

## Pensions scams

**This factsheet outlines what to do if you think you have been scammed, as well as what The Pensions Ombudsman (TPO) can do if you think you have a complaint about a scam.**

### What is a pension scam?

Pension scams come in various forms. You may consider that you have been subject to a 'pension scam' because you have, for example:

- been misled about the nature or risk of a pension or its investments, and
- lost all or part of your pension savings, and/or have been charged excessive fees for administration of the pension scheme because of the scam.

Common types of pension scams might include those:

- that offer access to a pension before the age of 55
- that offer an unrealistically high return on the investment of pension savings, or
- where high charges and/or high fees are applied.

Typically, a scam involves a scammer persuading you to transfer your pension savings to a new pension scheme. Only when you try to access your funds, possibly years after you made the transfer, do you find out that the new pension scheme does not have your funds. By that time, often those involved in running the new pension scheme cannot be found or may have become insolvent - and no funds can be recovered from them.

### What should I do if I think I am being scammed?

If you have an immediate concern that you are being scammed, particularly if it concerns a transfer of your pension:

- contact your pension scheme and advise them not to permit anyone to access your pension funds without your written permission
- contact MoneyHelper on 0800 015 4402 for information and guidance
- contact Action Fraud on 0300 123 2040 if you wish to report the scam to the Police.

## What should I do if I think I have been scammed?

If you have transferred your pension and have lost all or part of your funds, or you are being charged excessive fees, you should first raise the issue with any party you believe to be at fault and give them a chance to put things right.

You should do this by setting out your complaint to them in writing. You may want to ask for a copy of the complaint process and also the scheme rules, policies or guidance under which the decision to transfer was made.

It is important that you complain to any party you believe to be at fault as soon as possible, as there are time limits for bringing a complaint to us.

For further information, see our factsheet "[Complaining to the party/parties at fault](#)".

If you are unhappy with their reply or they do not respond within eight weeks, you can submit a complaint to us.

## What can TPO investigate?

Common complaints that we can deal with include:

- The trustees/manager of my old pension scheme transferred my pension to a new pension scheme without making sufficient checks, and I have lost my pension
- I cannot access my pension and I am concerned that I have lost all of my pension savings.
- The trustees/manager of my pension scheme have acted dishonestly in managing my pension funds.

These are only examples. If your complaint is different, we may still be able to investigate it.

Where a scheme is run by a scheme manager rather than trustees, the same principles apply to the scheme manager.

## If your complaint is about a transfer of your pension

We can investigate whether your request to transfer your pension met all the legal requirements, including whether the trustees of the original pension scheme carried out sufficient checks before transferring your pension benefits. Trustees are obliged to carry out due diligence before making any transfer. If legal requirements are met then they must make the transfer.

The level of checks expected of trustees has increased over the years. The expectations that we will apply in a particular case will depend upon common law and current legislation, together with any regulatory guidance and industry standards in place at the time of the transfer.

## If your complaint is about other types of pension scams

We can also investigate other types of pension scam complaints that do not involve a transfer. For example, a complaint that a party involved in running a pension scheme has caused loss by knowingly making or allowing improper investments, or by managing the scheme dishonestly.

This can include, among other things, looking at whether the trustees:

- have breached their duty of care to members
- have sufficient knowledge and experience to administer a pension scheme
- have broken the law in respect of their investment duties
- have failed to take appropriate professional advice.

## What can TPO decide?

If we find that the trustees or scheme managers of your pension scheme did not comply with their legal obligations, and this caused you loss, we may direct that they reinstate funds into that scheme for you or provide comparable benefits in another pension scheme.

We can also make an award for any distress and inconvenience you may have suffered. For further information, see our factsheet "[Redress for non-financial injustice](#)".

## How can I complain to TPO?

[Check](#) to see if we can deal with your complaint. If we can, you can complete an application online. You will need to include full details of your complaint together with the response (if any) from any party you believe to be at fault. We will then be able to consider how best we can help. It is also helpful if you can provide us with:

- copies of the policies and scheme rules that the decision was made under, and
- any additional relevant correspondence between you and any party you consider to be at fault.

## Further information

For further information about TPO, including details about who we are, the way we investigate complaints, and how to make a complaint, visit [www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk).

Independent Trustees are often appointed to pension schemes by the Pensions Regulator after scams have been identified. Please see our [factsheet for Independent Trustees](#) for more details on how an Independent Trustee can bring a complaint to TPO.

The Pensions Ombudsman is an independent organisation set up by law. Our primary function is handling pension complaints and disputes. We act impartially and our service is free.

This factsheet is part of a general overview of The Pensions Ombudsman's role and investigation process. It does not constitute legal advice or other professional advice. The Pensions Ombudsman will consider each application on a case-by-case basis, having regards to the facts and evidence in each case and in accordance with relevant legislation. You should consult a professional adviser for legal or other advice.