

ABAP

Caring for BA pensionable people today and tomorrow



President: George Bell

www.abaponline.org

Chairman: Captain Mike Post

ASSOCIATION OF BRITISH AIRWAYS PENSIONERS

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Message from the Chairman

Dear Colleague

Please find enclosed the papers for ABAP's 2017 Annual General Meeting which is to be held at 11 am on Thursday 26 October 2017. The AGM is moving this year to Magna Carta Secondary School, Thorpe Rd, Staines Upon Thames TW18 3HJ. There is plenty of parking at the school in easy walking distance of the school theatre where the AGM is to be held - details are included elsewhere in this communication. **Please note the start time of 11 am which has been agreed to enable members to travel to and from the meeting in daylight.** The forced move from the old Speedbird Club to Magna Carta school is the result of the transfer of ownership of the Speedbird Club from British Airways to Imperial College.

I urge you to attend the AGM if you possibly can. The AGM will be taking place against a background of several significant events. These include:

- The British Airways appeal against the May 2017 Discretionary Increase judgment against it in favour of the APS Trustee, which is to be heard on 1 May 2018.
- The continued failure of BA and the Trustees to agree the 2015 APS Valuation.
- The failure of the APS Trustee to publish any decisions taken by the Trustee, subject to the outcome of BA's appeal, regarding Discretionary Increases in 2014, 2015, 2016 and 2017.
- The possible closure of NAPS.
- The high level of transfers out of NAPS.
- The €500 million IAG share buy-back.

ABAP will be inviting all Trustee Directors of APS and NAPS to attend the AGM. It is quite clear that the pensions and the inflation protection that we have paid for and anticipate paying for are under attack from many directions. Please make every effort to attend the AGM and bring along any ex-BA friends and colleagues who may benefit from ABAP's work. They can always join ABAP on the door on the day.

May I also remind you that annual membership subscriptions should be paid as soon as possible after 1st July each year.

I look forward to seeing you at 11 am on Thursday 26 October 2017 at Magna Carta Secondary School, Thorpe Rd, Staines Upon Thames TW18 3HJ.

Yours sincerely
Mike Post Chairman

Pensions errors – a member's recent experience

What started out with a concerning communication from BA Pensions regarding GMP-related errors has had a happier than expected ending. We hope this is worthwhile reading for all.

“On 1st July I received a letter from the pension scheme (signed Jenny Sadler, Operations director) saying that an exercise to reconcile HMRC records with those of APS had thrown up a mismatch in my case, indicating that I had been paid larger increases (vis-a-vis GMP) than I was entitled to receive.

To quote:

“Normally (!!) there is a requirement for pension scheme trustees to collect back an over-payment of pension. However, since you couldn't have known about the error which has occurred through no fault of your own, the Trustee has exceptionally agreed to waive the past overpayment of pension. Going forward, however, now that the error has been identified the Trustee must put in place arrangements to adjust your future pension payments to the correct level otherwise large tax penalties will be incurred by both the Scheme and yourself.”

A period of three months grace would be applied before the decrease in my pension was effective. No recovery of the amount involved would be requested.

I forwarded a summary of this effect to you and asked for any advice you could give. You passed this on to Mike Post who replied to me that in the first instance I should reply to the pension scheme asking for the calculations that had led to this decision, suggesting I contacted a Mr Giles Lowe.

Apparently on receipt of my letter, Giles Lowe rang me to tell me he had just compiled a letter of reply to me to advise me that “owing to an error in the construction of our letters in respect of those affected by GMP adjustments (??)” I had received an incorrect letter advising my pension was to be reduced when in fact it is to be increased.

Giles Lowe reported that the error had occurred because of the way my Guaranteed Minimum Pension elements were stored historically on the records they hold for me. The increase to my pension would be applied immediately and the total underpayment to date would be paid additionally in my pension at the end of August.

A series of statistical tables relating to my GMP payments were attached but I must admit I was unable entirely to understand them or relate them to the conclusions reached at either stage of the event.

The staff at Whitelocke House were courteous throughout and ultimately helpful in resolving the issue. Nevertheless, the occasion was more than a little unnerving since I have relied on the integrity of APS to see we are getting our just desserts.

It no doubt underlines the value of the good offices of the ABAP secretariat in protecting our interest!

Thanks!”

At a recent ABAP Committee meeting some of our committee members with interests in other related organisations reported that the GMP complexities had indeed generated significant workloads in these organisations as they try to correct errors which may have existed, as per the example above, for some time. As our colleague reports: *“I must admit I was unable entirely to understand them or relate them to the conclusions reached...”*