

Press release: Protect your pension pots from investment scams and negligent trustees

Since 2015, the Insolvency Service has applied to the courts to wind-up 24 companies that have carried out a form of pension misuse.

The pension misuse varies from convincing people to access their pensions and invest in unregulated schemes to pension trustees not carrying out their duties properly.

The Insolvency Service has estimated that there have been close to 3,750 victims connected to the 24 companies closed down, including both individuals and businesses, having made £202 million worth of contributions.

Consumer Minister Kelly Tolhurst MP said:

Our consumer protection regime is one of the strongest in the world and we are committed to making sure people know their rights. If you are approached to make an investment from your pension, always do your homework and seek independent advice, if necessary, to help you make an informed decision.

Government continues to work closely with the Insolvency Service who are working to clamp down on rogue companies targeting vulnerable people. If you think you might have been a victim, I'd urge you to report it to [Action Fraud UK](#) at the earliest opportunity or visit the [ScamSmart](#) website for further help.

Victims of pension scams last year lost an average of £91,000 each to fraudsters* and as identified during FCA and TPR's [ScamSmart](#) campaign, common tactics used include cold-calls, offers of free pension reviews and promises of high rates of return.

The government recently announced a [ban prohibiting cold-calling](#) in relation to pensions and following the wind-ups of the 24 companies investigated by the Insolvency Service, 8 directors have received a total of 57 years' worth of directorship disqualifications.

And there are further ongoing investigations to ensure rogue directors are prevented from managing companies.

In one case, four directors of companies involved in the misuse of £57million worth of pension funds were banned for a total of 34 years.

Introducer firms would cold-call people, inviting them to transfer their pension pots into occupational pension schemes. However, the introducers misled clients about their expertise and offered guaranteed returns which they couldn't deliver. Members' funds were then largely invested in unregulated investments in storage units which did not yield the level of returns promised to members**.

And following another investigation, Fast Pensions Ltd and five other connected firms were wound-up by the courts in May 2018.

Between 2012 and 2013, 520 people were encouraged to transfer their pension savings from existing providers into one of 15 schemes, with Fast Pensions acting as the sponsoring employer. A total of at least £21 million was invested and people were persuaded to transfer their savings through various methods, including cold calls questioning the performance of their pension funds or offering free pension reviews.

Advice provided was inadequate and advisors also failed to disclose information around returns and the high risk and illiquid nature of the investments made by the schemes, as well as the benefits members would be entitled to***.

To help prevent you from becoming a target for pension abuse, the Insolvency Service recommends:

- Be wary of calls out of the blue. Get the company's name and establish their credentials using the [FCA's Financial Services Register](#)
- Seek [financial guidance or advice](#) before changing your pension arrangements or making investments
- Don't be rushed or pressured into making any decision about your pension and be wary of promised returns that sound too good to be true

For further information about scams you can visit the [ScamSmart](#) website and if you suspect a scam, you can report it to [Action Fraud UK](#).

Further examples of companies being shut down can be found on the [Protect your pension microsite](#).

*£91,000 average lost to scammers sourced from [ScamSmart campaign material](#)

** Case study connected to the [disqualifications of Karl Dunlop, Stuart Grehan, Ian Dunsford and Stephen Talbot](#)

*** Case study connected to the [wind-ups of six pension and finance companies in the high court](#)

Statistics date from 2015 onwards, with figures based on information gathered during investigations by the Insolvency Service.

The Insolvency Service is a member of Project Bloom, a cross-industry initiative created in 2012 and brings together government departments, agencies, regulators, law enforcement bodies and representatives of the pension industry to tackle pension scams.

Further information about the work of the Insolvency Service, and how to complain about financial misconduct, is [available](#).

You can also follow the Insolvency Service on:

[News story: Darwin Plus: 'Bird-borne' radar for albatrosses among 17 new projects to be funded](#)

[unable to retrieve full-text content]Funding for 17 conservation projects worth more than £3.5 million in the UK Overseas Territories has been announced from the Darwin Plus initiative to deliver commitments in the 25 Year Environment Plan.

[Press release: New tool helps savers get a 50% government boost to their savings](#)

Over 80,000 people have signed up to the government's new saving account – Help to Save – depositing over £10 million.

A new tool in the HMRC app is available which lets savers set their own savings goals and personal reminders, to keep on track and maximise bonuses.

The account offers working people on lower incomes a 50% bonus, with Help to Save rewarding savers with an extra 50p for every £1 saved. Over a 4 year period a maximum saving of £2,400 would result in an overall bonus of £1,200.

Help to Save is easy to use, flexible and secure, and will help those on lower incomes build up a 'rainy day' fund, and encourage savings behaviours and habits. How much is saved and when is up to the account holder, and they don't need to pay in every month to get a bonus.

John Glen, Economic Secretary to the Treasury said:

The new year is a good time to start getting into the habit of saving, and with Help to Save you'll get a massive 50% boost from

the government.

Whether you are saving for a family break, putting money away for a rainy day, or even saving for next Christmas, Help to Save is designed to make saving as simple as possible. And with the new version of the app, which can be personalised to help you make the most of your bonus, it's easier than ever.

[Help to Save explained](#)

Help to Save is available to working people on Tax Credits and Universal Credit.

Account holders can save between £1 and £50 every calendar month and accounts last for 4 years from the date the account is opened. After 2 years, savers get a 50% tax-free bonus on the highest balance they've achieved. If they continue saving they could receive another 50% tax-free bonus after a further 2 years.

On maximum savings of £2,400 over 4 years, the overall bonus would be £1,200. To check eligibility, get more information, and apply savers can visit [the Help to Save page](#) or use the HMRC app.

[News story: Defence Secretary commissions new report to step up support for service families](#)

A new study that will assess the support available to military families has been commissioned by Defence Secretary Gavin Williamson.

The report will be authored by Andrew Selous MP, who has previously served in the Honourable Artillery Company and the Royal Regiment of Fusiliers. It will analyse the different experiences of service family members, focussing on;

- Spouses and civil partners
- Long term partners
- Children and dependents

The report's findings, which will be completed by summer 2019, will consider the diverse needs of service families and assess whether the current support on offer is meeting these needs. The study will also allow the MOD to further enhance the delivery of vital support for military families.

The MOD supports service families in many aspects of their lives, including housing, education, and spousal employment.

As part of the study, Mr Selous will engage with key stakeholders, including the three single service families federations, service charities, and the Covenant Fund Trust, which makes grants to support the armed forces community.

Defence Secretary Gavin Williamson said:

The success of our armed forces would not be possible without the constant support of the service families, who are often the unsung heroes of the military community.

I'm always inspired by their unfaltering fortitude, and the pride they take in their loved ones' service. I'm delighted that Andrew will be considering how we can best support them, as they support those who are keeping this country safe.

Andrew Selous MP said:

I have been a long-term champion of the importance of healthy and respectful couple and family relationships across society. As a nation, we rely on the strength of our Armed Forces to keep us safe. The nation in turn, has a duty to support and strengthen service families to help them perform a challenging role to the best of their ability.

I look forward to leading this critically important study, at the request of the Secretary of State, to assess the current needs of military families and to advise on the support they need.

The MOD has continued to bolster its funding for service families, allocating £5 million to the Education Support Fund, which supports the children of military personnel, and investing £68 million into the improvement of family accommodation.

Last year saw the launch of the Armed Forces Flexible Working Act, which enhances serving personnel's ability to serve part-time, should their circumstances change, and the announcement of a new scheme to support spouses' employment, providing vocational training.

[News story: £2.5 million to boost international exchanges for schools](#)

Thousands more young people will have the chance to take part in

international exchanges and visits thanks to a new £2.5 million programme, the Education Secretary announced today (19 January).

Schools in England will be able to apply for grants to take pupils aged 11 and above to visit partner schools around the world, giving them the chance to experience different cultures, improve language skills and build independence, character and resilience.

The programme, which will be principally focused on supporting children from disadvantaged backgrounds, will be run in partnership with the British Council – whose [own research](#) has found that only 39% of secondary schools run international exchanges. For independent schools, the figure is 77%.

As education ministers from around the world prepare to gather in London for the Education World Forum, Damian Hinds has stressed the importance of ensuring disadvantaged young people don't miss out on the life-changing experiences and academic opportunities offered by overseas visits.

Evidence shows that businesses are increasingly looking for employees with international experience and language skills – and, according to a British Council survey, almost two-thirds of university language students said that an international exchange helped inspire them to choose their degree course.

The programme will build on the government's work to encourage more pupils to study a foreign language, including their inclusion in the English Baccalaureate. Since 2010 we have seen 45% more entries in GCSE Chinese and 51% more entries in GCSE Spanish.

Education Secretary Damian Hinds said:

I want every child to have a world-class education, and that includes the opportunity to experience other cultures and go to places they wouldn't normally visit – whether that's practising their Mandarin in China or learning about American history in the US.

School exchanges are so valuable, bringing subjects such as modern languages and international history to life as well as helping pupils develop into confident, independent and well-rounded young people.

As Britain leaves the European Union, it's more important than ever to show how much we value international opportunities, language-learning, and ensuring our young people have a global outlook – something I'll be discussing with education ministers from around the world at Education World Forum.

This investment will help schools who may not have much experience organising trips abroad to ensure their pupils don't miss out on all the fantastic benefits these experiences can bring, encouraging children to broaden their horizons and aim high throughout their education and beyond.

Sir Ciarán Devane, Chief Executive of the British Council, said:

Pupils keep the memory of a school trip abroad for the rest of their lives – it is an important first step in understanding the world. It encourages children to think about working and studying overseas and sows the seeds of international co-operation that we encourage in young people all around the world.

The programme's focus on disadvantaged pupils was also welcomed by schools.

Geoff Lumsdon, headteacher at Seaham High School in County Durham, said:

This programme will expand students' international horizons and experience, delivering on our school's vision to help the young people of Seaham to achieve the highest possible outcomes and to make a valuable contribution to the global society in which we all now live.

Many of our students receive the Pupil Premium and we do our utmost to ensure equality of opportunity so that all of our pupils feel safe, secure, and are free from prejudice and able to develop a mutual respect for others. This is an exciting opportunity to ensure every young person can access international and multicultural experiences so they are ready to take on the challenges of the 21st century – and we would be delighted to participate.

Funding will be targeted at schools with above-average numbers of pupil-premium students. Over the course of the programme, it is estimated that trips could be funded for 2,900 pupils. Young people will be encouraged to stay with host families abroad where possible, maximising their opportunity to practise language skills and be fully immersed in another culture.

To make the scheme as easy as possible for schools to take part in, there will be a simple application process, grants to cover the administrative cost of organising trips, and seminars to help schools without much experience of international visits find partner institutions abroad – in Europe or further afield.

Schools will be able to register their interest on the British Council

website from Monday.