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PRAG publishes guidance on the risks of pension fraud

The Pensions Research Accountants Group (PRAG) has published a guidance note on the types of fraud that pension schemes may suffer, and how schemes can manage the risks of pension fraud. The guidance is primarily intended for pension scheme trustees and managers, to help them consider where the fraud risks may lie in their schemes. It sets out a number of case studies for the main fraud types.

The guidance document will be formally launched at PRAG's 2021 Summer Meeting which will be taking place online on 24 June.

Jim Gee, Chair of the PRAG Cybercrime and Fraud Working Party, said:

"Fraud has a pernicious impact across society as a whole, but this is particularly the case in the pensions sector. The many different types of fraud ultimately impact (directly or indirectly) beneficiaries at a time of life when pensions are often their only source of income and recovery from financial damage is more difficult. This guide both explains the nature and extent of the problem and outlines what those involved need to do to protect themselves – especially the questions that Trustees need to ask and get credible answers to."

Shona Harvie, Chair of the PRAG Executive, said:

"Unfortunately in recent times we have seen an increase in the incidence of frauds perpetrated against pension schemes. The PRAG guidance is aimed at Trustees and can be used in conjunction with the soon to be published PASA guidance for pensions administrators. I would like to thank the members of the PRAG Cybercrime and Fraud Working Party for putting this guidance together."

Ends

Notes to editors:

Contacts:

For further information or a copy of PRAG's guidance paper, please contact Mike Hammer, PRAG's Press Officer, on press@prag.org.uk. The guidance is available to PRAG members on our website.

About PRAG:

Pensions Research Accountants Group ("PRAG") is a leading independent industry body working for the development of occupational pensions schemes, with a focus on financial reporting and internal controls. PRAG is a body of accountants and professionals working in the pensions industry. PRAG is the body recognised by the Financial Reporting Council for the publication of the accounting guidance through the Pensions Statement of Recommended Practice ("SORP") which is a significant focus of our activities. PRAG also issues guidance on other topical areas and responds to consultations on areas affecting occupational pension schemes.

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