
Fighting pension fraud webinar: reference document

Webinar host:

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Speakers:

Lord Hanson (Fraud Minister)

Minister of State, Home Office

Mike Broomfield

Head of Intelligence, The Pensions Regulator (TPR)

Donna Walsh (Standard Life),

Head of Master Trust, Standard Life

Chris Bell (City of London Police),

Service Delivery Director, City of London Police

United action against pension scams

The Pension Scams Action Group (PSAG) overview

Kathie Musto, TPR



- Fraud accounts for more than 40% of all reported crime in England and Wales, according to the National Crime Agency (NCA). Reported pension fraud losses total over £17.5 million in 2024, equivalent to around £48,000 lost each day to pension scams.
- Pension fraud causes significant and often life changing harm for victims.
- The Pension Scams Action Group (PSAG) operates as a multi-agency taskforce focused on prevention, protection and disruption in relation to pension fraud.
- PSAG partners, including the Pension Scams Industry Group, contribute specialist skills, knowledge and data to support joint efforts.
- This collaboration helps to build a clearer understanding of risk, shape preventative policies and approaches, disrupt criminal activity through actions such as taking down scam websites, and support work that results in offenders being prosecuted.

Fraud Minister's message: Stop! Think Fraud

Lord Hanson, Home Office



- The scale of pension fraud continues to have a significant impact. Nearly £18 million was lost to pension fraud in 2024, averaging £34,000 per victim. The personal impact can be devastating.
- The Government's Fraud Strategy is built around three core pillars: **Disrupt, Safeguard and Respond**. Together, they set out a comprehensive and ambitious plan to stop fraud, protect the public and deliver justice for victims. The overall mission is to make the UK a harder environment for fraudsters and a safer place for people to live, work and do business.
- **Disrupt** focuses on breaking the fraud business model by tackling the tools, technologies and networks that criminals rely on. This includes upstream disruption and dismantling of enabling systems before criminals reach their targets. The creation of the Online Crime Centre will bring together law enforcement, intelligence and industry expertise to target fraud enablers. Stronger partnerships across financial services, telecoms and technology platforms will help prevent abuse, supported by closer work with regulators. Cooperation with high-priority countries will deepen to ensure fraudsters cannot hide behind international boundaries.
- **Safeguard** centres on reducing vulnerability and building resilience among the public and businesses. Proactive policing initiatives will expand, using data to identify hotspots and intervene earlier, with a focus on shielding the most vulnerable communities. Public education and guidance is being strengthened.

Fraud Minister's message: Stop! Think Fraud... continued

Lord Hanson, Home Office



The Stop! Think Fraud behaviour-change campaign will expand to cover more fraud types, supported by continued work with industry to increase the uptake of protective behaviours.

- **Respond** ensures that victims receive justice and support and that perpetrators face real consequences. A new Fraud Victims Charter will guarantee consistent standards of care. The new Report Fraud service that has replaced Action Fraud provides a modern, user-friendly system that simplifies reporting, improves transparency and offers more timely updates. Civil powers to freeze and recover assets faster will be explored.
- Through **Disrupt, Safeguard and Respond**, the fraud strategy sets a clear direction for the fight against fraud. It aims to stop fraud at its source, strengthen public resilience and deliver justice and support for victims.
- **Stop! Think Fraud** plays a key role in helping the public protect themselves by identifying fraudulent approaches and takes preventative action. Warning signs often include unsolicited contact, offers of early access to pensions or promises of guaranteed high returns. Industry has an important role in reinforcing these messages through member communication, service interactions and online guidance.

Know the warning signs

Mike Broomfield, TPR



- There is a continued increase in impersonation fraud within pension schemes, with UK expats being a notable target. Fraudsters are using AI generated identity documents to impersonate genuine scheme members, and analysis of City of London Police data highlights new techniques used to bypass security checks, take over accounts and divert funds. This trend is being monitored closely, and industry alerts will continue to be issued as new risks emerge.
- Industry vigilance and reporting remain central to identifying these threats and supporting PSAG's disruption work.
- Collaboration with partners, including Nominet and other domain registrars, enables proactive identification of newly registered domains linked to potential scam activity and supports early disruption before harmful content appears online.
- Recent activity using PSAG's AI website detection tool has identified groups of scam websites connected to known bad actors operating within wider criminal networks. Through joint work with the National Economic Crime Centre, Nominet and major registrars, many of these sites have been quickly removed.

Know the warning signs... continued

Mike Broomfield, TPR



- These websites typically promote early, tax free access to pension pots before the age of 55, and use fabricated reviews and high return promises to mislead savers.
- More than 1,000 suspicious websites have been reviewed so far, with 10% referred to partner agencies for further action and 30 taken down.
- Upstream disruption continues to be an effective way of frustrating criminal operations, protecting savers and ensuring efficient use of resources. Work is ongoing to strengthen approaches to repeat offenders and develop new disruption techniques with partners and law enforcement agencies.
- There have been positive outcomes from joint agency work supporting victims, including compensation awarded through the Fraud Compensation Fund totalling more than £180 million. While this is encouraging, prevention remains the most effective defence, reducing both financial losses and the emotional impact on victims.
- The Financial Conduct Authority (FCA) has launched a new Firm Checker tool to help consumers verify whether a firm is authorised and permitted to provide financial products or services.
- Schemes and providers are encouraged to signpost members to this resource and ensure they are using the latest PSAG Scam Safe leaflet. For formal due-diligence checks, the full FCA register remains the primary source.
- Discussions with the Department for Work and Pensions (DWP) continue on the potential inclusion of Small Self-Administered Schemes (SSAS) within transfer regulations. With an estimated 60,000 members and £31 billion in assets, extending regulation could help strengthen protections in a part of the market where risks are rising.
- The call to industry remains consistent: stay informed, remain vigilant and report concerns. Engagement with initiatives such as TPR's pledge to combat pension scams and continued collaboration with the Pensions Scam Industry Group (PSIG) and wider industry stakeholders play a critical role in strengthening collective efforts.

Educate savers - Q&A

Donna Walsh, Standard Life, Kathie Musto, TPR



Kathie:

Q1: We all know pension scams are constantly evolving. What tactics are you currently seeing scammers use?

Donna:

- Pension scams have evolved. Criminals have changed tack. Activity has moved away from traditional transfer-based scams, where criminals persuade customers to transfer their pension to high-risk or non-existent opportunities, towards impersonation scams, postal interception and the involvement of overseas adviser activity, particularly in relation to Self Invested Personal Pensions (SIPP's).
- Transfer due diligence now places greater emphasis on ensuring customers understand the risks and how decisions could affect their outcomes.
- A key challenge is that customers often make firm decisions before warnings can influence them. Scammers and, at times, unregulated advisers increasingly use knowledge of scam prevention steps to coach customers and anticipate provider checks.

Kathie:

Q2: We're very mindful of the pace of change and the new approaches taken to convince savers to do things they perhaps shouldn't. As Lord Hanson mentioned, it is vital that industry educates savers about the warning signs. How do you ensure your colleagues at Standard Life and your customers stay informed and protected?

Donna:

- A multilayered approach supports both colleague and customer protection. Colleagues receive annual e-learning, monthly intelligence updates, vulnerable customer training, and access to Financial Crime Champions and detailed threat awareness materials.
- Around 2-3% of transfers are referred for deeper review, and around one third of these are escalated to MoneyHelper, although many still proceed because customers have already committed to their decisions.
- Customers receive warnings embedded throughout digital and telephone journeys, designed in line with Inclusive Communications Standards.
- Scam education is delivered throughout the savings journey rather than only at the point of transaction. Regular MoneyPlus email content reaches 1.7 million customers and helps keep scams front of mind.

Educate savers - Q&A... continued

Donna Walsh, Standard Life, Kathie Musto, TPR



Kathie:

Q3: The amount of effort being made behind the scenes to protect people is eye-opening. Is there more that you would like to see from government and regulators to take further action on scams?

Donna:

- Improved data sharing between providers and regulators would support faster fraud detection and intervention.
- GDPR constraints can delay the exchange of essential information, so approaches are needed that maintain data protection while enabling timely action.
- Consistency across the industry in applying transfer due diligence standards would help close loopholes. Stronger collaboration between TPR, the FCA and HMRC on scheme registrations, along with better feedback loops on reported cases, would further enhance protections. Continued joint working is essential as scam methods evolve.
- If the system could be strengthened further, three areas that would make a significant difference.
- Faster action enabled through improved data sharing would allow risks to be addressed earlier.
- A more consistent approach across providers would help remove transfer loopholes and ensure a level playing field.
- Greater awareness would keep scams front of mind for savers throughout the customer journey, rather than only at the point of making a decision.

Educate savers - Q&A... continued

Donna Walsh, Standard Life, Kathie Musto, TPR



Kathie:

Q4: Do you have any examples that help bring to life some of the challenges you've mentioned?

Donna:

- New transfer rules and the wide adoption of the industry pledge have significantly reduced traditional pension transfer scams by promoting more consistent checks across schemes. Two recent examples highlight emerging risks.
- In one case, a customer planned to withdraw a lump sum to buy a piece of art; further investigation identified the purchase as a scam, with the artwork being only a print. Early referral to the Financial Crime team helped prevent a financial loss.
- Another example concerns transfers to SIPP's where multiple advisers recommend the same SIPP and investments, indicating weak or missing suitability assessments.
- During these cases, investigations often reveal a spider's web of linked individuals, advisers and businesses, including shared addresses, company names, and personal connections. Mapping these relationships helps identify bad actors, prevent transfers and support intelligence reporting.
- Greater ability to share these webs of information across the industry would strengthen efforts to identify repeat offenders early and intervene to protect customers.

Report Fraud

Chris Bell, City of London Police



- Report Fraud is the national service for reporting cyber crime and fraud, replacing Action Fraud. The service is designed to be clear, easy to use and helpful for both members of the public and pension professionals. It captures intelligence more effectively, triage's reports consistently and supports action at scale, handling more than 40,000 reports each month.
- Awareness of Report Fraud continues to grow. Early work focused on introducing the service and acknowledging challenges with the former system.
- Collaboration with partners, including The Pensions Regulator and the Home Office, supports aligned public awareness activity such as the "Stop! Think Fraud" campaign.
- Engagement from pension professionals is central to building a clearer picture of threats, as multiple reports about the same firm, number or behaviour help identify organised criminal activity that individual reports may not reveal. The first annual assessment will be published later this year to share emerging insights.
- Certain aspects of the service are performing strongly:
 - Clearer processes support more consistent case handling.
 - The service now provides greater transparency to both victims and professionals, helping to build confidence in outcomes.
 - Cross team working has improved, with call centre staff, investigators and intelligence analysts operating in a more connected and coordinated way.
 - Embedded secondees add further specialist value, including a secondee from The Pensions Regulator who focuses specifically on workplace pension cases.
- Ongoing refinement of the service is informed by user and partner feedback. Work continues to ensure reporting is as straightforward as possible and that analysts receive the information they need.
- Pension professionals are encouraged to report suspicions even when fraud is not confirmed. Professional judgement remains valuable, and small concerns can help complete a wider intelligence picture.
- Please report if:
 - a member receives unexpected or unsolicited contact about their pension
 - the scheme behind a transfer request cannot be verified
 - a receiving scheme displays red flags, such as overseas investments, single member structures or pressure to act quickly
 - something simply feels unusual or out of place
- The message is simple: **Every report counts. If in doubt, report.**

Report Fraud... continued

Chris Bell, City of London Police



- Every report contributes to disrupting criminal activity. Pension administrators, trustees and advisers are often the first to notice when something is wrong, and even small pieces of information can help prevent further losses.
- Report Fraud triage's and analyses each submission and feeds relevant details directly into active intelligence work. Reporting suspicions should be treated as a routine part of safeguarding members, and the service provides clear guidance and updates to support this.
- When using Report Fraud there are some key steps to note for reporting fraud and reporting suspicions:

1. Start your report

Select “make a report” and then choose the “cyber crime or fraud” option.

This applies to both fraud reports and information reports submitted with suspicions.

2. Register before submitting

Pension professionals are encouraged to register for Report Fraud before making their first submission.

Registration makes future reporting quicker and allows users to update previous reports and receive progress updates.

3. Select the appropriate role

For pension related concerns, you're likely to select “I'm reporting on behalf of an affected person.”

4. Choose the correct reporting pathway

This step leads to a key split in the journey.

Users can continue along either the fraud-reporting pathway or the suspicion-reporting pathway, depending on the circumstances of the case.

- The central message is that vigilance, reporting and professional judgement all matter. Every report contributes to identifying new scam tactics, protecting savers and strengthening the collective response to pension fraud.