

HMICFRS INSPECTION CONSULTATION ON 'FRAUD: TIME TO CHOOSE' PROGRESS

Issued: 5 March 2021

The Fraud Advisory Panel welcomes the opportunity to comment on the extent to which recommendations and areas for improvement identified in Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) 2019 fraud report '[Fraud: Time to Choose](#)' have been implemented.

We are very happy to discuss any aspect of our comments and to take part in all further consultations on the issues we've highlighted to HMICFRS.

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INTRODUCTION

1. The Fraud Advisory Panel welcomes the opportunity to respond to Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICRS) inspection consultation on the implementation of recommendations contained in '*Fraud: Time to Choose*'. We note that for each recommendation or area for improvement you have asked us to specifically consider the following:
 - a. the extent to which it has been implemented;
 - b. the effect it has had on the approach to tackling fraud; and
 - c. the effect it has had on the service received by victims of fraud.
2. Our response has been prepared by a small group of our members. The Fraud Advisory Panel (the 'Panel') is the UK's leading counter fraud charity. We act as the collective voice of the counter fraud profession, providing practical support to almost 300 corporate and individual members. Our members come from a wide range of professions and sectors but are united in their determination to counter fraud.

FEEDBACK ON SPECIFIC RECOMMENDATIONS

Recommendation 3

By 31 August 2019, the Economic Crime Strategic Board should extend its remit to include all forms of fraud against individuals and businesses, not just serious and organised fraud.

3. We are unaware of any extension to the remit of the Economic Crime Strategic Board since the 2019 publication of '*Fraud: Time to Choose*' to include all forms of fraud against individuals and businesses – not just serious and organised fraud.
4. Neither of the publicly available minutes from the ECSB meetings in January and July 2019 discuss the expansion of the remit of the board to include all fraud. As far as we are aware, the ECSB did not meet during 2020 because of the coronavirus pandemic and has only recently met for the third time in February 2021. Whether the remit was discussed at this meeting is unknown.¹
5. We note that the Economic Crime Plan 2019-22² (published in July 2019) – which sets out the governments ambition and plans for tackling economic crime – is primarily concerned with serious and organised economic crime (including fraud) rather than all economic crime. While it talks about tackling fraud which 'affects us all' it does not explicitly state whether this covers all forms of fraud. Very few actions (7 out of 52) set out under the Economic Crime Plan specifically seek to tackle fraud; two of these are narrowly focussed on tackling public sector fraud.

¹ We note that the ECSB agreed in July 2019 to publish all agendas and minutes for their meetings for transparency purposes. See Economic Crime Strategic Board (2019). *Economic Crime Strategic Board July 2019 agenda and minutes* (see item 3 – AOB). Available from <https://www.gov.uk/government/publications/economic-crime-strategic-board-minutes-and-agenda-july-2019/economic-crime-strategic-board-july-2019-agenda-and-minutes>

² HM Government & UK Finance (July 2019). *Economic Crime Plan 2019-22*. Available from https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/816215/2019-22_Economic_Crime_Plan.pdf.

6. However, we understand that there is a growing ambition to do more to tackle fraud which we very much welcome and support. We hope that this will result in a national fraud strategy which covers all forms of fraud (including cyber) against all kinds of victims (including individuals, SMEs, corporates, charities and not-for-profits, and public sector bodies) across the criminal justice system to strengthen the UK's response and protect our economy.³

Recommendation 5

The National Police Chiefs' Council (NPCC) Coordinator for Economic Crime, in consultation with the Home Office and the Director General of the National Economic Crime Centre, should develop a national policing strategy for fraud and, by 31 March 2020, secure its approval by the NPCC for adoption by all police forces. The implementation arrangements for the strategy should include clear communication and review processes. The itself strategy should:

- make clear the roles and responsibilities of police forces and regional organised crime units;
- define the relationship between City of London Police as the national lead force, the National Crime Agency (in particular the National Economic Crime Centre) and other relevant bodies, seeking to ensure that their respective roles and responsibilities complement each other and avoid duplication; and
- define how fraud intelligence will be developed, disseminated and put to effective use by police forces and the National Fraud Intelligence Bureau.

7. The National Police Chiefs' Council published a '*National Fraud Policing Strategy 2019-22*' in October 2019, which is due to be updated in early 2021. The strategy is available from the City of London Police website (presumably in its capacity as the national lead force for fraud).⁴
8. While the creation of a national fraud policing strategy is most certainly a positive and welcome step forward, the mere existence of such a strategy alone is unlikely to have any practical impact on the policing approach to tackling fraud and the service received by the victims of fraud. Ultimately the success of the strategy will be dependent on factors such as the following.
 - a. How well it is embedded within local policing plans;
 - b. How well-resourced individual forces are to deliver it; and
 - c. How well outcomes are monitored and assessed.

³ Fraud Advisory Panel (2018). Letter to HMICFRS on the preliminary findings of the thematic inspection to fraud (31 August).

⁴ National Police Chiefs' Council. *National Fraud Policing Strategy 2019-2022*. Available from <https://www.cityoflondon.police.uk/SysSiteAssets/media/downloads/city-of-london/about-us/national-policing-fraud-strategy-2019.pdf>

9. It remains our view that fraud should be a national policing priority with individual forces obliged to regularly publish targets and performance data in respect of fraud, for accountability and transparency purposes.⁵
10. We also note that there is still no overall national fraud strategy beneath which the policing strategy should sit. To be truly effective and meet the needs of victims and other stakeholders involved in the fight against fraud, the policing response needs form part of a 'whole system' approach to tackling fraud.

Recommendation 6

With immediate effect, the National Police Chiefs' Council Coordinator for Economic Crime, working with the College of Policing, should take responsibility for identifying, evaluating and disseminating best practice advice on the police response to fraud.

11. We are unaware of the extent to which the National Coordinator for Economic Crime has worked with the College of Policing to identify, evaluate and disseminate best practice guidance to forces. However, this is unsurprising given we are not the intended recipient of any such advice.
12. However, counter fraud professionals acting on behalf of victims would find it beneficial for there to be greater transparency and clarity on case acceptance criteria and better guidance on what should be included within evidential packages prepared for the police and the format in which they should be presented to forces to facilitate greater take-up.
13. In the past there has been a reliance on developing good relationships with specific police officers to ensure that cases are taken forward. This clearly disadvantages those victims who do not enjoy such relationships.
14. We would be pleased to work with the National Coordinator for Economic Crime and others to create a good practice guide to preparing evidential packages for the police that can be shared with the counter fraud community through our networks. Such guidance would, in our view, lead to efficiencies and cost-savings and improve outcomes for victims.

Recommendation 9

By 30 September 2019, chief constables should publish their force's policy for responding to and investigating allegations of fraud (in relation to both calls for service and National Fraud Intelligence Bureau disseminations for enforcement).

15. A desktop exercise we conducted in late February 2021 found that only 19 out of the 43 police forces in England and Wales had their policy for responding to allegations of fraud

⁵ Fraud Advisory Panel (2018). Letter to HMICFRS on the preliminary findings of the thematic inspection to fraud (31 August). Also see our letter to the City of London Police on policing priorities dated 08 February 2017. Available from: <https://359zpa2vui8h3p4u7j2qlmlg-wpengine.netdna-ssl.com/wp-content/uploads/2017/03/Policing-Priorities-for-Fraud-Investigations-Final-Web-Copy-08Feb17.pdf>

available on their website (or at least policies that we could find). Other forces may have had their policies online but we were unable to locate them despite trying variations in search term. We refer to our point in paragraph 12 about the need for greater transparency and clarity on case acceptance criteria. There is still obviously room for improvement.

Recommendation 10

With immediate effect, the National Police Chiefs' Council Coordinator for Economic Crime, when issuing to police forces advice on fraud protection that is to be given to the public (including alerts and campaigns), should take responsibility for evaluating the effectiveness of how that advice is given to the public and the effectiveness of the advice.

16. We fully support efforts to disseminate fraud protection advice to police forces. We note that there appears to be a move towards standardisation in the advice given on common fraud types across some force websites and also understand that national campaigns are now being shared much more widely.
17. It is our experience that local force engagement with the products created by members of the City of London Police's multiagency campaigns group and disseminated through the network has improved over the past year or so. Some forces seem to be more supportive than others which may be due to local priorities, resourcing and the timeliness of information being received.

Recommendation 11

By 30 September 2019, the National Police Chiefs' Council Coordinator for Economic Crime should issue guidance to police forces in relation to fraud-related calls for service as described in the Home Office Counting Rules. The advice should make clear to forces the circumstances in which they are expected to intervene and the circumstances in which they may refer the case direct to Action Fraud. The advice should also make clear how:

- responses to reports of fraud may adequately meet the needs of victims;
- vulnerable victims should be identified and dealt with appropriately; and
- reports of fraud should be efficiently referred to Action Fraud.

18. Overall, the experiences of our members in reporting consumer and business-related fraud to either Action Fraud or the police continues to be mixed.
19. Some have reported positive experiences with knowledgeable and sympathetic call-handlers. Others have expressed frustration with the online reporting mechanism which is considered time-consuming, cumbersome and impersonal (we acknowledge that there is a major project currently underway to improve the system). Still others have said that they have received a better response from Trading Standards to reports of business fraud – particularly in relation to commercial crimes such as passing-off and corporate identity fraud – than from local police forces.

20. Those less happy with the service received said that they would be cautious in recommending the service to others because the experience may not be a positive one. This highlights the continuing importance of managing victim expectations properly.

Recommendation 14

With immediate effect, the National Police Chiefs' Council Coordinator for Economic Crime should:

- carry out (and subsequently evaluate) a campaign to raise the public awareness of the existence and role of Action Fraud; and
- provide chief constables with a description of the role of Action Fraud for uploading to force websites.

21. As an active member of the City of London Police's multiagency campaigns group we are unaware of any social media-based campaign during the last 22 months specifically aimed at raising public awareness of Action Fraud. There have, of course, been numerous campaigns run by the City of London Police (Action Fraud/NFIB) and others over this period to highlight various types of fraud, some of which have included information on reporting, but we do not consider this to be the same thing.
22. We continue to regularly ask participants in our training courses whether they are aware of Action Fraud and anecdotally it seems awareness remains low.
23. By comparison we note the high profile and success enjoyed by the National Cyber Security Centre campaign to launch their new suspicious email reporting service in April 2020. It received 1m reports in its first two months of service⁶ and after 12 months had received 4.5m reports resulting in the removal of more than 30,000 scams and 55,000 URLs.⁷
24. In July 2016 we undertook a desktop exercise to see whether the Action Fraud logo (and hyperlink) appeared on the homepages of the 43 police forces in England and Wales. We repeated the exercise in late February 2021 and were disappointed with the results. Less than half of all forces either mentioned Action Fraud or (more generally) fraud or cybercrime on their homepages, despite people being increasingly likely to fall victim to these crime types. Only two forces had the Action Fraud logo on their homepages, and this did not include the City of London Police.

⁶ National Cyber Security Centre (June 2020). *Thanks a million: British public help reach major milestone in fight against scammers*, press release 25 June. Available from: <https://www.ncsc.gov.uk/news/british-public-help-reach-milestone-against-scammers>

⁷ National Cyber Security Centre (2 September 2020). *Phishing: how to report to the NCSC*. Available from: <https://www.ncsc.gov.uk/information/report-suspicious-emails>

Measure	July 2016	February 2021
The Action Fraud logo (and hyperlink) appears on the police force website.	3	2
The police force homepage mentions Action Fraud but does not include its logo (and hyperlink).	3	6
The police force homepage mentions fraud or cybercrime but not Action Fraud.	13	15

25. Most – but not all – forces appear to carry a minimum description of Action Fraud somewhere on their websites, usually along the following lines: *'For more information or help or to report this and many other types of fraud, go to Action Fraud, the UK's national fraud and cybercrime reporting centre'*. However, in our opinion these are often difficult to find (sometimes sitting under advice and information rather than how to report). Few had full descriptions of the role of Action Fraud (such as the ones provided [here](#) and [here](#)).⁸
26. Our members are concerned that the underpromotion of Action Fraud may be symptomatic of a wider lack of confidence and trust in the service (and the chances of any resultant action being taken by police). Therefore, perhaps there would be merit in exploring the integration and embedding of the service within existing reporting mechanisms to provide victims with a seamless and consistent approach across crime types without the need for separate branding. We note that this seems to be what some of the newer police force websites are attempting to do with an online triage for crime reports.

Recommendation 15

With immediate effect, the National Police Chiefs' Council Coordinator for Economic Crime should take steps to remedy the absence of published performance indicators at Action Fraud. As soon as practicable, performance indicators should be set in relation to, for example, call handling waiting times and abandonment rates, online reporting and victim satisfaction levels. Thereafter, information on performance against those indicators should be published.

27. We welcome the publication of Action Fraud indicators on its website including call answering/handling times, abandonment rates and victim satisfaction levels as well as referral and outcome data for individual forces. However, with the latter we would like to see this data published at more regular intervals (for example, biannually).⁹

⁸ Based on a desktop exercise undertaken by Fraud Advisory Panel on 24 and 25 February 2021. Three force websites did not appear to have a description of Action Fraud but did have a link to Action Fraud.

⁹ Action Fraud (2020). *Fraud and cyber crime statistics*. Available from <https://www.actionfraud.police.uk/fraud-stats>

Recommendation 16

By 30 September 2019, the National Police Chiefs' Council Coordinator for Economic Crime should provide guidance to Action Fraud and chief constables. This is to ensure that, promptly on reporting a fraud, victims are provided with explanations of:

- the role of Action Fraud;
- the process by which their fraud report will be considered for assessment or referral to the police (or other law enforcement agency) by the NFIB;
- how to obtain an update on the progress of their case;
- how, following referral from the NFIB, the decision on whether and how to investigate rests with the police (or other law enforcement agency); and
- the options open to victims of fraud to seek civil redress as an alternative (in cases where criminal investigations are not carried out or do not lead to convictions).

28. We believe there is still significant regional variation in the response to fraud by police forces. Some of our members have reported undertaking pro bono work with local forces to encourage take up of cases.
29. We also question whether Action Fraud is the most appropriate body to be providing information to victims on the options which may be open to them to seek civil redress as an alternative to criminal investigation, given the complexity of issues that play a factor on whether to pursue civil address and in what manner (for example, the availability of assets, whether insolvency law could assist rather than instigating proceedings and proportionality of costs). As far as we are aware, the Action Fraud frontline team are not police officers nor necessarily trained to provide advice on civil matters. To that end, we would like to know what mechanisms have been put in place to monitor and evaluate the quality and usefulness of any such advice given.

Area for Improvement 5

Chief constables should ensure that their force complies with the Code of Practice for Victims of Crime when investigating fraud.

30. Anecdotally, the support provided to fraud victims seems to be improving but is not as good as it could be, sometimes falling short of expectations (especially when cases are either not investigated or investigated but closed with no further action). Action Fraud reporting mechanisms can sometimes be perceived as being very impersonal and may therefore make some victims feel undervalued and unsupported.