



ticketing mailbox &lt;ticketing@culture.gov.uk&gt;

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**Call for Evidence (NOT PROTECTIVELY MARKED)**1 message

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To: "ticketing@culture.gov.uk" &lt;ticketing@culture.gov.uk&gt;

20 November 2015 at 16:00

Classification: NOT PROTECTIVELY MARKED

Ian,

Please find attached a response from the City of London Police for the Review of Consumer Protection Measures relating to Online Secondary Ticketing Platforms. You may also wish to seek views from the Metropolitan Police and National Police Chiefs Council.

Many thanks,

City of London Police

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Review of Consumer Protection Measures relating to Online Secondary Ticketing Platforms –  
Submission from City of London Police

Please find below our submission to the call for evidence launched on 13 October. We have highlighted the areas where we can provide the most useful insight which we hope will help address some of the key issues the review considers. Given our role as National Lead Force for fraud and economic crime, we have concentrated on fraudulent activity which we hope will help provide the wider context.

City of London Police

The City of London Police's lead force status involves a national responsibility for prevention, intelligence and enforcement solutions. Our aim is to prevent and reduce the harm caused by economic crime. As host of the National Fraud Intelligence Bureau, we have unique insight into current and changing crime threats.

General overview

In the 2013 Ticket Fraud Report (created by the National Fraud Intelligence Bureau) it was estimated that ticketing fraud cost victims approximately £3.7 million. It continues to be a threat with 4,035 crime reports relating to ticketing fraud submitted to Action Fraud in 2014. Recently we have seen an increase in the use of social media as a way to target victims.

Recent ticket fraud data

This data relates to ticketing fraud reports over the last six months (01/05/2015-31/10/2015).

MONTH	Number of Fraud Reports
2015-05	307
2015-06	807
2015-07	465
2015-08	338
2015-09	706
2015-10	262
Grand Total	2885

The June peak is likely to be due to the start of the festival season. September saw a steep rise in reporting of frauds involving the Rugby World Cup which began in this month. Over the six month period the grand total of losses is £1,280,559<sup>1</sup> (GBP). The median loss suffered per victim is £205.00.

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<sup>1</sup> This excludes two reported losses of £25,600 and £332,511 which were not proportionate to the fraud reported and likely to be due to an inputting error.

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Observations on how the market is working for consumers as both buyers and sellers, including the impact of the new May 2015 rules

As seen above ticketing fraud remains a problem meaning the market is not working as well as it could be. The new May 2015 rules have not made much of an impact on our work as enforcement powers rest with Trading Standards and not the police.

How well terms and conditions of sale, their enforcement and redress mechanisms are operating

We believe that improvements could be made to better protect consumers. One reason is that the terms and conditions are not always clear or well publicised. For example, during the Rugby World Cup buyers were asked to send their tickets back to the organiser if they were unable to use them. However, although this was written on the tickets it could have been better publicised and may have helped reduce the opportunities for secondary ticket fraudsters.

Any apparent change in the demand for and supply of tickets on the primary and secondary market?

We have seen a huge increased demand for tickets provided on the secondary market. This could in part be explained by the malware which is now available, such as botnets, which are able to buy a huge amount of tickets in seconds meaning people have to rely on the secondary ticket market.

How can prospective purchasers verify tickets as genuine?

The most effective course of action would be to introduce a measure which prevents secondary ticket fraudsters from operating, for example having to prove that you have the ticket. This must be proportionate, however, as you do not want to prevent genuine companies from operating.

A potential solution would be for the issuers of the tickets to allocate a unique code which can only be verified by them. It should be possible to be to contact the issuer or use a part of their website to verify whether the code is genuine.

How well is the market minimising illegal activity?

Given the number of fraud reports, more needs to be done to help minimise illegal activity. One cause of the problems lies with the original sale of tickets whereby secondary agents use sophisticated software (botnets) to purchase large quantities of tickets. If there was a way to prevent this then this could reduce reliance on the secondary ticket sales market. Until there are effective measures to address this there will continue to be a large capacity for problems/fraudulent activity in this area.

From a police perspective more could be done to strengthen the tools available to practitioners who disrupt websites relating to ticket fraud. It is currently extremely difficult to disrupt many ticket websites.

During the Rugby World Cup (RWC) we were only able to take action on the suspension requests the RWC sent to us if we found breaches in registrar terms and conditions or if we could find some fraud report on 'know fraud' data base. This meant we were only able to disrupt approximately less than a

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third of the suspension requests we received. As fraud reports don't come through until much later this leaves a gap during which members of the public can become defrauded.

We require greater cooperation in order to facilitate website disruption. For example if there was better cooperation with overseas registrars this would greatly facilitate the suspension of websites and assist with policing of the web. There also needs to be greater cooperation between the ticket market, law enforcement and website providers in order to protect consumers more effectively.

