



## Fighting Fraud Together Quarterly Update – July 2012

In October 2011, the **National Fraud Authority (NFA)** published ***Fighting Fraud Together (FFT)*** the national strategic plan to reduce fraud. FFT is a shared enterprise on behalf of all sectors; public, private, voluntary and law enforcement - to improve our collective response to fraud and the damage it causes to individuals and the economy.

FFT set out a new approach with the ambition that:

*“By 2015 our country will be demonstrably more resilient to and less damaged by fraud”.*

This will be achieved through the delivery of three strategic objectives:

- i) **AWARENESS**;
- ii) **PREVENTION**; and
- iii) **ENFORCEMENT**.

Work is ongoing in each of these areas to improve our shared response to existing and emerging threats. The NFA will produce updates on the detailed programme of activity underpinning FFT throughout the lifetime of the strategy.

### **Awareness:**

Following segmentation analysis (a process for identifying the vulnerability of particular sections of the population to fraud), the NFA, working with the **Telecommunications UK Fraud Forum (TUFF)** and **Financial Fraud Action UK (FFAUK)** (representing the payments industry) have delivered [‘The Devils in your Details’](#) campaign. The campaign was aimed at young adults (aged 18-25 years) that can be complacent and careless with their personal and financial details, and women (aged 36-55) that show a lack of awareness of fraud and fail to adequately take security measures. The campaign reached 15% of the population, of which 70% were from the target segments; and two thirds felt the campaign videos would make them take more proactive steps against fraud. The NFA are planning three further campaigns over the next year, based upon other vulnerable segments, including: men (aged 26-35 years) that have already been repeat victims of fraud, but which are overconfident and too busy to pay attention to self-protecting, men (aged 36-55 years) that are risk takers who are seeking investment opportunities, making them vulnerable to fraud, and adults (aged 56 years and above) that generally avoid risk but which can be vulnerable to ‘offers’.

Additionally, after the success of the consumer segmentation, the NFA in partnership with the **Department for Business Innovation and Skills (BIS)** have used a separate segmentation analysis to explore attitudes, behaviours and risk levels to fraud and internet crime across Small and Medium sized Enterprises (SMEs). This identified six distinct segments and found an SME’s risk to fraud increases if the business trades online, has a turnover between £20 million and £40 million, and as the numbers of employees increases. The NFA and BIS have begun to communicate the findings from the segmentation analysis to stakeholders, in order to help increase insight and understanding, and to enable the development of plans and prevention strategies. In the future, the development of a ‘tool kit’ of practical advice and guidance to assist SMEs with fraud prevention is planned, as well as a series of campaigns which will be launched to encourage behaviour change and increase self-protection within a segment or across a number of segments.

## **Prevention:**

The **Serious Organised Crime Agency (SOCA)** and the NFA have begun a project to identify, prioritise and map fraud enablers. Currently, 5 fraud types have been prioritised: online shopping and auctions, advance fee frauds, share sales or boiler room fraud, dating scam (romance fraud) and cheque, plastic card and online bank accounts. Harm reduction plans will then be devised in conjunction with stakeholders, which will create a prioritised response, as well as planned and targeted interventions.

In order to further strengthen systems and controls, the **Home Office** with support from the NFA is overseeing a range of projects to minimise the risk of government issued identity documents being exploited for criminal purposes. Projects include strengthening the issuing processes of Government documents, improving data sharing of false identities, preventing criminals from gaining access to the specialist equipment required to produce false identities and taking down websites offering false documents for sale. We are also working with the private sector to develop the use of document scanners to identify fraudulent documents to reduce the number of fraudulently opened accounts.

The **Association of British Insurers (ABI)** have made contact with the **Driver and Vehicle Licensing Agency (DVLA)** with the aim of working in partnership to combat fraud but also make the process of applying for insurance faster, produce more accurate premiums, and reduce disputes in the event of claims. The **Motor Insurers' Bureau (MIB)** will manage and develop the necessary interface between the industry and DVLA.

Several FFT partners are doing work with the **London Organising Committee of the Olympic and Paralympic Games (LOCOG)** in preparation for the event. The MPS are running Operation Podium, which has been set up as the national response to deal with serious and organised criminal groups targeting the economy of the Olympic and Paralympic Games. This includes activity to mitigate threats, such as: ticketing, accommodation, construction fraud, whilst also providing advice to local businesses. Additionally, the **British Bankers Association (BBA)**, FFAUK (representing the payments industry) and the MPS have led a range of activity, aimed at providing fraud awareness and prevention advice to consumers; through leaflets, and to retailers; through training.

## **Enforcement:**

As part of the Cyber Crime Strategy, **Action Fraud** is now collecting reports of financially motivated cyber crime, and over the period March-May 2012, 46% of all Action Fraud crime and information reporting was cyber enabled (including computer misuse crime).

On 29 May 2012, the **Metropolitan Police Service (MPS)** ran Operation Stimtone, whereby 1,272 officers were deployed across the 32 London boroughs, in a range of enforcement activity linked to economic crime (including fraud). 158 people were arrested and £1,545,496 million was seized under the Proceeds of Crime Act.

The **British Retail Consortium (BRC)** are committed to improving communication between retailers and Law Enforcement, and as a result have collaborated with forces, such as the MPS to start providing intelligence for enforcement operations, like Operation Stimtone.

Additionally, in November 2012, the first Police and Crime Commissioners (PCCs) elections will take place. The aim of PCCs will be to cut crime, deliver a more transparent accountability of the police, and overall a more effective and efficient police force within their force area. The BRC has been taking a number of steps in preparation to better prepare potential candidates, for example guidance highlighting concerns around e-crime for potential PCCs has been compiled, which will be issued prior

to the election process. The BRC have recognised there is a gap in communicating at a local level about e-crime and have taken the opportunity of informing PCCs to try to overcome this.

The development of the **National Crime Agency (NCA)** is gathering pace. The Crime and Courts Bill was introduced into the House of Lords on 10 May 2012 and includes provisions on the NCA, which subject to Parliamentary processes the ambition is that it will be fully operational by October 2013.

The **Economic Crime Coordination Board (ECCB)**, the body charged with establishing the Economic Crime Command (ECC) of the NCA is up and running, and work to deliver a more coordinated response to economic crime has begun. An Economic Crime Strategic Threat Assessment using intelligence from across the counter-fraud community has been produced, which will be used to inform ECCB operational activity.

#### **Fighting Fraud Together partners:**

Association of British Insurers  
Association of Chief Police Officers  
Attorney General's Office  
British Banking Association  
British Chamber of Commerce  
British Retail Consortium  
Building Societies Association  
Cabinet Office  
Charity Commission  
Charity Finance Directors Group  
CIFAS  
Citizens Advice Bureau  
City of London Police  
Communities and Local Government  
Council of Mortgage Lenders  
Crown Prosecution Service  
Department for Business, Innovation and Skills  
Department for Work and Pensions  
Federation of Small Businesses  
Fraud Advisory Panel  
Financial Fraud Action UK  
Fighting Fraud Locally Board  
Financial Services Authority  
HM Revenue and Customs  
HM Treasury  
Home Office  
Insurance Fraud Bureau  
Land Registry  
Law Society  
Metropolitan Police  
Ministry of Justice  
National Council for Voluntary Organisations  
National Fraud Authority  
Royal Institution of Chartered Surveyors  
Serious Fraud Office  
Serious Organised Crime Agency  
Solicitors Regulation Authority  
Telecommunications UK Fraud Forum  
The UK Cards Association  
Victim Support