



Dear third-party information provider,

The way we calculate Notional Transfer Values is changing

We'd like to draw your attention to [the details we've shared on our website](#) today (20 August 2026). Please visit the webpage to consider the decision.

We are changing the way we calculate Notional Transfer Values (NTVs) for claims that involve customers transferring out of defined contribution pension schemes. FSCS will start following the new approach from 20 November 2026 and it will only apply to claims concerning defined contribution pension schemes.

This means that for any claims decided on or after 20 November 2026 where FSCS determines compensation is payable, compensation will be calculated using our new in-house calculation methodology.

Why we have made this decision

As you'll be aware, we currently ask the ceding defined contribution pension scheme to provide an NTV. We've worked closely with many of these schemes over the past two years to build relationships and reduce timescales.

We greatly appreciate your cooperation on this to date, as it has helped support our work in issuing compensation to customers who've received negligent advice.

Through this work, we've identified areas we believe we can improve by changing our approach. For example, FSCS recognises that providing an NTV is a significant time investment for a ceding scheme and waiting for this information can delay our claims handling process. This means customers aren't reunited with their pension savings as efficiently and as quickly as we'd like. By calculating NTVs in-house, we will be using our resources more efficiently and reducing the time customers wait to receive our decision on their claim.

Adopting this change is expected to reduce the number of information requests made by FSCS, lowering the administrative burden on specialist teams within ceding scheme providers, and improving response times, ultimately enabling faster outcomes for customers.

We'd like to take this opportunity to thank you once again for your support in responding to information requests from FSCS and we appreciate your ongoing engagement.

If you have any questions about this change, please contact us by emailing relationshipteam@fscs.org.uk.

Regards,

Relationship team

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