

Financial Fraud and Scamming:

An update on the scale of the problem and the
consequences for Local Authorities and Communities

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Queen's Nursing Institute Scotland, Interagency conference re financial
scamming

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Perfect storm

- Increasing demands
- Budget pressures (or reductions)
- Higher expectations from society and growing awareness of issues
- Just the tip of the 'ice berg' looking into the 'unknown'
- Some of the most vulnerable members of our society





Do we end up
feeling like this?



A young police officer was taking his final exam at Hendon Police College in North London. Here is one of the questions....

“You are on patrol in outer London when an explosion occurs in a gas main in a nearby street. On investigation you find that a large hole has been blown in the footpath and there is an overturned van nearby. Inside the van there is a strong smell of alcohol. Both occupants - a man and a woman - are injured. You recognise the woman as the wife of your Divisional Inspector, who is at present away in the USA. A passing motorist stops to offer you assistance and you realize that he is a man who is wanted for armed robbery. Suddenly a man runs out of a nearby house, shouting that his wife is expecting a baby and that the shock of the explosion has made the birth imminent. Another man is crying for help, having been blown into an adjacent canal by the explosion, and he cannot swim.

Bearing in mind the provisions of the Mental Health Act, describe in a few words what action you would take.”

The officer thought for a moment, picked up his pen and wrote:

"I would take off my uniform and mingle with the crowd."

Freedom of choice and vulnerability

Lord Justice Mumby: An unwise decision is not a reason for intervention if the person has capacity.

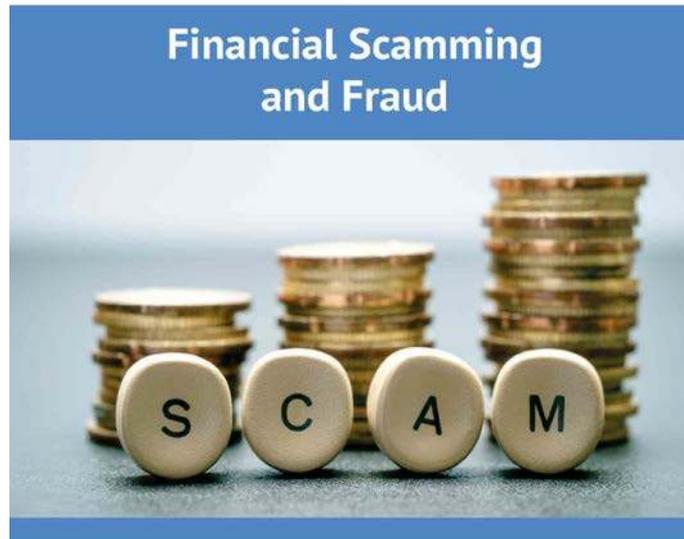
But what of the capacity “gap”?

People in the early stages of Dementia have some form of cognitive impairment but they do not lack capacity as defined by the Mental Capacity Act, in England and Wales or the Adult with Incapacity (Scotland) Act 2000 in Scotland.

Yet they are clearly much more vulnerable than the average citizen.

We need to look again at the term “vulnerable” and its definition.

Financial Scamming and Fraud: a brief guide



Working in partnership with:



Fundraising/charities: a crisis of confidence

- Over 300,000 names now identified and circulating on “victims” lists.
- Many from data shared or “sold on” by charities and other bodies.
- NB. Fundraising Regulator and Fundraising Preference Service.

Scamming a crime but what about legal companies acting in an “illegal way”?

- Clear evidence of legal companies targeting and repeat selling to ‘vulnerable’ individuals – are they making an ‘unwise decision’ or is this a cognitive impairment issue?
- If a charity or fundraiser phones every week for a donation and one is given because the person cannot remember that they have already given last week and the week before – Is this a scam?
- So scamming is not just driven by Criminals but also by legitimate organisations.

Is it a scam?

- It is a scam to charge people different rates for the same service/ product simply on the basis that you can get away with it due to their age, gender, cognitive ability or relative social isolation?
- Is buyer beware always the right way?

Postal/mail scams



These are sophisticated scams driven by criminals.

Victim Profile

Some victims respond because they believe what they are told by the “system” and also perhaps forget that they responded last week and the week before.

Some, now we recognise, have little or no other social interaction and respond to scam mail as this is their main / only reason to get out of bed in the morning.

N.B. Silverline growing use.

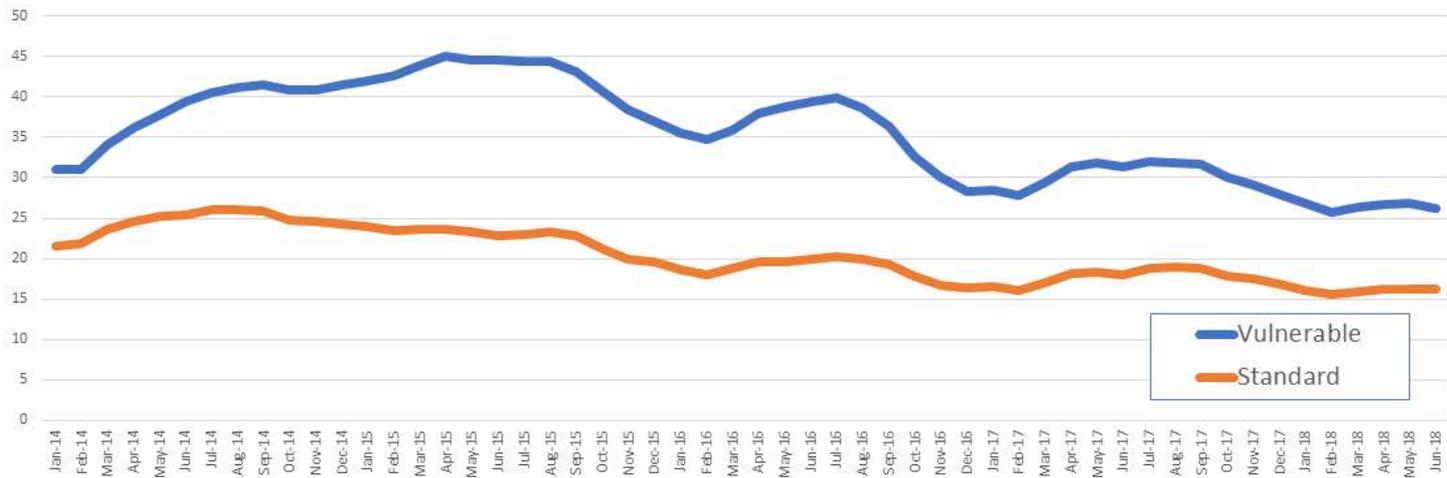
Doorstep crime

- Use of technology via doorbell and camera systems under active development.



Targeting of older vulnerable people

Number of nuisance calls received per month



It looks like we are at last seeing a decline in the number of nuisance calls received, however vulnerable people are still receiving significantly more than the rest of the population

Recent Radio 5 Programme

- Action Fraud data –

25,659 reported frauds in 2015/2016 for over 60's

48,981- reported fraud in 2017/2018 for over 60's

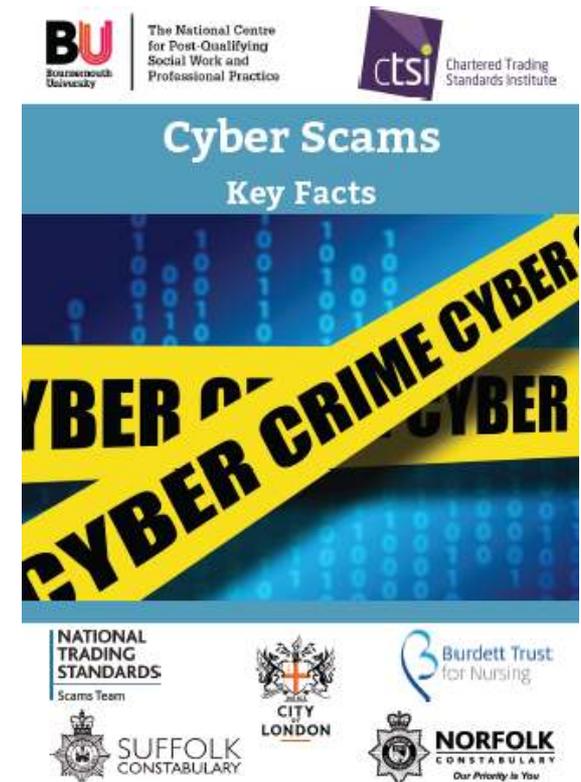
- But the largest increase was for advanced fee fraud-

4,777 to 19,662 in 2 years

4 x increase and this is probably linked to cognitive decline

New trends in scamming

- With better Protection/disruption of mail and telephone scams, we are seeing a rise in internet crime/scams
- N.B. Exacerbated by the closure of bank branches and rise in internet banking.



New forms of scamming



Clairvoyant Scamming:
The New Kid on the Block

We must be right!!

This is the transcript of a genuine radio conversation between a US naval ship and Canadian authorities off the coast of Newfoundland in October 1995:

Americans: *Please divert your course 15 degrees north to avoid a collision.*

Canadians: *Recommend YOU divert YOUR course 15 degrees to the south to avoid a collision.*

Americans: *This is the captain of the US navy ship. I say again, divert YOUR course.*

Canadians: *No, I say again, divert YOUR course.*

Americans: *This is the aircraft carrier USS Lincoln, the second largest ship in the US Atlantic fleet. We are accompanied by three destroyers, three cruisers, and numerous support vessels. I demand that you change your course 15 degrees north, that's ONE FIVE degrees north, or counter-measures will be undertaken to ensure the safety of the ship.*

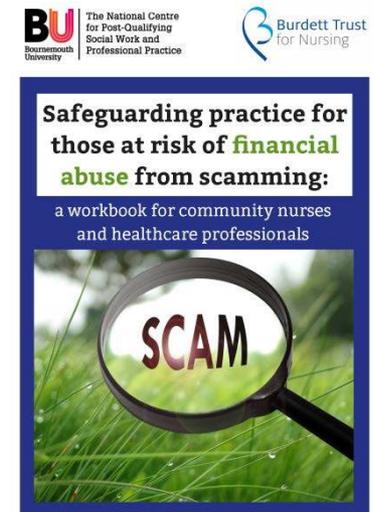
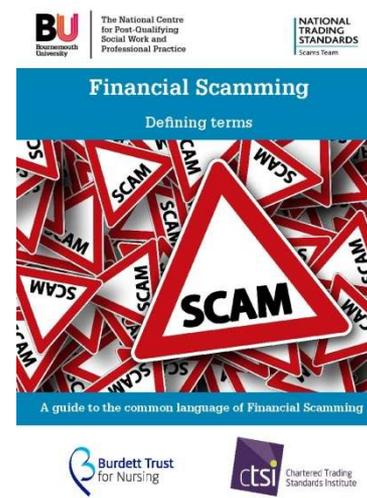
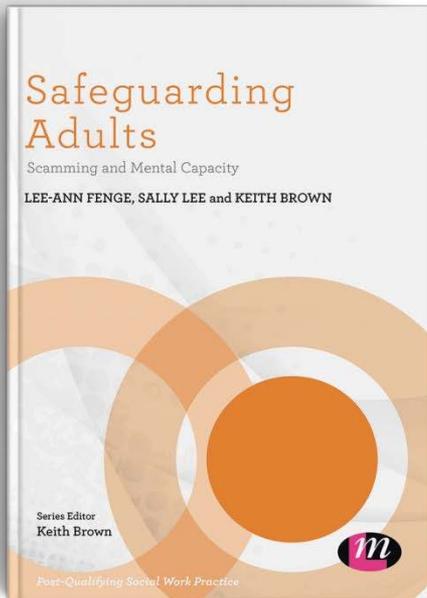
Canadians: *We're a lighthouse. Your call...*

West Yorkshire Trading Standards

- Work to date to support citizens on ‘suckers lists’ (4,500) in West Yorkshire – has saved over £900,000 in money prevented being spent following intervention.
- They estimate that if only 10% of victims in West Yorkshire were to need residential care a year earlier as a result of falling victim, this would represent an additional £29 million to the West Yorkshire public purse.

Resources to help and support

New text issued by C.T.S.I to every trading standards department and chair of adult safeguarding boards.



All available to download from <http://www.ncpqsw.com/financial-scamming/>

Also learning/training resources available for free early 2018 to support community/domiciliary workers to help spot/identify victims of scams.

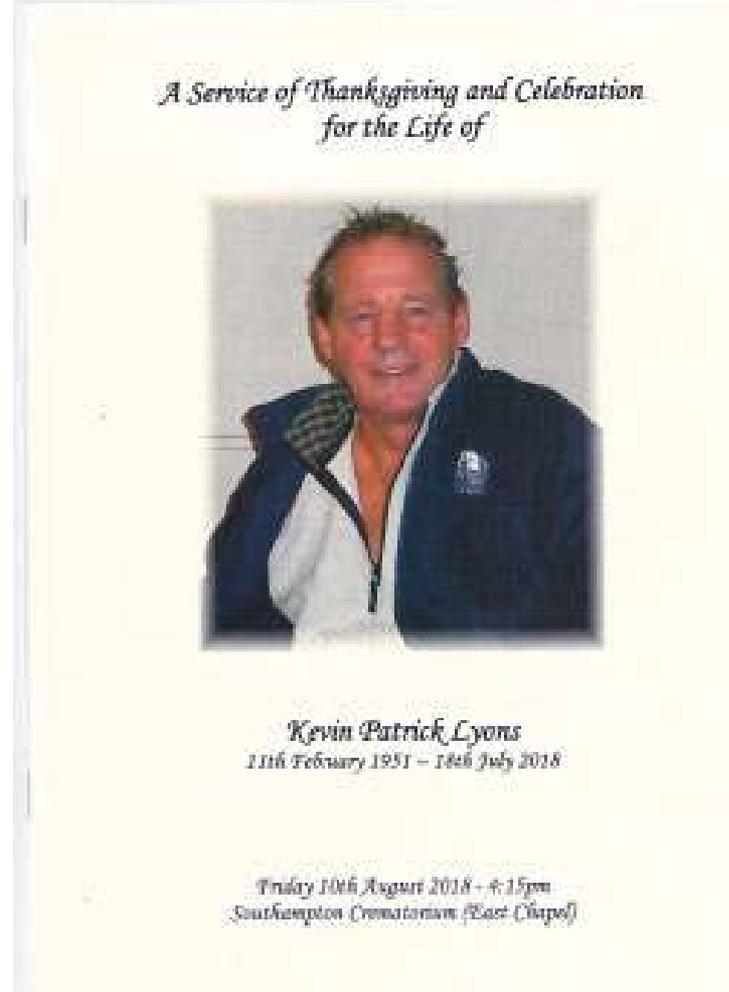
Some possible good news and reasons for optimism

- Re-launch of Joint Task Force Vulnerability Group now chaired by National Scams Team and Victim Support.
- Opt in/opt out – move from I.C.O regarding data scamming, requirement from September 2018 for active opt in to receive cold calls.
- Better use of technology – Cameras and call blockers.
- Banking protocol for sharing data and information.
- New learning resources ready in May 2018 to support domiciliary and community health workers to better identify and support scam victims – Now launched via N.H.S England Safeguarding Team and freely available.

But our ongoing concerns and need to keep the momentum up!!

- So often there is an underlying issue of loneliness and isolation in society and this is the real issue that needs to be addressed.
- Banks and financial organisations look to stop criminal fraud more than protection from legitimate companies acting in an illegitimate way – understandable but scamming is a very wide term and comes in many ‘shapes and sizes’!!
- Massive need for changes in society so that we can better talk about and prepare for ‘difficult times’ L.P.A’s, Next of Kin, Managing and Discussing Finances, etc.
- **Tip: Do consider Third Party Mandates – T.P.M’s to help care for your loved ones.**

Unintended consequences of fraud and its impact on society



Scamming

- The cost to individuals: - ££ many
 - loss of confidence
 - dignity
- The cost to society: how much additional cost if citizens are scammed of life savings and the state picks up the cost?
- The cost to carers/relatives and victims of those who have a cognitive impairment and are scammed.

Surely this is the greatest challenge facing public organisations/services like yours in our generation.