

PRESS RELEASE

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PSIG Welcomes Police Foundation Fraud Report

The Pensions Scams Industry Group (PSIG), which was established in 2014 to help protect pension scheme members from scams, today welcomed The Police Foundation pension fraud report 'Pensions: Understanding and preventing scams', issued today.

Margaret Snowdon OBE, Chair of PSIG, commented: "As we all know the issue of pensions scamming is not going away, if anything it is on the rise as more and more questionable individuals have recognised the extreme vulnerability of pension scheme members. This has only increased during Covid when finances for some have become even more strained. When the Police Foundation approached us ahead of this project we were very happy to work in partnership with them to develop the industry survey and to inform the findings of the report.

"There are certain elements of the report that are particularly welcome as they support and highlight what we have been saying for some time at PSIG. In particular:

- The scale of the issue is far in excess of the figures reported to Action Fraud.
- Pension scams are complex and present challenges for industry, police and regulators.
- The statutory right to transfer continues to see huge sums of money transferred even when significant pension scam concerns exist.
- Engaging with the pension scheme member over the telephone rather than merely sending a letter highlighting concerns can prevent many scams from taking place and this should be encouraged.
- In spite of this, most pension scheme members (over 60%) still choose to transfer even when the transferring scheme have outlined their concerns to them.
- Dedicated funding for both Project Bloom (the multi-agency initiative led by the Pensions Regulator which aims to combat pension scams) and for PSIG would be beneficial and that the absence of such funding is a key constraint at present.
- The Pension Scams Industry Forum (PSIF) which PSIG chairs helps to share information across the industry to prevent pension scamming and that the industry has a major role to play in the protection of pension scheme members."

Snowdon added: “The recommendations of the report also include key changes which we have called for some time. Including:

- Required compliance with best practice due diligence (which PSIG has outlined in our Code of Good Practice).
- Improved pension scam reporting and that this should be mandated.
- A central intelligence database and for knowledge to be better shared both within the industry and with Bloom partner agencies.
- Better support for victims and, in particular, for the relaxation of HMRC’s approach to unauthorised payment tax charges. All victims are currently treated as willing participants in the scam and this is entirely unfair and must be addressed.

“PSIG is absolutely committed to working with the Police Foundation, and with Project Bloom, to progress the recommendations outlined in the report and we commend them for this excellent report. We must afford our pension scheme members the protection that they deserve, this project takes us a step closer to that.”

- Ends -

About the Pension Scams Industry Group

The Pension Scams Industry Group (PSIG), formerly the Pensions Liberation Industry Group, is a voluntary body created by the pensions industry to help share good practice and reduce the risk of scams through consistently applied practical due diligence.

The Group launched its first Code of Good Practice for use by all in the industry in 2015 and on 22 June 2018, published [Version 2.0](#).

The Code is widely supported and recognised as having saved many people from losing their pension savings through scams.

<http://www.combatingpensionscams.org.uk/>

Media contacts

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