

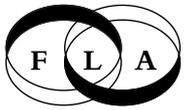
# Fraud In The Private Sector

An Introduction  
To Law Enforcement  
In The United Kingdom



# Introduction

This Guide provides an overview of the main criminal justice agencies that have a remit to investigate and prosecute some frauds against private sector businesses. It is not an exhaustive list and is indicative only.



## About the FLA

The Finance & Leasing Association (FLA) is the main representative organisation for the UK consumer credit, motor finance and asset finance sectors, and the largest organisation of its type in Europe. Our members comprise banks, subsidiaries of banks and building societies, the finance arms of leading retailers and manufacturing companies, and a range of independent firms. The facilities they provide include finance leasing, operating leasing, hire purchase, conditional sale, personal contract purchase plans, personal lease plans, secured and unsecured personal loans, credit cards and store card facilities.

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## About the FAP

The Fraud Advisory Panel (FAP) is a registered charity which aims to raise awareness of the immense human, social and economic damage caused by fraud and to develop effective remedies. Members of the Fraud Advisory Panel include representatives from the law and accountancy professions, industry associations, financial institutions, government agencies, law enforcement, regulatory authorities and academia. No other organisation has such a range and depth of knowledge, both of the problem and of the means to combat it.

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Registered Charity No. 1108863

## Disclaimer

Whilst every effort has been made in the construction of this Guide, compliance with it does not guarantee that you and/or your business will not be a victim of fraud or criminality aimed against you and/or your business.

The Fraud Advisory Panel and the Finance & Leasing Association accept no responsibility for any action taken by parties as a result of reading this Guide. Readers are strongly advised to seek and obtain the appropriate professional advice on the issues raised which affect them or their business.

# Law Enforcement

## City Of London Police (CoLP)

The City of London Police (CoLP) Economic Crime Department is responsible for the prevention, detection and investigation of fraud committed in the 'square mile' of the City of London (EC1 – EC4).

It is also the lead force responsible for the investigation of allegations of serious fraud in London and the South East which have not been accepted by the Serious Fraud Office. Under current proposals the CoLP will become the national lead police force on fraud.

**Further information:** [www.cityoflondon.police.uk](http://www.cityoflondon.police.uk)

**Report a fraud:** Tel: 020 7601 6999 (0800 – 1800 Monday to Friday), Fax: 020 7601 6938, E-mail: [frauddesk@city-of-london.pnn.police.uk](mailto:frauddesk@city-of-london.pnn.police.uk)

## Companies Investigation Branch (CIB)

The Department for Business, Enterprise & Regulatory Reform Companies Investigation Branch (CIB) is responsible for the civil investigation of complaints against limited companies and limited liability partnerships in England, Wales and Scotland. The CIB is part of the Insolvency Service.

Cases must be in the public interest with reasonable grounds to suspect fraud, serious misconduct or material irregularity in the company's affairs. Investigations are confidential. The CIB does not investigate unincorporated partnerships, sole traders, dissolved companies or companies which are in compulsory liquidation.

Enforcement action available to the CIB includes compulsory liquidation of companies, disqualification of directors and warning letters. The CIB may refer cases to other agencies for consideration of criminal or regulatory action.

**Further information:** [www.insolvency.gov.uk/cib](http://www.insolvency.gov.uk/cib)

**Make a complaint:** Post: Companies Investigation Branch, Ground Floor, 21 Bloomsbury Street, London, WC1B 3QW, E-mail: [vetting.section@berr.gsi.gov.uk](mailto:vetting.section@berr.gsi.gov.uk) Web: [www.insolvency.gov.uk/cib](http://www.insolvency.gov.uk/cib)

## Financial Services Authority (FSA)

The Financial Services Authority (FSA) has an extensive range of disciplinary, criminal and civil powers to take action against regulated and non-regulated firms and individuals who are failing or have failed to meet required standards or are in breach of the Financial Services and Markets Act 2000 (FSMA).

Examples of the FSA's powers include being able to withdraw a firm's authorisation, prohibit an individual from operating in financial services, prevent an individual from undertaking specific regulated activities, censure firms and individuals through public statements, impose financial penalties, seek injunctions, apply to court to freeze assets, seek restitution orders, and prosecute firms and individuals who undertake regulated activities without authorisation.

The FSA has a statutory objective to reduce the extent to which businesses can be used for purposes connected with financial crime, such as money laundering, fraud or dishonesty, and market abuse. It may take action against financial services firms which fail to manage the risk of fraud.

**Further information:** [www.fsa.gov.uk](http://www.fsa.gov.uk)

**Report market abuse:** Tel: 020 7066 4900, E-mail: [marketabuse@fsa.gov.uk](mailto:marketabuse@fsa.gov.uk)

**Report money laundering:** E-mail: [moneylaundryingregulations@fsa.gov.uk](mailto:moneylaundryingregulations@fsa.gov.uk)

**Report fraud and dishonesty:** E-mail: [financial.crime@fsa.gov.uk](mailto:financial.crime@fsa.gov.uk) or [whistle@fsa.gov.uk](mailto:whistle@fsa.gov.uk)

## Metropolitan Police Service (MPS)

The Metropolitan Police Service (MPS) Economic and Specialist Crime Division is responsible for the prevention, detection and investigation of fraud committed in Greater London (excluding the City of London).

The MPS works closely with a number of other law enforcement agencies including the Serious Organised Crime Agency, City of London Police and HM Revenue & Customs. It is also involved in a number of public and private sector partnerships including the dedicated cheque and plastic crime unit.

**Further information:** [www.met.police.uk](http://www.met.police.uk)

**Report a fraud:** Contact the local police station in the area where the fraud occurred.  
Web: [www.met.police.uk/local](http://www.met.police.uk/local).

## Office of Fair Trading (OFT)

The Office of Fair Trading (OFT) is responsible for the investigation of offences under a range of competition and consumer-related legislation, including the Enterprise Act 2002 and Competition Act 1998 in the United Kingdom. This includes anti-competitive behaviour, cartels and major and widespread breaches of consumer protection laws (such as mass-marketed scams).

Penalties available to the OFT include fines, infringement decisions and direction, criminal prosecution, and competition disqualification orders.

Consumer Direct is a telephone and online consumer advice service funded by government and managed by the OFT. It operates in partnership with Local Authority Trading Standards Services to offer consumers clear, practical and impartial advice and information.

**Further information:** [www.oft.gov.uk](http://www.oft.gov.uk) and [www.consumerdirect.gov.uk](http://www.consumerdirect.gov.uk)

**Cartel hotline:** To report a cartel. Tel: 020 7211 8888; E-mail: [enquiries@oft.gov.uk](mailto:enquiries@oft.gov.uk)  
**Mass marketed scams:** Victims of a scam (excluding investment scams) can call Consumer Direct.  
Tel: 08454 04 05 06 for advice.

## Serious Organised Crime Agency (SOCA)

The Serious Organised Crime Agency (SOCA) is responsible for the prevention and detection of serious organised crime in the United Kingdom and for reducing the harm it causes. It is an intelligence-led agency which works closely with other law enforcement agencies on both a national and international basis.

Fraud committed by organised criminals against individuals and companies is a priority for SOCA. This includes fraud against banks, identity theft, advance fee frauds and e-fraud. SOCA also administers the proceeds of crime regime (Suspicious Activity Reports) to counter money laundering.

**Further information:** [www.soca.gov.uk](http://www.soca.gov.uk)

Allegations of fraud cannot be directly reported to SOCA. Cases are referred to SOCA from other law enforcement agencies or via the SARS regime.

## Serious Fraud Office (SFO)

The Serious Fraud Office (SFO) is a government department responsible for the investigation and prosecution in the Crown Court of serious and complex frauds in England, Wales and Northern Ireland. Most investigations are conducted in conjunction with the police, particularly the City of London Police. The SFO is also the UK authority for the assessment of allegations of overseas corruption involving British businesses.

SFO cases involve sums in excess of £1 million. Cases are usually referred to the SFO by the police who would have received the initial complaint. However cases are also referred by other government departments (eg. Department for Business, Enterprise & Regulatory Reform), regulatory authorities (eg. Financial Services Authority), companies, and occasionally by members of the public. However the SFO determines whether or not a referral meets its case criteria. The SFO may launch an inquiry unprompted by a referral where there is sufficient reason.

**Further information:** [www.sfo.gov.uk](http://www.sfo.gov.uk)

**Report a fraud:** Web: [www.sfo.gov.uk](http://www.sfo.gov.uk)

## UK Local Police Forces

Regional police forces through the United Kingdom are responsible for the prevention, detection and investigation of crime in their geographical areas. Some police forces have specialist units to investigate fraud (such as the City of London Police and Metropolitan Police Service).

**Further information:** [www.police.uk](http://www.police.uk)

**Report a fraud:** Contact your local police station. Web: [www.police.uk](http://www.police.uk) (England and Wales), [www.scottish.police.uk](http://www.scottish.police.uk) (Scotland), [www.psni.police.uk](http://www.psni.police.uk) (Northern Ireland).

# Prosecution & Asset Recovery

## Assets Recovery Agency (ARA)

The Assets Recovery Agency (ARA) is responsible for the recovery of criminal assets from organised crime in England, Wales and Northern Ireland. ARA's powers include civil recovery, criminal confiscation and taxation.

Cases are referred to ARA from law enforcement agencies and prosecution authorities.

**Important Note:** Under the Serious Crime Bill 2006-07 ARA will be merged with the Serious Organised Crime Agency and the National Policing Improvement Agency (NPIA). Provision will also be made to extend to prosecutors the power to commence civil recovery proceedings under the Proceeds of Crime Act 2002.

**Further information:** [www.assetsrecovery.gov.uk](http://www.assetsrecovery.gov.uk)

## Crown Office and Procurator Fiscal Service (COPFS)

The Crown Office and Procurator Fiscal Service (COPFS) is responsible for the prosecution of crime in Scotland. The COPFS Fraud and Specialist Services Unit investigate complex fraud cases.

Cases are referred to the COPFS from the police and other specialist reporting agencies including the Health and Safety Executive and Local Authority Trading Standards departments.

**Further information:** [www.crownoffice.gov.uk](http://www.crownoffice.gov.uk)

## Fraud Prosecution Service (CPS FPS)

The Crown Prosecution Service Fraud Prosecution Service (CPS FPS) is responsible for the prosecution of serious fraud cases in England and Wales.

Cases are referred to the CPS FPS from the City of London Police and Metropolitan Police Service (London) or from police force economic crime units, or through the Chief Crown Prosecutors (CCPs) of Crown Prosecution Service areas (rest of England and Wales).

**Further information:** [www.cps.gov.uk](http://www.cps.gov.uk)

## Public Prosecution Service (PPS)

The Public Prosecution Service for Northern Ireland (PPS) is responsible for the consideration and prosecution of all criminal cases in Northern Ireland.

Cases are referred to the PPS from law enforcement agencies.

**Further information:** [www.cjsni.gov.uk](http://www.cjsni.gov.uk)

## Regional Assets Recovery Teams (RARTS)

Regional Assets Recovery Teams (RARTS) are responsible for the investigation and recovery of criminal assets in England and Wales.

The five RARTS were established as part of the Government's Asset Recovery Strategy and comprise seconded staff from various police forces, HM Revenue & Customs, the Assets Recovery Agency, Crown Prosecution Service and the Serious Organised Crime Agency.

Cases are referred to RARTS by law enforcement agencies.

**Further information:** [www.rart.gov.uk](http://www.rart.gov.uk)