



## Economic Crime Board of the Police Committee

**Date:** FRIDAY, 7 JUNE 2013  
**Time:** 2.30 pm  
**Venue:** COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

**Members:** Simon Duckworth (Chairman)  
Mark Boleat  
Brian Harris  
Helen Marshall  
Deputy Richard Regan  
Alderman Neil Redcliffe

**Enquiries:** Xanthe Couture  
tel. no.: 020 7332 3113  
[Xanthe.Couture@cityoflondon.gov.uk](mailto:Xanthe.Couture@cityoflondon.gov.uk)

**John Barradell**  
Town Clerk and Chief Executive

# AGENDA

## Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBER'S DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **MINUTES**  
To agree the public minutes of the meeting held on 6 February 2013 (to follow).
4. **FRAUD TRAINING ACADEMY: PROGRESS REPORT**  
Report of the Commissioner (copy attached).

**For Decision**
5. **ECONOMIC CRIME UPDATE - NATIONAL CAPABILITY PROGRAMME**  
Report of the Commissioner (copy attached).

**For Information**  
(Pages 1 - 6)
6. **NATIONAL LEAD FORCE: YEARLY PERFORMANCE REPORT 2012/13**  
Report of the Commissioner (copy attached).

**For Information**  
(Pages 7 - 12)
7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
9. **EXCLUSION OF THE PUBLIC**  
MOTION – That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Local Government Act.

## Part 2 - Non-Public Agenda

10. **NON-PUBLIC MINUTES**  
To agree the non-public minutes of the meeting held on 6 February 2013 (to follow).

**For Decision**

11. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
  
12. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

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# Agenda Item 4

<b>Committee:</b> Police: Economic Crime Board	<b>Date:</b> 7 <sup>th</sup> June 201
<b>Subject:</b> Fraud Training Academy: Progress report	<b>Public</b>
<b>Report of:</b> Commissioner of Police POL 25/13	<b>For Information</b>

## Summary

At the inaugural meeting of the Economic Crime Group in June 2012, Members received a report from Detective Superintendent Crampton (Pol 39/12) outlining progress against the Force's plan to enhance services delivered by its Economic Crime & Fraud Training Academy. A further update report was submitted to your Board in September 2012 (Pol 55/12) outlining the further work undertaken by Corven consultants that detailed options for developing the Academy.

The Academy already has a good reputation and the aim is to build upon this to develop a national and international global brand in the longer term. As this is a strategic priority, the Commissioner is now chairing a 'Gold Group' and two meetings have now taken place to discuss Terms of Reference, roles and responsibilities and developing a sound business plan. The Commissioner would welcome Member attendance at this group to provide scrutiny and challenge and the intention is to also invite a member of the Chamberlain's department to sit on the group to provide financial scrutiny and input.

In the next reporting period, further work is planned on financial and resource modelling and the pricing strategy.

Other developments since the last report to your Board include: recruiting further trainers, working with the British Standards Institution (Training) for anti bribery training and hosting international delegations from other police forces, with one of the aims being to promote the services of the Academy.

## **Recommendations**

It is recommended that members receive this report and note its contents.

## **Main Report**

### **Background**

1. Your Economic Crime Board has received two previous reports regarding the City of London Police (CoLP) Fraud Academy (Pol 39/12 and 55/12 refers). These outlined the Forces plans to build on the good reputation that the Force already has, in delivering this type of training with a view to extending its scope and remit to become a global brand.
2. The Academy already delivers a range of training courses including national accreditation for police fraud investigators. As part of CoLP's plans to enhance its Lead Force capability, the further development of the Academy is crucial in order to provide training to a greater number of individuals from a more diverse section of the counter-fraud community. The Force also has a strategic aim to increase income from the Academy's activities, which in turn will be made available to support other areas of operational activity – helping to mitigate the effects of ongoing budget cuts.
3. Having decided upon a basic delivery model, the Force was keen to achieve a better understanding of the risks and benefits of a commercial partnership model and commissioned Corven Consulting to produce an independent report on strategic options; Corven's final report was submitted in June 2012.
4. This report provided some useful options for discussion which were presented to your Board in September 2012.

### **Current Position**

5. As a result of the strategic priority placed upon the development of an international Fraud Academy, the Commissioner elected to Chair a high level 'Gold Group' or Executive Steering Group' in order to provide direction at a strategic level.
6. At the inaugural meeting on 1<sup>st</sup> March 2013, the Commissioner made a key decision to focus on incremental growth utilising where necessary, CoLP's ability to pump prime from reserves to build for the future. Although the long term budget plan for the Academy for 2014-15 onwards is still being drafted, immediate efficiencies were apparent through employing more trainers and experts and reducing the spend on 'contractors'. The business

partnership options will be revisited at the end of 2013/14 as part of an ongoing growth process.

7. At the second meeting of the Group on Monday 13<sup>th</sup> May 2013, the Group further refined the Terms of Reference and roles and responsibilities.
8. As part of this discussion, the Commissioner felt that owing to the nature of the Project, Member input would be invaluable, as this would provide additional challenge and Police Authority oversight, and to this end would like to invite Member attendance at future group meetings. In addition, he has also directed Eric Nisbett (Director of Corporate Services) to make an approach to the Chamberlain's department to invite membership to the board from that department to provide financial challenge and input.
9. The Group also considered and discussed a draft business plan. The Commissioner highlighted a number of areas which required further work before the next 'Gold Group', including the financial and resource modelling and the pricing strategy. Once complete, this information will form the basis for the 2014/15- 2016/17 Academy Business Plan which will be brought to this Board for consideration by Members.
10. The Academy is currently working in conjunction with CoLP's finance team which is providing support to develop financial forecasts and modelling. Dedicated resource is currently being recruited as financial expertise will be required for the Academy whilst design and development work is underway and will continue in the next reporting period.

## **Update on other activity**

### **Delivery**

11. Three courses were delivered in April for a total of forty six students who were trained, including a course delivered to Police Service of Northern Ireland (PSNI) which received very positive feedback.

### **Staffing**

12. Recruitment activity is progressing to increase our training capacity to twelve people (4 trainers during April), to bring on board a Sales and Marketing Manager, and to double our administration and customer processing capacity.

## **Working with BSI**

13. The Fraud Academy is working with BSI (British Standards Institution) Training to develop, deliver and co-brand training for implementation of the BS10500 anti-bribery management system. The training will be launched in June/July 2013 and will be targeted at businesses in the UK and abroad.

This opportunity supports CoLP objectives through the following:

- reducing bribery & corruption through the implementation of anti-bribery controls (an intervention specified in the NLF strategy (KPI 1.3))
  - developing an international reputation for expertise in anti-bribery & corruption
  - generating sustainable income streams
  - developing cross-selling opportunities for bribery & corruption investigation and other economic crime training
  - generating positive brand association with a longstanding not for profit British organisation that has a reputation for excellence
14. If this initiative is successful, there is potential to develop a more extensive portfolio around anti-bribery or other anti-fraud management systems, with BSI using its promotional channels to advertise other complementary/related CoLP courses.

## **Hosting delegations**

15. Members of the Economic Crime Directorate and Chief Officer Team have recently hosted visiting delegations from both the Malaysian Police and the United Arab Emirates (Dubai) Police on the 21<sup>st</sup> and 22<sup>nd</sup> May respectively.
16. One of the aims of these visits has been to use the opportunity to market the services of the Fraud Academy with a view to running bespoke courses. This will enhance the reputation of the Academy globally and maximise income generation opportunities for the future.

## **Conclusion**

17. Progress on the development of the Fraud Academy is steady and will continue with the support and direction of the Gold Group chaired by the Commissioner. A significant amount of positive work is progressing with



the objective of building on the existing reputation and expanding this further to work towards a global brand in the future.

**Contact:**

*Supt Paul Barnard*

*Lead for Fraud Training Academy*

*Economic Crime Directorate*

*020 7601 6945*

*[Paul.Barnard@cityoflondon.pnn.police.uk](mailto:Paul.Barnard@cityoflondon.pnn.police.uk)*

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<b>Committee:</b> Police: Economic Crime Board	<b>Date:</b> 7 <sup>th</sup> June 2013
<b>Subject:</b> Economic Crime Update – National Capability Programme	<b>Public</b>
<b>Report of:</b> Commissioner of Police POL 26/13	<b>For Information</b>

## Summary

At your Economic Crime Board in February 2013, Members were given an update on the background and current position of the national capability programme and details of the negotiating strategy for future funding. Members requested an update to this position at the next Sub Committee.

Stage one of the National Capability Programme led by Commander Stephen Head, is firmly established. The Regional intelligence Officers (RIOs) are now embedded within the Regional Organised Crime Units (ROCUs), operational progress and performance is measured against the NLF performance framework on a quarterly basis.

Members may recall from previous submissions the Programme Team were awaiting a funding decision from the Home Office in relation to the progression of stage two of the programme. In early May this year, the Home Office announced funding agreements for ROCUs to enhance their capability and capacity to target organised crime, which includes fraud.

The National Capability Programme Team is working with ACPO and the Home Office to shape and develop the Regional Fraud Teams (RFT) aspect of the overall capabilities. Regions have access to varying proportions of the overall grant, which the Home Office has stipulated has to be match funded by the regions. The team are assessing the current threats within each region and will determine the fraud capability taking consideration of threat and funding availability.

The role of National Co-ordinator continues to be developed, with the Programme Team maintaining this activity in relation to fraud and economic crime elements of the broader crime areas.

The Case Allocation Criteria is currently in the pilot phase to determine the demand on regional and national resources. This standardised process replaced the previous inconsistent police response to fraud crime, whilst

allowing individual forces and regions to retain control of case acceptance

The Programme Team and the Force Chief Officer Team continue to negotiate with senior Home Office officials, the Treasury and the British Banking Association (BBA) to secure sufficient, additional funding to achieve our original mission of building a dedicated counter-fraud capability across the whole country.

### **Recommendations**

It is recommended that members receive this report and note its contents.

## **Main Report**

### **Background**

1. At your Economic Crime Board in February, Members were given an update on the background and current position of the national capability programme and further details of the negotiating strategy for future funding. This report provides details of progress to date and planned strategies to develop a Regional Fraud Team (RFT) capability and secure future funding.

### **Current Position**

2. As Members may recall, the Programme Team was set up in April 2012 led by Commander Stephen Head. The role of the Programme Team has diversified incorporating a coordination aspect in relation to the performance of the RIOs. The team continue to progress stage two of the project phase working with ACPO and senior Home Office officials.
3. The Programme Team has progressed a key set of Home Office and ACPO agreed deliverables over this reporting period: -
  - The Regional Intelligence Officers (RIO's) are established in post, delivering against an agreed set of strategic objectives. RIOs now provide a national network for the collation, analysis and dissemination of fraud intelligence.
  - A dedicated coordination role has been established within the NFIB to manage the joint tasking and delivery of the RIO objectives. The role is

relatively recent; however expansion is anticipated in light of the National Coordination piece led by Cmdr Head.

- The RIOs have produced regional fraud threat assessments which identify the threat of fraud from a regional perspective and feed into the overall UK Threat Assessment. It is the information within these profiles which will help the Capability Team shape the requirements of each regions fraud capability and will be of particular benefit in helping to shape local support from elected Police and Crime Commissioners (PCCs).
  - The NLF performance framework is established as the mechanism to assess RIO operational delivery against the strategic objectives set in April 2012. The framework considers central and regional activity placing equal emphasis on centralised and local enforcement activity, prevention and threat reduction. Two performance cycles have seen a steady increase in RIO activity as time progresses with some exceptional operational results in more ROCU established regions.
4. The National Standard Operating Guidance (SOG) for the RIOs was agreed in October 2012 and stands as the recognised point of reference and guidance for RIO operations. A draft SOG sets out the proposed operational processes and procedures for the RFTs and RIOs combined. The document serves as an initial proposal and will form the basis of the joint working with the Home Office and ACPO.
  5. A pilot to test the viability of the proposed national fraud Case Allocation Criteria commenced on the 1<sup>st</sup> of April. The objective of stage one is to test the viability of the assessment mechanism and ascertain the anticipated volume of local, regional and national cases. Stage two will examine the capability of individual forces to deal with regional and national matters, the results of which will determine which option is chosen by means of evidence from the pilot. This will further provide percentage indications of the proportion of reported crime which is investigated. The results of both pilots will inform the work on shaping and developing a RFT.
  6. Action Fraud achieved full national status, all reports of fraud are directed to Action Fraud from the 1<sup>st</sup> of April 2013, and this includes all police reported, fraud related and cyber crime. Since the 1<sup>st</sup> of April police have experienced a significant increase (20%) in reported fraud; expectations are this will increase with time, placing increased pressure on police forces across the country. Current case acceptance criteria is resulting in some 25% of reported crime being allocated back to forces for

investigation. Early indications are that the majority of these are not subsequently being investigated and liaison is taking place with relevant ACPO leads to ensure Chief Constables and PCCs are aware of this issue.

7. The 'National Coordinator Office' proposal remains. The paper outlines six core functions to achieve the coordination of the national police response to fraud and economic crime. The Programme Team continue to work with the Home Office and ACPO to establish the exact parameters of this role in light of the funding award terms.
8. The progression of an ACPO approved Authorised Professional Practice (APP) to provide consistency of investigation of Fraud, across all forces by the end of 2013, continues. The APP build-team continue to work with ACPO and the NPIA the first workshops are scheduled for the month of May 2013.

### **Funding and negotiation strategy for further support**

9. The Home Office have made an initial decision to go ahead with plans to fund an enhanced police capability and capacity to target all organised crime, including Fraud via an additional £10m grant. The ACPO Crime Business Area has been tasked with engaging with Chief Constables and PCCs to provide a funded package that strengthens Regional Organised Crime Units. Any funding will however have to be match funded by forces, although the match funding can be in the form of additional dedicated resources as opposed to just money.
10. Unfortunately, the funding was not in the format the Programme Team anticipated, but forms part of a larger national response to organised crime, with disparate amounts available to each region, although there are proposals to strengthen key capability functions (including fraud) being recommended by the ACPO Crime Business Area. The Programme Team are working with the CBA and regions to assess the collective response to all crime areas and the significance of fraud within the regional structures.
11. The Programme Team will examine the results from the aforementioned pilots, regional threat assessments and available funding envelopes, working towards developing and shaping a regional fraud team requirement for each region.

12. The Programme Team are currently negotiating with senior Home Office officials, The Treasury and the BBA to secure sufficient additional funding to achieve the original mission of building a properly trained, dedicated counter fraud capability across the whole country, capable of dealing with the threat of fraud at the local, regional and national levels.
13. Members may recall CoLP has been negotiating with the financial services sector regarding part funding of an enhanced national capability for fraud. These negotiations continue with the British Bankers Association (BBA) which is representing the financial sector. The City of London Corporation have been instrumental in bringing together a small team led by an independent consultant to engage with the BBA members over the exact terms of financial support.
14. The Programme Team continues to consult with the Home Office and in particular, the National Crime Agency (NCA) and Economic Crime Command (ECC). This engagement has ensured all emerging operating structures, both within the Force and the NCA will integrate effectively in order to reduce bureaucracy, support national and local strategies and deliver the best possible service to communities.
15. The Programme Team undertakes regular engagement with all ACPO regions to advise on current progress and approaching milestones. This has assisted to ensure all issues are identified at an early stage and measures are put in place to mitigate any risks.

## **Conclusion**

16. During this time of economic uncertainty in the policing landscape, the Programme Team have continued to progress the NLF mission with a view to creating a true national capability and capacity to counter the fraud threat. In light of the funding award the team remains focused and engaged with all our business critical stakeholders to build a regional capability. Significant progress has been made with the national capability programme while awaiting funding confirmation, and also exploring other alternative funding strategies.

### **Contact:**

*Commander Stephen Head*

*National Capability Programme*

*020 7601 6801*

[Stephen.head@cityoflondon.pnn.police.uk](mailto:Stephen.head@cityoflondon.pnn.police.uk)

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<b>Committee:</b> Police: Economic Crime Board	<b>Date:</b> 7 <sup>th</sup> June 2013
<b>Subject:</b> National Lead Force: Yearly Performance Report 2012-13	<b>Public</b>
<b>Report of:</b> Commissioner of Police Pol 27/13	<b>For Information</b>

### Summary

Members have received reports on the progress of the National Lead Force (NLF) throughout the 2012/13 reporting year. This final performance report to your Economic Crime Board summarises the 2012/13 annual achievements of National Lead Force (NLF) against its agreed Key Performance Areas (KPAs) and Key Performance Indicators (KPIs). Where there is a target, it is possible to show achievement, however in a number of the measures, owing to the nature of those measures- the update is shown as a narrative in Appendix A.

The framework has been reviewed and refined with improvements made to a number of areas going forward into the next performance year including the quality assurance function and stakeholder survey process.

A summary of this year's achievements is shown below and Appendix A provides fuller details of the performance overview for Q4 and the 2012/13 reporting year including direction of travel for actual target measures, which Members requested at your last Board meeting. A revised proposed framework for 2013/14 is at Appendix B.

NLF objective	Comment on progress
<b>KPA 1 Preventing and reducing the harm caused by economic crime</b>	
KPI 1.1 To increase the value of future economic crime disrupted by intervening against enablers of fraud	Target Achieved
KPI 1.2 To increase economic crime public awareness and stakeholder prevention	Target Achieved
KPI 1.3 To increase victim self-protection and reduce repeat victimisation	No previous annual baseline. See Appendix A for % outcome
<b>KPA 2 Enriching the national economic crime threat assessment and intelligence picture</b>	
KPI 2.1 To extend the impact and reach of strategic intelligence dissemination	No previous annual baseline. See Appendix A for % outcome.

KPI 2.2 To extend the impact and reach of operational intelligence dissemination	No previous annual baseline. See Appendix A for narrative details.
KPI 2.3 To extend the impact and reach of organised crime group intelligence dissemination	No previous annual baseline. See Appendix A for narrative details.
<b>KPA 3 Enforcing and disrupting economic crime at the local, regional and national levels</b>	
KPI 3.1 To increase the value of criminal asset denial through to recovery (end to end process)	Target Achieved
KPI 3.2 To increase the value of future fraud disrupted by NLF enforcement cases	No previous annual baseline for number of cases. See Appendix A for narrative details.
KPI 3.3 To reduce the intent and capability of the most serious Organised Crime Groups perpetrating fraud	Target Achieved
KPI 3.4 To improve the quality of investigation and thereby enhance judicial outcomes	See Appendix A for narrative details.
<b>KPA 4 Raising the standard of economic crime prevention and investigation nationally by providing education and awareness to the counter fraud community</b>	
KPI 4.1 To improve the impact and reach of training strategy and delivery	No previous annual baseline. See Appendix A for % outcome.
KPI 4.2 To enhance the impact and reach of standard setting and dissemination of best practice guidance	No previous annual baseline. See Appendix A for % outcome.
<b>KPA 5 Delivering value and reassurance to our community and partners in industry</b>	
KPI 5.1 To increase return on investment in NLF (£saved per £spent)	Target Achieved
KPI 5.2 To improve overall satisfaction of community (including victims) and partners in industry with NLF economic crime services	Target Achieved
KPI 5.3 To increase the £value and % of leveraged partnership funding	Target Achieved

The report also highlights some performance successes including positive performance in production and dissemination of National Fraud Intelligence Bureau (NFIB) products; disruption of fraud enablers and disruption of Organised Crime Groups. There are still some performance challenges to overcome, including measuring the quality of investigations and judicial outcomes.

**Recommendation**

It is recommended that your board receives this report and notes its contents.

## Main Report

### **Background**

1. At the February board meeting Members received a report detailing National Lead Force (NLF) performance during the third quarter of the financial year (2012/13), set against an agreed performance framework. This report provides details of NLF performance to date, changes to the 2013/14 NLF framework and strategies to further embed the performance within NLF.

### **Current Position**

2. As Members may recall, the current NLF performance framework was introduced in April 2012, the framework differed significantly from previous years attributing value to qualitative measures stretching in its ambition. The previous 12 months has seen the embedding of the framework accompanied by a significant shift in the performance culture of the NLF.
3. As the NLF Framework has progressed through the operational phase the Business Performance Team (BPT) have undertaken extensive work to establish and refine the mechanisms for collecting performance data and to identify baselines in all cases. A data bible provides an excellent reference tool detailing all data streams across the NLF and their contribution to each Key Performance Indicator (KPI) and Key Performance Area (KPA).
4. A review of the 2012/13 framework has led the BPT to refocus activity and streamline the framework reducing the number of KPIs from 15 to 13. The reworded KPIs have been simplified and accurately reflect the key indicators that are required to achieve the overall objective of each KPA. A revised framework is attached at Appendix B for your information.
5. The review also instigated positive improvements in measurement processes and mechanisms detailed below:
  - a. The introduction of a quality assurance function to ensure the quality and accuracy of victim and crime information on the force crime system.

- b. Improvements to the current stakeholder survey process including a reduction in the frequency of surveys to one per annum and the introduction of tailored questioning to achieve accurate feedback from business critical stakeholders.
- c. Effective planning to utilise the results of the annual stakeholder survey to inform the setting of the following year's strategy plans and measures targets to become truly customer focus and deliver against the needs of all our customers.
- d. The amalgamation of the force victim survey and fraud victim survey to quantify the true impact of fraud crime comparative with other crime types.

### **Current performance Summary**

- 6. In summary, as shown in the Summary to this report, where there is an actual target measure, the KPI's have been achieved. Board Members are referred to Appendix A, which provides fuller detail of the performance overview for Q4 and the 2012/13 reporting.

### **Performance Successes**

- 7. The NFIB maintained the range of Stakeholders receiving their strategic products at 555 and ended the year having disseminated 954 alerts to Stakeholders compared with only 184 in 2011/12<sup>1</sup>. In a final Stakeholder satisfaction survey 94% of Stakeholders agreed that NFIB alerts are of a high quality<sup>2</sup>.
- 8. The disruption of fraud enablers is a significant aspect of fraud prevention and the NFIB continue to exceed the annual target. Disruption of technological and financial Fraud enablers continues to increase with NFIB achieving 1104 disruptions in 2012-13 compared with 672 in 2011-12 and exceeding its target (874) by 63.8%<sup>3</sup>.
- 9. Despite earlier concerns about achieving our target to disrupt 24 OCGs NLF ended the year having disrupted 32 OCGs (as measured by a reduction in tier)<sup>4</sup>. NLF worked closely with the Force Intelligence

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<sup>1</sup> National Fraud Intelligence Bureau

<sup>2</sup> SPA Stakeholder survey summary

<sup>3</sup> National Fraud Intelligence Bureau

<sup>4</sup> Organised Crime Group Management – national tracker

Bureau (FIB) to introduce an independent disruption mechanism which is a more reliable and descriptive measure.

10. NLF increased the £ value of future fraud disrupted by enforcement from £318 million in 2011-12 to £531 million in 2012-13 with this year seeing the inclusion of Dedicated Cheque and Plastic Card Unit (DCPCU) and Insurance Fraud Enforcement Department (IFED) enforcement cases<sup>5</sup>.
11. The Asset Recovery Team has exceeded its targets in respect of the volume of Confiscation orders which was 31 and cash seizures 50, NLF recovered assets were valued at £5,094,108.71<sup>6</sup>.
12. The Fraud Academy has maintained its high standard in respect of the quality of the courses delivered; 95% of delegates have found the content and quality of Academy courses to be either, excellent, very good or good, exceeding the target of 85%<sup>7</sup>.
13. The NLF Return on investment for 2012-13 was £32 saved per £1 spent compared with £24 in 2011-12. However, again the figure should be approached with a degree of caution as a number of the component parts of the calculation are subjective (no national guidance available) and this presents a performance challenge for 2013/2014<sup>8</sup>.

### **Performance Challenges**

14. As the Stakeholder survey process matured during 2012-13 reporting year, periodic reviews identified opportunities to refine the survey questions to improve the quality and usefulness of the results. The sample needed to be more reflective of the information sought at a strategic level and therefore increase the response rate. A co-ordinated approach has been adopted for the 2013/14 reporting year with significant research and consultation taking place to ensure the right questions and asked of the right people to obtain more meaningful results. A tactical level feedback process further supplements the survey results to provide a holistic insight.
15. Measuring the quality of fraud investigations and judicial outcomes remains a challenging process. Extensive engagement with CPS Central Fraud Division has enabled the instigation of a joint initiative to measure

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<sup>5</sup> UNIFI database

<sup>6</sup> JARD database

<sup>7</sup> Fraud Academy end of course survey – Fraud Academy

<sup>8</sup> UNIFI database

the quality of NLF investigations through an integrated IT solution. The IT solution is currently in the testing phase strongly indicating success and back record conversion phase is due to commence. It is anticipated the IT solution will be fully operational in the second quarter 2013-14.

16. As referenced, return on investment (ROI) calculations are to an extent subjective and require further refinement and validation.

### **Planned strategies for service delivery**

17. The introduction of a governance structure to manage ECD and national contribution to the NLF framework.
18. Further enhancement of the performance management cycle by refining reporting methods, extending SMT roles and responsibilities and targeting action to contribute to the overall delivery of each KPA
19. The BPT has been enhanced to improve the end to end management of performance. See Appendix C for the new structure of the Business and Performance Team.

### **Conclusion**



20. During this time of economic uncertainty the NLF retain challenging ambitions for service delivery, setting the standard for national police response to crime. The NLF framework is a proven performance management mechanism with the ability to manage national performance. NLF has continued to rise to the challenge and perform at consistently high level offering excellent customer service. The NLF continues to refine measurement mechanisms to ensure our stakeholders and customers remain at the heart of all our activity.

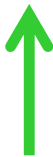

### **Background Papers:**

- Appendix A - National Lead Force Performance Outcomes – Quarter 4 Overview Report
- Appendix B - The 2013/14 Framework
- Appendix C – The Business Performance Team Structure




### **Contact:**

*T/ Chief Inspector Amanda Lowe,  
Performance and Quality Assurance Manager  
[Amanda.lowe@cityoflondon.police.uk](mailto:Amanda.lowe@cityoflondon.police.uk)  
0207 601 8124*

KPI Performance Overview – Q4 2012/13 and year end		TREND
<p><b>KPI 1.1</b> <i>£ value of future economic crime disrupted by intervening against enablers of fraud</i></p>	<p>The £ value of future fraud prevented for quarter 4, as a result of NFIB disruptions is <b>£1,497,338</b>. NFIB target for the end of quarter 4 was to reach 874 disruptions, NFIB has exceeded their target for quarter 4 and end of 2012/13 year, achieving 27 extra disruptions and reaching <b>1104 disruptions</b>. This is 230 more than target, and NFIB have succeeded in meeting the target of increasing the volume of disruptions of fraud enablers by 30%.</p> <p><b>Volume of 2011/12 disruptions</b> (measured through Telephone/Website disruptions) = <b>672</b></p> <p><b>Volume of 2012/13 disruptions</b> (measured through Telephone/Bank Account/Website disruptions) = <b>1104</b> (Target – 874)</p> <p>NFIB have therefore exceeded the target of increasing the volume of suspension by 30%, and actually achieved an increase of volume of technological enablers of <b>63.8%</b>.</p>	
<p><b>KPI 1.2</b> <i>Increasing economic crime public awareness and stakeholder prevention</i></p>	<p>NFIB disseminated <b>184 fraud alerts</b> to businesses and public sector organisations in quarter 4 2012/13. This is a decrease of 65 on Q3. The total number of Alerts disseminated by NFIB in 2012-13 is <b>954 compared with 285 in 2011 -12</b>. <b>84%</b> of the 77 stakeholders surveyed agree that NLF has been successful in increasing awareness of fraud and helping stakeholders better protect themselves in the last 12 months. <b>69%</b> of stakeholders agree that NLF has demonstrated highly effective communication activities to inform and provide support for preventing and reducing harm caused by fraud. <b>94%</b> stakeholder satisfaction Wave 3 Stakeholder survey on the quality of NFIB Fraud Alerts.</p> <p><b>Volume of Fraud Alerts 2011/12 = 285</b>      <b>Volume of Fraud Alerts 2012/13 = 954</b></p> <p><b>2011/12 Quality of Fraud Alerts baseline</b> (based on Wave 2 Stakeholder Survey) = <b>61% agree</b> that fraud alerts were of a high quality</p> <p><b>2012/13 Quality of Fraud Alerts</b> (based on Wave 3 Stakeholder Survey) = <b>94% agree</b> that fraud alerts were of a high quality.</p>	
<p><b>KPI 1.3</b> <i>Increasing victim self-protection and reducing repeat victimisation</i></p>	<p><b>48% of victims</b> surveyed feel that the crime prevention advice given to them helped better protect themselves against future fraud. <b>47% of stakeholders</b> surveyed felt that NLFs approach has been effective in supporting victims of fraud. There is still work for NLF, to develop and increase the fraud prevention advice provided to victims at all stages of investigation. The overall volume of Corporate Communications has increased again in quarter 4 and IFED are achieving the greatest impact through external communications.</p>	
<p><b>KPI 2.1</b> <i>Impact and reach of strategic intelligence dissemination</i></p>	<p>The current number of Monthly Threat Updates recipients in Q4 is <b>555</b>. <b>87% of the respondents made positive replies</b> in their survey Monkey feedback to the NFIB Monthly threat update in quarter 4. The year end position is 79% of respondents provided positive survey monkey feedback based on Q's 2,3 and 4. <b>69% of stakeholders</b> surveyed via SPA Future Thinking agreed that the strategic intelligence NLF disseminates is of a high quality and is relevant, and subsequently <b>49% of the same stakeholders</b> agreed that this strategic intelligence had increased their ability to determine key threats and the strategy to counter them.</p>	
<p><b>KPI 2.2</b> <i>Impact and reach of operational intelligence dissemination</i></p>	<p>There was a total of <b>419 operational intelligence disseminations</b> during Q4 bringing the total for 2012-13 to <b>1018</b> disseminations of operational intelligence. <b>65% of stakeholders</b> are in agreement that the information disseminated is of high quality, and the same amount also agreed that this operational intelligence had improved their ability to prevent and investigate fraud.</p>	

KPI Performance Overview		TREND
<p><b>KPI 2.3</b> <i>Impact and reach of organised crime group intelligence dissemination</i></p>	<p>NFIB have only reported a total of 54 OCG disseminations for 2012-13 but it should be noted this area of NFIB has been subject to considerable change in setting up the NFIB OCG Co-ordination team to fulfil its obligations as the Thematic hub for Fraud OCG's. In Quarter 4 NFIB has engaged with the Counter Fraud community in a number of initiatives the results of which will be reported next year.</p> <p>OCG intelligence disseminations were not recorded in 2011/12 and therefore cannot be compared with the figures for 2012/13.</p>	
<p><b>KPI 3.1</b> <i>£ value of criminal asset denial through to recovery (end to end process)</i></p>	<p>The volume of both confiscation orders and cash seizures has exceeded the target for quarter 4. The Asset Recovery Team achieved 7 confiscation orders and 13 cash seizures. The total amount of assets recovered during quarter 4 stands at <b>£1,547,944.62</b>. ART have been successful in achieving the target to increase the volume of confiscation orders by 10% and cash seizures to 50. <b>The total amount of assets recovered for 2012/13 = £5,094,108.71</b> (including recoveries by IFED and DCPCU (CoLP proportion only)).</p> <p><b>2011/12 Confiscation Orders = 28      2012/13 Confiscation Orders = 42 (Target of 31)</b> <b>2011/12 Cash Seizures = 45              2012/13 Cash Seizures = 53 (Target 50)</b></p>	
<p><b>KPI 3.2</b> <i>£ value of future fraud disrupted by NLF enforcement cases</i></p>	<p>There were <b>42 detected cases</b> in quarter 4, which has resulted in the directorate £ value of future fraud prevented being <b>£20,909,236.40</b>. This figure includes Fraud teams, MLIU, IFED and DCPCU.</p> <p><b>The Total number of cases detected by the Directorate for 2012/13 = 163 equating to £531,200,656.89 of future fraud being disrupted compared with £318,398,428 in 2011-12 . (IFED and DCPCU were not included in 2011-12).</b></p>	
<p><b>KPI 3.3</b> <i>% CoLP fraud OCG's in top bands whose intent / capability and criminality has been reduced by CoLP interventions</i></p>	<p>The target OCG disruption activity in 2012/13 was 24. The target figure was originally calculated, using the aggregate of OCGs in tiers 1 – 3 as of April 2012. NLF achieved <b>12 OCG disruptions</b> in quarter 4, which gives a cumulative 2012/13 total of <b>32</b> at the end of quarter 4; this is 8 disruptions above the 2012/13 target. FIB now have responsibility for managing all CoLP OCGs and have introduced an OCG panel who oversee the quality of work against organised crime. OCG disruption activity was not recorded in 2011/12 and therefore cannot be compared with the figures for 2012/13.</p>	
<p><b>KPI 3.4</b> <i>Quality of investigation and enhancing judicial outcomes</i></p>	<p>The number of finalised cases at court has decreased to <b>14 in quarter 4</b> compared with 18 quarter 3. The volume of guilty pleas has also decreased to <b>5 in quarter 4</b>, from 8 in quarter 3; however, the reduction is commensurate with the lower amount of completed cases and on its own is not a cause for concern. The CoLP/CFD joint initiative to measure the quality of NLF investigations has progressed with implementation planned for Q1 2013-14.</p> <p><b>2012/13 totals versus (2011/12) : Guilty Pleas = 47 (49) Finalised Cases = 95 (171); Suspects Charged = 212 (128) ; Length of Sentence (months) = 2390 (2871)</b></p>	
<p><b>KPI 4.1</b> <i>Impact and reach of training strategy and delivery</i></p>	<p><b>46%</b> of stakeholders surveyed agree that in the last 12 months the Academy has provided relevant and high quality training, and subsequently <b>37%</b> of stakeholders surveyed felt that the training had increased their capability to prevent and investigate fraud. The cumulative percentage from the year ending <b>2012/13</b> indicates that <b>95% of course attendees</b> have found the content and quality of NLF courses to be either Excellent, Very Good or good, which exceeds the target of 85%. This was a Policing Plan target.</p>	



KPI Performance Overview		TREND
<p><b>KPI 4.2</b> <i>Impact and reach of standard setting and dissemination of best practice guidance</i></p>	<p>57% of stakeholders surveyed agree that in the last 12 months NLF has been highly effective in setting standards and sharing good practice, and subsequently 48% of stakeholder agree that this has increased their capability to prevent and investigate fraud. A large percentage of stakeholders could neither agree nor disagree that NLF has been effective in setting standards, which suggests that stakeholders are either not receiving such guidance or are unclear as to what NLF actually means by the term 'Standard Setting'. Work is being done to establish this.</p>	
<p><b>KPI 5.1</b> <i>£ saved per £ spent (return on investment)</i></p>	<p>The return on investment (£ saved per £ spent) figure for quarter 4 is <b>£4.57 compared to £80.74 in Q3</b>. This figure is significantly reduced on Q3. This is due to lower returns on the £ value of future fraud disrupted by enforcement cases and the £ value of Fraud enabler disruptions mainly influenced by a low return by DCPCU. The separate Q4 return on investment figures for each department are as follows: NFIB = <b>£1</b>, Fraud teams &amp; MLIU = <b>£3.36</b>, IFED = <b>£20.97</b>. DCPCU = <b>£3.22</b>. The Directorate Return on Investment for 2012-13 is <b>£32.17</b>. (For every £ spent, £32.17 of future fraud has been saved).</p> <p><b>2011/12 ROI = £24.44 saved per £1 spent</b> <b>2012/13 ROI = £32.17 saved per £1 spent</b></p>	
<p><b>KPI 5.2</b> <i>Overall satisfaction of community (including victims) and partners in industry with NLF economic crime services</i></p>	<p>Taking into account all of their experiences <b>95% of stakeholders</b> surveyed are satisfied with NLF's overall performance and <b>83% agree</b> that NLF has added value to their organisation over the last 12 months. In addition to this <b>95%</b> of stakeholders also agree that NLF is an effective partner in the fight against fraud. The overall satisfaction levels of stakeholders are very high, NLF needs to work hard to maintain this and ensure that we remain to be seen as the force that holds the expertise in economic crime. <b>89%</b> of NLF victims were satisfied with the service they received.</p> <p>Stakeholder Satisfaction Survey baseline (Wave 1 2011/12) = <b>46%</b> satisfied Stakeholder Satisfaction Survey (Wave 1 &amp; 2 combined 2012/13) = <b>95%</b> satisfied</p> <p>Victim Satisfaction Survey baseline (Wave 1 2011/12) = <b>72%</b> satisfied Victim Satisfaction Survey (Wave 1 &amp; 2 combined 2012/13) = <b>89%</b> satisfied</p>	
<p><b>KPI 5.3</b> <i>£ value and % of leveraged partnership funding</i></p>	<p>NLF have sustained and increased leverage funding throughout 2011-12 through to 2012/13. The £ value of all leveraged funding 2011/12 = <b>£11,936,000</b> Total % of All Leveraged Funding 2011/12 = <b>69.1%</b></p> <p>The £ value of all leveraged funding 2012/13 = <b>£18,561,000</b> Total % of All Leveraged Funding 2012/13 = <b>74.7%</b></p>	

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## **KPA AND KPI SUMMARY**

### **KPA 1**

Preventing and reducing the harm caused by economic crime;

**KPI 1.1** Monetary value of future economic crime disrupted by intervening against financial, technological and professional enablers of fraud.

**KPI 1.2** Increasing economic crime stakeholder awareness and prevention

**KPI 1.3** Increasing victim self-protection and reducing repeat victimisation

### **KPA 2**

Enriching the national economic crime threat assessment and intelligence picture;

**KPI 2.1** Impact and reach of strategic intelligence dissemination (including OCGs)

**KPI 2.2** Impact and reach of operational intelligence dissemination (including OCGs)

### **KPA 3**

Enforcing and disrupting economic crime at the local, regional and national levels;

**KPI 3.1** Monetary value of criminal asset denial through to recovery (end to end process)

**KPI 3.2** Monetary value of future fraud disrupted by NLF enforcement cases

**KPI 3.3** Reduce the intent and capability of fraud and fraud vulnerable OCGs

**KPI 3.4** Quality of investigation

### **KPA 4**

Raising the standard of economic crime prevention and investigation by providing education and awareness to the counter fraud community

**KPI 4.1** Impact and reach of training strategy and delivery

**KPI 4.2** Impact and reach of standard setting and dissemination of best practice guidance

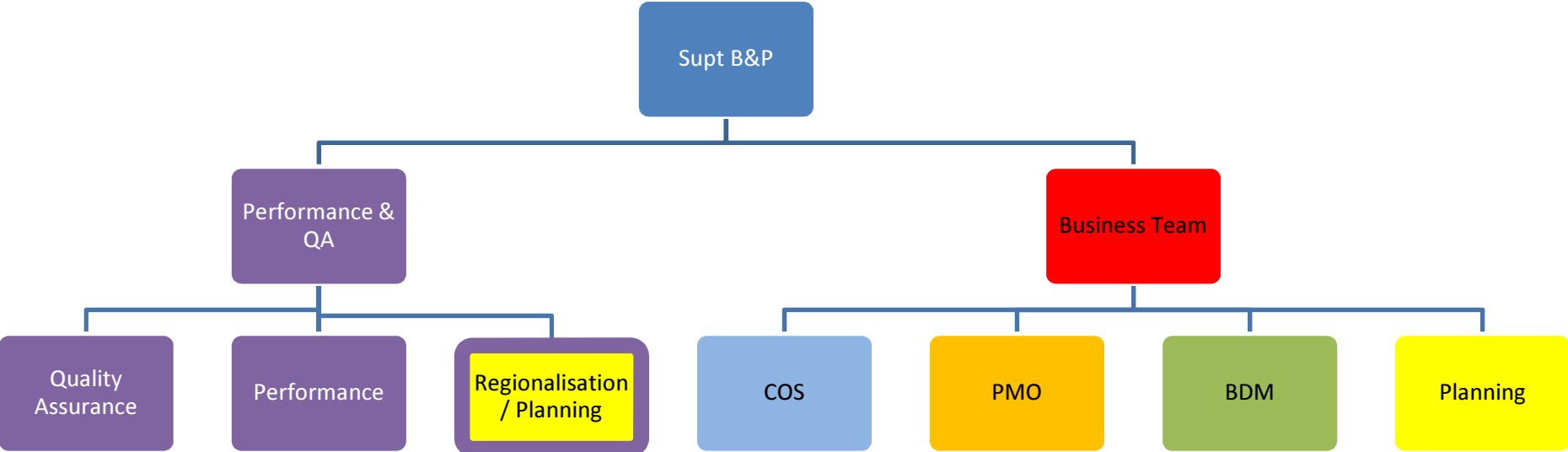
### **KPA 5**

Delivering value and reassurance to our community and partners in industry

**KPI 5.1** £ saved per £ spent (return on investment)

**KPI 5.2** Overall satisfaction of community and partners in industry (including victims) with economic crime services.

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