



Vulnerable Members & Financial Abuse

Welcome and Objectives

Vulnerable Members & Financial Abuse

Note: This training deals with the increasing scourge of financial abuse. This includes 'Financial elder abuse' and/or the targeting of vulnerable people for financial gain.

This session has been designed to provide you:

- An understanding of the extent of financial abuse in our community
- An insight into the different forms of abuse that people can experience
- Awareness of how to identify 'Red Flags' in your day to day role
- An understanding of how to escalate your concerns if you suspect or identify a member is experiencing financial abuse
- How to act appropriately to protect vulnerable members

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A message from John

Community First's mission or reason for being is purely about 'people helping people'.

We have a proud heritage of doing this for over 60 years.

While how we help people and make positive contributions to our communities has evolved over the years, we need to promptly react to any challenges that may impact our member experience.

Just a few years ago, for example, it would have seemed unimaginable that all of us would be living with being targets of scams on almost a daily basis. Similarly, we should not assume that everyone is financially literate or will not be a victim of other people's attacks.

Therefore, today's training will deal with one of the modern threats and the increasing threat to our members of Financial Abuse. What is particularly insidious about this form of abuse is that it often targets the most vulnerable in our community.

While the elderly are the most common victims of Financial Abuse, people of all ages and particularly those with disabilities have also been victims of this appalling abuse.

Perhaps it's unfortunate that we even have do a training session such as this... but this is the world we live in, along with our commitment to the Customer Owned Banking Code of Practice (COBCOP) Community.

Whether you help our members with their calls at our Contact Centre or, serve members face to face in our Stores, this important training provides you guidance on how, in even the most challenging circumstances for our members, we can continue to be "people helping people".

John

Sobering statistics...

Cash at heart of conflict



Financial abuse fears **Millions lost**

A worrying number of older West Australians fear they will fall victim to financial abuse.

New research from a Bankwest survey of 1000 people found 76 per cent of those aged 65 and older believe they are susceptible to financial abuse, and 30 per cent say they were "most likely" to experience it.

More alarmingly, of those surveyed who had experienced financial abuse, older people were the least likely to have sought help with almost half of

sought help, with almost half of

those aged 50-64 and almost two-in five of those aged 65 and older not willing to reach out for support. The biggest barrier to seeking help was the fear of being found out by perpetrators, who could threaten retaliation.

Advocate WA chief executive Louise Forster said the findings of the Hidden Costs survey confirmed what the charity knew and had heard anecdotally from older members of the community.

"It's easy for people to question why someone doesn't reach out for help, but these situations aren't always simple and, while the fear of retaliation is a concern, there can also be complicated emotions and life circumstances," Ms. Forster said.

Hankwest chief operating officer Louise Tovary said financial abuse could be hard to recognize.

nise, because it could take many forms. It was important to take extra care to look out for the older, more vulnerable people.

Australians have handed over \$205 million to scammers in the past four months but the true losses are set to be higher.

While many are alert to scam calls, the culprits have moved to SMS to catch unsuspecting people in their net.

The majority of losses between January 1 and May 1 were to investment scams, including cryptocurrency scams, with \$158m lost — an increase of 314 per cent on the same period last year, according to the Australian Competition and Consumer

Impostor bond scams also increased with 210 cases last

One in 6...

Elder abuse has been defined by the World Health Organisation as '*a single, or repeated act, or lack of appropriate action, occurring within any relationship where there is an expectation of trust which causes harm or distress to an older person*'.

Elder abuse can take various forms, including: financial, physical, psychological, emotional and sexual abuse or neglect. No older person should **ever** be subjected to any form of abuse.

Yet, one in 6 older Australians will suffer some form of elder abuse...

That means, statistically, at least one of us in this training session today will know someone personally who has experienced financial abuse.

The number of incidents of elder abuse being reported in Australia are increasing each year.

Themes and trends*


3,975
reports about alleged abuse, neglect and exploitation


Female
Women are the subject of most reports


22%
related to adults with disability


78%
related to older people

18-24
Largest proportion of reports relating to adults with disability


The main source of reports about adults with disability are from paid workers, with most allegations about the adults' parents

80-84
Largest proportion of reports relating to older people


The main source of reports about older people are paid workers and family members (mainly adult children) with most allegations related to the older person's adult child


The most common types of alleged abuse of adults with disability are psychological abuse, neglect and financial abuse


The most common types of alleged abuse of older people are psychological and financial abuse

*Ageing and Disability Commission data captured between 1 July 2021 – 30 June 2022

Ageing and Disability Commission

Ageism... The term "ageism" refers to two concepts: **a socially constructed way of thinking about older persons based on negative attitudes and stereotypes about aging** and a tendency to structure society based on an assumption that everyone is young, thereby failing to respond appropriately to the real needs of older persons.

Does **your** perspective of the elderly impact your ability to identify elder abuse?

Think of seemingly innocent comments you may have made such as: "*Old people don't like to use computers*", "*Old people are set in their way*" or, "*It's normal for an older person to have a younger family member speak on their behalf about banking*"

Let's look at [YouTube - Elder Abuse Shifting Your Perspective](#)

Customer Owned Banking and Banking Codes of Practice

**Vulnerable consumers supported by new
Code of Practice for customer-owned banks**



**CUSTOMER
OWNED
BANKING
ASSOCIATION**

“Our new 2022 Code of Practice considers what changing consumer behaviour means for customers’ financial health, and provides significantly expanded protections for vulnerable customers, including commitments to accessible banking services for older customers and First Nations Peoples, and additional care in circumstances involving disability, elder abuse, or domestic violence” Michael Lawrence, CEO of COBA

In 2022, the ‘key promises’ of the Customer Owned Banking & Banking Codes of Practice (COBCOP) were revised to further clarify the care we need to take when dealing with vulnerable members, including:

We will adapt our customer service standards where reasonably practicable, and take extra care, where we are aware that you are experiencing vulnerable circumstances.

This might be because of:

- A. Age-related impairment
- B. Cognitive impairment
- C. Disability
- D. Elder abuse
- E. Domestic violence
- F. Financial abuse
- G. Mental illness
- H. A serious health issue
- I. Factors relating to your cultural background

As a response to assisting our staff when dealing with factors relating to a cultural background, Community First created the procedure support staff who can speak different languages.

Where further translation assistance is required, The Translating and Interpreting Service (TIS National) is an interpreting service provided by the Department of Home Affairs for people who do not speak English and for agencies and businesses that need to communicate with non-English speaking clients.

For members who are sight or hearing impaired, there is also the **National Relay Service**



Some common forms of abuse (source NSW ADC)

FINANCIAL ABUSE

Examples include: Threatening or coercion in signing documents such as assets or wills. Taking control of the adult's finances against their wishes and denying access to their own money. Abusing Power of Attorney. Stealing goods such as jewellery, credit cards, cash, food, and other possessions.

Unauthorised use of banking and financial documents. Look out for unexplained inability to pay bills, significant bank withdrawals and/or changes to wills, inability of the person to access bank accounts or statements or stockpiling of unpaid bills or an empty fridge

PSYCHOLOGICAL ABUSE

Pressuring, intimidating bullying, name calling, and verbal abuse. Treating the adult person like a child. Threatening to harm the person, other people or pets. Threatening to withdraw access to grandchildren, family, friends, services, telephone or placement in a care facility. Preventing a person from engaging in religious or cultural practices.

Moving the person far away from family or friends. Look out for depression, agitation, feelings of helplessness, unexplained paranoia or excessive fear, disrupted appetite or sleep patterns, unusual passivity or anger, sadness or grief, or the loss of interactions with others, worry or anxiety after a visit by specific persons.

PHYSICAL ABUSE

Pushing, shoving, or rough handling. Kicking, hitting, punching, slapping, biting, and/or burning. Restraining: physical or medical. Locking the person in a room or home or tying to a chair or bed. Intentional injury with a weapon or object.

Overuse or misuse of medications. Look out for evidence of hitting, punching, shaking, pulling in the form of bruises, lacerations, choke marks, hair loss or welts, sprains, dislocations and fractures, pressure sores, pain on touching, broken or healing bones, lacerations to mouth, lips, gums, eyes or ears, missing teeth and/or eye injuries.

SEXUAL ABUSE

Non-consensual sexual contact, language or exploitative behaviour. Rape and sexual assault. People of all ages, sex, levels of vulnerability and/or disability can experience sexual abuse.

NEGLECT

Failure to provide basic needs such as food, adequate or clean clothing, heating and medicines. Under or over medicating. Exposure to danger or lack of supervision, such as leaving the person in an unsafe place or in isolation. An overly attentive carer in the company of others. Refusal to permit others to provide appropriate care.

Look out for inadequate clothing, complaints of being cold or too hot, poor personal hygiene, unkempt appearance, lack of medical or dental care, or injuries that have not been properly cared for, absence of required aids, exposure to unsafe, unhealthy, and /or unsanitary conditions, unexplained weight loss, dehydration, poor skin integrity.

EXPLOITATION

The most common type of exploitation is **financial**. This means someone takes money, assets or allowances from a vulnerable person for their own use and without permission. Exploitation can also be someone who sells, transfers or changes property titles without the property owner knowing.

Look out for unexplained selling or leasing of a person's house without a clear explanation, inability of the person to access bank accounts or statements or stockpiling of unpaid bills or an empty fridge

Financial Abuse & Powers of Attorney



Powers of Attorney Regulation 2016

under the
Powers of Attorney Act 2003

His Excellency the Governor, with the advice of the Executive Council, has made the following Regulation under the *Powers of Attorney Act 2003*.

Financial Abuse includes spending someone's money without permission, or abusing Powers of Attorney or other account signing authorities for financial gain. An example is the person granted Power of Attorney making decisions to benefit *themselves* – not the person they are meant to be representing.

Abuse of Powers of Attorney (POA) and other account signing authorities often play a role in many cases of Financial Abuse.

Let's take a high level look at the different account signing authorities you may come across.

Authority types	Appointed when you have capacity	In effect while you have capacity	In effect when you <u>lose</u> capacity	In effect upon your death
Authority to Operate (ATO)	Yes	Yes	No	
General Power Of Attorney (POA)	Yes	Yes	No	
Ongoing General Power of Attorney (Cert under section 19 of the Power of Attorney Act 2003)	Yes	Yes	Yes	No (all authority types cease upon the Member's death)
Enduring Power of Attorney	Yes	Yes	Yes	

Members with capacity and these signing authorities in place can still operate their accounts themselves.

A Financial Management Order approves a Private Financial Manager or NSW Trustee and Guardian to manage a person's financial affairs. The member themselves has no authority to access the account.

Financial Abuse & Powers of Attorney

Appointed attorneys can be one or more and the member states the signing authority in the Power of Attorney document.

Jointly and Severally = attorneys can act independently of each other or together

Jointly = all attorneys must act together at all times e.g. 4 attorneys and all 4 must authorise all transactions/requests.

It is imperative that when interacting with ATO's, Power of Attorneys or Financial Managers that staff refer to the saved signing authority document to ensure that they are acting in accordance with the authority that is in place. What they are asking you to do is **not** be included in their authority. E.g. – giving of gifts under a Power of Attorney)

Members have the right to revoke (cancel) any signing authority if they no longer want the person managing their assets and financial affairs **so long as they have capacity**.

Making a new POA does not automatically revoke a previous POA. Members must let us know if they want to remove an ATO and notes are to be recorded in events. To revoke a POA the member must **write** to:

- The person(s) previously appointed as the attorney(s) stating that they are ending their appointment
- The bank(s) and any other organisation the attorney was dealing with on their behalf e.g. Centrelink
- The NSW Land Registry Office (if registered)

They need to include their name, the date the POA was appointed (if not registered), the registered number (if registered), the date of the revocation and the words indicating cancellation such as "***I hereby revoke.***"

Once revoked, the member should be encouraged to destroy the original POA documents and any copies.

If the member lacks capacity and the family members or others feel that the assets and financial affairs are being misused by the attorney(s), or the attorney is not acting in the members best interests the family can make an application to the **NSW Civil and Administrative Tribunal (NCAT)** for them to review the Enduring Power of Attorney.

Signing authorities such as POA's can be complex. If you have a question or concern contact the Operations Team who will investigate and if required liaise with Risk team for guidance on next steps.



Examples of Financial abuse

Financial Abuse

What is financial abuse?

We call it **financial abuse** when someone controls how you use your money.

They might take and use your cash, or they might take and use your credit or ATM cards.

When financial abuse happens

- You can be financially abused by your partner
- You can be financially abused by a family member or friend
- You can be financially abused by your carer
- You can be financially abused by someone you work with
- You can be financially abused by someone who lives in your community. This includes people you don't know

How financial abuse happens

- The other person might take money from your wallet or bank account.
- They do this without telling you.
- They might get angry when you spend money

Behaviours

- Threatening, coercing re: assets or wills
- Taking control of the person's finances against their wishes and denying access to their own money
- Abuse of Powers of Attorney (POA)
- Stealing goods, e.g. jewellery, credit cards, cash, food, and other possessions
- Unauthorised use of banking and financial documents
- The recent addition of a signature on a bank account

Warning signs to observe

- Unexplained disappearance of belongings
- Unexplained inability to pay bills
- Significant bank withdrawals and/or changes to wills
- Inability of the person to access bank accounts or statements
- Stockpiling of unpaid bills or an empty fridge
- Disparity between living conditions and money
- No money to pay for essentials for the home including food, clothing, and utilities.

Community First Procedures

Let's review Community First's procedure NPR-0147 Vulnerable Members -Financial Abuse

Introduction:

Statistically, the majority of financial abuse according to NSW Ageing and Disability Commission, is committed by **someone well known to the victim (often family members)** and it's important to note that while vulnerability can be related to incapacity, it can be due to dependence on, or trust in, a third party. It's important to be conscious that anyone can be a vulnerable member at any time and a member does not need to be a Vulnerable Person to be the victim of financial abuse.

Financial abuse can happen to anyone and staff need to be able to identify and respond to financial abuse irrespective of how it may present itself and also be able to distinguish potential financial abuse from what is actually an informed decision made by a member with capacity to make a decision, who makes it free from any improper or influence from a third party.

Managing any suspicion should be conducted sensitively, making sure that any actions do not cause further harm. Community First staff will appropriately tailor our customer service where we are aware, or ought to be aware, that the member may have impaired capacity, be vulnerable or have special needs E.g. because of age, a disability, the member could be an Indigenous member or where we have concerns that the member might be at risk of financial abuse.

Community First has a duty to exercise reasonable care and skill in carrying out transactions and to take precautions and possibly even delay the transaction to ensure we act appropriately to mitigate:

- Any risk which was foreseeable (that is a risk of which the person knew or ought to have known)
- Any risk that is significant, **or**
- That in the circumstance, a reasonable person in the staff's position would have taken precautions

Australian Disability Commission Case Study (source ADC)

Financial abuse case study

Anna is an 82 year old woman who has a chronic illness and cannot get around easily. Her son, Tom, moved in to Anna's home to be her 'carer' after his marriage broke down.

To make things "easier" for Anna, Tom offered to do his mother's shopping using Anna's ATM card.

Tom never shows Anna the receipts – even when she asks.

Anna contacts her bank and is surprised to discover that she has no money in her account.

Rather than confronting her son about any wrong doing, Anna prefers to avoid any family conflict and let her mounting bills go unpaid.

The next day, Anna contacts her bank again and asks if she can get 'a small loan'. She mentions to her bank that she cannot afford Community Services anymore and that she is now totally dependent on her son.

Behaviours

- Tom never shows Anna the ATM receipts.

Signs

- Unpaid bills on the table and Anna wants to cancel Community Services
- Lots of transactions of her account inconsistent with Anna's mobility or needs



Recognising red flags

- R** Recognise
- E** Evaluate / Assess
- D** Determine Capacity
- F** Flag Risk
- L** Listen
- A** Act
- G** Guidance
- S** Support



community first
bank

Open questions to initiate a conversation

(Source NSW Elder Abuse Toolkit)

Where a **Red Flag** is evident, questions that demonstrate support to an older person are an important part of initiating a conversation. As we know, **open questions** are non-judgemental and encourage members to talk about what's important to them.

In these situations, however, questions about family relationships or carers can be difficult to initiate. A good way to start is to ask open questions about how things are at home and how they spend their days.

Key considerations:

- Talk to the person alone where possible. Might the presence of others influence lack of disclosure?
- Does the person have sensory deficits? Ensure glasses and hearing aids are used and eliminate background noises. Ensure the area is well lit. Arrange seating face to-face, use familiar words and repeat questions.
- Are reactions slowed? Allow extra time for responding and pace questions.
- Are questions culturally sensitive? Where English is a second language, offer the use of an interpreters. Ensure that you speak clearly and avoid banking jargon.
- In rare cases, is it appropriate to talk to the person in their own home if they feel safer there?

Open questions: use to initiate conversations	Direct questions: use when abuse is strongly suspected
<ul style="list-style-type: none">• How are things going at home?• How do you spend your days?• How do you feel about the amount of help you receive at home?• How do you feel your carer/family is managing?• How are you managing financially?• How do you feel when carer/family member does/says (name behaviour noticed)?• Lots of women put up with abuse and it can be hard to talk about. Does this sound like your situation?• What is happening now/how can I support you?• I noticed a bruise on your arm today. How did this happen?• You seem a little upset – what's happening for you?• How are you managing at home? (Or how is your carer managing?)• What would you like to do about your situation?• You seem anxious about your finances. What would it be like if I arranged someone to assist you with your banking etc.?	<ul style="list-style-type: none">• Are you feeling safe?• Are you afraid of anyone at home?• Has anyone close to you tried to hurt or harm you recently?• Are you often sad or lonely?• Are you helping to support someone?• Has anyone touched you without consent?• Has anyone shouted at you or threatened you?• Has anyone taken anything that was yours without your consent?• Have you signed any documents that you didn't understand?• Has anyone failed to help you when you needed help?• Is there someone you can talk to about your situation?• Would you like me to talk to someone who can help or advise you?• Would you like to have a visit from one of our social staff?• Has anyone tried to hurt you recently?• Do you know about a free telephone service called the NSW Elder Abuse Helpline – would you like the number?

Community First Case Study

Case Study: Elderly lady born in 1938, daughter is her 'carer'

Background: The member's daughter is her 'carer' but is **not** listed as a signing authority on the account.

- 1) **April 2021** – Askus@communityfirst.com.au received an email '*Hi I am [daughter's name] and full time carer for my mother and I just wanted to register for online banking for her*'. This request was unsuccessful.
- 2) **Sept 2021** - Askus then received a subsequent email '*Hi, I am [Member Name] and I need to register for internet banking. My daughter will be helping me because she is my full time carer*'. The request was also unsuccessful.
- 3) **Dec 2022** – Members account was added to a Collections list as the account was overdrawn. Collections referred the initial concern to Operations team for review.
- 4) The review showed over a 2 month period
 - a. \$3,456 in credits from Centrelink
 - b. Minimal general living expense type transactions
 - c. 28 Afterpay and 14 direct debit transactions which were inconsistent with the profile of this particular member
 - d. \$700 in ATM cash withdrawals
- 5) To protect the member the card status was changed to 'inactive' with plans to contact the member with the intent to explore what was happening on the account *and* to arrange a face to face meeting with the member in Store to assess capacity as well.

This was important at that time as with the transactions mentioned above the elderly pensioner member had **\$0 left in her account** which was really quite unusual and historically was not the member's pattern of transacting.

- 6) The Store were proactive and contacted the member on the same day. The initial conversation with the member confirmed our concerns - the member was not aware of the transactions on her account. The member kept handing her phone to her daughter to speak with us saying: "*My daughter always helps me out with my banking*"

The call was ended when we could no longer speak directly with the member and because we still had unanswered questions the card remain inactive.

- 7) A few days later the member visited the Store with her daughter. Before the discussion began the daughter was asked to leave the Store so we could hold a one on one conversation with the member. The mother disclosed that her daughter always had her ATM card and uses it. The member was asked about the transactions on the account but she had **no idea** about them.

The card was retained in Store until we worked out how best to protect the member's financial position and we allowed a one off cash withdrawal to tie them over and a further appointment was made to discuss all of the Afterpays and direct debits and who owned them.

Community First Case Study (continued)

The daughter expressed that her mother was helping her with her finances. A call later the same day to set up the next meeting revealed that the member had recollection that she had come into the Store or that she had left home earlier that day.

- 8) The Store contacted the Operations team and shared the details of the meeting and the daughter's unhappiness about being asked to leave the store. The store relayed that when they asked the mother if she had a condition affecting her memory she said: '*My daughter told me I had dementia*'.
- 9) In the following days, the daughter admitted to us that the majority of the direct debits and Afterpay were in fact for herself and **not** her mother.

What did we do? – We worked with the daughter to ensure all direct debits and Afterpay transactions that were hers were redirected from the mother's account and to her own bank account.

We could not add her as the ATO or hand the card back as her mother had lost capacity. We will only allow cash withdrawals in Store for the member and suggested her applying for a **Financial Management Order**.

What is the outcome? – The mother's account is now in order and has a healthy balance of over \$5,000 and the daughter knows that her behaviour was **not** in her mother's best interest