

Restoration

Frequently-Asked Questions (2)

Eligible members will be sent a letter setting out full details of their restoration payment in June 2022.

Most eligible members do not need to take any action and payments will be made automatically into bank accounts in October 2022.

But for some members there are additional considerations which they need to take into account, and they must check if they need to take any action before the payment is automatically made. The June letter contains the relevant details and where to find out more.

Section 2: Documents to complete

For answers to some of the other questions you may have, see the Restoration section of the website: www.bspensions.com > Library > Restoration

Over the coming weeks we will be adding to this list so do check back regularly to see if there have been updates.

1. I am due to receive the restoration payment as a one-off lump sum, do I need to do anything?

If you are due to receive the payment as a lump sum (your June letter will confirm if this is the case), you need to check four things:

- The pensions tax rules allow you to take a lump sum. If not, you must return an Opt-out form.
- If receiving the payment as a lump sum is not in your best financial interests for pension tax reasons – if this is the case, you may want to consider opting out. If you wish to opt out, you must return an Opt-out form.
- If you need to complete and return a Pensions Tax workbook. You will need to do this if your lump-sum payment is greater than your remaining Lifetime Allowance (see “Pensions tax considerations”).
- If you have a form of Lifetime Allowance protection that you would like to rely on, we’ll need a copy of your valid protection certificate.

Most members will be eligible for the lump sum and will not need to return anything, but you do need to check. Any documents need to be returned by **23 August 2022**.

2. Rather than receive a one-off lump sum, the letter I received tells me that I am due to receive the restoration payment as an increase in my pension. Do I need to do anything?

For the small number of members where our records suggest they have specific pensions tax issues that mean they cannot receive the payment as a lump sum or receiving a lump-sum payment would not be in their best financial interests for pensions tax reasons, we plan instead to pay the restoration payment as an increase to their annual pension (your June letter will confirm if this is the case).

If you cannot receive the payment as a lump sum for pensions tax reasons or if you decide that, for pensions tax reasons, it is not in your best financial interests to receive the payment as a lump sum, and, your June letter states that you are due to receive the payment as an increase to your pension, you do not need to do or return anything.

3. I do NOT want to receive the restoration payment as a lump sum. What do I need to do and complete?

If you are due to receive the payment as a lump sum (your June letter will confirm if this is the case), you can only opt out if, for pension tax reasons, you cannot or if it’s not in your best financial interests to receive the restoration payment as a lump sum. If this is the case, you need to return an Opt-out form **by 23 August 2022**.

4. I do NOT want to receive the restoration payment as an increase in my pension. What do I need to do and complete?

If you have been told that you may not be eligible for the lump sum and are due to receive the pension increase:

- You must make sure you read the “Restoration: lump-sum payment or pension increase?” leaflet you received.
- If you have checked and are able to confirm that you are eligible and want to receive the payment as a lump sum, you need to complete and return the Opt-in form by **23 August 2022**.
- You may also need to return the Pensions Tax workbook. You will need to do this if your lump-sum payment is greater than your remaining Lifetime Allowance.

If you have a form of Lifetime Allowance protection that you would like to rely on, we’ll also need a copy of your valid protection certificate.

If however you are not eligible for the lump sum due to pensions tax rules, you can only receive the payment as a pension increase. There is no alternative available.