

ACTION NEEDED: for former members of the British Steel Pension Scheme

We are writing to you because you have transferred out of the British Steel Pension Scheme (BSPS). Many people that have transferred out of the BSPS since 2017 received unsuitable financial advice and could therefore be entitled to compensation. This letter will help you consider whether you have received unsuitable advice to transfer out of the BSPS and, if so, how to properly raise a complaint. We encourage you to act, if you do nothing, you may end up with less money during your retirement than you should have done.

Many former BSPS members have received unsuitable advice to transfer out

The Financial Conduct Authority (FCA) regulates financial advisers in the UK. We make the rules that must be followed and hold firms to account if they don't. According to information provided by the trustees, around 8,000 people transferred out of the BSPS. For those members whose transfer payment was in excess of £30,000, they would have been required to take independent financial advice.

As the regulator of financial advisers, we have assessed a sample of the advice provided to former members and found that in only 21% of cases we reviewed, the advice given appeared to be suitable. The remaining 79% was either unsuitable, or unclear.

Our findings are sufficiently concerning that we have taken the formal step of contacting you directly and encouraging you to act. You should check the advice you were given and, where appropriate, complain in order to seek any compensation you are potentially due.

What you need to do

You should consider whether your advice was suitable or not based on **your** needs. If you received unsuitable advice and do nothing, you may end up with less, or no, money during retirement. The enclosed **advice checker** is simple to use and will help you decide whether to make a complaint. This is also online and in video at <https://www.fca.org.uk/consumers/defined-benefit-pension-transfers/advice-checker>.

If you are unsure or have any questions you should contact The Pensions Advisory Service (TPAS), a free, independent, and impartial pensions guidance service. Many of you may remember TPAS as it offered dedicated support over the last few years. TPAS is part of the Money and Pensions Service (MaPS) that is sponsored by the UK Government.

How to make a complaint

It is quick and simple to make a complaint and **you do not need to use a claims management company (CMC) or a solicitor to do this**, if you do you will have to share any compensation you get with them.

- The **first step** is to complain to the firm that gave you the advice. This may seem strange, but the firm should have the initial opportunity to put right any wrong.

- The **second step** is if you're not satisfied with the firm's response, or it doesn't respond within 8 weeks, you can take your complaint to the free and independent Financial Ombudsman Service. It has a dedicated email contact point for British Steel Pension Scheme members - bspsqueries@financial-ombudsman.org.uk.

If you are not sure how to go about making the initial complaint to the firm, get in touch with the Financial Ombudsman Service and they may be able to help.

If the company that advised you is **no longer trading**, you can submit a claim to the Financial Services Compensation Scheme (FSCS). The FSCS may be able to compensate you up to £85,000 if it determines you have suffered a financial loss because of the advice you received.

STAY ALERT! Watch out for fraudsters

As always, you should remain alert to the prospect of someone contacting you out of the blue about your pension or even this letter. If someone contacts you suggesting they are from any of the organisations listed here, or your adviser, or anyone else, **end the call and contact us or TPAS** directly. Do not give them any personal information.

Where to find more information:

The contact details for organisations mentioned in this letter are as follows:

- FCA Contact Centre: 0800 111 6768 or online at www.fca.org.uk
- Money and Pensions Service: 0115 965 9570, www.moneyandpensionservice.org.uk
- Financial Ombudsman Service: 0800 023 4567, www.financial-ombudsman.org.uk
- Financial Services Compensation Scheme: 0800 678 1100, www.fscs.org.uk

A final word...

We know the last few years have been distressing for many members of the BPS, and this has not been helped by the actions of some regulated financial advisers. The FCA – along with The Pensions Regulator, Financial Ombudsman Service, FSCS and MaPS – remains committed to supporting you and taking action against any firms that are found to have provided poor advice.

Yours sincerely

Megan Butler

**Executive Director of Supervision: Investment, Wholesale and Specialists Division
Financial Conduct Authority**

Your data:

We obtained your personal data (your name and address) from the trustees of the Old British Steel Pension Scheme and the British Steel Pension Scheme (the Trustees) to enable us to inform you of your rights to make a complaint if you feel you have been provided with poor advice.

The Trustees hold your personal data in line with UK data protection law, including the General Data Protection Regulation (GDPR), as a data controller. Your personal data was transferred to us by the Trustees in accordance with UK data protection law and they have only provided us with the minimum amount of personal data necessary for us to write to you.

The FCA holds your personal data in accordance with UK data protection law, as a data controller. We are only using your personal data under Article 6(1)(e) of the GDPR (which means it is necessary for the performance of a task carried out in the public interest) and Section 8(c) of the Data Protection Act 2018. We will keep your data for as long as it is necessary to fulfil our purpose of informing members of their right to make a complaint.

To find out how the FCA uses personal data, or to contact us to raise any concerns about how we've used your data, please see our privacy notice <https://www.fca.org.uk/privacy>

Rydym yn hapus i ddarparu copi o'r llythyr hwn yn y Gymraeg ar gais. Cysylltwch gyda ni ar cymraeg@fca.org.uk ac fe wnawn anfon copi atoch.