Trustee and as a consequence this lump sum is not liable to Inheritance Tax. Members should complete a Notice of Wish to let the Trustee know how they wish their lump sum to be distributed – the form is available on the 'Forms' page on our **website** or if you are registered for online communication, you can complete our online form by logging into the secure section of the website. Whilst not legally binding on the Trustee, the Notice of Wish gives the Trustee guidance as to how you would like the lump sum to be distributed.

You should keep your Notice of Wish regularly updated and especially if your personal circumstances change. Updating your Notice of Wish is easy – simply log in to **Mybapension** online and fill out the online Notice of Wish. If you have not registered for online communications please go to the website and click on 'Forms' to print off a Notice of Wish, complete it, sign it and send it to BA Pensions.

Optional pension for an additional dependant

D

At any time before your pension starts you can decide to arrange to permanently give up a part of your own pension in order to provide for a pension to be paid to a named dependant on your death in retirement. Before you can take up this option you will need to pass a medical examination. Full details of this option can be obtained from BA Pensions.

7. Transferring your benefits out of the Scheme

Can I transfer my pension rights to another provider?

Yes, at any time before you draw your pension, you may be able to transfer some or all of your pension rights to another registered pension arrangement before you retire.

Transferring out of the Scheme means asking the Trustee to transfer the value of all of your pension benefits in the Scheme to another pension arrangement. This must be a registered Pension Scheme in the UK or a Qualifying Recognised Overseas Pension Scheme (QROPS) outside of the UK.

A pension transfer from a defined benefit (DB) pension scheme (such as NAPS) means giving up your own benefits in the Scheme (and any dependants' benefits you have paid towards) in return for a cash value which is invested in another pension scheme of your choice. This value of your benefits is called a 'Cash Equivalent Transfer Value (CETV)'.

The Trustee has the right to refuse to pay a transfer value to a scheme if it is not satisfied that the new arrangement meets the current legislative requirements governing transfer payments or to require you to take guidance from PensionWise or independent financial advice before permitting a transfer.

Before transferring benefits out of the Scheme you should:

- Get free guidance from **PensionWise** to make sure any new arrangements meet your needs and that you fully understand how this will affect any tax you have to pay
- Beware of pension scams (see **page 23** for more information about this)
- Seek financial advice from an FCA-regulated financial adviser (see **page 23** for more information on finding suitable financial advice).

Transferring AVCs only

The Government allows greater flexibility over how you may use your AVCs from age 55 where they are defined contribution (DC) pension savings. If you wish to access them under the Government's flexible access rules, you will have to transfer any AVCs out of the Scheme to one or more different providers.

Currently, up until the point you retire, you can transfer your AVC account together with, or separately from, your main Scheme pension. Pensioners who are in receipt of their Scheme pension but did not draw all of their AVCs when drawing their Scheme pension, can make a transfer of the AVCs they left behind up to the age of 75. Legislation also allows further transfer options, details of which are available on request.

Back to contents

The **Money Helper leaflet** 'Your pension: your choices' explains the features of the options available. Before transferring benefits out of the Scheme you should get free guidance from **PensionWise** to make sure any new arrangements meet your needs and that you fully understand how this will affect your overall pension benefits and any tax you have to pay.

Before transferring out your AVCs you should also be aware:

- That drawing DC benefits flexibly can affect the amount of pension saving you can make in the future (see Important tax information in the 'Flexible Access tax rules' below).
- Potential pension scams (see **page 23**).

Transferring part of your benefits

You may ask the Trustee to be allowed to transfer only part of your main Scheme pension and/or only part of your AVCs. You can choose to transfer just your AVCs out of the Scheme or you may choose to transfer your main Scheme pension out as well. You have one opportunity to request a transfer of part (or all) of your pension and/or AVCs at the time of, or before, drawing your main Scheme pension. You can then draw or request to transfer any remaining pension or unused AVCs later.

The Trustee has a right to refuse a request to transfer only part of your benefits.

To find out more information about this option please read the "**Can I take a partial transfer out**" FAQs.

Flexible access tax rules – transferring your benefits, including AVCs

Individuals have greater flexibility on how they access their defined contribution (DC) pension savings from age 55. Although access under the Government's flexible access rules is not offered by the Scheme deferred members have a right to transfer their NAPS pension benefits to a DC pension arrangement subject to certain conditions.

The full range of DC flexible access options are complex and the suitability of the options depends on the size of an individual's DC pot and retirement income requirements. You should get free guidance from **PensionWise** and consider seeking financial advice from an FCA-regulated financial adviser to make sure that you fully understand how flexible access will affect your overall pension benefits any tax you have to pay. You should also beware of pension scams (see **page 23** for more information about this).

Drawing DC benefits flexibly can also affect the amount of pension savings you can make in the future.

Requirement to obtain financial advice

You will have to show that you have taken financial advice from an FCA-regulated financial adviser if the amount you want to transfer from your main Scheme pension is more than £30,000. If you decide to transfer your Scheme pension to another pension provider, you will no longer be entitled to any other Scheme benefits (including pensions for your spouse, civil partner or other adult dependant and any dependent children). You do not need to obtain financial advice if the equivalent value of your main Scheme pension is not more than £30,000 or if you wish to transfer your AVCs in isolation of your main Scheme benefits, but we strongly recommend that you do. You can find out more about where to find an FCA-regulated financial adviser on page 30.

Full details about transferring out your AVCs, or your main Scheme pension, are available in the **transfer out pack** available from the 'Forms' page of our

website in the 'transfer out' section. The Pensions Regulator has issued guidance on 'retirement risk warnings' that you should read. A copy of this guidance is also available on the 'Forms' page of our **website**.

By law, the Trustee must pay transfer values that are at least as much as the actuarial best estimate of the cost of providing your benefits within the Scheme in most circumstances. Transfer values must take account of the Scheme's investment strategy and are adjusted each month to reflect changes in investment conditions. The factors that are used to work out Scheme options, including transfer values, are reviewed by the Trustee and the Scheme's Actuary from time to time, usually at least every three years.

Details of the Scheme's relevant transfer value basis (including the underlying assumptions) are available on request.

Pension scams

Beware of pension scams. Pension scams have increased in the past few years and all Members should be on the lookout for them. Scammers often actively target individuals with valuable, final salary pensions, such as the ones provided by NAPS. A scammer will try to persuade you to transfer your benefits into another pension scheme. They may claim that you can access the value of your benefits earlier than you can under NAPS or they can provide high investment returns.

Falling foul of a scam could mean you lose some or all of your pension.

Further information about pension scams can be found at

www.tpr.gov.uk/pension-scams



www.pension-scams.com



www.fca.org.uk/scamsmart



The Pension Schemes Act 2021 introduced two new conditions that must be met before a transfer can be paid from a defined benefit pension scheme such as NAPS to another UK or overseas pension arrangement. The two conditions are applied in order and, if neither condition is met, any statutory right you may have to transfer is removed and the Scheme's Trustee can stop the transfer from going ahead.

Condition 1 identifies certain pension arrangements that are deemed to be safe. These include public sector pension schemes, authorised master trusts and authorised collective money purchase schemes – but not personal pensions with an insurer. If this condition is met, the transfer can proceed and there is no requirement to meet condition 2.

Condition 2 checks for specific warning signs of a pension scam or high-risk investment that could result in an individual losing a significant portion of their fund value (defined as red or amber flags in the Pension Schemes Act 2021). A red flag is likely to mean that the transfer cannot go ahead. An amber flag is likely to mean that the transfer can only go ahead if you can demonstrate that you've received expert free scams guidance from the Money and Pensions Service (MaPS), a body sponsored by the Department for Work and Pensions.

For more information about the conditions and red and amber flags, please visit the '**Can I transfer my pension out?**' page of our website.

8. Other useful information

When do I receive pension statements

You can view all your statements online if you are registered for online communications. If you have registered for paper communications your statements are posted to your home address.

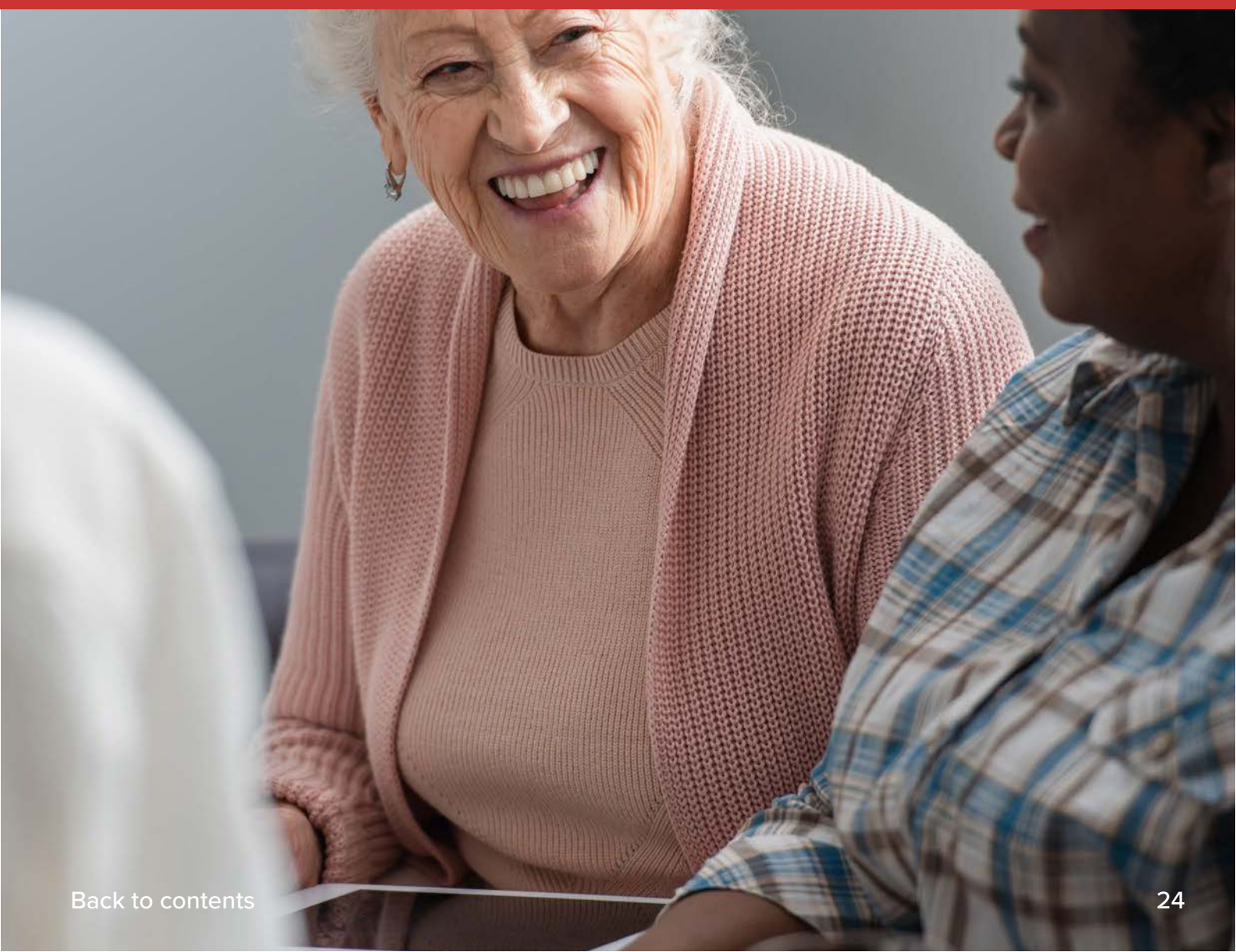
If you are a Deferred Member, you will receive an annual update of your pension, usually in June/July each year, and a separate AVC statement (if you have AVCs).

If you are a Pensioner or in receipt of an Adult Survivor's pension, you will receive a yearly P60 certificate online by the end of March (or at the end of April if you receive paper communications). If your pension includes elements that are eligible for Scheme increases you will also receive a pension increase statement each year at the end of April.

While your pension is being paid to you, if your payment after tax deductions changes by more than 99p in any month, you will receive a pension pay slip. If your monthly payment does not change by more than 99p, a pay slip will not normally be issued.

Detailed explanations of your benefits can be found on our [website](#).

If you are a Deferred Member who is considering retiring soon, you can obtain a retirement pack that will outline your pension benefits, including details of the tax-free lump sum you could take from the Scheme by [contacting BA Pensions](#).



Tax information

Lifetime Allowance

HMRC sets a 'Lifetime Allowance' (LTA) for all members of UK-registered pension schemes. The LTA covers the 'value' of the total pension benefits you have earned from all sources (apart from State and dependant's pensions). The 'value' of your Scheme pension, to be assessed against the LTA when you retire, is worked out as 20 times your annual rate of pension and the face value of any retirement lump sum. You will usually pay a tax charge if the value of your pensions is more than the LTA.

The current LTA can be found [here](#).

When you draw your NAPS pension, we must check the 'value' of your pension and lump sum entitlement against the standard lifetime allowance. If you have previously drawn lump sum or pension benefits from other pension arrangements, we must check this against your remaining lifetime allowance.

For most people, the value of their total pension benefits will fit within their LTA.

If your Scheme pension(s), when added to any lump sum or pension benefits you are already receiving from other UK-registered pension arrangements, exceeds your available LTA, you will need to pay a lifetime allowance tax charge on the excess benefits.

We work out the value of your Scheme pension as 20 times your yearly rate of pension plus the cash value of any retirement lump sum and the cash value of any AVCs held.

For any pension benefits earned above the LTA, the tax charge would be either:

- 25% of the value of your excess yearly pension when it starts (you will also pay income tax on the regular pension payments); OR
- 55% of any excess lump sum taken (this is similar in value to a 25% tax charge on top of 40% income tax).

It is your responsibility to check the total value of your pension benefits from all UK-registered pension schemes (excluding any State, widow/er's, civil partner's or dependant's pensions you receive) against the LTA. We will automatically confirm the amount of your LTA that has been used up by your Scheme pension when you draw it.

Protection from the Lifetime Allowance tax charge

Generally, you will have to pay a lifetime allowance charge if the value of any benefits you earn is over your available LTA unless you have some form of lifetime allowance protection in place. There are several types of lifetime allowance protection, including 'primary protection', 'enhanced protection', 'fixed protection 2012', 'fixed protection 2014', 'fixed protection 2016', 'individual protection 2014', and 'individual protection 2016'. You can read more about the Lifetime Allowance on the [Gov.uk website](#).



If you need to make a complaint

We strive to provide all our members with an excellent service in relation to their NAPS pension. However, if you do encounter any problems or have a complaint, please [contact us](#).

Our complaint process operates as follows:

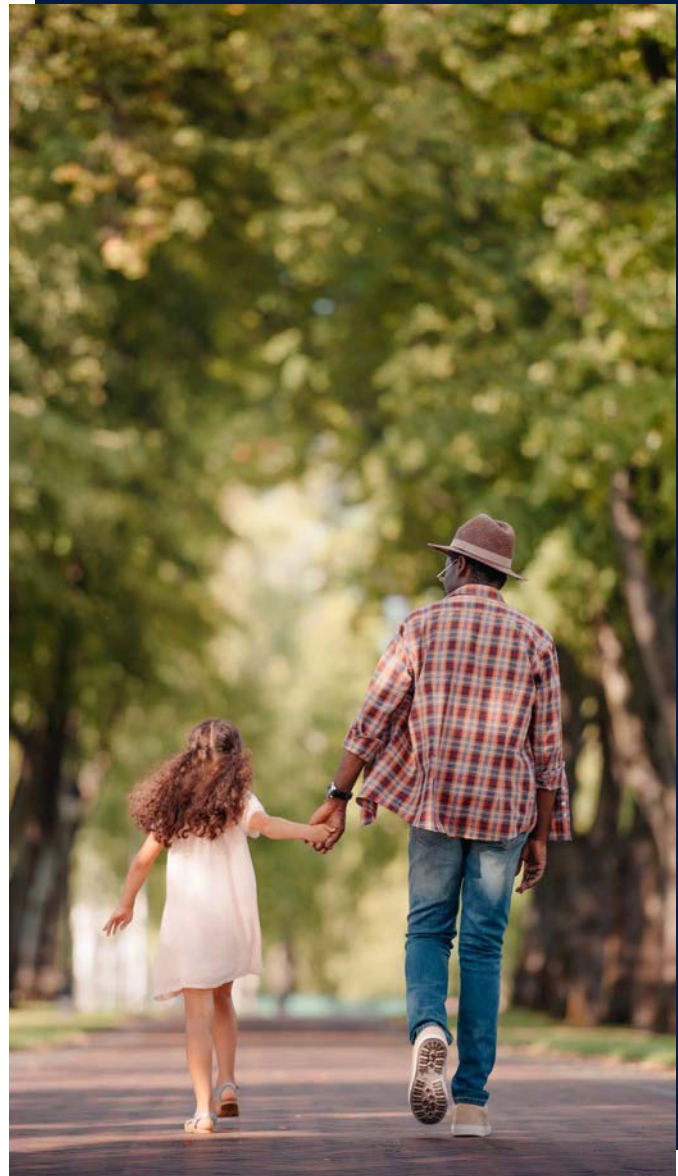
Complaints Handling Committee

BA Pensions aims to resolve complaints quickly and fairly for all members without the need to use the formal Internal Dispute Resolution Procedure (see below).

Where possible we will consider your complaint through the Complaints Handling Committee to try and reach early resolution, but particularly complex cases may need to go straight to the Internal Dispute Resolution Procedure.

The Committee includes representation from the Member Services Team (the team which administers your benefits and deals with members day to day), the Trustee Services Team (the team which supports the Trustee in its meetings and decision-making) and the Legal Team (which supports the Trustee and BA Pensions on all legal matters). This process can offer a faster resolution to complaints than the Internal Dispute Resolution Procedure.

If this process does not resolve your complaint, you can still refer the matter to the Internal Dispute Resolution Procedure.



Internal Dispute Resolution Procedure (IDRP)

The IDRP is the Scheme's formal complaint process under pensions legislation. There is a set structure and timing requirements for bringing complaints under the IDRP. Your complaint will be acknowledged as soon as reasonably practicable and IDRP decisions are normally issued within four months of receiving the complaint. Full details are contained in the IDRP Leaflet. A copy of the IDRP Leaflet, which sets out how to make a formal complaint, can be requested from BA Pensions. You can find the contact details for BA Pensions on [page 8](#).

Both the Complaints Handling Committee and IDRP are free processes designed to resolve any issues Members may have with their pension benefits.

MoneyHelper is available to assist members and beneficiaries of the Scheme with any query. MoneyHelper is part of the Money and Pensions Service (MaPS), which is an arms-length body of the Department for Work and Pensions. It is a free service and is independent from the Scheme.



Your data

Your personal information, and that of your beneficiaries, is collected and used by the Trustee and BA Pensions in order to calculate and pay your pension benefits and administer the Scheme as a whole. The Trustee and BA Pensions are required to keep your personal information secure in accordance with the Data Protection Act 2018 and the UK General Data Protection Regulation.

The Trustee and BA Pensions may share your personal information with certain third parties in order to administer the Scheme, but we do not share your personal information with third parties for marketing purposes. The Trustee and BA Pensions may also share your personal information to help prevent fraud or to the extent that it is required to do so by law.

If you would like to find out more about how your personal information is used and secured or your right of access to your personal information, please read our full **Privacy Notice**.

Legal

Investment Governance

You can find out more about your Scheme's approach to investment stewardship and how the Scheme expects environmental, social and governance (ESG) matters to be considered as part of the investment decisions made on its behalf on the **Responsible Investment page** of our website.

The page includes links to the overarching Responsible Investment policy, and other relevant reports.

Scheme's governing documents

The Trust Deed & Rules are the main governing document of the Scheme. They set out the powers of the Trustee and give full details of the benefits available from the Scheme. Some Scheme options are discretionary options provided by the Company, which may be changed or withdrawn at the Company's discretion, and some benefits are subject to the Trustee's discretion. Further options are set out within 'Operating rules', which describe how certain processes operate, such as Scheme pays and Flexible Retirement (for Employed Deferred Members over age 55 who wish to take their pension whilst remaining in service with the Company).

The Scheme is a Registered Pension Scheme under Chapter 2 of Part 4 of the Finance Act 2004 with a pension scheme tax reference number (PSTR) of 00306884RH.

The Scheme's formal documents are also available on the '**Scheme Documents**' page on our website. These include the:

- Trust Deed and Rules;
- The Trustee's Annual Report and Financial Statements
- Operating Rules; and
- The Trustee's Statement of Investment Principles.



9. Keeping in touch

Signing up for online communications is a good way to keep yourself up to date, if you have not already done so. Many members and pensioners now access their benefit statements, AVC statements, Annual Allowance statements, deferred pensioner statements, pension increase letters, P60s, pension payslips, Trustee letters and newsletters securely via the **member website** rather than by post. Modernising our communications in this way is secure, convenient, kinder to the environment, and saves the Scheme money.

To find out more or to register for online communications, please go to the Keeping in touch page of this handbook. An email is sent to you if you have registered your email address whenever a new statement or news item is available to view on the website.

Online forms

As well as accessing many communications online a range of online forms, that submit your request directly to the Pensions team, are available within the secure area of our **website**, providing members with a faster and more convenient way to update their address and account details, select Scheme options and to register details of their dependants. The forms currently available online are:

Notice of Wish

A Notice of Wish lets the Trustee know who you would wish to receive any lump sum benefits that are due if you die. Lump sum death benefits mainly apply in respect of Active Members or Deferred Members (but can occasionally apply in respect of a Pensioner if no Adult Survivor's pension is payable and the sum of pension payments is less than the contributions paid with interest added). You can update your preferred beneficiaries for lump sum benefits at any time by submitting a new Notice of Wish.

Change of address

Members can inform us of address changes online rather than by post.

Retirement options

The form is available to those who have received a Retirement pack in the last four months. They can make their retirement choices by completing this online.

Surviving Dependant Registration

If you have paid higher contributions to the Scheme to build up an Adult Survivor's pension, this will be paid to your legal spouse or civil partner automatically if you die. If you are not married or in a civil partnership when you die, the Trustee can decide to pay the Adult Survivor's pension to a 'surviving dependant'. This must be someone who meets the requirements to be a Pensionable Dependant under the Trust Deed & Rules. This could be a long-term partner, or someone who is financially dependent on you to a substantial

extent. If you have someone who you would like the Trustee to consider for this pension in the event of your death, you can update the Trustee at any time by submitting a Surviving Dependant Registration form.

Smart Additional Voluntary Contributions (SmartAVCs)

Active Members can use this form to start, change or stop the amount of SmartAVCs they save. Deferred Members and Pensioners who saved any AVCs can use the form to switch between the funds.

Pension Payment Instructions form (for UK payments only)

Pensioners can update their UK bank details and we'll send a letter confirming this to their home address.

Each Scheme year, the Trustee is required to prepare an annual report in relation to the Scheme. Additionally, the Trustee periodically publishes Summary Funding Statements and an In Focus newsletter which gives a summary of the Scheme's annual funding statement, report and financial statements, points of interest and any changes to the Scheme or legislation that might affect you. Copies of the annual and financial statements, In Focus and news articles from the Trustee are available on the **News page** of our website.

What about other changes?

The **changes to my life** section on our website provides information on other changes you may face (such as being temporarily absent, going on parental leave or changing your working hours).

What happens if I get divorced?

You can find our current Divorce leaflets [here](#).

There are various ways that pensions may be taken into account when a divorce settlement is being finalised. Your solicitor will need to discuss the options available with you and determine the most appropriate course of action for your individual circumstances.

Depending on the circumstances, your ex-spouse or ex-civil partner may become entitled to some of your benefits through a pension sharing order or a pension attachment order. If you have previously divorced, the options available may be different. The Trustee may apply a charge to cover the administrative cost of processing the order. Details of the charge are set out in the [Divorce leaflet](#).

These options are very complex and there are many factors which need to be taken into consideration in assessing the appropriate action. You should make sure that you obtain comprehensive legal and financial advice.



10. Useful addresses

Independent Financial Advice

If you need help in making financial decisions, you should contact a Financial Conduct Authority (FCA) approved independent financial adviser (IFA) to seek their advice.

The following websites can help you to find financial advisers in your area:

www.findanadviser.org www.unbiased.co.uk
www.vouchedfor.co.uk

Please bear in mind that neither:

- the Company,
- the Trustee,
- BA Pensions nor
- any of their respective employees

is authorised to give you advice about your pension options.

Pension Tracing Service

If you think you may have an old pension, but are not sure of the details, the Pension Tracing Service can usually help by tracing it for you. The Pension Tracing Service is part of the Department for Work and Pensions and has access to a database of over 200,000 occupational and personal pension schemes and can be used, free of charge, to search for a scheme. You can contact the Pension Tracing Service at:

The Pension Tracing Service
The Pension Service 9
Mail Handling Site A
Wolverhampton
WV98 1LU

Phone: 0845 6002 537
Textphone: 0845 3000 169
Website: www.gov.uk
(click on "Working, jobs & pensions").

MoneyHelper

MoneyHelper is available at any time to assist members and beneficiaries of the Scheme in connection with any pension query they may have or any issue they have been unable to resolve with the Trustee.

MoneyHelper
120 Holborn
London.
EC1N 2TD

Phone: 0800 011 3797
Website: www.moneyhelper.org.uk/en
Email: pensions.enquiries@moneyhelper.org.uk

The Pensions Ombudsman

The Pensions Ombudsman is able to investigate or determine any complaints of mal-administration or dispute of fact or law in relation to any occupational pension scheme including the Scheme. The Pensions Ombudsman will not usually investigate your complaint until it has been through the Scheme's Internal Disputes Resolution Procedure.

Pensions Ombudsman Service
10 South Colonnade
Canary Wharf.
E14 4PU.

Phone: 0800 917 4487
Email: enquiries@pensions-ombudsman.org.uk
Website: www.pensions-ombudsman.org.uk

The Pensions Regulator

The Pensions Regulator is the regulator for occupational pension schemes in the United Kingdom. It makes sure that the people who run occupational pension schemes follow a wide range of rules and may intervene if the rules are not followed. It will act if and when irregularities are brought to its attention. It has the power to impose penalties. The Pension Regulator may be contacted at:

The Pensions Regulator
Napier House
Trafalgar Place
Brighton
BN1 4DW

Phone: 0845 6000707
Email: customersupport@tpr.gov.uk
Website: www.thepensionsregulator.gov.uk

