

Avoiding pension scams

How can I avoid a scam?

Pension scams can take many forms, and usually they appear to be a legitimate investment opportunity. But pension scammers are clever, and know all the tricks to get you to hand over your savings. To avoid being caught out by a pension scam, remember these four tips;

Calling out of the blue; be aware of anyone calling out of the blue offering free pension reviews. Since 2019, there has been a ban on cold calling about pensions. This means you should not be contacted by any company about your pension, unless you've asked them to contact you. The best thing to do is not to engage and to hang up as soon as you can. You could even do the old 'Oh I am sorry... you're breaking up!', whatever you need to do to get them off the phone.

Early access to your money; be aware of companies offering early access to your pension money. This is rarely in anyone's interest, and you could be hit with outrageous early exit fees, a hefty tax bill and without money remaining for retirement.

Charging for free services; be aware of companies offering to help you '[trace lost pensions](#)' or '[obtain a pension statement](#)'. These services are already available for free from the government website [GOV.UK](#). Scammers often try to charge for these services and use them as a way to gain your confidence, and then divert your pension funds.

ALWAYS contact [The Pensions Advisory Service](#) if you're not sure about something. They can give you free and impartial advice, and spend time talking you through your options. You can contact them by phone, using an online query form, or through the webchat function.

REMEMBER: if someone promises you something that sounds too good to be true, it probably is!!

If you think you've been targeted by a scammer, seek immediate advice.

Contact [Action Fraud](#) or the [Financial Conduct Authority](#).