

AGE
Concern

Protect yourself from scams

clear &
helpful
advice

revised &
updated



free guide

your money

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The four national Age Concerns in the UK are joining together with Help the Aged to form new national charities dedicated to improving the lives of older people.

Age Concern provides information free for older people, their families and those who work with them. If you would like to make a donation to support our work please visit www.ageconcern.org.uk

This guide is not a comprehensive statement of the law in this subject and Age Concern cannot give individual legal or financial advice. The information in this guide describes the situation in England, Northern Ireland and Wales. Different rules apply in Scotland. Some rules may have changed since the publication of this guide. If you have any queries which this guide does not answer, seek further advice from one of the organisations suggested.

Introduction

No one likes to feel that they have wasted or, even worse, been conned out of their money. Unfortunately, there are plenty of situations in which individuals acting in good faith can find that they have come off worse from a transaction. We use the word 'scam' to indicate a dishonest or fraudulent scheme designed to cheat the purchaser. This can apply to buying products or services, making investments or becoming involved in apparently failsafe business propositions.

You can avoid a lot of scams and bad purchases if you know what to look for. This guide explains the different ways you might be contacted and some of the most common schemes, and what you can do if you have fallen victim to a scam. Although this guide does not concentrate on high-street sellers, the questions it encourages you to ask are still relevant when dealing with well-known companies.

Throughout this guide you will find suggestions for organisations that can give further information and advice about your options. Their contact details can be found in the 'Useful organisations' section.

► **pages 17–19** Contact details for local organisations can usually be found in your local phone book. If you have difficulty finding them, your local Age Concern should be able to help. ► **page 17**



The information given in this guide is applicable in England, Northern Ireland and Wales. Different arrangements apply in Scotland. Readers in Scotland are advised to contact their national Age Concern organisation for further information. ► **page 17**

Are older people at risk?

Older people can present an attractive target for scammers, not least because they are more likely to have easily accessible savings than younger age groups. Some older people are isolated and so may not have anyone to go to for advice. Older people were, in the past, less likely to have access to the internet as a checking tool, although this is increasingly less true.

Most older people can protect themselves from scams if they have the right information and advice. Some people, however, are more vulnerable, particularly if they are in the early stages of dementia.

Carers, relatives and friends

If you are concerned that an older person is being tricked or buying unsuitable products and services, you can:

- **look out for warning signs** such as unusual amounts of post or evidence of large cash withdrawals
 - **offer advice and support:** reassure the person that this is a common problem and can happen to anyone
 - **get help:** contact one of the useful organisations listed in the back of this guide for further advice.
▶ **pages 17–19**
- **I noticed mum was receiving a lot of mail from overseas. When I asked about it she showed me a whole drawer full. ●**

Is it legal?

A scam can mean anything from criminal fraud to sharp, but legal, selling practices. The question ‘is it legal?’ is perhaps less relevant than ‘can I get my money back?’. Whether the scheme was legal or illegal, the answer is likely to be no. Even well-known companies may direct you to the small print if you later query your position. Other, less reputable sellers may simply disappear. Depending on the circumstances, police or trading standards are more likely to try to prevent future occurrences than recover money that has been lost.

what
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If you are concerned about the legality of a scheme, contact Consumer Direct, the national consumer information service. ▶ page 18

Take advice

Do not be afraid to take advice before making a decision to buy or invest. Ask your family and friends what they think of the proposition. Having a website is not in itself proof that a company is reliable. What do contributors on other websites say? Similarly, do not take a seller’s claims at face value. Even legitimate companies will praise their product and downplay its limitations. Search for other opinions to get a balanced view. Alternatively, contact one of the useful organisations listed in the back of this guide.

▶ pages 17–19

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If you do not have access to the internet at home, contact your local Age Concern for advice on computer courses and local internet facilities.

▶ page 17

Take your time

A common feature of scams and sharp selling practices is that you are pressured to commit yourself very quickly. You may be told that the offer is only available for a limited period or that by signing now you will get a discount on the usual price. A genuine offer is unlikely to require you to make an instant decision.

Do not let yourself be rushed: you may need time to decide whether the product or service and the terms it is offered on are right for you. Consider whether you really want or need what is being offered. Do not sign anything until you are happy about this.

Be cautious if you are asked for payment before you have received any products or services. In particular, do not make cash payments to traders that you do not know until you are sure that the work has been carried out to your satisfaction. If you are being pressured to pay before then, contact family members or friends or the police.

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A friend's son asked to come round and show me the vacuum cleaners he was selling. It seemed to work well but was much bulkier than my current cleaner. He was very pushy and wanted me to buy one on the spot. I said I needed time to think about it.



Is it clear what is being offered?

Before buying a product or service, or making an investment, ask yourself if you understand how the offer works to your own satisfaction. If you do, you are in a better position to make an informed decision. If not, the trustworthiness of the advice you receive becomes all the more important. Does the salesperson really have your best interests in mind?

The offer may be related to an area or subject that is currently in the news. However, the suitability or value of a product, service or investment will still depend on its particular details. For example, even in a rising property market, the value of an individual piece of land will be heavily influenced by whether it has planning permission or not.

Consumer organisations often emphasise that if something seems too good to be true it probably is. In investments, levels of risk and return are closely linked so beware of investments that offer guaranteed high returns. It is sensible to question claims made about products before buying them. Home demonstrations, for example of vacuum cleaners, may be designed to show the product to its best advantage. Research reports that appear to support claims made about food supplements or slimming aids may be selective or even invented.

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Always consider taking independent financial advice before making financial investments. For more details see 'Bad investments'. ► page 16

Checking companies' credentials

Before committing to a purchase or investment, be sure that you have enough information about the seller. The following points are useful to check, particularly if you have not heard of the company before.

- Do you have a contact number and does it work? Be wary if the only number you have is for a mobile phone (numbers that begin '07...'). See [page 15](#) for more on telephone selling.
- Do you have a postal address for the company? Is the address local? If not, this will make it harder to complain if any difficulties arise.
- Is the company based overseas? If so, your usual consumer rights may not apply or be very difficult to enforce.
- Is the company or individual properly regulated or a member of a trade association? Check any claims made with the body concerned.
- Remember that it is easy to have business cards, stationery, websites and the other trappings of business made up. Do not judge by appearances alone.
- Can you find any independent information about the seller?

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Local community websites can be a useful source of information and recommendations. Contact Consumer Direct for further information on checking sellers' credentials. ▶ [page 18](#)

In your home

Doorstep selling can present a number of risks for householders. Older people can be vulnerable to dishonest tradespeople who carry out often-unnecessary works to a poor standard and then try to levy extortionate charges for them.

It may be simplest to never buy anything from callers that you have had no previous dealings with and putting up a notice to say so. This can also reduce the risk of distraction burglary, where someone tries to gain access to your property in order to rob you.

Home visits are popular with sellers because some selling techniques work best face to face, including charm, offering seemingly large discounts or time-limited offers and, sometimes, just refusing to take no for an answer. These can be difficult to resist: the best defence is not to expose yourself to them.

Remember that even if you sign a contract for a purchase above £35 from a seller in your home, in most cases you have at least seven days to change your mind (the ‘cooling-off’ period), even if you invited the salesperson into your home.

Your consumer rights may be of little use if you cannot trace the seller. Do not be pressured into making any payments – particularly in cash – or signing documents until you have had a chance to discuss the offer with your friends and family. A reputable company will not try to force you into an instant decision.

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For information about your consumer rights contact Consumer Direct ► page 18 or your local Citizens Advice Bureau. ► page 17

Mail order scams

For most of us, receiving offers of products and services through the post is no more than irritating. However, it can cause problems if the recipient is vulnerable and unable to judge the products being offered.

Direct marketing companies in the UK are required to follow certain rules: by registering with the Mailing Preference Service ► [page 18](#) you can have your name taken off most direct mailing lists, although the service does not cover mail that is unaddressed, addressed to the occupier or originated overseas. Once you are registered, reputable marketing companies should not contact you. On this basis, you may wish to ignore any that continue to do so.

Unfortunately, many scammers and criminals also use mail order to contact potential victims. Some common types of mail order scam are listed on [page 11](#). Many mail order scams are based overseas and so are unregulated and largely beyond the reach of UK authorities.

If you receive a mail order invitation of this kind, ignore it and throw it away. Once someone has responded to a mail order scam, their details will often be circulated to others running similar schemes. You will then start to receive increasing amounts of similar offers.

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Contact the Mailing Preference Service ► [page 18](#) to have your name taken off direct mailing lists in the UK. Details of overseas scams can be sent to the Office of Fair Trading or Trading Standards ► [page 19](#) to help their investigations.

Common mail order scams

The following are common types of mail order scam. In all cases, responding increases the likelihood of receiving similar offers.

- **Lotteries/prize draws.** You may be advised that you have won a large sum of money or a prize and asked to pay an administration fee before you can collect it. The prize is either non-existent or worth very little but you may be asked for further payments before this becomes clear.
- **Psychics and clairvoyants** may offer advice on your future or to predict information that can be used to your advantage, such as lottery numbers or share prices.
- **Pyramid schemes.** These can take the form of chain letters or selling schemes. The former can be illegal. In either case, you may be encouraged to send money to the person who has contacted you, either through the promise of great rewards, or by threats about what might happen if the chain is broken.
- All kinds of products may be sold on the basis of **unrealistic claims** about their usefulness or value. When received, these products turn out to be of a far lower quality than the original claims suggested. Miracle health cures are a good example of the kind of unrealistic claims made about a product. Consult a medical practitioner before you buy any medicinal product by mail order or from a website.



case
study

Janet was recently called upon by two men offering to resurface her driveway...

- 6 I answered the door and the older of the men explained that they'd been driving past and saw my drive needed some work doing on it. I couldn't see anything much wrong with it but they made it sound quite urgent. I asked for a business card but the one they gave me only had a mobile number on it and no address. I remembered I'd seen a story in the local paper about dishonest workmen charging as much as ten times their original estimate and driving one man to his building society to get the money out. I said I'd have to think about it and that my daughter was coming round later so I'd talk about it with her. I contacted Trading Standards afterwards and they said you should never use firms who cold call offering to do your drive or roof.
- 6 My neighbour received a letter from Holland saying that she'd won a lottery prize. She wrote back to say she didn't see how, as she'd never entered anything. That just seemed to encourage them and now she gets quite a few letters. Best to throw anything like that straight in the bin. 9

Email scams

Email offers a cheap way of reaching large numbers of people at a minimal cost and so is increasingly popular for both honest and dishonest purposes. Unsolicited bulk emails – generally known as spam – are generated in huge quantities. These can be identified because you have not requested or agreed to the contact and the message contains nothing that is specific to you personally – it cannot, since the same message may have been sent to hundreds of thousands of people.

Most spam will not cost you any more than the time wasted reading it, but bulk emails are used by fraudsters to attract victims. The most well-known type of email fraud is ‘advance fee’ fraud. This takes various forms, but commonly the initial email explains that the sender has a large amount of money or a high-value asset and needs help to move it, often from one country to another, in return for a fee or percentage of the money. Once a victim is involved, they are convinced to make a payment to help the transaction along. The promised large reward never appears. Alternatively the victim is persuaded to provide their bank details. These are then used to remove money from their account. As with other scams, once you have paid once, you will be encouraged to make further payments.

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Most email accounts can be set to block email spam: check your settings. If you do receive a scam email, forward it to the fraud department of the email provider hosting the sender’s account requesting that the account be closed.

Identity theft

Do not respond to emails or telephone calls claiming to be from your bank or another financial institution and asking you to confirm your account details or other personal information. These are fake and if you disclose the information it may be used to raid your accounts. Banks and institutions such as the tax authorities will never ask you for your PIN numbers, passwords or other security information in full. If you are concerned about emails or calls claiming to be from your bank, contact your bank to discuss it using the contact details you received when you opened your account.

Other tips for reducing the risk of identity theft include:

- keep your personal documents safe and report missing passports or driving licences as soon as possible
- cancel any lost or stolen bank cards immediately
- avoid obvious passwords such as your mother's maiden name
- keep passwords and PIN numbers safe – don't write them down, don't disclose them to anyone
- shred any documents such as bank statements, receipts and card slips before you throw them away
- check statements regularly for transactions that you do not recognise
- ensure your computer has up-to-date security software
- have your post redirected when you move house
- check your personal credit file on a regular basis.

what
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Visit the Home Office website www.identitytheft.org.uk for further information on how to prevent identity theft, including how to check your personal credit file.

Telephone selling

Unsolicited telephone calls are used by both genuine and fraudulent businesses to reach new customers but many people prefer not to receive them, finding them disruptive and irritating, particularly in the evening. The Telephone Preference Service (TPS) is a central register and you can opt out of receiving unsolicited sales and marketing calls. Registering with the TPS should greatly reduce these calls but you may still get some, particularly from overseas companies.

As with other methods of contact, be wary of calls from companies that you have had no previous dealings with. Do not be afraid to put the phone down or end the call with a brief 'No, thank you'. The caller will probably expect, and be used to, a high proportion of calls ending in this way.

Pressure selling by telephone of dubious financial investments – by so-called 'boiler room' operations – is a recognised problem. Check whether companies are authorised by the Financial Services Authority.

► **page 18** We look at bad investments on **page 16**.

Be aware that telephone numbers are not always what they seem. Modern communications technology means that calls with a geographical area code may not have come from that area.

If a caller gives you a number to call back, this still does not necessarily mean that the company is genuine. Try to find information about the company from an independent source. Avoid calling numbers that begin '09...' as these are charged at premium rates.

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Contact the Telephone Preference Service ► page 19
for details of how to register.

Bad investments

Financial investments are complicated and most of us need advice on how best to manage them. There are plenty of unscrupulous sellers who seek to exploit this. Before making investments take the following points into account.

- Make sure the company you are dealing with is authorised by the Financial Services Authority (FSA)
▶ **page 18** – contact the FSA to check the company's status. Avoid companies that are not authorised.
- Be wary of dealing with companies that are based overseas. They may be located there to avoid regulatory requirements.
- Seek independent advice. Be clear about how your adviser benefits from the process.
- You may be encouraged to buy legitimate products that are overvalued, for example shares that exist but have little or no resale value.
- Do not be pressured into making a quick decision.
- Do not buy 'off the page' from newspaper adverts or marketing leaflets unless you are sure. You will have less protection than if you buy after taking advice.
- Listen to your doubts. If you think the offer sounds too good to be true, you may well be right.

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Contact the Age Concern Information Line ▶ page 17 for a copy of our free guide *Planning your retirement income*, which includes information on how to find a financial adviser.

Useful organisations

Age Concern

For more information and details for your local Age Concern in England, please call the Age Concern Information Line on 0800 00 99 66 (free call) or visit www.ageconcern.org.uk



In Northern Ireland, Scotland or Wales, contact:

Age Concern Northern Ireland

Tel: 028 9032 5055

Website: www.ageconcernni.org

Scottish Helpline for Older People (Age Concern Scotland)

Tel: 0845 125 9732

Websites:

www.olderpeoplescotland.org.uk

www.ageconcernscotland.org.uk

Age Concern Cymru

Tel: 029 2043 1555

Website: www.accymru.org.uk

Citizens Advice Bureau (CAB)

National network of free advice centres. For details of your local CAB call 020 7833 2181 (this number gives local contact details only, not advice).

Websites:

www.citizensadvice.org.uk for local CAB details

www.adviceguide.org.uk for online information



Consumer Council for Northern Ireland

Provides information and campaigns on consumer issues in Northern Ireland.

Tel: 0845 601 6022

Website: www.consumercouncil.org.uk

Consumer Direct

Government-funded service providing practical consumer advice.

Tel: 0845 404 0506

Website: www.consumerdirect.gov.uk

Financial Services Authority (FSA)

The FSA provides information on how to find and choose a financial adviser and can confirm whether your adviser is authorised. It also produces a wide range of materials on finance-related matters.

25 The North Colonnade

Canary Wharf

London E14 5HS

Consumer Helpline: 0845 606 1234

Website: www.fsa.gov.uk

Mailing Preference Service (MPS)

Free register for individuals who do not want to receive unsolicited sales and marketing contacts by post.

DMA House

70 Margaret Street

London W1W 8SS

MPS registration line: 0845 703 4599

Website: www.mpsonline.org.uk/mpsr

Office of Fair Trading

Promotes and protects consumer rights in various markets. Links to Consumer Direct.

Fleetbank House

2–6 Salisbury Square

London EC4Y 8JX

Tel: 0845 722 4499

Website: www.offt.gov.uk

Telephone Preference Service (TPS)

Free register for individuals who do not want to receive unsolicited sales and marketing contacts by telephone.

DMA House

70 Margaret Street

London W1W 8SS

TPS registration line: 0845 070 0707

Website: www.tpsonline.org.uk

Trading Standards

Consumer information, free advice leaflets and information about your local Trading Standards offices.

Website: www.tradingstandards.gov.uk

AGE
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support
us

Age Concern is the largest provider of services to older people in the UK after the NHS. We make a difference to the lives of thousands of older people through local resources such as our befriending schemes, day centres and lunch clubs and through our national freephone helpline – the Age Concern Information Line.

If you would like to support our work by making a donation please call Supporter Services on 020 8765 7527 (Monday to Friday 9.15am–5pm) or visit www.ageconcern.org.uk
Thank you.

What should I do now?

If you would like more information on the issues covered in this guide, to order other guides or obtain this guide in a more accessible format, please call the Age Concern Information Line on 0800 00 99 66 (free call) or visit www.ageconcern.org.uk/information

The following Age Concern information guides may also be useful:

- *Bogus callers: how to protect yourself*
- *Living well in your neighbourhood*
- *Making the most of your money*
- *Planning your retirement income.*

Age Concern publishes a range of books on issues relevant to older people. Browse our online bookshop at www.ageconcern.org.uk/bookshop

Contact details for your local Age Concern may be in the box below. If not, call the Age Concern Information Line on 0800 00 99 66 (free call).



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