

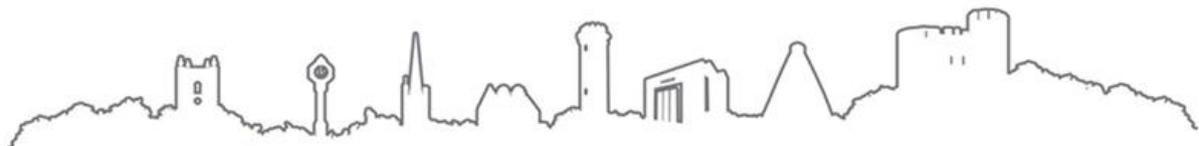
****This document is under review****
For West Midlands Safeguarding Adults Procedures
please visit:

[West Midlands Procedures](#)



Financial Abuse Toolkit

A guide to help protect yourself and others



Building stronger and safer communities in...
...the historic capital of the Black Country



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This financial abuse toolkit has been based on the same model produced by East Sussex County Council, as identified as a model of best practice in helping to safeguard against financial abuse.

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1 Purpose of the financial abuse toolkit

It has been found that reported incidents of financial abuse are increasing both on a local and national basis. Increased awareness and levels of reporting may partly explain the increase, however, research does indicate that much of this type of abuse can go undetected for a variety of reasons.

Factors such as the economy, technology and social change are diversifying the threat. In an increasingly connected world, it can no longer be assumed that vulnerable people are safe in their own homes. Research has indicated that 60-80% of financial abuse against older people takes place in their own home and 15-20% takes place in residential or nursing care. People in care homes may be better protected than those who are isolated or living alone, for example, they may be less likely to be targeted by rogue traders or telesales fraud, but there are different risks of financial abuse for this group. Some residents will have little or no control over their own money and are reliant on relatives or the care home to safeguard their finances. The data for Dudley for 2018-19 indicates that 75% of reported financial abuse occurred in the adult at risk's own home and 7% took place in residential or nursing care. It was found that 43% of these adults were female and 54% were aged 65 and over.

This toolkit is intended to be used by practitioners and members of the public, to provide information to anyone concerned that somebody they know may be a potential victim of financial abuse

It is important that family, friends and practitioners are able to spot the indicators of financial abuse, so that safeguarding concerns are appropriately raised and not missed. It is vital that victims can be provided with appropriate support in a timely manner.

Mr K is in his sixties and lives in a residential care home. He has a learning disability and has been diagnosed with dementia. Following his mother's death, his sister became his Power of Attorney and, for personal reasons, her son dealt with Mr K's financial matters. Mr K was not receiving any personal allowance, his care home fees were not being paid and he was served notice to leave the care home. An investigation revealed that Mr K's nephew had withdrawn all of Mr K's money.

Mr W is a 97 year old who has lost approximately £6000 to scam lotteries and prize draws. He is reluctant to stop sending money as he hopes to win. He is now receiving approximately 20 letters per day and numerous phone calls. In one week his bank account balance had gone from £60 credit to £220 overdrawn. The victim had no money for food and he had stopped paying his care bills.

Financial abuse can occur in isolation, however, where there are other forms of abuse suspected there is often financial abuse occurring as well.

2 What is financial abuse?

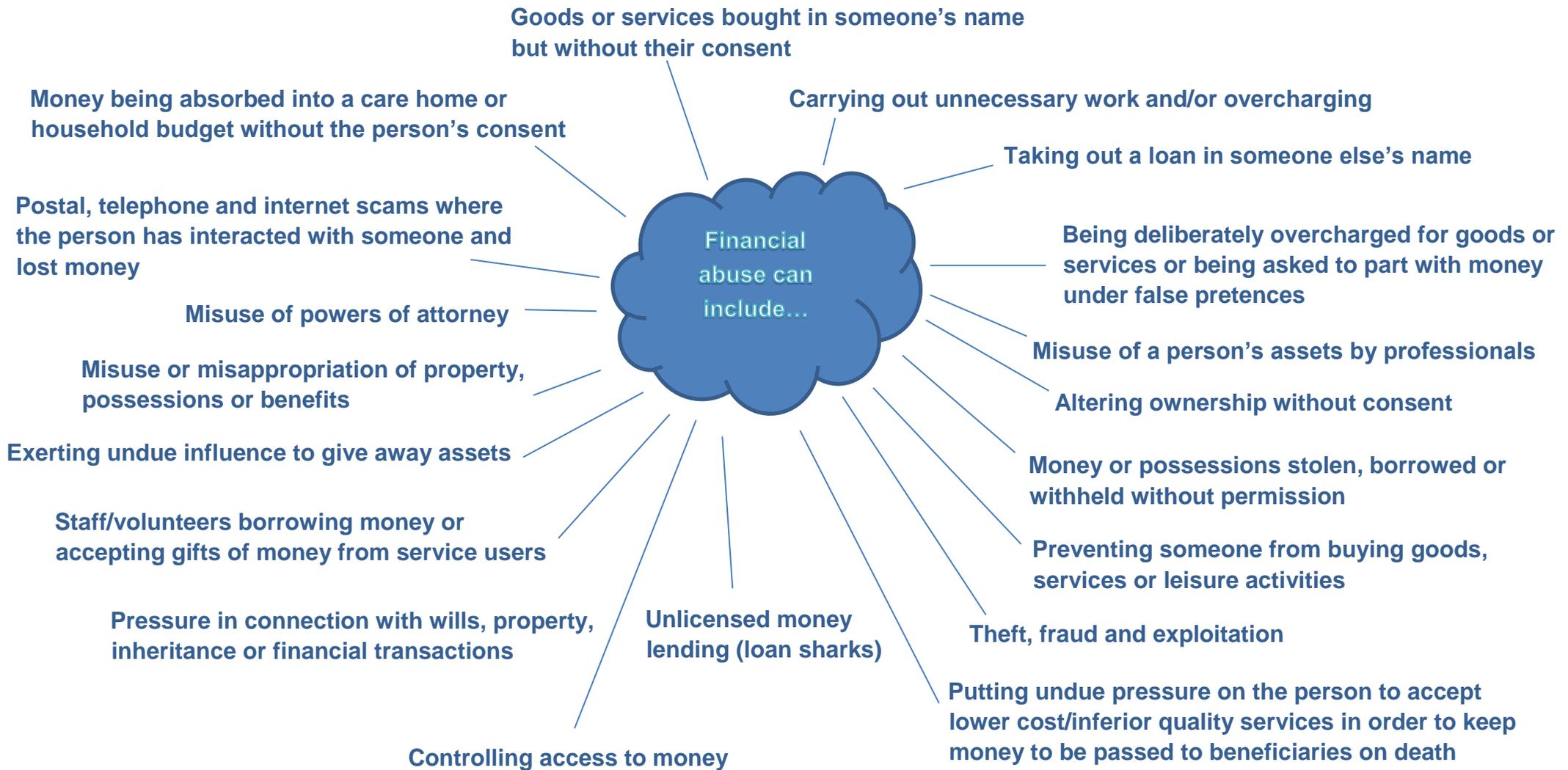
Financial abuse can be defined as follows:

“The unauthorised and improper use of funds, property or any resources belonging to another individual”

The potential indicators of financial abuse will be discussed in detail later in the toolkit, but indicators may include:

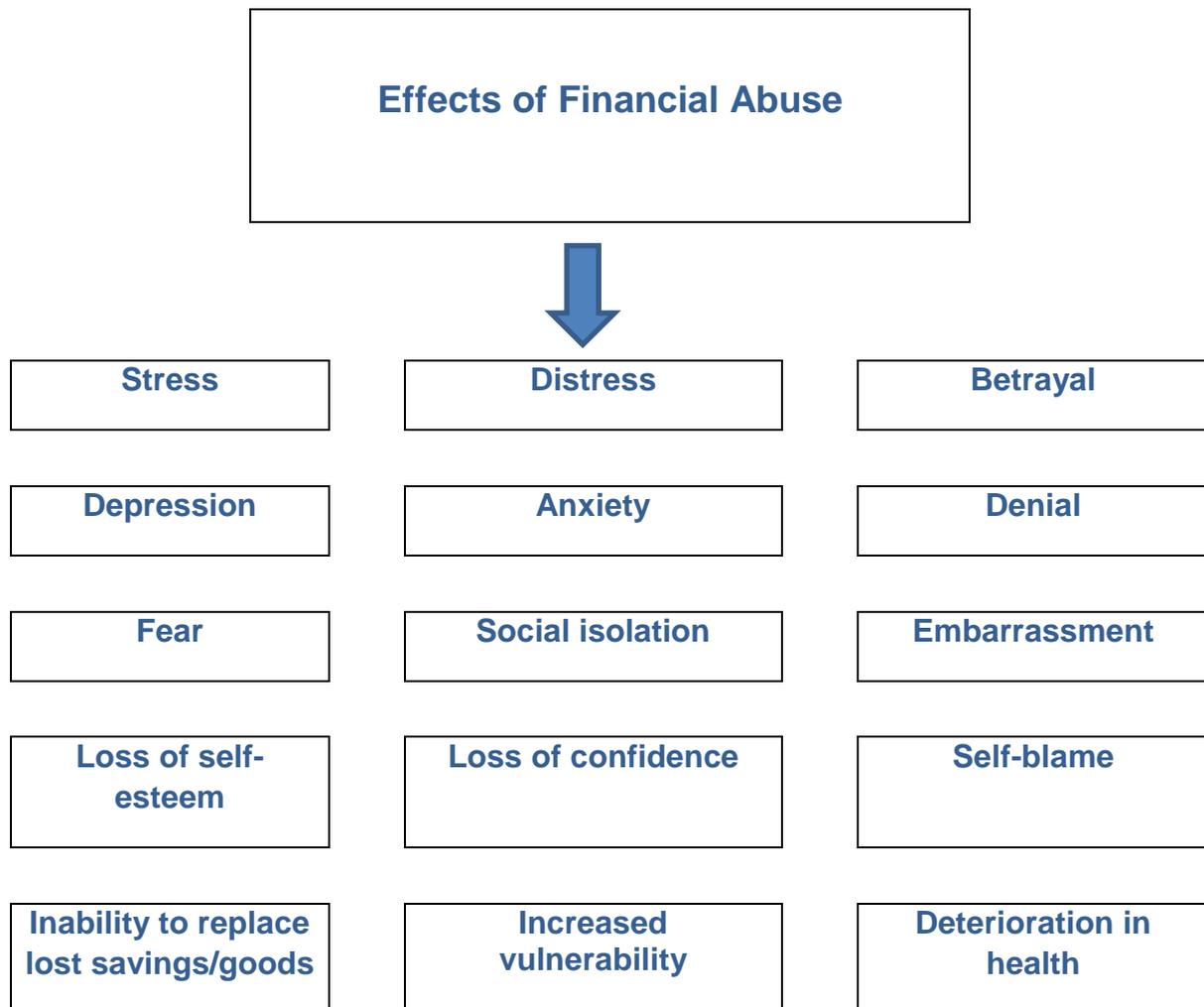
- Change in living conditions
- Lack of heating, clothing or food
- Inability to pay bills / unexplained shortage of money
- Unexplained withdrawals from an account
- Unexplained loss / misplacement of financial documents
- The recent addition of authorised signers on a client’s signature card
- Sudden or unexpected changes in a will or other financial document

There are several forms which financial abuse can take, some will be easier to identify than others. The different types of financial abuse include:



3 The impact of financial abuse

The impact of financial abuse should not be underestimated and can be as significant as any other type of abuse. Even small financial or material losses have the potential to have a significant impact on the adult at risk and can leave people unsettled and without the confidence to live independently. It can cause the person who previously did not have any care or support needs to deteriorate to a level which does require intervention and the requirement for support and services from Adult Social Care.



4 Recognising those at risk

It is vital that practitioners and members of the public are aware and able to recognise those people in the community, who may be most at risk of financial abuse.

An adult at risk of financial abuse is likely to display one or more of the following:

- They are unable to manage their own finances due to lack of capacity or lacking sufficient numeracy skills
- They are dependent on another person/people to manage their money
- They are dependent on others for all aspects of daily living
- They are known to be isolated or are regarded as at risk within the community (a person who is isolated or lives on their own may be at higher risk of exposure to financial pressure e.g. salespersons, loan firms, rogue traders or bogus callers)
- They are of a trusting nature
- They are susceptible to emotional grooming
- For older people in particular, potentially increased assets coupled with low cost lifestyles and a lack of awareness of the modern world may make them more susceptible

Whilst a person who lacks capacity may be considered to be more at risk of financial abuse, it should be noted that someone with capacity can be equally susceptible. For example, it should **not** be assumed that if a person who has capacity makes a gift, that it cannot be regarded as theft. Coercion and undue influence, emotional grooming and predatory behaviours, as well as the reasonableness of the transaction, should all be considered.

Adults with higher levels of dependency on others may assign higher levels of trust.

There may be more scope for abuse against people with higher levels of dependency by people who are unknown to them, such as rogue traders or organised criminals involved in mass-marketing fraud.

5 Recognising potential sources of risk

Financial abuse is most frequently perpetrated by a person acting in a trusted capacity, such as: a family member; friends; neighbours; care workers or other professionals. It can also be perpetrated by strangers such as doorstep callers, some of whom will “befriend” the person.

Financial abuse can range from not acting in a person’s best interests, to persuasion or coercion in respect of gifts or loans, misappropriation of property or allowances, theft, rogue trading or mass-marketing fraud. More information about mass marketing fraud and its impacts can be found at [Think Jessica](#).

Examples of perpetrators of financial abuse include:

- Staff in care establishments exploiting residents by gaining their trust and taking over their finances unlawfully
- Powers of attorney exploiting their position by misappropriating funds
- Some families may have a view that the income of individual family members, including benefits for adults with disabilities, should be pooled into the family income

- A person managing a direct payments account engaging in false accounting through the forgery of accounting records/payslips, to allow monies to be misappropriated

6 Indicators of financial abuse

The following are potential indicators of financial abuse:

- Unexplained withdrawals from a person's bank account
- Cheque withdrawals to unknown businesses / persons
- Using up cheque books quickly and purchasing a large amount of postage stamps, can indicate the person is a victim of mass marketing fraud, especially if they don't receive a lot of mail from friends and family
- An unexplained shortage of money, despite an adequate income or immediately following the collection of benefits
- Payment of contribution for care provision suddenly ceases
- Poor living conditions when the person should have the money to fund satisfactory living conditions
- The person goes without belongings or services which they can clearly afford
- Reluctance on the part of family, friends or the person controlling funds to pay for replacement clothes or goods
- Items purchased which are not appropriate for the person
- Home improvements or repairs that are not suitable or are sub-standard
- Repeated work being done to the home or garden can indicate that the person is a victim of doorstep criminals
- Loans or credit being taken out by a person in circumstances that give cause for concern, such as the age of the person taking out the loan and the alleged reason for the loan
- Pressure by family members or others to sign over assets or alter wills
- Recent change of deeds or titles of house
- A person's inability to explain what is happening to their own income
- The disappearance of bank statements, other documents or valuables, including jewellery
- Carer asks only financial questions of the person, does not ask questions regarding care needs
- Large volumes of "junk" mail

7 Preventing financial abuse

There can be significant difficulties in investigating, proving and rectifying financial abuse once it has occurred. So, the most effective way of protecting people from financial abuse is through preventative measures.

Education and training for practitioners

Information sharing and training will raise awareness that financial abuse is not ordinarily a one-off or isolated incident, it is often ongoing and early reporting may prevent escalation.

Working with service users

Prevention needs to take place in the context of person-centred support, with service users empowered to make choices and supported to manage risks.

The following should be considered in individual cases:

- The risk of potential exploitation should be included in the client's support plan, and shared with care providers
- The use of advocacy or an IMCA may enable an adult at risk to express themselves in a potentially abusive or actually abusive situation, or assist the person in moving towards self-advocacy and independence
- Advising the adult at risk of sources of useful information

Trading Standards

Trading Standards can help to protect against financial abuse by:

- Providing information and advice on how the adult at risk can protect themselves from being deceived in relation to doorstep crime; rogue traders; loan sharks and mass marketing scams e.g. lottery, postal or internet scams
- Advising businesses, organisations and residents across Dudley to become "friends against scams" via [the Friends Against Scams website](#)
- Raising awareness of fraud and scams via special events
- Asking councillors to sign up as "scamchampions"
- Temporarily installing call blockers
- Supporting known scam victims through home visits if required
- Supporting scam victims to become scam marshalls
- If family, friends or professionals are concerned that a person is being scammed by postal frauds, then a mail re-direction may be appropriate so that a nominated person can filter the scam mail out. This action would require the person's consent as the re-direction is a chargeable service from the Royal Mail.

In Dudley, 464 people were originally identified as being vulnerable to scams within the Dudley Borough, although this appears to be the tip of the iceberg.

- Average age of a scam victim is 74
- Elderly victims are 2.4 times more likely to die or require additional care within 2 years of being scammed
- Only 5% of victims report being scammed (some may not realise they are being scammed, others are embarrassed)
- Average loss is £1000 per victim

Service Providers

Care homes should have policies and procedures in place for dealing with residents' finances and valuables, and keep proper records.

Home care providers should have formal arrangements in place if home care staff need to take on financial responsibilities.

8 What to do if you suspect financial abuse

To raise a concern regarding potential financial abuse, [the Adult Safeguarding alert/referral form](#) should be completed online. If this is not possible then the Access and Prevention team can be contacted on 0300-555-0055.

A concern is a suspicion or allegation of potential abuse. This may have arisen from:

- A direct disclosure by an adult at risk
- A complaint or expression of concern by someone else
- An observation of abusive behaviour or an observation of the indicators of possible abuse

Once an alert has been received by Dudley MBC the responsible team will consider whether the concerns identified in the alert meet the threshold for a section 42 adult safeguarding enquiry. This decision may involve:

- Establishing the desired outcomes and best interests of the adult at risk
- Gathering information about the allegations/concerns
- Ensuring the person at risk is protected from further harm
- Deciding whether the concern/allegation requires a full section 42 enquiry

Where the decision has been made that the concerns meet the section 42 threshold for intervention under safeguarding procedures, the responsible team will commence a section 42 enquiry.

The purpose of a section 42 enquiry is to establish:

- Whether abuse occurred and the surrounding circumstances
- The ongoing risks to the adult at risk or others identified to be at risk
- Any immediate action to prevent further abuse
- The level of understanding of the risk by the adult at risk
- Whether disciplinary action may be required on the part of the employer
- Whether the adult at risk's identified outcomes have been met

9 Who can help?

- Dudley MBC Access and Prevention team – 0300-555-0055
- Trading Standards (Dudley financial abuse helpline) – 01384-818871
- Action Fraud (fraud and financially motivated internet crime) – www.actionfraud.police.uk/
- Citizens Advice consumer helpline - 03454 040506
- Ofcom (tips on how to protect from nuisance calls and messages – <http://consumers.ofcom.org.uk/phone/tackling-nuisance-calls-and-messages/>)
- Friends Against Scams – www.friendsagainstscams.org.uk/

10 How the law can help victims of financial abuse

Criminal offence

If a criminal offence e.g. theft or fraud has been committed, the person experiencing financial abuse may wish to press criminal charges against the person alleged to be responsible.

For more information about theft and fraud, please refer to the Theft Act 1968 and the Fraud Act 2006 – both available via www.legislation.gov.uk

Civil action

Where a criminal offence has not been committed, it may be possible for the person subjected to financial abuse to take the matter through the civil law courts. This would be the case where financial abuse occurs as a result of undue influence or duress:

- **Undue influence** occurs when a person's wishes regarding a gift or bequest are overruled as a result of coercion or undue pressure by somebody else
- **Duress** occurs where a person enters an agreement as a result of threats

Where it is established that duress or undue influence has been exerted, any contract the person experiencing financial abuse has entered into, may be set aside and they must take steps to void the contract. Where duress has occurred, it may also be possible to obtain damages. Damages are not available with undue influence.

If the person has entered into a contract with a trader, the trader has used undue influence and the claim is for £10,000 or less, then Trading Standards may be able to help with a claim. The victim is also entitled to claim damages for alarm, distress or physical inconvenience or discomfort that was caused to them. These damages have to be "reasonably foreseeable" – in other words there should be a clear connection between the trader's actions and the financial loss and/or distress and inconvenience the victim is claiming for.

Office of the Public Guardian

If the abuse is perpetrated by an attorney or deputy and the donor still has capacity he/she can revoke the Lasting Power of Attorney (LPA) by way of a Deed of Revocation. The attorney should be alerted and, where the LPA is registered, the Public Guardian informed.

A local authority can make representations to the Office of Public Guardian if there is reasonable belief that an attorney or deputy is not acting in the person's best interest. The phonenumber for reporting concerns is **0115 934 2777**. For more details please see [Office of the Public Guardian](http://www.legislation.gov.uk).

The Court of Protection

Where the person experiencing financial abuse lacks capacity the Court of Protection has wide powers to deal with the consequences of financial abuse. These include:

- Making an order prohibiting a named person from having contact with the person experiencing financial abuse
- Making an order enabling another person to bring proceedings on behalf of the person experiencing financial abuse, for example, for redress in the civil court. This may involve claims of fraud, coercion, undue influence, lack of capacity, and breach of trust.
- Appointing a deputy

In addition, the Court can simply set aside gifts or wills on the grounds that the person lacked capacity at the relevant time. For further details, please see [Court of Protection](#).

The High Court

The High Court can make:

- Freezing injunctions to prevent money or property being disposed of
- Search orders to allow access to the home or workplace of the person alleged responsible to search for documents

Injunctions can also be obtained to prevent the person alleged responsible from leaving the country.

A person acting as a 'litigation friend' (i.e. representing a person with mental health issues) can also apply to the High Court for recovery of funds. For further details, please see [High Court](#)

The Legal Ombudsman

Complaints about a solicitor should, in the first instance, be directed to the practitioner or law firm concerned, in writing.

Should the practitioner not deal satisfactorily with the complaint the matter should be referred to the Legal Ombudsman. The Legal Ombudsman is a free, independent service that has formal powers to resolve complaints about lawyers.

The Legal Ombudsman can be contacted on **0300 555 0333** or via email at enquiries@legalombudsman.gov.uk

Further information can be found at [Legal Ombudsman](#)

11 Protection from financial abuse

There are a number of methods currently available to help protect an adult at risk of financial abuse:

- **Appointeeship:** an appointee is someone appointed under the Social Security (Claims and Payments) Regulations 1987, to claim and collect social security benefits on behalf of a person who lacks capacity to manage their own benefits.
- **Deputyship:** a deputy is someone appointed by the Court of Protection to manage the property and affairs or the personal welfare (including healthcare), or both, of another person who lacks the mental capacity to manage these themselves.

Where a person lacking capacity does not have anyone to act as their deputy, or if there is a safeguarding issue, an application can be made by the local authority to act as deputy.

- **Lasting Power of Attorney (LPA):** a Lasting Power of Attorney is a legal document made by someone (the donor), that allows another person (the attorney) to make decisions about the donor's health and welfare or property and affairs, or both.

A Lasting Power of Attorney can be made at any time and gives the attorney power to act at a time in the future when the donor may no longer wish to make decisions or may not have the mental capacity to do so.

Mental Capacity Act 2005

In relation to adult safeguarding, the Act introduces four key elements:

- New offences of wilful neglect and mistreatment of a person lacking mental capacity
- Powers to make decisions in the best interests of a person who lacks capacity
- A duty for proxy decision makers and professionals to act in a person's best interests and abide by the code of practice
- The leaving of specific decisions and capacity assessments to the person or professional concerned

Office of the Public Guardian (OPG)

The Office of the Public Guardian's main statutory duties are to:

- Register Powers of Attorney
- Supervise deputies appointed by the Court of Protection
- Investigate safeguarding concerns or allegations and report these to the Court of Protection, when required.
- Provide guidance to the public, and legal and health professionals

A deputy may be subject to close supervision from the Office of the Public Guardian. This can be because of concerns about how the deputy is acting, but can also be because they are acting in different circumstances.

A local authority can make representation to the Office of the Public Guardian, if there is a reasonable belief that a Lasting Power of Attorney is not acting in a person's best interests.

Court of Protection

The Court of Protection has the power to:

- Decide whether a person has capacity to make a particular decision for themselves
- Make decisions on financial or welfare matters on behalf of a person who is unable to do so
- Appoint a deputy to act for someone who is unable to make their own decisions
- Enable a third party to look into the financial affairs of someone under the Court's jurisdiction where financial abuse is suspected, and to safeguard the person's resources, if appropriate
- Decide whether a Lasting or Enduring Power of Attorney is valid
- Hear cases concerning objections to the registration of a Lasting or Enduring Power of Attorney
- Remove deputies or attorneys who fail to carry out their duties.

Financial abuse within a regulated service

The Care Quality Commission (CQC) should be made aware of any safeguarding concerns within a regulated service. The CQC will need to attend adult safeguarding meetings if:

- The registered service is directly implicated
- Urgent or complex regulatory action under the Health and Social Care Act 2008 is indicated
- Any form of enforcement action has commenced or is under consideration in relation to the service involved

12 Case studies

(From Liverpool Echo 28th November 2014)

A care worker who stole from her elderly clients across Widnes was sentenced to 56 months in prison at Warrington Crown Court in November 2014. The defendant was sentenced for 11 counts of burglary, 3 counts of theft from a dwelling and 4 counts of fraud.

The defendant was working within the homes of elderly people in Widnes when the offences took place and the court heard how she not only stole cash from those in her care, but also jewellery, ornaments and other highly sentimental possessions.

The defendant was working for a care company at the time and her position allowed her to gain access to the homes of vulnerable people who trusted her. The defendant was originally arrested and charged with various offences of theft and burglary on Friday 3rd October and pleaded guilty a day later at Magistrates Court. Following additional investigation, the defendant was rearrested on Tuesday 7th October and charged with a further seven burglaries, one of intent to burgle and a total of eight burglaries in a dwelling.

DC Deborah Carter from the Widnes Proactive Policing Team said: “The defendant had a position of trust which they abused when they committed these terrible offences. The people they stole from trusted them and they completely disregarded them showing no compassion. It was a despicable act whereby the defendant stole highly sentimental items such as rings and necklaces from elderly victims who held them dearly. This case has been upsetting for everyone involved and the victims have been left angry and hurt by the defendant. Today’s sentencing has seen the defendant brought to justice.”

[\(From Express and Star 24th April 2017\)](#)

A cleaner who fleeced a 93-year-old registered blind dementia sufferer out of at least £200,000 in 19 months was today branded an “unprincipled opportunist” and jailed for five and a half years.

The defendant, who started work at the home of the man in August 2013, isolated the wealthy man from friends and family, allowing her to take control of his money. She spent £188,000 of his savings buying a house for herself while a further £67,000 remains unaccounted for after being withdrawn in cash from his bank accounts during the time she was employed by him.

The defendant was convicted by a jury of fraud by abuse of position and attempting to pervert the course of justice.

The victim suffered from dementia and a degenerative eye complaint that left him registered as blind and left him dependent on others for help with his finances. The defendant spread lies about neighbours that fractured friendships with those who had supported him since the death of his second wife in 2005.

The locks on the property were changed as the defendant took him on trips to the bank and withdrawals from his accounts soared from £1,000 to almost £6,000 a month.

He had a £1,500-a-month pension, more than £300,000 savings and an arrangement where his current account was automatically boosted from savings when it fell below £2,000 in credit. The system saw £3,800 used for this purpose between January 2012 and July 2013. In the 20 months between August 2013 and March 2015 while the defendant was with him, the figure soared to £40,000.

She wrote cheques and got the victim to sign them. Five of these totalled £9,500 in six weeks during September and October 2014. The defendant paid £3,500 cash into one of her bank accounts in five months. The victim bought her a £1,000 brooch, gave her a £10,000 “loan”, regularly took her out for meals and then bought her an £188,000 house into which she moved in January 2015.

Three months later The defendant was arrested and gave the house to his estate in February this year after the intervention of the Court of Protection. Experts had to wait for four months before being able to assess him – allowing her to argue he had been much better when the deal was done.

[From Express and Star 17th April 2019](#)

A cleaner who fleeced a 93-year-old blind veteran with dementia out of more than £200,000 has been ordered to repay £67,017 or face a further 18 months in jail.

The defendant is already serving a five and a half year sentence following her conviction for fraud by abuse of position and attempting to pervert the course of justice after a Wolverhampton Crown Court trial in March 2017.

As well as spending £188,000 of the victim's savings buying a house for herself (which she was forced to return to the family in February 2016), the defendant also persuaded him to sign 34 cheques, 28 of which were written by her, and to withdraw a further £62,400 from his account during the 19 months she worked for him. That money has never been accounted for and, with interest, has now risen to £67,017.

As a result, when the defendant returned to court from prison to face a proceeds of crime case the judge ordered her to repay the full amount including interest. She had the responsibility of explaining what happened to the money she pocketed from the man but failed to do so. The judge concluded: "She has no plausible explanation for where it has gone."



DUDLEY FINANCIAL ABUSE HELPLINE 01384 818871

Do you have concerns about a customer or client who may be a victim of financial abuse?

This hidden crime is increasing, and often targets vulnerable and/or older adults. Symptoms may include;

- Sending money overseas to a friend, relative or romantic interest
- Needing to make unusually large withdrawals from a bank account
- Needing money for property maintenance work
- Paying large unexplained amounts to carers and home helps
- Sending constant payments to prize draws and lotteries
- Paying for vitamins and herbal remedies to be delivered to their home
- Buying gift cards to pay for something rather than buying them as a gift

The Dudley Scams Unit comprises of specialist officers who are trained to identify and prevent financial abuse and fraud.

You can call us in confidence for free advice and support on **01384 818871**

**Let's work together to
protect Dudley from fraud
and financial abuse.**



Appendix 2 – making every contact count scams leaflet



Key messages

- Scams affect the lives of millions of people across the UK. People who are scammed often experience loneliness, shame and social isolation.
- The average age of a scam victim is 74, although scams target millions of people, not just the elderly and vulnerable.
- An elderly victim is 2.4 times more likely to die or require additional care in the two years after a scam.
- Only 5% of victims report being scammed to the authorities.
- The average loss is £1,000 per victim. However, it is not uncommon for victims to lose hundreds of thousands of pounds.

Other important messages to share

- Scams come in many forms; uninvited contact is received by email, letter, telephone or in person, making false promises so as to con victims out of money.
- There are many scams but the most common are fake lotteries, deceptive prize draws or sweepstakes, clairvoyants, computer scams, and romance scams.
- Criminals attempt to trick people with flashy, official looking documents or websites, or convincing telephone sales patter, with the aim of persuading them to send a processing or administration fee, pay postal or insurance costs or make a premium rate phone call.
- Doorstep scams are crimes carried out by bogus callers, rogue traders and unscrupulous sales people who call, often uninvited, at people's homes under the guise of legitimate business or trade.
- There is a statutory duty under the Care Act 2014 for Local Authorities to ensure that abuse of adults at risk is investigated and to take measures to protect victims from further abuse, including financial abuse.

If you receive a suspicious phone call:

- **Remember**, you do not have to get into discussions over the phone with anyone.
- **Never** give out any personal information, such as bank or credit card details.
- **Keep** your business, your business. Just say "No thank you, I am not interested" and hang up straight away.
- **Never** send cash, disclose personal details or buy goods to claim a prize.
- **Watch out** for secret deals, get rich quick schemes, claims & inheritance notifications.
- **Always** seek professional advice before signing up for any type of investment scheme including land, wine, paintings and property.