

THE CHEVIOT PENSION

ACCESSING YOUR SAVINGS: BE AWARE OF PENSION SCAMS

Someone retiring today has a lot more flexibility about how they can use their retirement savings but this unfortunately makes them a target for scammers, who may try to entice them with promises of upfront cash or guaranteed high returns.

Watch out for scams because you could find that you lose all of the money you have saved for retirement and still have to pay the tax you owe to HMRC for accessing your savings. If in doubt check with a registered FCA adviser, or speak to the Pensions Advisory Service.

The warning signs of a scam are:

- cold calls from people you don't know, including through social media
- an offer to carry out a 'free pension review'
- higher returns or guarantees they can get you better returns on your retirement savings
- help to release cash from your pension even though you're under 55 (an offer to release funds before age 55 is highly likely to be a scam)
- high-pressure sales tactics – the scammers may try to pressure you with 'time-limited offers' or even send a courier to your door to wait while you sign documents
- unusual investments – which tend to be unregulated and high risk, and may be difficult to sell if you need access to your money
- complicated structures where it isn't clear where your money will end up
- arrangements where there are several parties involved (some of which may be based overseas) and all taking a fee, which means the total amount deducted from your pension is significant
- long-term pension investments – which mean it could be several years before you realise something is wrong.

For more information about these and other pension scams as well as how to avoid them, visit www.fca.org.uk/scamsmart or www.thepensionsregulator.gov.uk/pension-scams

If you have a financial adviser, don't simply accept everything they tell you. Make sure they are on the [Financial Conduct Authority \(FCA\)](#) approved register and always read everything yourself.

If you're aged 50 or over and have a money purchase (defined contribution) pension, talk to [Pension Wise](#) or ask [The Pensions Advisory Service](#) for help.

If you think you've been scammed, contact your pension provider and call Action Fraud on 0300 123 3040 (www.actionfraud.police.uk).

The information on this factsheet is provided as a high level overview in good faith but is not legal or financial advice or binding on the Trustee. The trust deed and rules will override in the event of any inconsistency. Talk to Pensions Wise, a free Government service, before making a decision or take your own financial advice.

