

# FINANCIAL ABUSE: DOES IT CONCERN YOU?

For Professional Advisers only

## What does financial abuse look like?

Financial abuse is when someone uses your client's money or property without their consent. Anyone can be the subject of financial abuse, from the vulnerable, elderly, or under-informed to the successful, wealthy and financially literate. It can cause extreme distress, hardship and – in some cases - a threat to personal safety.

Below is a list of some – but not all – of the situations that would be classed as financial abuse:

- Misuse of power of attorney – when someone with power of attorney siphons off money, investments or property from accounts that don't belong to them
- Forcing someone to make changes to their will
- Putting pressure on family members to take out credit (loans or mortgages) for their own use
- Running up debt on joint accounts without the partner's knowledge
- Controlling the money within a relationship so that the other partner has no economic power or independence
- Concealing the truth about finances within a relationship
- Coercing someone into making payments or 'borrowing' money and not paying it back
- Tricking someone into making a bad or fake investment or purchase

## Does it concern financial planners and advisers?

It is surprising how many people know – or know of – a situation where financial abuse has occurred in some form or another.

As a financial adviser or planner, you may not have thought much about your role in financial abuse situations. Yet yours is a unique and privileged position that means you might be the first – or only – person to spot that something is not right with a client's money.

Having an awareness of the impact and consequences of financial abuse also puts you in the position of 'first port of call' for anyone – whether or not they are a client – who needs guidance or help.

## First steps

In the first instance, it's worth thinking about how prepared you would be if an existing client confided in you that they were subject to financial abuse. Or that they suspected that a friend or relative was.

### Do you have a policy on dealing with cases where financial abuse is either suspected or confirmed?

This could be an extension of your policy on vulnerable clients. Or, with specialist training, you could develop one specifically for financial abuse cases.

### Do you recognise the limits of your own expertise in this area and maintain a list of contacts or resources for external support?

If not, take the time to build a list that anyone in your team can access.

### Are your team members aware of the issues surrounding financial abuse (advisers and admin alike)?

Sharing knowledge and taking a team approach will help everyone remain alert to the possibility of an abusive situation.

## What actions might you take?

Put aside some time to inform yourself on the issues around financial abuse. There are some useful websites listed at the back of this leaflet. In addition:

- Someone in the team might take some specialist training in this area
- You could hold regular team discussions to help identify warning signs, share case studies, and develop a supportive approach

When you feel appropriately informed, you might consider formulating a financial abuse code to display on your website or shop front. This would give a signal to the wider community (in particular, to anyone who is subject to financial abuse or who suspects that someone they know is) that yours is a safe and trusted space where help and support can be found. This might include statements that commit to:

- Placing the wellbeing of anyone subject to financial abuse at the centre of your procedures
- Recognising the need for extreme tact and sensitivity
- Respecting the feelings and wishes of a client vulnerable in this area, at all times
- Not dealing with anyone suspected of carrying out financial abuse
- Through these actions, and over time, you can develop internal procedures for dealing with cases of financial abuse. For example:
- Naming a dedicated senior manager – for example, your Compliance Officer - with whom suspected cases of financial abuse can be discussed
- Thinking about what documentation of suspicions/actions would be appropriate and when external organisations should get involved

### What sort of help or support can you offer?

- Build a bank of literature and links to organisations that can help – to display in your office and/or on your website
- Offer to meet a client who has indicated they want your help in an informal and neutral setting – such as a café – to encourage trust and openness and to show a willingness to listen and empathise
- Liaise with providers to increase security of access to funds
- Discuss protecting a client’s assets in trusts

In some serious cases it might be appropriate to:

- Offer to be an alternative address for correspondence
- Offer to keep important documents on file (e.g. birth certificate) in cases where the subject is thinking of ‘escaping’
- Contact external bodies/organisations such as domestic abuse charities, Office of the Public Guardian, the Police

Source: Michelle Hoskin, Founder and Director at Standards International Ltd. Standards International is the only dedicated certification body in financial services to provide training and certification services in the area of Financial Abuse.

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## Resource list (UK)

### Useful links for understanding financial abuse

1. **Money Helper** – search for financial abuse
2. **UK Finance** – search for financial abuse  
See also **link to PDF** for handing out to clients/walk-ins/ displaying in the office
3. **Surviving economic abuse and 6 moments that matter**

### Useful links for cases involving women/ victims of domestic abuse

1. **Women’s aid** – what is financial abuse (Includes a local support directory)
2. **National debt helpline**

### Useful links for cases involving the elderly

1. **Hourglass:** UK charity dedicated to ‘calling time on the harm and abuse of older people’.
2. **Age UK**
3. **Gov.uk** – reporting abuse of an older person
4. **The National Careline**

### Useful links to authorities

1. **Office of the public guardian**
2. **DWP**
3. **The police (Action Fraud)**

### Useful link to financial abuse training

1. **Standards International** – Financial Abuse training and certification and further guidance and support – 01462 790894



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