

Pensions Scams and Covid-19

What is a pension scam

A pensions scam is an attempt to persuade a member of a pension scheme to access their pension savings in a way that is not in their best interests.

Examples of scams include attempts to persuade members of company pension schemes (both defined benefit and defined contribution) to move their pension savings into an inappropriate investment, release funds in a way that would result in an unexpected tax charge – or, in the worst case, to move their funds into a fraudulent scheme. This could result in members losing all their pension savings.

Moving funds out of one pension scheme and into another is called a ‘transfer’.

In accordance with the guidance set out by the Pensions Regulator, the Fujitsu pensions team and its administrators make thorough checks on all transfers to ensure they are legitimate. However, scammers are continuing to find new ways to target pension pots of all sizes particularly following the onset of the Covid-19 pandemic, as many people are experiencing financial difficulty and looking for new sources of income, making them more susceptible to scams.

How to spot a pensions scam

The Financial Conduct Authority has lots of information on how to identify pension scams and this is available [here](#). It also has a tool you can use to check the validity of any pensions opportunity you may be considering. This is available [here](#).

Financial Advice

If you are considering transferring DB pension savings with a value of £30,000 or more, then there is a legal requirement to take independent financial advice. If you are considering transferring pension savings of a lesser amount it is still a good idea to take independent financial advice. You can find an independent financial advisor in a number of ways, including via the [Unbiased website](#).