PSIG
Combating Pension Fraud

PRESS RELEASE

21 July 2026

PSIG backs faster pension transfers but calls for protections against scams to remain strong

The Pension Scams Industry Group (PSIG), established in 2014 to help protect pension savers from fraud, deception and sharp practice, today responded to the Government's consultation on changes to pension transfer regulations, welcoming proposals that aim to make legitimate transfers quicker while strengthening protections for savers against fraud.

The consultation forms part of the Government's wider work to tackle pension scams and improve the pension transfer process. It includes a targeted measure to address the risks of fraud within Small Self-Administered Schemes (SSASs), and represents the first stage of a broader programme of work relating to pension scams and pension transfers.

PSIG supports the aim of reducing unnecessary delays and friction where transfers are low risk. However, the group has identified several areas where further clarity and refinement are needed, including the proposed employment link warning sign, the approach to identifying lower-risk receiving schemes, oversight of SSAS arrangements, and ensuring the regulations remain effective as scam methods continue to evolve.

PSIG Chair Margaret Snowdon OBE said: "The key challenge will be getting the balance right - removing unnecessary delays for legitimate transfers while maintaining the protections needed to prevent fraud and protect savers. Members should not face unnecessary delays when making genuine transfers, but trustees and administrators must retain the ability to identify risks and act when something does not look right.

"The proposed employment link warning sign is an important area where we believe changes are needed. As currently drafted, it may not always work as intended. A genuine employee could trigger a warning sign because they do not meet certain salary or contribution thresholds, while someone without a genuine employment link may avoid the same scrutiny by providing only partial evidence. We recommend that a red flag should apply wherever the employment link remains unproven, whether all, some or none of the required evidence has been provided.

"We also support giving trustees greater discretion where they believe a transfer is low risk, but there needs to be greater clarity around the proposed concept of a 'reputable scheme'. Trustees should be able to carry out further due diligence where they consider it necessary, without first having to make a potentially subjective judgement about a scheme's reputation."

Snowdon continued: "The risks facing pension savers continue to evolve. We are seeing increasing use of impersonation fraud, clone firms, artificial intelligence-generated evidence, social media investment scams, crypto-linked pension liberation and newly established occupational schemes with little or no genuine employment activity. The regulatory framework needs to keep pace with these developments. The employment link alone will not address the wider vulnerabilities in the

SSAS market. We support proportionate additional oversight of these arrangements, including consideration of a requirement for professional trustee involvement.

“We also need to ensure that any approach to lower-risk scheme lists is properly governed, regularly reviewed and supported by clear accountability, while recognising the practical challenges and responsibilities involved in maintaining them. The proposed exemption from repeat MoneyHelper guidance also needs careful consideration. While it may be appropriate where a member’s circumstances have not changed and the guidance remains relevant, a subsequent transfer could involve a different receiving scheme, different warning signs or a materially different level of risk. The regulations should ensure that members receive appropriate guidance and safeguards where the circumstances and risks warrant it.”

Snowdon concluded: “Ultimately, these reforms could help deliver a faster and more effective transfer process. But the test of success is not simply whether transfers happen more quickly, it is whether they can happen safely. Legitimate members should not face unnecessary barriers, but fraudsters should not be given new opportunities to exploit the system -make it easier for good transfers to proceed and harder for bad actors to succeed.”

- Ends -

About the Pension Scams Industry Group

PSIG is a voluntary industry body dedicated to helping protect retirement savers from financial harm caused by fraud, deception and bad practice.

We bring together organisations and professionals from across the pensions industry to strengthen standards, share expertise and support effective fraud prevention.

Since 2015, PSIG has played an important role in strengthening the pensions industry's response to fraud.

Through industry collaboration, practical guidance and engagement with policymakers and regulators, we have helped shape how pension fraud is identified, prevented and addressed across the sector.

https://pensionscamsindustrygroup.co.uk/

Media contacts

For all media enquiries please contact KBPR using the details below:

kate@kbpr.agency - 07930 442883