

Faster, Fairer, Digital: The Pension Transfer Reset

The case for urgent Government
action on pension transfers



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Executive Summary

The UK pension transfer system is failing consumers and creating unnecessary barriers to effective retirement planning.

Lisa Picardo
Chief Business Officer UK
PensionBee



Pension transfers remain one of the most significant pain points, with poor experiences acting as a barrier to consumer trust in retirement savings.

Despite examples of excellent practice, too many savers continue to face unacceptable delays. Recent PensionBee research revealed transfer times frequently taking several months and sometimes even stretching into years, eroding confidence in pensions and undermining retirement planning efforts.

This report describes the current state of play, identifies the key barriers holding back progress, sets out the opportunity the industry has to accelerate positive change, and looks at the case for policy intervention.

After extensive research, engagement and direct discussion with providers, platforms and trade bodies in the drafting of this report, it has become clear to us that voluntary collaboration will not deliver meaningful reform.

The conclusion is clear: without urgent Government intervention, progress will continue to stall,

remaining inconsistent and uneven - causing consumers unnecessary frustration, confusion and anxiety. If we wait for the pensions industry to raise its own standards and deliver meaningful positive change to the transfer process, we will be waiting forever.

The path forward must now be championed by the Government and the regulators, using their authority to deliver a pension transfer experience fit for the modern saver.

The report sets out a number of tangible recommendations which have the power to drive positive change. Among them, is the call for a 10-day Pension Switch Guarantee, which should apply in all but the most complex cases. Two specific areas of existing legislation urgently require reform to remove structural barriers to efficient transfers and modernise the system.

Whilst the system is broken, it can be fixed. The industry and consumers need the Government and regulators to set higher standards, enforce compliance, and safeguard consumer rights. Now is the time to act.

Core recommendations

- 1 Mandate digital transfers across all pension schemes**
- 2 Introduce a Pension Switch Guarantee**
- 3 Require providers to publish their transfer performance data**
- 4 Fix the pension transfer scams legislation**
- 5 Reduce the statutory six-month transfer deadline**

Introduction

Over the past year, PensionBee's 10-day Pension Switch Guarantee campaign – including the reports [A Switch in Time](#) (May 2025) and [Ending Pension Purgatory](#) (July 2025), alongside the ongoing [public petition](#) – has placed pension transfers firmly on the public agenda. Together they have:

- Exposed shocking cases of delays exceeding 1,000 days.
- Demonstrated overwhelming support for a 10-day switch guarantee from consumers and the advice profession.
- Generated strong and supportive national and trade media coverage.
- Secured backing from 6,500 petition signatories, with numbers growing ahead of the January 2026 deadline.

These efforts have already changed the conversation. But while the case for reform is widely accepted, patchy and uneven progress needs a fresh injection of momentum, and an industry-wide solution to be accelerated.

This report is the next step. It shifts from problem diagnosis to a call for urgent policy action.

“ **A fast, effective transfer process is vital in a fair, competitive, and consumer-focused pensions market.**



The current state of play

In 2024, around 1.5 million pension transfers were completed in the UK, with a value of approximately £67 billion.¹

Looking ahead, the rollout of the Pensions Dashboards Programme will for the first time, allow all savers in the UK to view their pension pots in one place, making their retirement wealth more tangible.

That visibility is likely to act as a catalyst for pension transfers as people seek to combine their savings pots to make them easier to manage and engage with, and to optimise how their money is invested to suit their needs. This risks placing additional strain on the system at a time when many pension transfer processes remain manual and/or inconsistent across providers.

With transfer volumes and values both rising, and transparency increasing via dashboards, the system faces a dual challenge: meeting demand while maintaining speed, clarity and consumer protection. If infrastructure and service standards do not keep pace, delays and poor outcomes will become more common, undermining the confidence of savers and of the advice profession alike.

In the UK, pension regulation is split between two regulators, covering two distinct types of pension arrangements:

The Pensions Regulator (TPR)

TPR regulates work-based or occupational trust-based pensions, such as pension schemes set up by employers and run by trustees who manage the scheme on behalf of members (e.g. defined benefit (DB) and defined contribution (DC) occupational schemes, Master Trusts used by multiple employers, public service pension schemes etc.).

Financial Conduct Authority (FCA)

The FCA regulates financial firms that provide or administer contract-based pension schemes, such as personal pensions (including SIPPs) and stakeholder personal pensions. These are provided by financial firms (e.g. insurance companies), and the relationship is a contract between the individual and the provider.

The current split in regulatory responsibility between TPR and the FCA has become increasingly artificial. TPR originally inherited oversight of trust-based defined contribution (DC) pensions because it already governed defined benefit (DB) schemes. However, this legacy structure no longer reflects the way consumers experience their pensions.

Savers expect the same level of protection, transparency and service regardless of whether their scheme is trust-based or contract-based. In practice, the divide has created two parallel systems with inconsistent standards, confusing rules and uneven outcomes. While their responsibilities differ, the FCA and TPR do work together on areas of mutual interest, such as the prevention of pension scams.

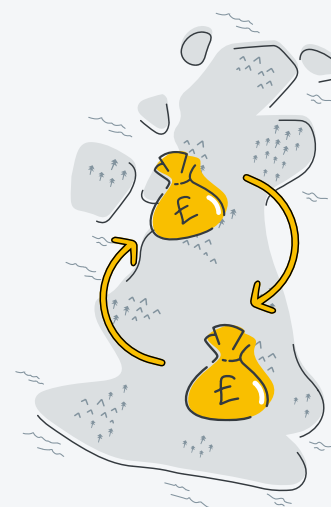
1. [Origo Pension Transfer Index, 2025.](#)

Why firms are treated differently

FCA-regulated firms are held to consumer protection and conduct standards similar to banks or investment firms. The FCA focuses on things like transparency, value for money and fair treatment of customers.

TPR-regulated schemes are assessed mainly on governance, funding and the duties of trustees to act in members' best interests. The TPR's focus is on ensuring the employer and trustees run the scheme responsibly and that it remains solvent.

So the difference reflects the type of entity and the nature of the consumer relationship.



What this means for consumers

For pension savers, this can make the system extremely confusing. Understandably, many people don't know there are multiple regulators, aren't aware of which regulator oversees their pension, nor what protections they have.

In theory, both regulators aim to protect consumers' retirement outcomes, but the mechanisms differ:

- In FCA-regulated pensions, consumers have rights to complain to the Financial Ombudsman Service and are covered by the Financial Services Compensation Scheme (FSCS).
- In TPR-regulated schemes, protections come from trustee duties and, for defined benefit schemes, the Pension Protection Fund (PPF). Consumers have rights to complain about the way personal and occupational pension schemes are run. Complaints about the employers, trustees, managers or administrators of a scheme can be made to the Pensions Ombudsman.

These differences can lead to uneven consumer experiences and protection levels, depending on what type of pension an individual has. Given that most people will accumulate multiple different pension pots across their lifetime, the experience can become even worse.



The impact of the dual regulator system on transfer times

Pension transfer performance across the industry is deeply inconsistent. Having two pension regulators undoubtedly makes the system more complex, and fuels greater inconsistency across consumer experience - a solid argument for perhaps having a single regulator. But absent that, greater alignment to raise consumer standards and to meet the more modern expectations would be powerful.

The FCA found in a recent review that many firms in their remit that were sampled were well-intentioned, and seeking to ensure consumers received good outcomes when transferring their pensions.² They highlighted that ceding schemes in their sample made most transfer payments within a suitable time of receiving the request to transfer, and that more than three-quarters completed all transfer requests, on average, within 20 days. Proof that efficient pension transfers are doable at scale.

However, the FCA also noted that some firms in the sample were slow, taking significantly longer than their peers on average to complete a transfer, and highlighted challenges that other firms were facing - particularly when deciding how to apply additional

checks to protect customers and when responding to increased demand. But they stated clearly that firms must avoid causing foreseeable harm through poor or slow service, and reiterated the expectation for them to have sufficient resources to manage foreseeable customer demand. They highlighted that the launch of pensions dashboards may drive higher demand to consolidate pension pots, and that firms should be resourced sufficiently to respond to spikes in demand.

Our own published data shows us that many providers, especially those that sit within the TPR-regulated cohort, can take several months to process transfers, in some awful circumstances, even years - breaching the six-month statutory deadline.³ So there's plenty of room for improvement - for providers to focus their efforts, take a close look at their systems and processes to make necessary changes, and invest more to improve the customer experience. A detailed review of pension transfers by providers regulated by TPR could help accelerate this.

Best practice in pension transfers



- **Firms using a digital platform to facilitate electronic pension transfers** (e.g. the Origo Transfer Service) routinely complete transfers in under two weeks.⁴
- **Voluntary initiatives such as STAR**, the industry accreditation scheme designed to combat delays in electronic transfer times, are driving improvements in transparency and benchmarking.

Worst practice in pension transfers



- **Manual, paper-based processes**, outdated systems, a lack of operational resources to process pension transfers, and poor communication with consumers.
- **Regulatory fragmentation between FCA and TPR** regulated schemes, creating a two-tier system.

2. [FCA Life insurers' pension transfer process – review](#)

3. [PensionBee: A switch in time report](#)

4. [Origo transfer index](#)

The need for urgent reform of the pension scams regulations

In 2021, significant changes affecting the transfer timeline came into force. The Occupational and Personal Pension Schemes (Conditions for Transfers) Regulations 2021 introduced new measures to combat pension scams and gave trustees the power to block a transfer if they suspected a scam - a "red flag" and "amber flag" system was introduced.

Scam prevention rules rightly exist to protect consumers. But while consumer protection is paramount, we must be careful that these rules are applied proportionately and that they aren't used, whether intentionally or through inertia, to slow down legitimate transfers. The FCA has warned against any 'sludge practices' that make it harder for customers to act in their own interests.

By way of example: the presence of and "overseas investments" in the receiving scheme is one of the primary triggers for an amber flag. Whilst the intention of this drafting was to flag high-risk, unregulated, or non-standard overseas investments in countries with weak regulation, in practice certain ceding schemes are applying this when

processing transfers to regulated pension schemes that simply hold diversified standard global equity funds managed by established firms. This leads to extensive and unnecessary delays in legitimate transfers.

The current Red and Amber Flag system is too often creating delays for consumers moving to well-known, regulated providers. And there are improvements to the drafting and application of these rules that could drive positive change for many. For example, transfers to FCA or TPR regulated schemes with established track records should be exempt from excessive, tick-box scam questionnaires, allowing providers to focus resources on genuinely high-risk cases.

As the FCA and TPR do work together on areas of mutual interest such as the prevention of pension scams, we would expect that this is something that could be addressed and enforced by both regulators to change across the good to the benefit of consumers.

The need to modernise the statutory deadline

The statutory deadline for pension transfers was first included in the Pension Schemes Act 1993, giving pension scheme providers six months to complete a transfer. It has not been updated for more than three decades, failing to keep pace with modern technology, processes and consumer expectations.

Once designed to be the backstop, too many providers are hiding behind it - using it to justify or excuse poor transfer performance. It is unwittingly enabling mediocrity and failing consumers - providing no incentive for firms to adapt, adopt electronic processes and implement necessary operational changes.

It needs to be looked at as a matter of urgency - it is a powerful single piece of legislation that bites on all providers and schemes, irrespective of their nature, nuance or regulator.

In one simple move, it is capable of re-setting behaviours and improving industry performance to meet consumer expectations.

Why change is needed now more than ever

Transferring a DC pension should be a straightforward and stress-free process, yet for many UK savers it remains unpredictable, frustrating and unfair.

With millions of pension transfers already taking place each year - an unintended consequence of the Auto-Enrolment system in the UK, and more frequent job switching driving pot proliferation, which then leads to pot consolidation as the antidote - this number is expected to continue to rise rapidly.⁵

Ahead of expected changes which will bring pensions into the perimeter of inheritance tax (IHT) in April 2027, experts are predicting that many people with various pension pots, accumulated over the years, will be taking action to gather as many of their DC pension plans into one place, so they can not only optimise their retirement savings, but also more easily make effective inheritance and estate plans.

A little further on the horizon, the Pensions Dashboards will provide all UK savers with a single view of all their pension pots, reuniting some with old, lost or forgotten pots. Experts are predicting that this too may lead to more people wanting to take control of their retirement planning, seeking to move or consolidate their pensions to simplify, better manage and optimise their fragmented savings.

An inconsistent two-tier system, with an outdated six-month statutory pension transfer deadline will only serve to frustrate and infuriate many more savers, eroding trust in the pensions industry, the regulators and the Government.

“ **Transferring a DC pension should be a straightforward and stress-free process, yet for many UK savers it remains unpredictable, frustrating and unfair** ”

5. [Origo: Pension Transfer Times Fall as Volumes Increase](#)

Barriers to improvement

Despite clear evidence that faster DC pension transfers are both achievable and beneficial, significant barriers continue to slow progress.

These challenges are not insurmountable, but they demand urgent attention from regulators, policymakers and the industry to ensure savers receive the pension experience they deserve. The main obstacles identified include:



Regulatory fragmentation

Two regulators with different expectations and enforcement capabilities.



Lack of accountability

No clear service standard, and little consequence for poor performance.



Legacy systems & manual processes

Particularly in trust-based schemes, where outdated manual processing remains common.



Operational complexity

A minority of transfers involve unusual benefits or protections, requiring additional checks.

Average pension transfer times 2024

Best and worst performers (based on PensionBee data)

Pension Provider	Average transfer time (days)
Nutmeg	4.8
Aviva	5.1
Fidelity	7.0
ReAssure	7.1
PensionBee	9.4

Leading FCA-regulated providers already demonstrate rapid transfers are feasible.

Pension Provider	Average transfer time (days)
The Salvus Master Trust (bought by Cushon)	50.8
Railways Pension Scheme	56.9
Local Government Pension Scheme	59.4
Creative Pension Trust (bought by Cushon)	63.9
XPS Administration	66.4

Laggards prove barriers are institutional, not technical.

Regulatory fragmentation



One of the most persistent challenges is the split between two regulatory regimes. Providers regulated by the FCA are, on the whole, performing better on transfer times. (See 'Average pension transfer times 2024' pg 10.)

Many have already embraced digital processes, adopted industry initiatives such as STAR, and made improvements to their systems. This demonstrates that where the regulatory expectations are clear and consistently enforced, providers respond.

By contrast, trust-based pension schemes regulated by TPR are often much slower. These schemes account for a substantial proportion of the workplace pensions market, yet they face less pressure to modernise.

The lack of alignment between FCA and TPR standards has effectively created a two-tier market.

For consumers, this means that the speed of their transfer depends not on the complexity of their personal situation, but on which regulator oversees their provider. Something which often isn't visible or known to them, or relevant to their expectations.

The absence of a unified approach is confusing, unfair, and deeply damaging to trust in the system. Without coordinated regulatory standards – and a clear mandate for digital adoption – this fragmentation will continue to hold back progress.



Legacy systems and manual processes



A second barrier lies in the technology underpinning many pension providers, particularly in TPR-regulated trust-based schemes. Too many schemes still rely on manual processes, paper-based systems, and outdated IT infrastructure. In some cases, even routine requests require paper forms, wet signatures and physical mailing – adding weeks to a process that could be completed digitally in days.

In many instances where lengthy delays occur, the excuse that is often cited is ‘scam prevention’. This is a poor excuse and a misnomer when a customer is moving their money between regulated firms. Scam prevention is not a credible excuse for poor DC transfer experiences for most people, when the reality is that in many cases it is inadequate manual systems and poor administration support services that are the cause. People in the pensions industry and consumers recognise ‘sludge’ tactics when they see them. This excuse must be robustly challenged each and every time it is rolled out.

The reality is that modern technology already exists to support near-instant transfers. The barriers here are not technical but cultural and financial. Without a clear regulatory mandate to invest in digital infrastructure, some providers will continue to rely on outdated methods – to the detriment of consumers.

Lack of accountability



Another critical issue is the absence of clear, enforceable service standards. At present, there is no universally defined timeframe for what constitutes an “acceptable” pension transfer. This lack of clarity creates a vacuum in which poor performance goes unpunished.

Providers with slow processes face little consequence beyond reputational damage, which is often limited because consumers rarely have visibility of comparative transfer times across the industry. Voluntary initiatives such as STAR are beginning to introduce benchmarks and improve transparency, but participation is not universal and the standards are not enforceable.

In practice, this means that a saver experiencing delays has few options. Complaints can be made, but they are time-consuming and often fail to resolve the underlying issue. For meaningful change to occur, accountability must be built into the system through regulatory enforcement, penalties for repeated failure, and incentives for best practice.



Operational complexity



It is important to acknowledge that not all pension transfers are straightforward. A minority involve unusual benefits or protections – such as safeguarded guarantees, defined benefit entitlements, or certain tax protections – which necessitate additional checks. These cases can and should take longer, as it is essential to protect consumers from losing valuable benefits.

However, the existence of complex cases is too often used as a justification for broader inefficiency. The majority of DC transfers are standard and could be completed within a matter of days.

Yet slow providers frequently cite “complexity” as a blanket explanation for delays, even when no such issues are present.

A clear distinction must be drawn between genuinely complex cases, which require more time, and routine transfers, which should be subject to a strictly enforced timeframe standard. Without this differentiation, operational complexity, like scam prevention, becomes an excuse for inertia rather than a legitimate barrier.

A systemic challenge

Taken together, these barriers illustrate why progress has been so slow:

- Regulatory fragmentation creates inconsistent expectations;
- Legacy systems perpetuate manual processes;
- A lack of accountability means poor performance continues unchecked; and
- Operational complexity, while real in a minority of cases, is often used to mask wider inefficiency and poor resourcing.

The consequence is a system that fails to meet the needs of modern consumers. Pension savers expect the same standards of speed, transparency and reliability that they experience in banking, insurance and other areas of financial services.

Unless these barriers are addressed directly – through regulatory leadership, mandated standards, and investment in technology – pension transfers will remain a source of frustration and mistrust.

The prize for overcoming these obstacles is significant. Faster transfers will build consumer confidence, enable pension consolidation where consumers are seeking to take control and better manage their retirement savings, and support better retirement outcomes. The barriers are clear. The solutions are known. What is needed now is the will to act.

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The opportunity for accelerating positive change

While DC transfers are plagued by inconsistency and delay, the encouraging truth is that the tools and frameworks for improvement already exist.

Industry participants made clear that the problem is not a lack of innovation, but rather uneven adoption and insufficient regulatory momentum. By building on current initiatives and technologies, there is a clear opportunity to create a faster, fairer, and more transparent system for all pension savers.



Digital adoption

Proven platforms such as Origo and Equisoft demonstrate that technology works at scale.



Standardisation

STAR and Criterion are setting benchmarks, but adoption must be universal.



Transparency

Publishing transfer performance creates accountability and builds consumer trust.



Collaboration

Technology firms, providers, and policymakers can work together to ensure consistent outcomes.

Digital adoption

The single biggest driver of improvement is the adoption of digital transfer technology. Platforms such as Origo and Equisoft have proven that pension transfers can be completed securely, efficiently and at scale when modern systems are in place. For providers already using such solutions, the benefits are clear: reduced processing times, fewer errors, and a smoother customer experience. Digital transfers also minimise the administrative burden on providers, freeing up staff resources for more complex cases.

However, digital adoption is far from universal. While many FCA-regulated providers have embraced these technologies, too many TPR-regulated schemes still rely on manual, paper-based methods. This creates unnecessary delays and frustration for consumers. Mandating digital transfers across the board would ensure that all savers, regardless of provider, benefit from the efficiencies already demonstrated by industry leaders.

Standardisation

Digital tools alone are not enough. Without common standards, processes remain fragmented and outcomes inconsistent.

Universal adoption of common data standards would reduce duplication, eliminate errors, and ensure that providers communicate in a consistent way. This is not just a technical fix – it is the foundation for fairness. A saver's transfer experience should not depend on the idiosyncrasies of their provider's processes, but on a universally applied standard recognised across the industry.

Transparency



Another opportunity lies in greater transparency. At present, consumers and advisers have limited visibility of DC pension transfer performance. Delays are experienced individually and privately, rather than being exposed collectively. Publishing provider-level transfer data would transform this dynamic.

Transparency creates accountability. Providers that lag behind would face public scrutiny, while those leading the way could demonstrate their commitment to customer service. Over time, visibility of performance would drive competition, as providers seek to match or exceed their peers. Transparency would also help regulators and policymakers to identify systemic issues more quickly, enabling targeted intervention.



Collaboration



Finally, collaboration is key. No single provider or technology firm can deliver reform in isolation. Faster transfers require cooperation across the entire ecosystem: providers, administrators, platforms, consumer groups and regulators. Encouragingly, many stakeholders are already willing to work together. Industry participants consistently emphasised that the appetite for change is there – what is missing is clear leadership and a framework to align efforts.

By combining digital adoption, standardisation, transparency and collaboration, the industry has a ready-made blueprint for reform. The challenge is not to invent new solutions, but to embed existing ones consistently and universally. With Government leadership, this opportunity can be realised, creating a DC pension transfer system that is fit for the modern saver.

However – none of these obvious benefits will be realised if the industry is left to its own devices.

Policy intervention is urgently required.

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”

Why policy intervention is required

After extensive research, engagement and direct discussion with providers, platforms and trade bodies, it has become clear that **voluntary collaboration will not deliver meaningful reform**

Despite widespread acknowledgement that the pension transfer system requires an overhaul as it is currently failing many consumers, the industry has proven incapable of raising its own standards to a level that would produce a materially better experience for savers.

There have been few examples of the financial services sector coming together to improve outcomes without being compelled to act. The pattern is consistent: transparency, fairness and consumer protection have advanced mainly when mandated through regulation or policy. The Retail Distribution Review (RDR) ended commission bias. The Pension Schemes Act outlawed exit penalties and improved transfer rights. ‘Double Dipping’, an unfair double charging practice on customers’ Cash savings, adopted by many investment platforms, was only recently banned by the FCA. The introduction of Consumer Duty is forcing firms to demonstrate fair value and good outcomes. None of these changes were born from industry self-regulation. Each required Government or regulatory intervention to force the industry to treat customers more fairly and create lasting progress.

History shows that meaningful reform has only ever come when policy steps in. Regulatory compulsion forced better fee disclosure, accelerated digital

banking adoption and ended exploitative commission structures. Each time, policymakers acted to protect consumers where market forces alone failed to do so.

Pension transfers are no different. Despite very well-meaning voluntary initiatives such as STAR, too many providers regulated by TPR remain reliant on paper processes, poor communication and outdated systems. The reasons are complex but familiar. There are too many vested interests and too many commercial disincentives to invest in faster, digital transfers. Some providers benefit financially from delay, others are simply unwilling to commit resources until compelled to do so. The result is an industry that talks about collaboration but delivers inertia.

The lesson is simple. If we wait for the pensions industry to raise its own standards, we will be waiting forever. The path forward must now be set by Government and regulators, using their authority to define and enforce clear service expectations.

Only regulatory and policy leadership can realign incentives, enforce accountability and deliver a pension transfer experience fit for the modern saver.

The time for persuasion has passed. It is now time for intervention.

“ Only regulatory and policy leadership can realign incentives, enforce accountability and deliver a pension transfer experience fit for the modern saver. ”

Recommendations

To unlock the opportunities for reform, the Government and regulators must move beyond encouragement and voluntary initiatives. Only clear, enforceable rules will ensure that all providers, regardless of size or regulator, meet the standards savers deserve.

Two specific areas of existing legislation now require urgent reform. Modernising these outdated rules would remove two of the biggest structural barriers to efficient transfers. Protecting consumers should never mean trapping them in slow, unresponsive systems. Regulation must evolve to protect freedom as well as safety.

The following recommendations are practical, achievable, and directly linked to creating better customer outcomes:

1. Mandate digital transfers across all pension schemes

The fastest way to bring consistency is to make digital the default. Many FCA-regulated providers have already shown that digital systems can deliver DC pension transfers in days, not months. However, digital adoption among trust-based schemes regulated by TPR is low and as such the pension transfer times lag behind.

The Government can accelerate change by introducing a legal requirement for all providers to offer digital transfers. By mandating digital processes, savers would no longer be at the mercy of manual paperwork or inconsistent practices. Instead, all consumers could expect a transfer experience

comparable to what they already enjoy in banking and payments – fast, reliable, secure and transparent.

But reform will only succeed if providers are given a realistic path to compliance. Smaller schemes and those with older systems will need time and assistance to transition to digital. Offering technical guidance, and setting phased deadlines.

For example, larger providers could be required to meet digital standards within two years, while smaller schemes could be given up to four years, provided they demonstrate progress. This phased approach balances urgency with practicality. Crucially, it ensures that no provider is left behind, and no consumer is excluded from the benefits of reform.



2. Introduce a Pension Switch Guarantee

At present, there is no universal consumer right to switch pensions within a defined period, only the fallback of the six-month statutory deadline. This leaves savers vulnerable to delays with little recourse beyond complaint procedures. By embedding switching rights in regulation, the Government can empower consumers and create a baseline expectation of service. A key lesson from other industries is that clear service standards drive improvement. Just as consumers expect payments to arrive instantly or bank transfers to settle within hours, they should be able to expect pensions to move within a fixed timeframe.

A 10-day Pension Switch Guarantee would provide clarity and fairness. These rights should be visible and accessible, set out in annual pension statements and digital dashboards. If a transfer falls outside the defined timeframe without valid reason, consumers should have the right to escalate their case quickly and fairly. This would transform the power dynamic: savers would move from being passive recipients of poor service to active customers with enforceable rights.

Most DC pension transfers – the majority of which are straightforward – can, and should, be completed within a 10 day period. For genuinely complex cases, such as transfers involving safeguarded benefits, exceptions would apply. But by setting 10 days as the default benchmark, regulators would create a clear measure of success and a powerful tool for enforcement.

We recommend a separate, carved out process for more complex transfers. In the context of pensions, this could look like a diversion to a specific complex case team or pathway if a scam risk is identified, so these cases are handled with more, rather than less, urgency. The consumer could still feel confident that their transfer would take place in a timely way without a process break down.

For savers, this would mean certainty. No more wondering how long a transfer might take, or fearing it could drag on for months. Instead, a defined benchmark would provide reassurance and allow for better financial planning.

3. Require providers to publish their transfer performance data

Currently disclosure of transfer times across the industry is voluntary and incomplete. The better performers in industry who adopt digital transfer processes tend to be willing to disclose their times (e.g. Origo Transfer Index). The worst performers can easily exclude themselves from the data and hide. Firms should be able to measure their own transfer times, and should be prepared to disclose their data.

But without consequences, standards are meaningless. Today, providers that consistently underperform face little more than reputational risk. This is insufficient. Regulators should introduce financial penalties for repeated failures to meet transfer standards, as well as corrective measures for systemic poor practice.

Equally important are incentives for good behaviour. Providers that exceed benchmarks should be recognised, whether through public league tables, or positive accreditation.

For consumers, this would mean more consistent outcomes: laggards would be forced to improve, while leaders would be rewarded and showcased. Over time, accountability would shift industry culture from “slow unless pushed” to “fast unless complex”.

4. Fix pension transfer scams legislation

The Amber and Red Flag system in 2021 has been effective in reducing the incidence of pension scams, but now requires an urgent update. In practice, it has also given some providers cover to delay or block legitimate transfers. Such “sludge tactics” create unnecessary friction, frustrate savers and damage confidence in the system.

The current framework places disproportionate emphasis on process over outcome, enabling providers to prioritise administrative caution rather than consumer experience. Reform should strike a better balance between protection and progress. It should preserve strong safeguards against genuine scams but prevent providers from using the rules to justify inaction or inefficiency. Updated regulations should include clearer criteria for applying flags to avoid mis-interpretation of the rules, greater accountability for unreasonable delays and stronger oversight to ensure firms act proportionately.

5. Reduce the statutory six-month transfer deadline

Under existing legislation, providers have up to six months to complete a pension transfer - a timeframe designed in an era of paper-based processes and manual administration.

In today's digital environment, it is no longer justifiable. The extended window gives poor performers too much latitude to delay and undermines any expectation of speed or service quality. Most transfers could, and should, be completed within days, not months. The Government and regulators should review the statutory timeframe with a view to reducing it dramatically, aligning it with modern digital standards and supporting the introduction of a Pension Switch Guarantee. Setting a shorter, enforceable legal deadline as a backstop would create a fairer system and ensure savers can move their money efficiently and safely.

The statutory deadline for pension transfers needs to be looked at as a matter of urgency - it is a powerful single piece of legislation that bites on all providers and schemes. In one simple move, it is capable of dramatically re-setting behaviours and raising industry performance to meet consumer expectations.

Better customer outcomes

Together, these recommendations would transform the pension transfer experience. Savers would gain clarity through defined rights and timelines.

Consumers would experience faster, smoother transfers thanks to digital systems and common standards. They would benefit from greater trust in the system, knowing that poor performers are held accountable

and that industry leaders are setting the pace.

The result would be a pension system that feels modern, reliable and consumer-focused – not a relic of the past. By acting now, the Government and regulators can unlock a reform that is both technically feasible and socially essential.

Conclusion: time to fix a broken system

We have reached a tipping point. Every year that passes without action risks further eroding trust in pensions. For a nation that relies on these savings to fund retirement, that is simply unsustainable.”

The pension transfer system, as it stands today, is broken. For too many savers, it is simply not fit for purpose. Thousands of people are left waiting weeks, months or even years to move their own money. They are forced to navigate a process that feels outdated, opaque, and does not reflect their needs. Every delay chips away at their confidence in pensions – and by extension, in the very system designed to protect their retirement.

This is not about cutting corners or compromising on the safeguards that protect people against scams and fraud. Those protections are essential and must remain, albeit with some improvements.

What must really change is the culture of inertia and inconsistency that leaves savers stranded in “pensions purgatory.” Whilst some providers can complete transfers in days, others routinely take months, and in more extreme cases, even years. It’s clear that the problem is not complexity but commitment.

Trust is not won by words, it is earned by action. Right now, pockets of the industry are letting everyone down – not just consumers, but also the many providers, advisers, and technology firms who are already doing the right thing. The result is an uneven playing field that punishes savers, undermines confidence, and tarnishes the reputation of the entire pensions sector.

The opportunity for reform is in plain sight. The technology exists. The standards are ready. The appetite for change is real. What is missing is decisive leadership – from both the Government and regulators – to mandate digital processes, enforce standards, and hold providers to account. They have the power of legislation at their fingertips, to cut down barriers and drive real change.

The pensions industry and the regulators that set the rules must act in a trustworthy way. That means delivering a service that meets the expectations of modern consumers: fast, fair and reliable. It means ensuring that every saver, regardless of provider, regulator, or scheme, can move their money in a reasonable timeframe. It means putting customer outcomes at the heart of pension operations, not treating them as an afterthought.

We have reached a tipping point. Every year that passes without action risks further eroding trust in pensions. For a nation that relies on these savings to fund retirement, that is simply unsustainable.

The message is clear: the system is broken, but it can be fixed. It is time for the industry to step-up, for the regulators to lean-in, and for the Government to act.



Useful links

Useful links

- [PensionBee's 10-day switch campaign overview](#)
- [PensionBee's 'A switch in time' report, detailing support from advisers.](#)
- [PensionBee's 'Ending pension purgatory' report, detailing support from consumers.](#)
- [The petition calling for government to legislate on pension transfers.](#)





If you have any comments on or questions about this report, please
get in touch with our Press Team at press@pensionbee.com.