

The case of Mrs Hendly

Background

Mrs Hendly is a 78 year old customer, who used to regularly visit the branch in person to withdraw her pension credit. She is good physical health, and looks after her money independently. She often discusses with you her holiday plans and any work she is having done around the house when you are dealing with her transactions.

Whilst serving customers at the counter on a Monday morning, someone approaches you to make a third party withdrawal from Mrs Hendly's account. You know that you have not seen Mrs Hendly in the branch yourself for quite a while, and you can see from reviewing the previous transactions on the account that it has actually been a number of months since Mrs Hendly has made any withdrawals. The man has the correct documentation and identification, but despite the gap since her last visit you are surprised that Mrs Hendly has not come into the branch herself.

Questions

Would you have any concerns about the third party withdrawal from Mrs Hendly's account? What type of arrangement could this be and why might Mrs Hendly need it?

Would you take any action in this type of circumstance, and if so, what would you do?

In this instance the cashier reported her concerns to her manager

You mention your concerns to your line manager and it is decided to monitor the situation as branch policy is that third party withdrawals are only allowed on a temporary basis. If the situation was to continue, a more formal arrangement would be needed such as a third party signatory or a lasting power of attorney. Given that at the current time there was no firm evidence that the account was being abused it was decided no additional action could be taken.

Over the next few months the account is transferred into a joint account, and the balance starts to decline rapidly, with over £5,000 being withdrawn over a period of three months, which does not match Mrs Hendly's normal spending patterns.

Questions

What is the policy regarding third party access to bank accounts in your business? Are there any risks you can identify in relation to third party access to accounts?

Have your thoughts about the situation changed with the new information? What would you do next?

The branch manager tries to contact Mrs Hendly to discuss the situation

Given the sudden decline in the account balance the branch manager phones Mrs Hendly to discuss the concerns and check that everything is OK. The manager is unable to get hold of Mrs Hendly on the phone though, as everytime he calls the house either Mrs Hendly's daughter or son-in-law answers and says that she is not available. She does not respond to any requests to call back the branch or visit in person, even after a series of letters are sent to her home address.

In the mean time Mrs Hendly's account balance is continuing to decline, at an increasingly rapid rate. As Mrs Hendly was not responding to any form of contact, the branch manager approached the adult safeguarding team at the local Council to report the concern that she may be being financially abused. At that point social services took over investigation of the matter, and reported the case to the police. You are still waiting to hear what the outcome of investigations by the police and social services are.

Questions:

Would you have done anything different in this case?

What are the challenges involved in protecting customers finances from potential abuse before there is firm evidence?