



## Quick Guide to Financial Abuse

### What is financial abuse?

The Care Act 2014 defines financial abuse as:

- a. having money or other property stolen,
- b. being defrauded,
- c. being put under pressure in relation to money or other property, and
- d. having money or other property misused.

Financial abuse is sometimes referred to as 'material abuse'.

Financial abuse is often linked to other types of abuse, for example:

- *Domestic abuse* - Financial abuse is one of a range of controlling behaviours used by perpetrators of domestic abuse. The Domestic Abuse Act 2021 makes it clear that domestic abuse includes 'economic abuse'. Economic abuse is broader than financial abuse and is defined as 'any behaviour that has a substantial adverse effect on the victim's ability to acquire, use or maintain money or other property, or obtain goods or services'.
- *Organisational abuse* - Where an organisation and their staff have access to and/or manage money on behalf of a person there may be the opportunity for financial abuse. Financial abuse that is a result of poor policy/procedures could be organisational abuse.
- *Self-neglect* - A lack of self-care (including of personal care and of the home environment) could be (but is not always) the result of financial difficulties brought about by financial abuse.

Financial abuse remains one of the most common types of abuse across the 4LSAB area with the majority of the abuse taking place in the person's own home (often by people known to them). Financial abuse is very common but often goes unreported.

### What does financial abuse include?

Some examples of types of financial abuse are:

- Theft, i.e. money or possessions stolen, borrowed or withheld without permission.
- Forcing or exerting undue influence on someone to give money or assets against their desire.
- Forgery.
- Forcing or exerting undue influence on someone to change their will.
- Misuse of Power of Attorney.

- Obtaining a Power of Attorney when a person lacks the mental capacity to make the decision.
- Taking some or all of a person's benefits.
- Controlling access to a person's money or benefits.
- Preventing someone buying goods, services or leisure activities.
- Altering ownership of property without consent.
- Non-payment of care fees.
- Putting undue pressure on the person to accept lower-cost/lower quality services/food in order to preserve more financial resources to be passed to beneficiaries on death.
- Putting undue pressure on the person to refuse, cancel or reduce care and support/services, or refusing, cancelling or reducing care on the person's behalf, or arranging less care than is needed to save money.
- Forcing someone to take out a contract (e.g. mobile phone contract) for someone else.
- Money being absorbed into a care home or household budget without the person's consent.
- Not giving change, taking reward points or buy-one-get-one-free offers when carrying out shopping tasks.
- A care provider charging the client but not delivering the care that has been paid for.
- Staff or volunteers borrowing money or accepting gifts.
- Financial misuse, abuse and fraud within the personal budget/direct payment system.
- Rogue trading, e.g. carrying out unnecessary work, overcharging, poor workmanship.
- Illegal money lending (loan sharks) i.e. being offered a loan on very bad terms, or without any paperwork or repayment end date.
- Postal, internet, telephone and SMS scams, including [courier](#) and [romance fraud](#).
- Cuckooing or home invasion where a vulnerable person's property is taken over for the purposes of criminal activity (often drug-dealing).

### **What is the impact of financial abuse on the adult?**

Financial abuse can have a serious impact, not just financially but also emotionally. Even a small amount of financial abuse can be catastrophic, especially to those who are on limited incomes. The emotional impacts can include feelings of shame, betrayal, distress (especially if a house or other assets need to be sold), loss of self-esteem and confidence in one's own judgement, social isolation, and the loss of confidence to live independently. Financial abuse is also linked to negative health outcomes and a decline in mental health - for example it can lead to depression and anxiety. Financial abuse can cause a person who previously did not have any care or support needs, or who was able to manage independently, to deteriorate to a point that they require support from services.

### **How do I identify financial abuse?**

Possible signs of financial abuse include the following:

- Missing money or personal possessions.

- Lending money to family or friends which may make them unable to meet their own needs.
- Sudden changes in wills, title deeds for property or financial arrangements, such as the inclusion of additional names on a person's bank account.
- Unexplained lack of money or increased withdrawal of funds.
- The unexplained sudden transfer of assets to a family member or someone outside the family.
- The person allocated to manage financial affairs is evasive or uncooperative
- Family or others show unusual interest in the assets of the person.
- Lack of heating, clothing or food with an inability to pay bills.
- Unexplained loss or misplacement of financial documents.
- A lack of clear financial accounts held by a care home or service.
- Failure to provide receipts for shopping or other financial transactions carried out on behalf of the person.
- Disparity between the person's living conditions and their financial resources, e.g. insufficient food in the house.
- Unnecessary property repairs being carried out.
- Signatures on cheques etc that do not resemble the person's signature, or signed when the person cannot write.
- Numerous unpaid bills, or overdue rent, when someone else is supposed to be paying the bills.
- Unusual concern by someone that an excessive amount of money is being expended on the care of the person.
- Deliberate isolation of a person from friends and family, resulting in the caregiver alone having total control.
- Large numbers of nuisance telephone calls, or large amounts of junk mail in the house.
- Someone starting to engage in criminal behaviour, such as petty theft, shop lifting, selling and/or using drugs.
- People not having access to their own bank accounts or benefits.
- A person stating that someone else is looking after their bank card.
- A person being accompanied to the bank, Post Office, PayPoint outlet, credit union when benefits are being collected or money withdrawn.
- New 'best friends'.

If you see any of the above be [professionally curious](#), look more closely and ask more questions.

*Remember* - it can often be difficult to identify financial abuse:

- The adult may be reluctant to admit to being a victim of a scam as they may feel ashamed or that the abuse was their fault.
- They may be afraid to speak out due to fear of repercussions, such as the family member withdrawing their support or getting into trouble, or that they will be 'put in a care home'.
- The adult may feel that financial matters are private and raising concerns may seem like an intrusion.

- The adult may not recognise the abuse. For example, they may think the person is doing them a favour. Sometimes individuals who may be at risk due to cognitive impairment (eg. dementia or learning disabilities) are deliberately targeted by perpetrators as they may not know they are being financially abused. The perpetrator is often pretending to be their friend, sometimes referred to as 'Mate Crime'.
- The adult may not see financial abuse as important enough to raise concerns about. They may be more concerned about maintaining a relationship with the person, or not recognise financial abuse as important as other types of abuse such as physical abuse.
- The abuse may start out as a legitimate transaction, but escalate over time, making it difficult to identify when it has become abuse.

### **Preventing and addressing financial abuse**

The [4LSAB Safeguarding Concerns Guidance](#) provides guidance on when to raise a safeguarding concern to the local authority:

Hampshire Adult Services: 0300 555 1386 (out of hours: 0300 555 1373)  
 IOW Adult Social Care: 01983 814980  
 Portsmouth Adult Social Care: 02392 680810  
 Southampton Adult Social Care: 023 8083 3003  
 Police: 101 or in an emergency 999

In addition to raising a safeguarding concern (if appropriate), consider what other actions could be required:

- Most financial abuse can also amount to theft or fraud which are crimes - consider whether it needs to be reported to the Police.
- Safeguarding money or assets e.g. Contacting banks to secure relevant bank accounts and to try and recover any losses, locating and keeping safe any cash or valuables that might be at risk. Surviving Economic Abuse has resources on [how banks can help](#) in the context of domestic abuse.
- Securing property e.g. changing locks.
- Agreeing a safe method of communication (particularly in a domestic abuse scenario).
- Ensuring the person has money to meet any immediate needs (e.g. for food, heating, access to a phone).
- Reporting to [Action Fraud](#) if the person has been scammed, defrauded or experienced cyber-crime.
- Reporting to [Stop Loan Sharks](#) if the concern relates to illegal money lending.
- Reporting to Trading Standards if it relates to illegal trading or business activity:
  - [Portsmouth](#)
  - [Hampshire](#)
  - [Southampton](#)
  - [IOW](#)
- Reporting to the [Office of the Public Guardian](#) if the concern relates to an attorney or deputy.

- Reporting to the [DWP](#) if the concern relates to misuse of an Appointeeship or benefit fraud.
- Consider whether a trusted person could apply to be a deputy (to make property and financial decisions for someone who lacks mental capacity) or appointee (to manage the person's benefits). The local authority can also act as a corporate deputy, for a small fee.
- Following [allegations management](#) and internal HR procedures for any staff/volunteers who are implicated in financial abuse.
- To help reduce unsolicited telephone calls and junk mail, try signing up to both the [Mail Preference Service](#) and the [Telephone Preference Service](#). The Fundraising Preference Service (FPS) is an official service that lets you stop charities contacting you. Further information and FAQs about the service can be found on the [FPS website](#).
- If the criteria for a safeguarding referral are not met, consider if the [Multi-Agency Risk Management framework](#) may be appropriate if there is a high level of risk.

It is important to take a [person-centred approach](#): always talk to the person about the concerns that you have and seek their views, and ask the person what they would like to happen as a result of the concerns. You should always seek consent to share their information - however in some circumstances you may need to share without consent, for example if a crime has been committed, if other people are at risk, or if the concerns relate to a member of staff. For further information on consent see the [4LSAB Safeguarding Adults Multi-Agency Policy, Process and Guidance](#).

### **Further information and support**

#### **[4LSAB Safeguarding Concerns Guidance](#)**

**Friends Against Scams** is a National Trading Standards Scams Team initiative which aims to protect and prevent people from becoming victims of scams by empowering people to take a stand against scams: <https://www.friendsagainstscams.org.uk/>

#### **[The Little Guide to preventing Fraud and Cyber Crime](#)**

**Hampshire Victim Care Service** provides free, confidential support for victims of crime <https://www.hampshireiowvictimcare.co.uk/about-us/>

#### **[Citizens Advice](#)**

#### **Domestic Abuse Services:**

- [Hampshire](#)
- [Southampton](#)
- [Portsmouth](#)
- [Isle of Wight](#)

Kent County Council has collected some detailed **Financial Abuse Case Studies** -see Appendix E in this guide: [Financial-abuse-toolkit.pdf \(kent.gov.uk\)](#)

Local Safeguarding Adults Reviews where financial abuse was a factor include the Portsmouth [Mrs E and Mr F](#) reviews.