Bournemouth University

The National Centre for Post-Qualifying Social Work and Professional Practice


LITERATURE REVIEW

# Financial Scamming: The Value of Early Intervention by Trading Standards

Dr Sally Lee and Dr Lee-Ann Fenge.
Contact details lees@bournemouth.ac.uk
Lfenge@bournemouth.ac.uk

www.ncpqsw.com

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## Introduction

This literature review has been commissioned by the Chartered Trading Standards Institute and sponsored by CTSI College of Fellows to investigate the phenomenon of personal fraud and scams. It explores the impact early intervention by trading standards (TS) has on the prevalence, experience and cost of scams to individuals and local authorities. The literature review identifies evidence of effective interventions in the prevention of, and protection from scams, including the value of inter-agency collaboration. This data is used to promote evidence informed interventions founded on knowledge from research, practice experience and the lived experience of service users which aids accountability and ethical service delivery.

Financial fraud, or scamming, is a growing problem (Financial Fraud Action UK, 2014). TS is at the front-line (Gibson and Qualls, 2012), often being the public authority's 'human face' in their response to scams. TS have a dual role which aims to enforce standards of business practice as required by legislation, and provide a person focused service to protect consumers from involvement in scams and chronic victimisation. In response to the growth in the variety of scams, their reach and impact, it is essential that interventions used to address scams are reviewed to discover what works in practice and build on this evidence to inform best practice. Scamming is an international problem which is reflected in the literature review; however, focus is given to the UK context where CTSI is situated. This literature review explores current knowledge about scams and what is being done to tackle the issue by government, enforcement agencies, charities and the financial sector. It provides an overview at the time of writing, but the authors acknowledge that understanding of the topic is continuously developing; therefore this review can be seen as a time specific snapshot to be updated as future developments occur.

This review firstly sets out the methodology used to demonstrate the systematic approach taken to gather relevant information. Focus then moves to the Care Act 2014 to explore the social policy context of work on prevention and protection. TS are subject to legislation and guidance specific to their areas of responsibility (see Spicer, 2014 for an outline of all 250 pieces of legislation to which TS are subject), but also wider social policy including The Care Act, 2014. Policy priorities and the underlying principles embedded within the Care Act are influential across all local authority functions. These priorities are considered first to establish how TS and other local authority departments, specifically adult social care (ASC), work together as part of a whole authority response to protect adults at risk of harm and abuse from financial scams.

This review seeks to define scams and sets out the legislation which protects consumers from fraudulent transactions. Different types of scams are identified illustrating the determination of scammers to use multiple means to contact consumers. This includes an investigation into the personal and social factors which create vulnerability to scams and perpetuates scam involvement leading to chronic victimisation. The factors which are mutual to both scam involvement and social care need are highlighted to emphasise the impact of scams beyond financial detriment and the importance of inter-agency intelligence sharing and cooperative work, specifically between TS and ASC. The financial costs to both consumers and the public purse are investigated, demonstrating the significant loss to individuals and the economy resulting from scams.

The review then moves on to explore scam interventions and draws on approaches to prevention described in the Care Act 2014 statutory guidance (2016). This considers the different levels of intervention, what each level involves and how person-centred methods which acknowledge the perspective and material and personal circumstances of victims are most effective. This leads to the development of a working definition of early intervention to be tested by ongoing research.

The review concludes by drawing the themes of personal and public detriment together, highlighting how scamming has become a public health issue with profound impact on well-being.

**Methodology**

Literature has been identified via the Bournemouth University e-resource library, using the MySearch facility. This facility has searched e-books, e-journals, e-newspapers and databases. The search was conducted through all e-resources connected with the MySearch facility, including Science Citation Index, psycINFO, Scopus® and Business Source Complete. The search was first conducted in January 2016 and was repeated until December 2016.

This exploration of literature has utilised a Boolean search mode to explore academic journals, news articles, books, reviews and other e-resources. The Boolean method of searching uses key terms that are “relevant to the topic, which are merged using Boolean logic (AND, OR and NOT) statements to construct a query to the database(s) of interest" (Hinde and Spackman, 2014, p.6).

The following key words have been +used to conduct the search:

- Scam* or fraud* or deception
- Intervention or early intervention or prevention
- Elder* or older
- Abuse or exploit*
- Loneliness or lonely

The search excluded all results that were not in the English language and was refined to include only full, peer reviewed text because this limited the results to academic articles which have been through a quality control process. The search was not restricted to any geographical location to allow for the ability to compare intervention initiatives and definitions between organisations from around the world. The references cited in the most recent and relevant academic articles were hand searched to capture other sources potentially missed through the process detailed above.

To reduce the number of results, the search excluded anything written before 2000, focusing the review on the most recent literature. There were exceptions to this, specifically when looking at intervention initiatives in North America which took place before 2000 but which were pivotal in changing the landscape for scam intervention.

In addition, searches of websites, including Google Scholar, CTSI and www.UKGov were undertaken to identify reports and other relevant material.
Sources were read, annotated and reviewed to identify recurrent themes and the themes were then used to create the structure of this literature review.

**The Care Act 2014**

The Act is a major piece of reforming legislation consolidating many of the multiple laws relating to social care, seeking to clarify and standardise the complex and uneven provision of adult social care across the country (Brammer, 2014). This change to ASC is of crucial relevance to TS's work regarding scamming because:

a) The Care Act 2014 promotes policy priorities which are relevant across local authority functions (including TS),
b) TS and ASC have a shared population of concern; that is adults who are at significant risk of being both targeted by scammers and developing or exacerbating social care needs.

**Policy priorities embedded within The Care Act 2014 which impact on local authority functions beyond ASC:**

**Safeguarding:** safeguarding is 'everybody's business' (DH, 2013). The Care Act 2014 puts safeguarding on a statutory basis for the first time and responsibilities include:

1. Making enquiries where a local authority has reasonable cause to suspect that an adult in its area (whether or not ordinarily resident there)—

   (a) has needs for care and support (whether or not the authority is meeting any of those needs),

   (b) is experiencing, or is at risk of, abuse or neglect, and

   (c) as a result of those needs is unable to protect himself or herself against the abuse or neglect or the risk of it. (s42,1).

   The enquiries must enable the local authority to decide whether any action should be taken in the adult's case and, if so, what and by whom (s42, 2).

   The act provides a definition of financial abuse (s42, 3) which includes scamming and unscrupulous trading practices:

   (a) having money or other property stolen,

   (b) being defrauded,

   (c) being put under pressure in relation to money or other property, and

   (b) having money or other property misused.
2. Establishing a Safeguarding Adults Board (SAB) (s43). Arrange advocacy where necessary.
3. Co-operate with relevant partners (as set out in Section 6 of the Care Act) to protect the adult.

As stated in point 2 the Act requires that Adult Safeguarding Boards be established in all local authority areas to oversee strategic planning, focus on prevention, develop partnership working and implement safeguarding policy. Serious case reviews have frequently highlighted the absence of inter-agency communication and collaboration (Brammer, 2014) so the part of the role of boards is to create a shared multiagency agenda to protect adults at risk of abuse or neglect and demonstrate the partnership and integrated working which is at the heart of current social policy. They must enable an open culture around safeguarding, where partners can challenge each other, when appropriate, draw of professional expertise and advice and guidance can be sought (SCIE, 2016). Each board must assure itself that the local safeguarding policy and practice of all partners, including TS, acts to help protect adults who meet section 42 criteria in the area (Galpin, 2016).

This assurance is dependent on local safeguarding arrangements and practice:

- meeting the requirements of the Care Act 2014 and statutory guidance
- being person-centred and outcome-focused
- working collaboratively to prevent abuse and neglect where possible
- ensuring agencies and individuals give timely and proportionate responses when abuse or neglect have occurred
- is continuously improving and enhancing the quality of life of adults in its area. (SCIE, 2016).

**Making Safeguarding Personal** (2014) introduced a fundamental change to safeguarding policy and procedures emphasising a person-centred approach focused on the inclusion and participation of the individual (or their representative) in every stage and decision of a safeguarding inquiry. This approach is embedded in the Care Act and forms part of the personalisation of public services.

TS provide a unique contribution to protecting people from financial abuse through activities including awareness raising, consumer education and enforcement. In addition, TS offer safeguarding inquiries specific information and guidance about legitimate and illegitimate consumer practices assisting in the determination of abuse and risk analysis (East Sussex, 2015).

The National Trading Standards Scams Team provide specialist scam support developing the process of identifying and supporting scam victims by coordinating work across England and Wales with trading standards and partner agencies. The aims of the National Trading Standards Scams Team are:

- To IDENTIFY victims of scams.
- To INTERVENE and protect victims from further victimisation.
- To INVESTIGATE criminal activity.
- To INFORM local authorities and agencies on how to work with and support scam victims
- To INFLUENCE people at local, regional and national levels to TAKE A STAND AGAINST SCAMS (Baxter, in Press).

When the Team started in 2012, only 6% of local authorities were undertaking work to identify and support local scam victims. By the end of 2016 the Team had signed up 179 local authorities, 90% of the UK, gathering victim information and committing to proactively use this data to support people.

**Personalisation:** The Care Act 2014 extends the scope of personalisation and promotes it to enable well-being (Department of Health, 2014). Active citizenship and the exercising of personal agency is enabled through participation in decision making and choice and control over the way needs and outcomes are met (SCIE, 2012). This reflects a general societal move away from paternalistic approaches to service provision to one based on the notion of independent consumers making active choices and exercising their rights as citizens (Beresford, 2013).

In respect of personal fraud, or scams, personalisation requires the full involvement of the scam victim, or their representative, in all decision making – even in the event of unwise decision making.

The requirements of the **Mental Capacity Act 2005**, including the assessment of capacity, are fundamental to personalised approaches to service engagement. The Act seeks to protect citizens from the removal of personal agency justified by, for example, a diagnosis of dementia or other medical condition. This is achieved through the promotion of the Act's five principles:

1. The assumption of capacity.
2. Individuals being supported to make their own decisions.
3. Unwise decisions do not indicate lack of capacity.
4. Anything done for or on behalf of a person who lacks mental capacity must be done in their best interests.
5. Any action needs to consider the least restrictive option.

Information must be provided in the most appropriate and accessible form for the individual concerned to enable their participation. TS interventions, like other public service, are required to be informed by the personalisation approach and comply with mental capacity legislation.

**Prevention:** The Care Act 2104 and Guidance (2016) do not provide a prescribed definition of prevention. Instead they allow for a local approach which may include a range of activities at different levels of intervention, ranging from wide-scale whole-population measures to targeted, individual actions (DH, 2016, 2.4). Responsibilities for prevention apply to all adults, whether or not they have need for care and support, or whether any needs they do have meet the eligibility criteria (see DH, 2016, Chapter 6 for eligibility details). Regarding scamming this means that ASC and TS are enabled to work collaboratively to prevent potential scam victims from becoming involved. This can be achieved through, for example, the sharing of intelligence about current scams and vulnerable populations in order to provide forewarning to targeted groups.

**Promotion of well-being:** The Care Act 2014 is underpinned by the well-being principle. This requires local authorities to promote conditions which enable well-being and reduce dependency through their universal functions (DH, 2016, 2.1). The profound and potentially long-term impact of scams on personal health and well-being, as well as the economic detriment, is explored within this literature review. This demonstrates how the negative impact on well-being makes scamming a concern of relevance to the universal responsibilities of Care Act (DH, 2016, sections 1-2), and the impact on health makes scamming a public health issue. This means it is important that public services, beyond enforcement agencies, increase their awareness of scams, develop skills in the recognition of signs and symptoms and develop evidence based interventions. Such work is already undertaken by TS, often in partnership with other departments and agencies, and their experience and expertise is a resource which can be drawn upon by other departments.

**Defining scams:**

'Scam' is a commonly used slang term for personal fraud meaning an illegal plan for making money, especially one that involves tricking people (Cambridge online dictionary, 2016). The Fraud Act 2006 defines scams as fraudulent criminal activity with different types of scams falling into the three categories of fraud:

(a) Fraud by false representation
(b) Fraud by failing to disclose information
(c) Fraud by abuse of position (Fraud Act, 2006, Chapter 35 (1))

The Consumer Protection from Unfair Trading Regulations 2008 makes misleading actions or omissions by traders a criminal offence and includes unscrupulous behaviour by legitimate traders.

Banned practices are set out in Schedule 1 of the Regulations such as:

"Creating the false impression that the consumer has already won, will win, or will on doing a particular act win, a prize or other equivalent benefit, when in fact either:

(a) there is no prize or other equivalent benefit, or
(b) taking any action in relation to claiming the prize or other equivalent benefit is subject to the consumer paying money or incurring a cost which include "persistent

unwanted solicitation by phone or email and pretending that a prize has been won" (OFT, 2008).

The aggressive selling techniques often used by scammers are included in banned practices.

Extending the understanding of scams to highlight how scammers are proactive in creating opportunities to exploit their victims Fischer et al. (2013, p.2061) state that "scams are a form of fraud, but they differ from more typical frauds in that they are not embedded within an existing commercial transaction, but rather attempt to create a transaction within which the fraud can be perpetrated". The Office of Fair Trading 2006 (p.12) define a scam as "a misleading or deceptive business practice where you receive an unsolicited or uninvited contact (for example by email, letter, phone or ad) and false promises are made to con you out of money" (Office of Fair Trading,2006).

The Care Act 2014 includes scamming as a form of financial abuse which may require a section42 safeguarding adult inquiry. The local authority is able to undertake such an inquiry whether or not the person concerned received or is in need of ASC support services.

The act defines financial and material abuse in s42 (3):

"Abuse" includes financial abuse; and for that purpose "financial abuse" includes

(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.

In addition, the Statutory Guidance (2016) states:

"Financial or material abuse including theft, fraud, internet scamming, coercion in relation to an adult's financial affairs or arrangements, including in connection with wills, property, inheritance or financial transactions, or the misuse or misappropriation of property, possessions or benefits" (DH, 2016, 14.17).

This creates a direct link between the experience of being scammed and safeguarding responsibilities.

Police report that scammers have links to organised criminals who may use the money from small scale scams to fund their criminal activity in the drug trade, human trafficking and illegal weapons sales (Citizens Advice, Scotland, 2014).

**Common signs of a scam:**

The call, letter, e-mail or text has come out of the blue

You've never heard of the lottery or competition they are talking about

You didn't buy a ticket (you can't win a competition you didn't enter!)

They are asking you to send money in advance

They are saying you have to respond quickly

They are telling you to keep it a secret

They seem to be offering you something for nothing

If it seems too good to be true – it probably is!

They are telling you to keep it a secret (Citizens Advice, Scotland, 2014, p 13).

## Types of scams

Scammers use every form of communication, advertisement and enticement to appeal to consumers and establish contact with potential victims. Scams are designed to attract people in particular circumstances or stages of life (Citizens Advice, Scotland, 2014, National Audit Office, 2016). For example, an investment scam might appeal to someone with capital, looking to invest but who may not have access to quality information and advice. Scammers utilize the same sophisticated marketing techniques used in the promotion of legitimate business, but take persuasion, promotion and enticement beyond the allowable legal or ethical limits.

The following section explores common forms of scams. These are often interlinked so people receiving a significant amount of scam post will also receive multiple phone calls and emails as they enter the domain of scams, from which it is extremely difficult to break free.

### Internet, online or e-scams and cybercrime

As technology has developed and become almost ubiquitous so too have scams, reflected in the growth of internet scams and cybercrime (ONS, 2017). The National Audit Office (NAO) (2016) reports on the increasingly complex and wide-ranging threats, in particular from the rise in e-commerce. Personal data is often required for online transactions which increase the risks of identity theft and fraud. This is a significant issue for the UK whose e-commerce market is the largest in Europe and the third largest globally (National Audit Office, 2016). Protection, enforcement and disruption activities by TS and the police are more difficult as traders are often based in different jurisdictions. Scams involving extracting personal information from the victim rose 21% in 2015, while Citizens Advice considers that up to one in six products advertised on some e-trading sites are potential scams (National Audit Office, 2016).

**Examples of e-scams**

**Dating or romance scams** – this is one of the top five fraud actions reported to the police in the UK (Action Fraud, 2010). Criminals, using a false identity, join legitimate online dating websites or chat rooms to develop a relationship and build up trust. Once established the relationship is exploited to extort money through, for example, requests for money to help pay for a family member who is ill or to pay for travel costs to visit the victim (Citizens Advice, Scotland, 2014). This form of scamming can have particularly devastating effects on the victim's mental well-being and confidence (Witty, 2013).

**Health and medical scams** – products purporting to be miracle 'cures' for a variety of long-term health conditions are sold online from different jurisdictions, and without any regulatory oversight.

**Shopping and auction fraud** –some of the most common complaints involve buyers not receiving goods or ones significantly less valuable than those advertised.

**Bogus bank or government websites** – such as a site disguised as HMRC where personal information if disclosed.

**Cybercrime**

ONS report (2017) states that there were an estimated 3.6 million cases of fraud and two million computer misuse offences in the year up to September 2016. John Flatley from the ONS is reported as stating: "Crime has changed; with fraud now the most commonly experienced offence" (BBC, 19.1.17).

**Bank and credit account fraud** - criminals access bank accounts, credit cards or fraudulently use plastic card details

**Advance fee fraud** - crimes where the victim has been tricked into handing over cash after a communication, such as a lottery scam

**Non-investment fraud** - criminals con a victim into buying something, often online, perhaps through a bogus phone call or email.

**Fake charity scams** –appear to be legitimate, even familiar, charities.

**Mail scams**

It may appear that postal scams are sent indiscriminately however this is not the case with specific groups and geographical locations targeted (National Fraud Authority report, 2011). Examples of mail scams include:

**Prize draws and lotteries** – victims are informed that they have won a large prize even though they did not enter and to receive their prize they must send a fee.

The OFT (2006) found that scam lottery and prize draw scams are to cost an estimated £260 million in the UK every year, with 140,000 adults falling victims. Lottery scams are among the most common (OFT,2013) but victims often feel embarrassed and concerned about ridicule from family and friends for 'making a fool of themselves' so do not report their loss (Button et al, 2012).

**Clairvoyant scams** – these are often targeted at the recently bereaved and involve very personal communications. 'Magic' products are sold to 'ward off' evil spirits or bring good luck.

**Catalogue scams** –sell 'miracle' products. 'Prize draws' are often used as an incentive.

**Telephone scams**

Telephone scams mislead and employ persuasive marketing techniques to ensnare victims. The commonly used techniques include cold calling and automatic dialling. The aim is to gain personal information such as bank details or to sell something unwanted (NAO, 2016). Common telephone scams include:

**Courier scams** - a courier is sent to the consumer to collect their bank card following a cold call purportedly from their bank.

**Pension scams** – which convert pensions into cash for high fees and consumers then face large tax bills.

**Investment Scams –** present opportunities to invest in products such as wine and land which are in fact of low or no value. The average loss of these scams is £32,000 (Action Fraud, 2016)

**Charity scams** – which use premium rate numbers.

**Doorstep crime**

Rogue traders commonly overcharge, intimidate, even deliberately damage a person's property then charge for repairs to extort money from victims (ACSTO, 2015). 65% of victims are aged 75 and over and 57% live alone and rogue traders are known to search for visible indicators of potential vulnerability such as handrails, door ramps, or a key safe (ACTSO, 2015). Trading standards report that such crimes are often not reported and when they are made aware the victim states that the 'service' was necessary and needing doing immediately. Cases often highlight how the bereaved feel unable to manage the issues that were previously dealt with by their partner, for example property maintenance (Citizens Advice Scotland, 2014).

"Rogue traders are also known to exploit lonely older adults by grooming them to facilitate repeat victimisation perpetrators rationalise this by claiming to benefit the victim, making them happy via their social contact" (Day, 2017, in Press).

**Suckers lists** Criminals typically sell on victims' details, with National Trading Standards recently uncovering over 500,000 names on suckers lists (National Audit Office, 2016).

**Emerging threats**

National Trading Standards (2015) have identified the top 7 trading threats for 2016/17:

**Energy saving scams**

Bogus, faulty or poor quality items for sale on **social media.**

**Call blocking** devices which either do not work or incur charges.

**Loan sharks**.

**Subscription traps** where consumers sign up to schemes without being aware of the financial commitment.

New **investment scams** in response to pensions being made more accessible.

**Secondary ticket sales** (adapted from NCPQSWPP, 2016)

## <u>The prevalence of scams</u>

Estimates of reporting rates of rogue trading incidents by trading standards suggest that only between 1% and 10% are ever reported. This would mean anywhere between 172,640 and 1,726,400 incidents of rogue trading occurred during 2014-2015. A similar rate of reporting for distraction burglary would mean between 30,600 and 306,000 incidents; far fewer than estimates for rogue trading (Day, 2017, in Press).

Finding accurate calculations of the prevalence of scamming is made difficult by the reluctance of victims to report their experiences:

> "Literature suggests that scamming is vastly under reported, with less than 5% of people reporting scams to the authorities" (Office of Fair Trading, 2006).

Reasons for under-reporting

- Fear of repercussions from offenders or their associates.
- Fear of getting involved in the criminal justice system / process.
- Fear of loss of their independence.
- Lack of mental capacity.
- Not understanding / accepting they are a victim.
- Social isolation and loneliness.
- Embarrassment / self-blame.
- Considering it is inappropriate to report.
- Believing it is futile to report.
- Not knowing who to report to.

- Generational issues.
- Wanting to ignore the incident or forget about it.

(ACTSO 2014)

In 2014/15 there were 17,264 reports of doorstep scams in the UK with a recorded detriment of £22.1 million (National Trading Standards Board, 2015). This figure could be as low as 1% of reported cases, meaning the true scale could be as high as 1.7 million cases of doorstep scamming alone, with a detriment of £2.21 billion. This suggests that scamming is significantly more prevalent than official figures indicate.
The literature indicates that different scams are more prevalent in different countries, for example prize draw or lottery scams are one of the most prominent scams in the UK (costing the public an estimated £60 million per year) (National Trading Standards, 2015). While telemarketing scams are particularly prominent in the USA (at an estimated cost to the public of between $15 and $40 billion annually) (Ross, 2013). Romance and dating scams are particularly frequent in Australia, with over 2,600 reports in 2015 (an estimated cost of $22.7 million) (Australian Competition and Consumer Commission, 2016). Further research is needed to identify the precise reasons why this is the case.
In the UK the National Audit Office, 2016 reports an estimated £14.8bn of consumer detriment that needed to be tackled by consumer protection bodies in 2014-15 and the estimated cost of the consumer protection system in 2015-16 was £165m. The report states that the true impact of consumer detriment on the economy is unknown because of under reporting. The impact of consumer economic detriment on personal and national economic well-being is discussed later in this review.

**Impact on health and well-being**

Financial abuse from scams, like other forms of crime such as burglary, can have a severe impact on and individual's health and well-being and their ability to live independently (Donaldson, 2003). This creates a public health concern for the individual and society (Lee, 2017, in Press). Research with victims of financial abuse, supported by intelligence gathered by the National Trading Scams Team, reveals the extensive impact of scams:
**Depression and anxiety** - Victims of scams who have experienced substantial losses have reported the losses as emotionally devastating; in some extreme cases victims have attempted or considered suicide.
**Anger, resentment, and a sense of betrayal** toward the offender for taking advantage of the victim, especially if they are someone they know

**Social isolation**-victims often suffer their losses in silence rather than risk alienation and societal condemnation if scam involvement is perceived to be the result of their own greed and stupidity

The **stress and pain of victimisation** may manifest themselves as depression, withdrawal and isolation from family and friends, difficulty at work, and the deterioration of physical and mental health. There may also be:

- Increased vulnerability to further exploitation
- Inability to replace lost savings creating financial anxiety
- Deterioration in physical and mental health
- Fear- scams are a personal violation although there is no serious physical injury; many victims speak of the experience as the psychological equivalent of rape. Victims may fear for their financial security, and express concern about personal safety and well-being
- Self-blame, shame, embarrassment and guilt if the victim feels they have contributed to their own or others' victimisation.
- Loss of confidence to live independently and loss of self-esteem - a victim's trust in his or her own judgement and trust in others is often shattered. They may hesitate to tell family members, friends, or colleagues about their victimisation for fear of criticism. Family members and business associates may even have been financially exploited at the victim's urging, resulting in increased feelings of guilt and blame.

(Adapted from SCIE, 2011 p11; Witty, 2013; Button et al, 2014; Age UK 2015 and unpublished case studies of scam victims collated by the National Trading Standards Scams Team, cited in Lee, 2017, in Press).

The National Trading Standards Doorstep Crime Project (2015) included a victim impact survey, which highlighted four significant impacts on health and well-being.

- On a scale of 1 to 10, with 10 being the worst affect, 50% rated the effect of the crime on them as between 6 and 10.
- 23% said it had affected their health.
- 38% said it had resulted in them having reduced confidence generally.
- 26% said it had left them feeling down or depressed.

Further research has found that 40% of victims of doorstep crime reported a change in their quality of life. (Barratt, 2012),10% had unexplained admissions to hospital within three months of the burglary (Thornton et al, 2006), in the two years following a distraction burglary, victims are almost 2.5 times more likely to be in residential care or to have died than their non-victim peers (Donaldson, 2003) and repeat victims are likely to suffer from post-traumatic stress disorder (Barratt, 2012) (cited in Day, 2017, in Press).

Day (2017, in Press), drawing on National Trading Standards research, identifies factors that affect the victim impact of doorstep crime:

- The level of financial loss, particularly as a proportion of victim's wealth (e.g. the loss £20,000 may be less harmful to someone with hundreds of thousands of pounds than the loss of £500 for someone already experiencing poverty.
- The level of awareness of having been victimised (those unaware of the criminality will be, aside from the financial loss, largely unaffected).
- Longevity of victimisation (repeat victimisation is likely to have a greater impact than a one-off incident – both financially and in terms of the victims' health and wellbeing).
- Loss of items of sentimental value (may have a greater impact than the loss of money alone).
- Availability of support networks (socially isolated and lonely victims may feel the impact more acutely).
- Victims' personal resilience (some may feel the impact more greatly than others).
- Enforcement response (those who are dissatisfied with the enforcement response they receive suffer greater anxiety, and for longer, than those who are provided a satisfactory response).

**Economic detriment**

Calculating economic detriment resulting from scams is equally complex because of the reluctance of victims to disclose the full extent of their loss, and the general under reporting of scamming (Lonsdale et al, 2016). In addition the current measures of economic detriment often focus on specific, but overlapping, crimes relevant to specific agencies. For example doorstep scams (Doorstep Crime Survey, 2015), online scams (Get Safe Online, 2016) or mass marketing fraud (National Scams Team) rather than giving a global assessment.

The Annual Fraud Indicator 2016 (University of Portsmouth 2016 p26) provides a more comprehensive figure and calculates that up to £9.7 billion was lost to personal fraud in the UK to 3.25 million victims This figure is made up from £3,562 million lost to mass marketing fraud, £5,396 million lost to identity fraud, £769 million lost to private rental property fraud and £3 million to prepayment meter scams. It does not include up to £2.2 billion lost to doorstep scams. The National Trading Standards Scams Team, reported by Lonsdale et al

(2016), calculate that mass marketing fraud alone costs consumers up to £5.77 billion annually while Age UK (2015) suggest this is closer to £9 billion. There is no typical loss for victims as the amount of money lost will vary for each victim and each scam (Deevy,et al, 2012), however figures from the NAO (2016 p 5) indicate that victims of mass marketing fraud loose an average of £4,500 each .

Financial abuse, including scamming, is the second most common form of abuse experienced by adults at risk (SCIE, 2011) with 16% of safeguarding enquiries concerning financial and material abuse (Adult Social Care Statistics, 2016). This creates a cost to local authorities both in the provision of safeguarding response but also in the potential cost of longer term care and support services. Living free from harm and abuse is a fundamental human right and serious abuse is a violation of Article 3 of the Human Rights Act, 1998. Local authorities must promote Human Rights in all their functions, proactively preventing abuse and neglect where and when possible (DH, 2016). TS provide an essential, and particular, contribution to this policy agenda adding expertise regarding consumer rights, protection and enforcement (East Sussex, 2015).

Scams impact negatively on public finances as well as personal financial well-being. Scams remove funds from the national economy, reducing the economic and consumer activity of victims with potential consequences for legitimate commerce (Lonsdale, 2016). In the UK consumers spend over £1,160 billion a year on goods and services (National Audit Office, 2016). The loss of confidence in commercial practice and transactions negatively impacts on the wider economy and "consumer confidence is vital for both effective markets and economic growth" (National Audit Office, 2016, p5). In addition scams impact on the demand for, and funding of, public services. Current UK social care policy enables local authorities to charge for care and support services (Care Act, 2014, s 14, 17, 69-70). An individual's personal contribution is means tested, determined by financial assessment which considers income, assets and property. In cases where an individual's assets have been reduced through involvement with scams the local authority may be required to fund services, at a cost to the public purse.

Research, in collaboration with ASC, is required to ascertain the extent scams lead to, or exacerbate, existing health and care needs and the subsequent cost to public authorities. The long term sustainability of ASC is a current and contentious topic with public debates including notions of personal responsibility, the rates and appropriate use of public taxation and the role of the state (see for example Crawford and Emmerson, 2012, Humphries et al, 2016, Smith et al, 2016).

Austerity measures introduced over the last six years have reduced council funding by 40% (Burns, 2015), and ASC by almost 20% (Smith et al, 2016) resulting in 26% fewer people getting help (Humphries et al, 2016). The costs of care and support vary considerably around the UK however, total expenditure on ASC in 2014/15 was £17.0 billion (including income from client contribution) (Health and Social Care Information Centre, 2015). The average cost of long term residential care was £716 per week, and for externally provided home care was £14.28 per hour (before the introduction of the living wage) (Health and Social Care Information Centre, 2015). This demonstrates that the cost of care is a significant expense, and suggests that efforts targeted at preventing or delaying individual's need for care and support are valuable.

## Scamming is personal

There is a scam for every type of person and scammers are adept at using marketing techniques and forms of language designed to appeal to certain types of victim (Citizens Advice, Scotland, 2014). Victims are targeted when they are experiencing times of transition which create periods of vulnerability, such as bereavement:

**Case study 1:**

> Mr B is an active, independent man who was widowed 3 years ago. He locates that his contact with scammers originates from his purchase of a mobility aid for his wife through a catalogue inserted in a magazine. Following this purchase Mr B started receiving scam mail including lotteries, prize draws and letters from 'clairvoyants'. Initially this was a nuisance; however, following the death of his wife he found comfort in the apparently personal messages from clairvoyants as well as the routine, almost full-time administrative job of organising and replying to the multiplying number of letters, which he found to be a distraction from mourning. Mr B, with the help of TS as well as the passing of time when the pain of missing his wife eased, was able to establish other positive relationships and no longer wanted or needed contact with scammers. His period of vulnerability had passed.

As the success of a scam is dependent on the victim responding, intervention and prevention require an understanding of why people respond. Greed, gullibility and poor education have been cited (Langenderfer and Shimp, 2001), however, whilst these factors might be relevant in some cases, they offer little insight into the complexity of life and specific scam vulnerability. For example, why too good to be true offers appear especially attractive, or why our skills of discernment become compromised.

Notions of greed and stupidity locate responsibility and blame with the individual victim thereby abnegating the responsibility of government, and wider society, to enable safe consumer engagement in the market, prevent harm and protect when harm has occurred. In addition 'this idea that the victims of the crime are partially to blame for either failing to spot the signs of a scam or being too eager to take up unsolicited offers leads to extremely low reporting rates' (Citizens Advice Scotland, 2014, p3). Neither do simplistic characterisations of scam victims being completely unaware of the true nature of the transaction portray the sometimes nuanced nature of the scammer/victim relationship. For example, engagement in a scam-based relationship may serve a function for the victim, in the case of Mr B this was providing social contact and a routine which would otherwise have been absent and one which he perceived to be worth the financial cost for a period of time. Alternatively the victim may be driven by the desire to provide financial support to a friend or relative and feel that the chance of a financial windfall is worth the 'gamble':

**Case study 2:**

Miss A responded to an invitation to entre a prize draw when she purchased goods to a certain value from a health supplements catalogue. Miss A's sister lives in residential care and Miss A hoped to win the jackpot of £80,000 so she could pay the care home fees. Miss A started to receive multiple communications from lotteries, draws and clairvoyants. She also received numerous phone calls each day offering her investment opportunities and prizes. Miss A continued to respond to the original prize draw and other scams, sending cash in return. She was informed that she was only one stage away from the 'big payout'. Miss A did indeed receive her prize: a cheque for 64p, at which point she realised her mistake and contacted her local trading standards who worked with her to stop all scam contact.

It is important that the social utility of scam involvement is recognised as this provides insight into deficits in social cohesion and where marginalised people might become involved in activities detrimental to their health and well-being because they cannot find other ways of meeting that need. Research into the effect of loneliness on health and well-being (discussed in detail later in this review) identifies the devastating impact on individuals and communities of the long-term failure to address the topic in social and health policy. Further research into the reasons why people respond to scams and factors leading to periods of vulnerability will elicit further insights to inform multi-agency, community and individual prevention and protection policy and strategies.

Research suggests that people who have lower levels of financial literacy are more likely to be targeted by financial scams and that addressing problems with financial literacy will help ensure financial security (Lusardi, 2009).Financial literacy is defined as "the ability to make informed judgements and to take effective actions regarding the current and future use and management of money and other assets" (Birkenmaier, Curley and Sherraden, 2013, p.138). This includes education about scams, the language and different marketing techniques used by scammers to lure victims into responding (Olivier et al. 2015). Such education could be offered through media campaigns, workshops run at social centres as well as the one to one instructional sessions often provided by TS to scam victims. The *Seniors Against Investment Fraud* (SAIF) is a US based example of a successful educative programme, established in California in 2001. The programme is delivered through seminars and presentations and aims to educate people over 50 in financial literacy and raise awareness of financial and investment fraud, scams and fraudulent sales practices that specifically target older people (Lusardi, 2009). Similarly in 2001 the '*Money Smart*' programme was initiated in the United States, fostering financial stability through educational computer based or instructor led classes in financial literacy (Birkenmaier, Curley and Sherraden, 2013). The programme has reached over 3 million people since 2001 (Federal Deposit Insurance Corporation, 2016).

Research indicates that psychological, behavioural and circumstantial factors influence an individual's likelihood of falling victim. Vulnerability to scam involvement can stem from the same circumstances which lead to social care needs (for example cognitive impairment or social isolation), meaning that the population met by TS in their duties to intervene in scams is shared with ASC. This establishes the need for a collaborative approach sharing intelligence and expertise in order to promote the policy priorities discussed in section one of this review.

## **Circumstances which can create vulnerability to scams**

Research contests the factors which make people susceptible to scam involvement. It is widely accepted that financial scamming can affect anyone (Citizens Advice Scotland, 2014) and different types of scams are deliberately designed to appeal to people in different circumstances (National Audit Office, 2016). People who have a positive attitude to financial risk are more likely to fall victim to a scam (National Fraud Authority, 2011) and CIFAS, the UK's fraud prevention scheme, reports that 31-40 year olds were the age bracket most reported as falling victim to a scam and being a repeat victim while the under 25's are most likely to fall victim to online banking scams (Citizens Advice, 2014). However, research suggests that there are certain factors, specifically age, cognitive impairments, social isolation and loneliness which make people specific targets and more likely to respond (Age UK, 2015). This does not mean that, for example, that an older person is automatically more vulnerable to scam involvement. Rather it is dependent on the convergence of a number of factors such as age and cognitive impairment, or social isolation and poverty. An exploration of the contested nature and definition of vulnerability the exploration of which is beyond the remit of this literature review, however, it is acknowledged in this document that 'being vulnerable' is not a fixed state, but is determined by context, environment and personal skills and circumstances.

**Old Age**

In 2006 the Office of Fair Trading found that 48% of the UK population had been targeted by a scam and that people aged over 55 were more likely to be targeted. Additionally, 53% of people aged over 65 believe they have been targeted by a scam (Age UK, 2015). The research found no evidence to suggest older people are more likely to become victims, however, the average age of victims identified by The National Scams Team on 'suckers lists' is 74 (National Trading Standards, 2015). This suggests that older people are both targeted and more likely to respond to the type of scam which makes use of suckers lists.

Titus and Glover (2001) argue that older people are not at greater risk of being victimised by fraud, rather younger, well-educated people who have more involvement with the marketplace are more likely to fall victim - again suggesting different types of scams are targeted at different groups of people. Similarly, research by Ross, Grossmann and Schryer (2014) argues that consumer fraud is no more prevalent among older people and that research underestimates factors such as personal motivation, goals, lifestyle and income in relation to susceptibility to scams. In contrast, research by James, Boyle and Bennett (2014) suggests scammers target older people because of the relationship between age and cognitive decline, reduced health and mobility, reduced psychological well-being and financial literacy and that older people are less likely to report scams to the authorities.

Loneliness and social isolation due to increased health and mobility problems, bereavement and reduced contact with family and friends also make older people are more vulnerable to scams (Campaign to End Loneliness, 2017). Other research considers older people's circumstances where they are more likely to be at home thereby increasing their exposure to frequent telemarketing calls, including scam calls (Lee and Geistfeld, 1999). It is perceived that older people have more money and savings than younger people (Age UK, 2015) making them an attractive target for scammers looking to defraud individuals of their savings.

The UK has an ageing population which means that more people are living to an older age. The population aged over 65 is predicted to increase from 9.7 million in 2015 to 13.2 million by 2030 (POPPI, 2015). The literature may differ as to whether older people are more likely to respond to a scam, but there is consensus that older people are more likely to be targeted. It is therefore likely that scamming will become a larger problem over time as there will increasing numbers of more older people being targeted.

**Cognitive ability and dementia**

Research suggests memory declines with age, along with other cognitive functions such as problem solving, decision making and concentration (Timpe et al. 2011). Although the research on financial scamming and cognitive ability to date it limited, it is generally accepted that cognitive impairments, such as dementia, will make people more vulnerable because of the cognitive processes utilised in evaluating scam offers (Lee and Soberon-Ferrer, 1997). Research by Alzheimer's Society (2011) found that 70% of carers said that the person they cared for had been targeted by cold callers via the telephone and 40% had been targeted by scam mail. This suggests that scammers target people with cognitive impairments such as dementia because they are more likely to respond to a scam. Lusardi (2009) found that older people have the lowest financial literacy levels in comparison with the general population, making them ill-equipped to make good financial decisions. This may be related to the increasing incidence of cognitive impairment in older age (Finke, Howe and Huston, 2011; Alzheimers Society, 2015).

Dementia is an umbrella term and represents a group of conditions associated with an on-going decline of brain function and its abilities. Dementia affects memory, thinking, language, understanding and judgement, and can have a devastating impact on well-being increasing levels of disability and dependency in those that experience it. According to the World Health Organisation (2016) globally there are 47.5 million people with dementia and there are 7.7 million new cases every year. Dementia is progressive and the condition changes a person's abilities over time, including fluctuating capacity to make decisions and judge risk in everyday circumstances (Alzheimer's Society, 2014). People with cognitive impairments can find it more difficult to apply precautionary checks and balances to decision making and may not have the financial literacy skills to judge the risks involved with scam offers. Research by Boyle et al. (2012) found that even a very subtle decline in cognitive ability will have an impact of judgement and decision-making skills. Furthermore cognitive impairment can prevent an individual understanding the connections or cause and effects of their actions; for example, understanding the connection between sending money to lottery scams and losing their money (Cohen, 2008). Dementia can also interfere with how an incident of financial abuse is dealt with because of a potential lack of confidence in the victim's credibility (Alzheimer's Society, 2011).

There are approximately 850,000 people living in the UK with dementia at present, which is 1 in 14 people aged over 65 (Alzheimer's Society, 2016). This figure is predicted to rise to 1.1 million by 2021 because of the aging population (Alzheimer's Society, 2014). It is therefore likely that scamming will become more of a problem as the number of vulnerable people with cognitive impairments increases. The need to increase awareness and understanding of financial abuse and its implications for dementia and adult safeguarding has been acknowledged in 'A curriculum for UK Dementia Education'. This highlights how important it is to 'identify abusive or exploitative practice and take action to prevent its occurrence' (HEDN, 2014: 52). The adverse images associated with dementia have been identified as a major barrier preventing individuals seeking treatment and support (Alzheimer's Society 2008). An approach which focuses on loss and deficits can lead society to wholly underestimate the abilities of those with the symptoms, and expect less of them as a result. This in turn can prompt decreases in self-esteem, mental, social and physical well-being and increase the risk of depression (Smith 2010). It is therefore important to focus on the assets the individual has by adopting a person-centred approach which is focused on enhancing well-being rather than just focusing on deficits.

**Loneliness and social isolation**

There is a clear distinction between loneliness and social isolation with the former being a subjective term used to describe how a person feels about themselves and how their level of contact with others differs from their desired social interaction; whereas social isolation is an objective term used to describe a lack of contact with others (Alves and Wilson, 2008). People experience loneliness and isolation in different ways; people who are socially isolated from the community are likely to feel lonely, but people who feel lonely may not be socially isolated (Luo et al., 2012). The relational nature of scams, particularly romance scams, often involves the nurturing of (even intimate) relationships. This can result in devastating effects on the individual when these relationships are found to be based on false promise (Witty, 2013).

Social isolation for older people may mean they are without social support and not integrated within their community; both these factors are positively related to health and well-being (Dury, 2014). Feeling lonely can make an individual more likely to respond to a scam contact, particularly if it is the only contact with another person they have had that day, or week, or month (Fenge, in Press). These relationships can be strong because of the quantity rather than quality of the contact. They are socially supportive and can have positive effects on an individual's welfare. Removing this form of communication and social support can be detrimental to well-being as it leaves people further isolated.

People without social support who experience loneliness are likely to feel disconnected from friends, family and the community and are therefore potentially more responsive to market-based contacts who appear to listen and give personal attention, even affection (Lee and Soberon-Ferrer, 1997). For this reason, people who have no other form of social support are more likely to listen to a sales pitch (Lee and Geistfeld, 1999). This suggests a clear link between the experience of loneliness and response to telemarketing phone calls, doorstep sales and mail. This type of contact is more likely to expose older people to scammers and links social isolation with increased risk of responding to scams, not only because the individual welcomes new social contact, but also because they have fewer opportunities to meet with others to discuss finances or scams (Age UK, 2015). They are therefore unable to 'check out' with anyone else if an approach is genuine or part of a scam. Socially isolated people can also be less familiar with normal business practices and as a result are more vulnerable to missing the cues of a scam (Lee and Geistfeld, 1999).

Loneliness is an under recognised social problem (2008), but is believed to be as detrimental to health as smoking 15 cigarettes a day (Campaign to End Loneliness, 2017). Luo et al. (2012) suggest loneliness is more prevalent and intense than social isolation, yet it is less easily recognised and measured because of its subjective nature. Research by Victor et al. (2005) reasons five factors which suggest why older adults are more vulnerable to feelings of loneliness:

- Socio-demographics: age, gender, living arrangements
- Social resources: family, friends, community network, time spent alone
- Material circumstances: income, wealth, education
- Health: disability, cognitive impairments
- Life events: bereavement, divorce, admissions into residential care

In the UK 3 in 10 people aged over 80 reported feelings of loneliness, which is higher than any other age group (Office of National Statistics, 2015). The Doorstep Crime Victim Impact Survey suggests that last year 57% of the people who reported doorstep scams lived alone, 41% felt lonely and 34% had experienced recent bereavement (National Trading Standards Board, 2015). With an aging population, the number of people aged over 65 and living alone is forecast to increase from 3.5 million to 4.4 million (POPPI, 2015) by 2025.

In addition to the social circumstances of victims which scammers seek to exploit, fundamental human psychological motivations can be utilised by scammers through their use of language and the presentation of scams. Langenderfer and Shimp (2001) developed a model of scam vulnerability which highlighted the key influence of the visceral impact of a scam. The model proposes that the closer the reward appears to the victim, the greater the emotional response will be and the more vulnerable a victim will become. This visceral response overrides reason and thought processes. Fischer et al, (2013) also explored the visceral impact created by scammers to lure victims and found that scam compliance results from limitations imposed on rational decision making.
They identified 4 distinct psychological processes involved:

i) Deterioration of decision making in presence of high motivations/incentives.
ii) Over reliance on cues that elicit trust.
iii) Social influence including social proof and consistency.
iv) Sense of urgency.

The behaviour of scammers is not controlled by ethical or moral constraint or balanced by any consideration of harm caused. The internet has enabled an increasingly anonymised form of scam which means that scammers might not have any personal interaction with their victims so there is very little empathy or feeling of guilt (University of Exeter, 2009).

**<u>The value of early intervention by Trading Standards</u>**

This literature review has demonstrated the scale and growth of financial scams which makes effective interventions imperative. The increased use of e-communications and e-commerce has enabled scammers to reach a global audience (Chang, 2008; Whitty, 2013). Technology has created a bigger challenge for law enforcement in scam disruption and tracking down and prosecuting individuals who make use of the anonymity of e-crime. The NAO (2016) states that the UK Government's response has not kept pace with the growth in online consumer fraud, the most prevalent recorded crime in England and Wales in the year ending June 2016 with 5.6 million incidents (ONS, 2016). In addition increased automation of postal systems removes a degree of human oversight which might recognise patterns of scam post, although collaborative work between stakeholder agencies is currently being undertaken to address this issue. In the UK an estimated 3.25 million people per year fall victim to a scam (Button et al, 2016, Age UK, 2015) with many more being targeted.

As has previously been stated the resources available to TS have been severely reduced so it is essential that every agency supports the victims of financial scams by using their resources to achieve optimum results. The Competition and Markets Authority estimates that consumer enforcement work by TS generates at least £74 million of direct financial benefits to consumers annually, at a cost of £6 million (National Audit Office, 2016). Local authorities have a responsibility to promote human rights in all their functions, proactively preventing abuse and neglect where and when possible (Care Act, 2014). Whilst the work of TS is often strategic, focused away from the personal level, it is also a service directed at individuals, often involving one to one support. The development of effective person-centred interventions at strategic and personal levels is built on an understanding, discussed above, of what makes people vulnerable to, or motivated to participate in, scams and then targeting interventions to address these.

**What constitutes intervention?**

The term 'intervention' is used ambiguously in the literature, its meaning depending on interpretation and application (Little, 1987). The Oxford English Dictionary (2016) offers the following definition:

> "Intervention is the action of intervening, 'stepping in', or interfering in any affair, so as to affect its course or issue."

This definition suggests a two stage process of interruption and change, a process which is reflected in the work of TS who firstly interrupt scam communications then seek to alter the behaviour of the victim helping them disengage from involvement.

Early intervention shares characteristics with prevention, identified at the beginning of this document as a social policy priority, specifically promoted in England through The Care Act (2014) (s2 (1)). Preventative activities are wide ranging and this breadth is reflected in the large spectrum of interventions that can be carried out to protect people from scams, each of these actions potentially changing the course of the scam or the outcome for the victim. Crosby et al. (2008) found that preventative interventions are the most effective way of protecting older people from scams because of the difficulties in investigating, proving and rectifying financial abuse once it has occurred (a point supported by the low rate of prosecutions of doorstep scammers (Day, 2015)).

To provide effective interventions it is necessary to recognise when a scam is, may be or has the potential to be, occurring and recognise that this is a problem both for the individual concerned and wider society (SCIE, 2011). Literature indicates that appreciation of financial abuse as a safeguarding matter has been historically problematic (Redmond, 2016). However its inclusion as a form of abuse specified in the Care Act (s42 (3)) brings financial abuse into the legislative domain.

A model for intervention into scam situations has been offered by elder abuse research:

1. Identify the relevant scam cues;
2. Recognise the situation as a scam;
3. Accept responsibility for taking action;
4. Know how to take action;
5. Decide to intervene.
   (Gilhooly et al. 2013)

Gilhooly et al's work highlights the difficulties there have been in the recognition of financial abuse by professionals, especially in the social policy context of enabling choice and control (Schwehr, 2014). In addition some victims struggle to recognise their experience as financial abuse (Gibson and Qualls, 2012), a point supported by the original research undertaken as part of this work where participants expressed surprise that their experience was determined to be a scam as they had received goods through the transaction.

The Care Act 2014 Statutory Guidance, 2016 details three levels of intervention in relation to care and support. This framework is equally as applicable to the levels of intervention in scam involvement and in dealing with the impact of scam victimisation. Using this framework to identify useful interventions within the literature draws out the shared goals and activities of TS and ASC in their work with people targeted and victimised by scammers.

**Level 1: Primary prevention/promotion of well-being.** These are generally universal services, facilities or resources that may help people avoid developing needs for care and support (DH, 2016, 2.6).

**In terms of interventions which prevent scam involvement primary prevention includes:**

1. Access to good quality information: such as education and outreach by TS, and partners, to improve financial literacy skills through raising awareness about scams and the provision of appropriate and accessible information.
2. Safer neighbourhood initiatives: such as community awareness of the signs of scams.
3. SABs strategic planning with TS informing SABs.
4. Reduction of loneliness or isolation: befriending schemes.

**Level 2: Secondary prevention/early intervention.** Interventions at this level target people who are at "increased risk of developing needs where the provision of services, resources or facilities may help slow down or reduce any further deterioration or prevent other needs from developing" (DH, 2016, 2.7).

**In terms of interventions which prevent scam involvement secondary prevention includes:**

1. Provision of call blockers and postal preference services. Call blocking technology is often used to cut down on the number of calls received by those who have been consistently harassed by cold calling or scam callers. This technology is being implemented successfully by trading standards authorities and individuals. A recent scheme providing call blockers to the vulnerable across Angus, East Dunbartonshire and East Renfrewshire reported 98% less nuisance calls leaving users feeling safer and in greater control (TSI, 2013).

   While this technology brings fantastic results to many victims, scammers have now begun to target those who may be looking to purchase such a device with products which are expensive and often useless. CAS has seen evidence of clients being offered products at high monthly charges despite many legitimate products requiring small ongoing costs to run the product.

2. Targeted information and education for specific groups. This includes

   forewarning to improve an individual's vigilance and resistance by raising awareness of an impending scam (Scheibe, S. et al., 2014). Research undertaken in the United States forewarned scam victims of specific scams and of scams in general and both were equally effective in reducing susceptibility in vulnerable consumers (Scheibe, S. et al., 2014). This suggests that forewarning scam victims by making them aware of currently circulating scams is an effective tool to prevent further scam involvement a point reinforced by other US based research which found that older people are less likely to fall victim to telemarketing scams if they are forewarned specifically by trained peer volunteers who discuss the dangers of telemarketing scams and how to deal with them (AARP, 2003).

3. Financial sector prevention. The National Trading Standards Scams Team in the UK believes the most effective intervention involves repeat visits to an individual's home with the aim to raise their awareness of scams (National Trading Standards Scams Team, 2015). This type of early intervention with scam victims involves:

a. Education: helping victims identify scam mail and understand the importance of keeping their personal details secure.

b. Coaching: helping victims to manage unwanted telephone calls and scam mail

c. Planning: creating action plans and checklists with victims and encouraging them to keep records of scam contact or their responding.

It is also important to understand that intervention by statutory agencies such as TS does not guarantee that a scam victim will cease all involvement in scams, nor stop them being targeted (Olivier et al., 2015).

**Level 3: Tertiary prevention/formal intervention** These are formal interventions aimed at supporting people to regain skills and reduce need where possible (DH, 2016, 2.9).

**In terms of interventions which prevent scam involvement tertiary prevention includes:**

1. One to one work with scam victims and their networks.
2. Legal and enforcement action such as prosecution. However, Birkenmaier, Curley and Sherraden (2013) suggest legal intervention at a point after a scam has been completed and victim defrauded is often too late, because of the difficulties in recovering losses.
3. Introduction of fundraising standards.

## <u>The importance of a multi-agency approach</u>

Developing insights into scams and scam victimisation reveals the complex interplay between the social circumstances and psychological urges of victims, the motivations and techniques of scammers and the opportunities technology (as well as more traditional communications systems) offers those seeking to exploit others for personal gain. This complex dynamic means interventions dealing with scams have to address a number of issues ranging from loneliness to financial illiteracy. Therefore a multiagency approach is necessary drawing on different expertise and skills. This is especially important in light of research by Gilooly et al., (2013) which suggests different professional groups only notice some of the cues of financial abuse because they only have access to one aspect of their life. This implies successful intervention strategies will require a multi-agency or joined-up working approach to share skills and information about a particular scam or individual's needs. There have been successful examples of such approaches from the United States where multiagency efforts have been initiated to tackle fraud and financial abuse; including agencies in key areas, such as law enforcement, mental capacity, social services and financial management (Johnson, 2003).

In 1993, Los Angeles, California, was the first jurisdiction to initiate a Fiduciary Abuse Specialist Team (FAST) to combat financial abuse by consulting with and providing training to intervention services and practitioners. The team consists of representatives from law enforcement, the Office of the Public Guardian, health and social care, mental health services, banks, financial services, estate agencies and legal agencies. The team has been successful in significantly increasing the agencies involved in combating financial abuse across the state. The Los Angeles FAST model has been rolled out across the USA (Aziz, 2000).

Birkenmaier, Curley and Sherraden (2013) argued the important role that adult social services and social work educators play in intervention through standardising education and advancing multi-disciplinary approaches that engage health and legal resources. They also argued that initiatives which focus on tools for identifying financial scams would improve prevention efforts. Adult Social Services can also offer intervention through safeguarding adults who have care and support needs and assessing mental capacity (East Sussex County Council, 2015).

## Conclusion

This literature review has considered the type and nature of scams and their economic, social and personal damage. It has explored the personal and social circumstances which can create vulnerability to involvement in scams and linked aspects of these factors to statutory safeguarding duties. The review has highlighted that beyond the personal level scams impact on national and international economics and trade, affecting consumer confidence and liquidity as well as impacting on domestic health and social care provision. This makes scams a public health issue and the review has explored the link between the promotion of prevention within social care policy and scam prevention detailing levels of intervention.

The NAO (2016, p11) evidences the challenges for TS and recommends that "in the face of significant funding reductions, the Department for Business, Energy & Industrial Strategy should ensure that the most appropriate and cost-effective tool or intervention is available to the system as a whole, including new powers where appropriate". The NAO suggests the following ways this could be achieved:

- Greater use of consumer advice and education to help prevent consumers falling victim to fraud.
- The introduction of civil fining powers as a strong deterrent against unfair trading.
- Addressing consumer detriment" (NAO, 2016, p41)

The NAO (2016, p36) finds that improvements have been made in the coordination of the consumer protection bodies since the setting up of National Trading Standards, although this is made difficult by "the downsizing of TS services which has led to increased fragmentation in coverage at the local level and decreased ability to support national issues." In addition, prioritisation of activity is a challenge when resources are limited and there are competing demands different agencies, the NAO cites the case of TS being driven by the safeguarding duties of the local authority.

This literature review has also identified gaps where further research is required to provide the depth and range of evidence on which agencies can build effective and preventative scam interventions:

- Increased understanding is needed regarding the factors which lead people to respond to scams which draw on the lived experience of victims and their networks.
- Such research can be used to provide insights into any potential links between, for example, the ageing population and emerging types of scams.
- Research in conjunction with local authorities to explore the frequency scam involvement is cited as a factor exacerbating, or leading to, the need for care and support services.

- Examination of the media portrayal of scam victims and its impact on the reporting of scams.

Evidence suggests that the detriment attributed to financial scams is growing and that financial fraud has become ‘the crime of the twenty first century’ (National Council of Ageing, 2015). Scammers are using increasingly sophisticated methods to defraud vulnerable members of society, and new technology offers fertile space to target a wider range of victims. It is imperative that statutory agencies recognise the risks posed by financial scams to the health and well-being of individuals in vulnerable situations. This includes the need to work collaboratively to identify and prevent scam involvement and support victims.

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The National Centre for Post-Qualifying Social Work and Professional Practice

+44(0)1202 964765
+44(0)1202 962025
pqsw@bournemouth.ac.uk
www.ncpqsw.com
Follow us on twitter @researchpqsw

## Contact details

The National Centre for Post-Qualifying Social Work and Professional Practice
Bournemouth University
4th Floor, Royal London House
Christchurch Road
Bournemouth
Dorset
BH1 3LT UK