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NEWS RELEASE

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Pension guidance - the solution ‘hidden in plain sight’ to help protect pension savers against scams

Pension guidance is the solution ‘hidden in plain sight’ to protect pension savers against the growing menace of fraudsters, according to Just Group.

As the Work & Pensions Committee inquiry into pension freedoms and scams today starts taking evidence, **Stephen Lowe, group communications director at Just Group, commented:**

“The committee pointed out back in 2015 that pension freedoms have increased the prospects of people being conned out of their life savings. At the time, it warned: ‘Financial scammers are notoriously adept at reinventing themselves to take advantage of such opportunities.’

“So far anti-scam activity has largely focused on delivering generic information and warnings which is simply not working well enough.

“At the same time, the free, impartial and independent guidance provided by Pension Wise is under-utilised despite its users being more confident in their ability to avoid pension scams and better informed about their options than non-users.

“Pension guidance is a solution to the scam problem that is hidden in plain sight. At present, usage is lower than where it needs to be and may not be reaching those with lower levels of financial capability who need it most.

“We are waiting for the Financial Conduct Authority to implement the provisions of the Financial Guidance and Claims Act 2018 to make sure everybody accessing defined contribution pensions gets the guidance they were promised unless they make an active decision to opt out. Our own research found only one in 25 aged 45-54 would opt out if a guidance session was pre-booked for them.

“We would encourage the Committee to press the FCA to deliver urgently that important change and strengthen the safeguard for many more savers against scams.”

Ends

Notes to Editors:**About Just**

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- Individually underwritten retirement income products delivering a guaranteed income for life;
- Long term care plans that provide those people moving into residential care with peace of mind by knowing a regular payment will be made to the care provider for the rest of their life;
- Lifetime mortgages for people who want to safely release some of the value from their home.

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- Regulated financial advice and guidance services for individuals wanting help in using their pension savings and/or releasing some of the value from their home; and
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