

Message from the APS Trustee

APS settlement proposal – High Court approves APS settlement proposal

In April 2019 we reported that, subject to obtaining the approval of the High Court, we had unanimously agreed with British Airways Plc (BA) terms for an out-of-court settlement. This would bring to an end the litigation that commenced in 2013 and which would otherwise have been due to proceed to appeal at the Supreme Court.

Mr Justice Zacaroli gave his judgment on the settlement proposal in Court today, 11 November 2019, and we are pleased to confirm that the settlement was approved.

Under the terms of the settlement, we are permitted, subject to some affordability tests, to award Discretionary Increases so that APS pensions are increased up to the annual change in the Retail Prices Index (RPI) from 2021 with interim catch-up increases. BA will cease paying further deficit recovery contributions, including cash sweep payments, and the Trustee will withdraw its appeal to the Supreme Court.

We are now making arrangements for eligible pensioner members to receive the one-off lump sum (of up to 4.6%) and catch-up increase payments (of up to 1.7% and 0.7%) in the December 2019 pension payroll. We will provide full details of the payments and individual statements to all eligible members when payment is made in December. The individual statements will show the new rate of pension from 8 April 2019 as well as the amount of any lump sum and arrears of pension due. We will also include a summary and FAQ document to assist members with any questions they might have about the discretionary increase payments.

From the Trustee of the Airways Pension Scheme

11 November 2019