is a pound not spent on useful and innovative parts of the British economy. So it matters Our articles are not just opinion. Virtually all include stats from recognised sources. Banks, corporates, work & pay, tax, welfare, consumer goods, advertising & media, property, leisure... nothing is safe!

We go after the people, companies, sectors, politicians and regulators that are the true rip-off rain-makers.

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SATURDAY, 13 APRIL 2013 New pension scandal: employers add "consultancy" fees to the

## pension by 50%

From our guest author, the pensions expert Dr. Ros Altman: The FSA is allowing employers to pay huge fees to unauthorised 'advisors' with money taken from employee pension funds. All for advice that doesn't

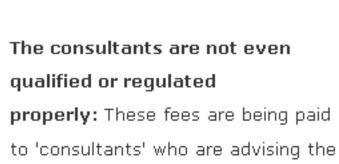
new automatic workplace pension schemes that can reduce your

have to benefit the employees, and for fees that can reduce their pensions by half. Workers' pension funds being Don't worry! Sky high UK pension fees pass the minister's "baked beans test". In Europe and the US it's half that raided to pay fees for employer What? Why doesn't Steve Webb cap the fees? They take up to 50% of our pension savings Shhhh! Here' advice: As millions of workers are Steve..

for the same reason we

don't set a price cap on a tin of baked beans: because it's a vibrant market!"

being automatically enrolled into a workplace pension scheme, it has emerged that many employers can arrange for huge fees to be taken out of their employees' pension funds. The money is deducted to pay for advice to the company, not to the workers who foot the bill. The consultants are not even qualified or regulated properly: These fees are being paid



scheme. Although the consultants are paid out of the workers' pensions, the employees themselves usually get nothing for it. Worse still, because the advice is being given to a firm and not an individual, the usual regulatory protections do not apply. These consultants are not even required to

employer on setting up their pension

Workers unaware of what is happening and regulator has not protected them: There are hardly any controls on the amounts that can be deducted, workers will usually be completely unaware of what is happening and will trust their employer to choose them a good scheme. However, the FSA and Pensions Regulator are allowing this to continue and many people's pensions could be decimated as a result.

having any standard qualifications and are not covered by the normal regulatory protections.

Chris meets his Pension Fund Manager chum... True. Dutch, Danish and US pension pots are a staggering 50% higher than here, for Mystery shopping study by Which? Don't cut public sector pensions. In fact, raise private ones by cutting your bloated fees exposes extent of the the same amount saved scandal: Consumer group Which? has conducted a 'mystery shopping' exercise which exposes the real scale of this scandal. It posed as a 'consultant' and went to five

employer. Workers have no control over the fees they are forced to pay: Members cannot stop this

happening as charges are agreed

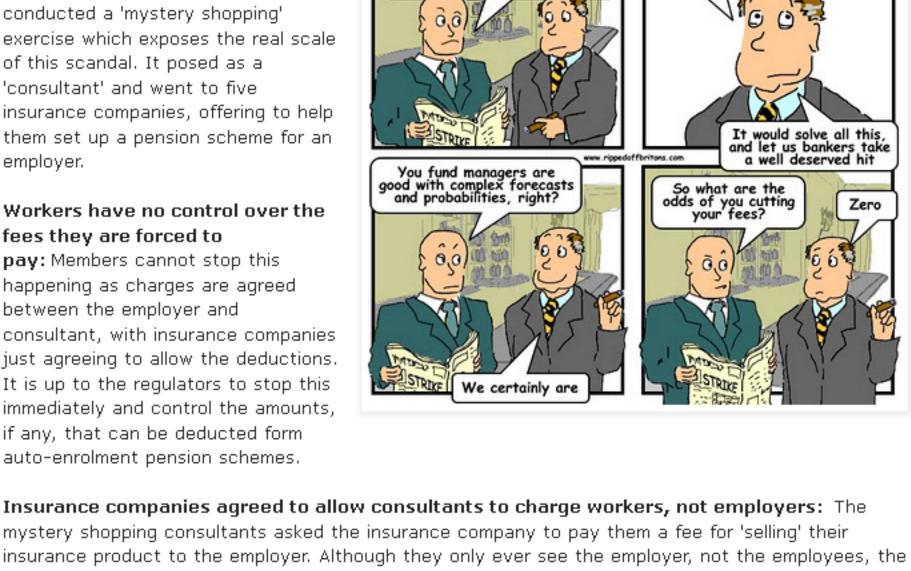
between the employer and

insurance companies, offering to help

them set up a pension scheme for an

consultant, with insurance companies just agreeing to allow the deductions. It is up to the regulators to stop this immediately and control the amounts, if any, that can be deducted form auto-enrolment pension schemes. insurance companies agreed that these 'consultants' could charge huge sums to each employee and there are no proper protections in place for workers' money. For example, insurance companies agreed

year and they can do nothing to protect themselves.



Regulators should be protecting these workers, why does Which? have to expose it?Why is the regulator not on top of this? The government is automatically enrolling all workers into a workplace pension scheme. These schemes are supposed to be 'low cost' and ensure workers get more income in later life. If so much of their hard-earned money can merely be taken out of their funds to pay unqualified, unregulated consultants who do not even give them any advice, then something has gone seriously wrong with the system. Employers do need help setting up auto-enrolment pensions, but it is just not fair to charge members for this: This must be stopped immediately and new controls on such charges must be put in place before it turns into yet another pensions scandal. Surely we have had enough of those already.

to charging each worker £400-£450 for the first year and then ongoing annual charges on further

contributions each year, ranging from £5 a year to 7.5 per cent a year for the first five years. For a

low earner, these kinds of fee levels could see their pension fund reduced by nearly half in the first

Up to 50% of your pension is taken in fees by UK banks, much more than in Europe or the US... All he has to do is stop @ Hat British banks screwing British pensioners

Dr Ros Altmann is a pensions expert



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equally. The difference is only in how the cake

Barclays' tax avoidance division generated £1bn annually Barclays ran a Structured Capital Markets department to enable its clients to avoid tax. Embarrassed, Barclays closed down this "industrial-scale tax avoidance" department, but the 100 staff were redeployed rather than sacked. GUARDIAN ("Redeployed after retraining, mind you. Yup, we got the 100 staff to retrain the rest of us!" said

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Have regulators in other sectors learned the lessons of the bad bankers? OFGEM's piffling "record" fine on SSE for mis-selling suggests not. In the first week of April 2013 out came three reports two detailing naughtiness and incompetence in banks, Barclays and HBOS, and one in the energy supplier SSE. All three showed deeply ingrained recklessness in the pursuit of

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Example Profit. While Britain has stood gobsmacked at the greed of bankers, are we missing the fact that what started in the City has infected other industries and professions?

it starts to cost jobs or damage economyAt present, the Low Pay Commission, which sets the minimum wage, only has to "consider" the impact on the wider economy. The government now wants to force it to set a minimum wage that supports government cutting costs during a recession. The Apr-05-2013 | More » Rip-off News round-up. Our pick of the last week's media (Thu 4th April)

Fee and KJ work out who the real scroungers are ... SOURCE TELEGRAPH: Minimum wage could be frozen or cut if

Over 300 banking adverts caught mis-selling last year. Financial companies were forced to remove or amend more

Most people eligible for benefits are in work, because benefits subsidise employers who pay low wages

than 300 advertisements last year. But the bank regulator refused to name the offending promotions. So consumers have no way of knowing if they were a victim. Consumer champion Which? says: "It's ridiculous that if you run a misleading advert for chocolate spread you're named and Apr-04-2013 | More »

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Hold on to your rights. Rights are not given to you by the powerful through their benevolence. Rights are given only

when the powerful need you to fight their wars, work in their companies, or vote for them in elections. Rights are given

Guest post from the Scriptonite Daily blog; the "Barnet Casino" video is from The Barnet Alliance (produced by Azi Khatiri, drawn by Ellis Nadler). It is clear and beyond doubt: it simply costs more to live in a state where the basics

we need to survive are handed over to private interests to profit from. We had it better when we shared. So, the

reluctantly, and are taken back when the opportunity arises. Such an opportunity was created by the banking crisis,

even if they aren't don't g...

smuggled in under the cloak of 'Austerity'. Mar-31-2013 | More »

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Don't be fooled. It was bank borrowing that caused the debt crisis, not consumer borrowing.

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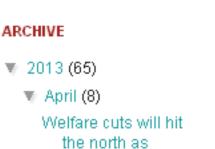
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