

# The shocking rise of SCAMS

*This past year has seen the number of people falling victim to fraud skyrocket. With scams becoming more sophisticated than ever, Woman looks at what we can do to protect ourselves*

**F**raud has long been one of the most commonly experienced crimes in the UK, but since the start of the pandemic last year, the number of victims has increased significantly.

As the country shut down and businesses closed their doors – some for good – unemployment crept up. And, while many people struggled financially, criminals were quick to capitalise on the situation. Last year, the UK's cybersecurity agency identified and removed more scams than in the past three years combined. Criminals even exploited the vaccine roll-out, creating fake NHS apps to harvest personal information for the purposes of fraud.

Action Fraud has estimated that £34.5m has been stolen since March last year. But it's not just the financial impact that cripples victims – the effects on mental health can be devastating. With a new scam uncovered on average every five minutes, *Woman* investigates the full impact of fraud on victims.

## 'I COULDN'T BELIEVE WE'D BEEN SO FOOLISH'

**Sue Flood, 63, lives in Essex with her husband, 59, and their two daughters, 23 and 20.**

It was back in early 2011, after spotting an ad in a newspaper in Spain – where we were living at the time – that my husband and I enquired to receive professional financial advice from a supposedly fully qualified and regulated independent financial advisor.

At the time, we were both taking a break from work and had worked hard in our careers over the years, me in television and my husband running a palleting company. We'd accrued a combined pension pot of £250,000, which we hoped would give us a comfortable retirement and leave our daughters, then 12 and nine, something when we were gone.

We soon arranged to meet with the advisor from the newspaper ad, who offered several financial instruments, which we refused, before he suggested the chance of a tax-free lump sum, with the remainder being placed into a UK pension provider with a good rate of return. My husband and I thought the offer sounded promising, but we were sure to undertake due diligence at our end.

After much research online, we learnt that the provider was indeed professionally Financial Services



Authority (now Financial Conduct Authority) accredited. We had no reason not to trust the advisor, so we signed a terms of agreement form and our pension was transferred over to the scheme in May of that year. Two weeks later, though, there was no sign of any paperwork or receipt of our transfer. 'I have a bad feeling about this,' I fretted to my husband.

## Alarm bells

I contacted a lawyer to seek the return of the money, but their investigation uncovered something devastating. 'I'm afraid you've been the victims of fraud,' we were told. We'd been scammed out of our savings and now we had nothing.

I was distraught and shaken. I couldn't believe it had happened to us. As we set about contacting the necessary authorities



More than  
**400,000**  
cases of fraud and  
cybercrime have been  
reported to City of  
London Police during  
the pandemic.

and doing everything we possibly could to get our money back, I endured a mental breakdown and, though my husband was suffering with ulcerative colitis, he and I had no choice but to return to work seven days a week to make ends meet.

The stress of the situation put serious strain on our marriage and, though we tried our best to hide everything from our daughters, the sleepless nights and constant worry took their toll.

As the months wore on, we discovered that we, along with 500 other victims, had been duped into a scheme that had invested our money in very high-risk illiquid property overseas. In December that same year, the courts ruled that we, and the other victims, had been involved in a pension liberation scam deemed as 'fraud on the power of investment'.

Pension liberation can occur when you knowingly try to transfer your pension

benefits to an unregulated scheme before the age of 55. Pension liberation becomes fraud when you are not informed of the potential tax consequences involved and when some or all of your money is unable to be located. And, though we did not knowingly do this or set out to tax avoid or liberate our pensions, in the eyes of the law, we weren't victims at all – we were actually the criminals.

### Mounting debt

My husband and I were inconsolable, but I knew this wasn't our fault. We'd been duped by a financial advisor we'd trusted. He'd taken advantage of our lack of financial knowledge and used it to swindle us.

Over the past 10 years, I have worked tirelessly to rally support for our case and change pension-scheme registration laws, imploring MPs, OBEs, charities and other organisations for help. I've become

involved with support groups, such as the Transparency Task Force group, for those who also find themselves victims of such scams.

To date, the perpetrators of the crime still haven't been brought to justice, meaning they can continue to dupe other innocent people.

Because we removed cash from our pensions as advised and the perpetrators invested it elsewhere without paying tax on the transfer, we were hit with a huge fine which, over the years, has accrued an extortionate rate of interest.

Our lives have been destroyed and will never be the same again. I can only hope that, through my work rallying for change, we can spare the livelihoods of other families in the future.

**\* For information and support about scams and fraud, visit [ageuk.org.uk](http://ageuk.org.uk) or call 0800 678 1602.**



# The low-down on fraud



**Samantha Cooper is a fraud investigator and member of The Association of British Investigators. She is founder of Private Investigations Ltd, which deals with all manner of investigations, and Rogue Daters Ltd, which specialises in romance fraud.**

**Q What is the most challenging part about being a fraud investigator?**

**A** It's always a challenge trying to get to the fraudsters before they are able to gain more victims. It becomes a race against time to expose who is at the core of the fraud.

**Q In your experience, what is the most common type of fraud?**

**A** There are so many different types of fraud today, such as HMRC scams, investment fraud, crypto-fraud, romance fraud, credit-card fraud, parcel-delivery scams – the list is endless. These fraudsters will try any method possible to get their hands on your money, property or possessions.

**Q What are the main impacts that falling victim to fraud can have on someone's life?**

**A** It's heartbreaking when a victim realises they have been conned. I have seen the devastation it can cause, from financial ruin, loss of confidence, family fall-outs and, sadly, sometimes loss of life.

**Q What type of tricks do fraudsters use on their victims?**

**A** Some fraudsters will invest a lot of time and effort to gain a person's trust before committing the fraud. They may fabricate an emergency situation that requires money to be given quickly. They will play on your emotions and detail the consequences of what may happen if the money is not sent. This normally guilt-trips a person into helping out.

**Q Why do you think there has been a recent increase in the number of people falling victim to fraud?**

**A** A lot of people fall victim to fraud simply due to being too trusting and too kind. During the pandemic, fraud numbers have risen as people have been isolated and have spent more time online.

## Did you know?

Nearly two-thirds of under-35s believe that they would recognise a scam, but stereotypes of typical victims being elderly and vulnerable have seen increasing numbers of young people caught out. According to research, under-35s are being targeted by fake online retailers, social-media scams and bank impersonators.\*

But it's not just adults who are being swindled. Criminals are even stooping to new lows and targeting children. A recent Internet Matters survey found that one in 20 children have experienced fraud or identity theft.

## How children are targeted

Ghislaine Bombusa, Head of Digital at Internet Matters, explains, 'Following lockdown, children are relying more on their devices to socialise and for their downtime – and, with more time spent online, the risk of young people falling victim to scams is likely to increase.'

'Children are often more at risk of fraud and scams than adults, as they are still developing their critical-thinking skills and are less likely to spot when something might be a scam.'

'Fraudsters commonly target young people through social media, using methods such as clickbait, identity theft and catfishing, with



consequences ranging from the child having their personal details stolen to paying for a product that doesn't exist.

'Having regular, open and honest conversations with your child about their personal safety and privacy issues is vital in helping them navigate their online world safely and responsibly.'

'We urge parents to talk to their children about how to spot the signs of a scam, so that they can feel confident navigating the online world.'

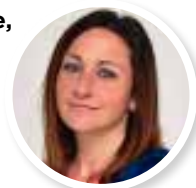
### These are Internet Matters' top tips to equip young people with the skills to recognise and report social-media scams:

- \* Encourage young people to check their privacy settings on all their social-media accounts so that strangers don't have access.
- \* Encourage young people to be more critical about the ads they see on social media.
- \* If you are in any doubt about whether an offer or a post is genuine, visit the website yourself to investigate.
- \* Reinforce the importance of protecting personal data.
- \* Always report anything that looks like a scam.

**For more information and advice, visit [internetmatters.org](https://www.internetmatters.org)**

## EXPERT COMMENT

**Amber Burrige, Head of Fraud Intelligence at Cifas, the UK's leading fraud-prevention**



**service, says:**

'The pandemic forced fraudsters to adapt their techniques to trick victims out of their personal and banking details. Criminals targeted their efforts on cyber-enabled fraud by impersonating brands and organisations you would expect to be contacting you, such as delivery companies or the NHS.'

'To keep yourself safe from these scammers, be sceptical whenever you receive communication asking for your personal details. Take a moment to investigate whether the request is genuine, such as by looking out for any spelling or grammar mistakes. If you do fall victim to a scam, report it to Action Fraud: [actionfraud.police.uk](https://www.actionfraud.police.uk).'



### Q What should the general public look out for to make sure they don't fall victim to fraud?

A Never panic or give in to pressure if somebody is asking you for money or bank details. Always ask somebody else, like a family member or friend, if the request seems legitimate – you can even ask somebody at your bank. If it's an authority or company asking for money, call them to carry out checks to confirm you do owe them money. They will be happy to verify if the request is genuine.

