

Committee(s): Economic Crime Board	Date(s): 21 January 2019
Subject: National Lead Force Performance: For the 8 months to 30 November 2018	Public
Report of: Commissioner of Police	For Information
Report author: DCS Peter O'Doherty	

Summary

This report outlines the quantitative and qualitative performance of City of London Police as the National Lead Force (NLF) for Fraud for the eight months to 30 November 2018, regarding National Fraud Intelligence Bureau, NLF/Fraud teams and Economic Crime Academy (ECA). Where data is available this performance has been compared against the same period for the previous year (PY).

Pursue

- For the eight months end of 2018/19 Action Fraud crime reports to the NFIB totalled **226,416**, a **16%** 30,430 increase in the number of crimes reported to Action Fraud compared with the PY.
- The NFIB has reviewed **63,655** crimes for the eight months to 30 November 2018, averaging 7,950 per month, a decrease of **19%** (15,332) on the PY (78,987).
- At the end of November 2018, City of London Police ECD are currently managing **584** live investigations of which **82** are distinct to fraud teams/NLF.
- ECD has currently identified **12** active OCGs.

Protect

- The average Overall satisfaction with products and alerts issued by the NFIB is **94%** (**238/253**). Highest levels of satisfaction are registered in relation to how alerts are "informative" and "clear".
- **39** new materials have been created using gov-approved messaging with **14** public-facing alerts disseminated - The overall reach of gov-approved
- messaging via policing was **over 32 million**¹ with campaigns including: *Action Fraud's Fight Festive Fraud, Cyber Aware, Take Five, Charity Fraud Awareness Week, DCMS Secure by Design, NCSC #TwoYearsOn, #OneReset, GCA DMARC, NCSC Black Friday campaign, NCSC Cyber First Girls.*

¹ This is shown as a significant improvement from last quarter, however last quarter was not fully counted.

- National and international media coverage in relation to supporting NLF and City of London Police priorities

Prepare

- **Up to 30 November 2018, 69** courses delivered by the Economic Crime Academy (ECA) attended by **686** delegates, amounting to **2,622** training days delivered.
- **99%** delegate satisfaction with the attended courses.

Victim Service

- For the 8 months to 30 November 2018, 7,745 victims completed the online Action Fraud reporting satisfaction survey. 88% of those surveyed had a positive or neutral experience of the process.

Recommendation(s)

It is recommended the Board note this report.

Main Report

1. BACKGROUND

This report outlines the quantitative and qualitative performance of City of London Police as the National Lead Force for Fraud for the six months to 30 September 2018. Where data is available this performance has been compared against the same period for the previous year.

The report is across five areas:

Pursue – to reduce the economic crime threat through the coordinated investigation of the individuals or groups engaged in economic crime and the disruption of their activities

Protect – to strengthen the protection of individuals, communities, systems and infrastructure against economic crime

Prepare – to reduce the impact of economic crime by dealing effectively with the ongoing criminality and future threat.

Prevent - prevent people being enticed into facilitating Economic Crime & Fraud, design prevent interventions.

Victim Service – to maximise victim service and satisfaction.

2. PURSUE

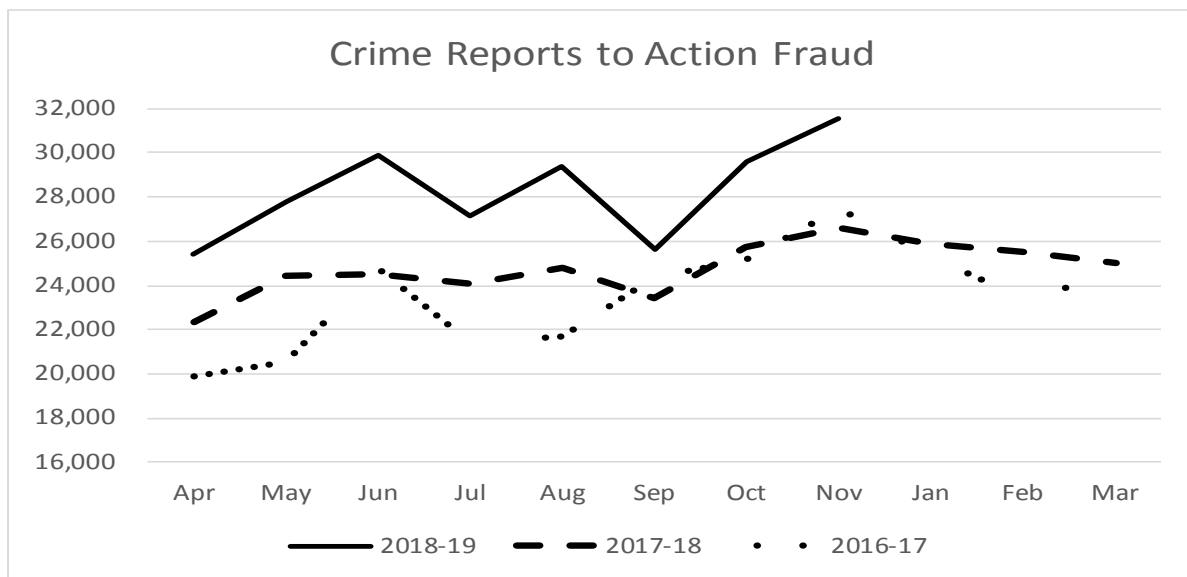
2.1 National Reporting - Crimes reported to Action Fraud

- Crime reports to Action Fraud have continued to rise throughout 2018/19. The month of November reflected a 19% rise (5,007) when compared to November 2017. YTD there has been a notable increase of 16% (**30,430**) in crimes reported to Action Fraud.
- The New Action Fraud system went live to the public on Saturday 6th October 2018.

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	YTD
2018/19 Crime Reports	25,397	27,761	29,899	27,139	29,400	25,640	29,599	31,581	226,416
2017/18 Crime Reports	22,362	24,446	24,543	24,100	24,780	23,443	25,738	26,574	195,986
% Increase (Decrease)	14%	14%	22%	13%	19%	9%	15%	19%	16%

- This increase can be attributed in part to the continued awareness and greater understanding of the Action Fraud reporting system.

Below table indicates the monthly volumes with prior year month comparatives.



*June and August 2018 were high reporting months, August was particular driven by a large volume of other advance fee frauds being reported nationally.

**Appendix A - indicates the volume by fraud type reported to Action Fraud, over 6 months to 30 September 2018.

National Dissemination Table:

	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	YTD
2018/19 Crime Reports	4,810	4,915	4,849	4,628	6,115	3,398	7,289	4,461	40,465
2017/18 Crime Reports	3,790	5,418	4,977	4,327	4,305	4,710	4,860	4,616	37,003
% Increase (Decrease)	27%	-9%	-3%	7%	42%	-28%	50%	-3%	9%

- For the 8 months to 30 September 2018, there has been a 9% rise in the number of NFIB disseminations to forces with over the same time period last year.

- The new action Fraud system went live within the NFIB on Monday 15th October 2018. The increase in October is due to legacy cases from the old system being disseminated to forces.

Demand (Disseminations sent to CoLP from NFIB):

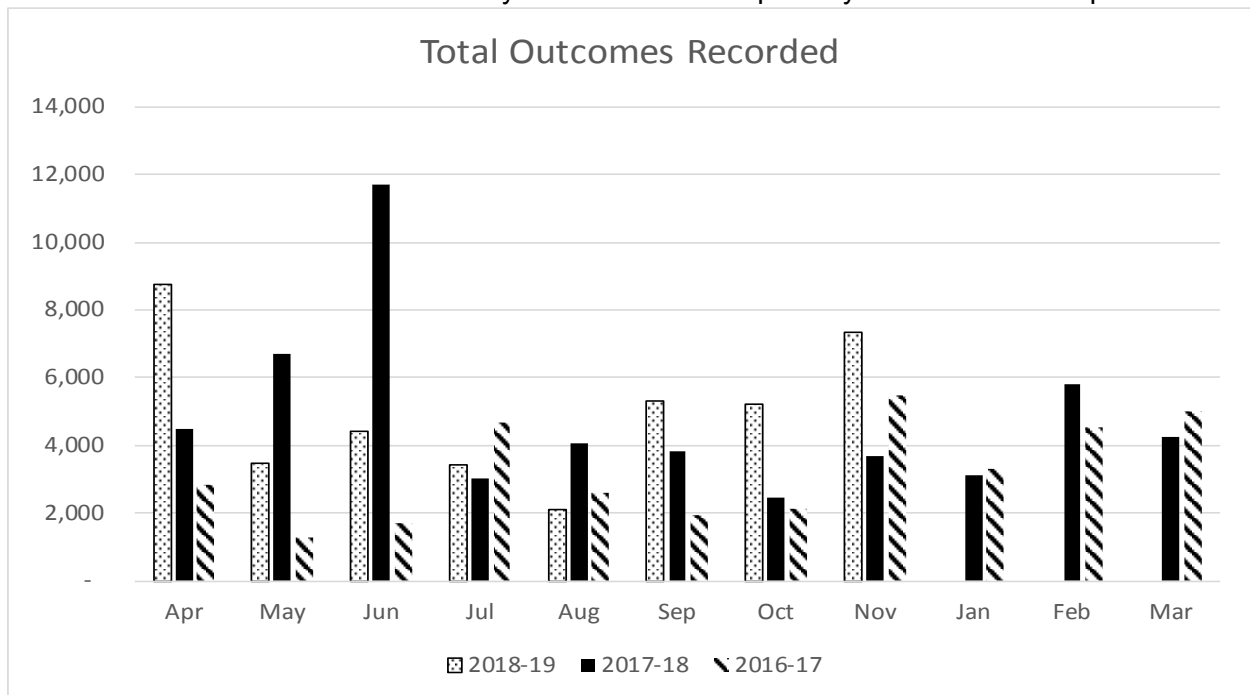
Disseminations	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Total
City of London	4	7	26	66	47	36	3	3	192
NLF	0	0	0	0	1	1	1	0	3
DCPCU	1	0	0	1	173	1	0	0	176
IFED	1	12	8	18	8	0	0	0	47
PIPCU	0	1	0	0	0	0	0	0	1
Total	6	20	34	85	229	38	4	3	419

The number of outcomes back from Forces is outlined in the table below.

Total Outcomes Reported	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Total
Judicial	1,451	470	1,095	339	293	735	1,029	1,005	6,417
NFA	7,283	3,025	3,325	3,083	1,828	4,584	4,204	6,348	33,680
Total	8,734	3,495	4,420	3,422	2,121	5,319	5,233	7,353	40,097

- NFIB are now receiving an average 5,000 outcomes per month, nationally back from forces for the 8 months to 30 November 2018.

Below table indicates the monthly volumes with prior year month comparatives.



*June 2017 was a high return month due to MPS returning 6,202 outcomes. 12% were judicial.

- Outcomes from CoLP

Outcomes	Force	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Total
Judicial	City of London	160					2	54		216
	DCPCU	2		3			2	7	177	191
	IFED	49					27	1		77
	National Lead Force		1			1				2
Judicial Total		211	1	3		1	31	62	177	486
NFA	City of London		20	5	43	2	19	15		104
	DCPCU	1		3			3		1	8
	IFED	77					5	16		98
NFA Total		78	20	8	43	2	27	31	1	210
Total		289	21	11	43	3	58	93	178	696

Summary

The table below shows a comparison of crimes reported, disseminations and recorded outcomes at the Year End point for the past three years.

	2015/16	2016/17	2017/18	16/17 – 17/18 change	8 Months to 30 Nov 2018
Crime reports to Action Fraud	234,201	280,706	294,984	5% ▲	226,416
Disseminations	72,654	68,606	55,671	19% ▼	40,465
Judicial outcomes	9,873	8,105	9,476	17% ▲	6,417
Non-judicial outcomes	26,346	28,146	49,968	78% ▲	33,680
Total outcomes	36,219	36,251	59,444	64% ▲	40,097
Outcome %	15%	13%	20%	7% ▲	18%

*Appendix 1 – Shows for November 2018; reports to AF

2.2 National Disruptions - NFIB

- There were **521** website suspension requests and 786 email suspension requests made to the first 8 months to 30 November 2018, compared to 554 and 499 respectively for the prior year period.
- The NFIB has made a decision to cease some elements of data sharing to ensure we (CoLP) are compliant with the GDPR changes.
- The impact in the short term will be a reduction in management information data, but we ensure ethical disruption continues beyond.
- As a result of the above, the number and potential value of fraud saved through telephone and bank account suspension requests are therefore not available.

2.3.1 Organised Crime Group Disruptions

- At the time of reporting, the ECD has currently identified **12** active OCGs. As of November, a further 106 were deemed inactive. All are currently mapped, across fraud, counterfeit goods or ML offences.

2.4 National Lead Force Referrals

- Investigations are categorised into City of London Police cases and NLF cases. City of London Police cases are those investigations into matters occurring within the jurisdiction of the square mile and NLF cases are those which have satisfied the NLF cases acceptance process. A majority of City of London Police cases have a national or complex element to them and such factors would constitute a NLF enquiry. Overlap between the categories of City of London Police and NLF is often due to international enquiries, possible threats to the UK economy, and high volumes of victims and the complexity of enquiries.
- This excludes investigations undertaken by funded units, namely the Insurance Fraud Enforcement Department, Police Intellectual Property Unit, Dedicated Card and Payment Crime Unit.
- In total, as of 30th November, there are 82, NLF/ City based fraud investigations and an additional 504 being conducted by CoLP funded units, this totals as follows (**IFED 332, PIPCU 55, DCPCU 117**)

NLF OPERATIONS UPDATE

- CoLP through its NLF Fraud Investigation Teams is currently managing in excess of 11,000 victims
- NLF and Fraud teams are now working to a set of new key operational principles focussed on effective and efficient investigations, a key ambition is to expedite investigations and progress cases to outcome within a 2 year period.

PROTECT

3.1 Quality and reach of NFIB protect alerts

At the time of completing the survey recipients are also encouraged to provide feedback to help the continuous improvement of the products and alerts created.

		8 months to 30 November
Percentage of <u>all</u> respondents that were satisfied with the alerts		94% (238/253)
Percentage of respondents agreeing that the alerts were:	Informative	90% (228/253)
	Relevant	87% (222/253)
	Timely	79% (203/253)
	Clear	89% (228/253)
	Actionable	76% (193/253)

To increase the reach of alerts City of London Police uses additional platforms, such as the Neighbourhood Alerts Service which currently has **560,000** contactable users, which then reach in turn approximately 3 million individuals.

3.2 Social Media

Action Fraud has continued to deliver and increase its digital reach during 2018/19, sharing several key Pursue and Protect messages. In order to achieve the greater reach Action Fraud has achieved an increase in both Twitter and Facebook followers.

Action Fraud currently has:

- **49,811** Twitter followers which reached in excess of 1 million people (1,307,244)
- **50,481** Face Book followers which reached 822,797 people

	April	May	June	Q1	July	August	September	Q2	October	November
Number of unique web site visitors	294,096	295,920	301,635	891,651	314,708	265,553	290,793	871,054	267,155	221,775
Number of website impressions	898,625	889,778	922,896	2,711,299	1,169,867	1,025,362	1,091,693	3,286,922	778,543	545,446
Number of Facebook impressions	1,097,813	676,403	698,464	2,472,680	1,416,527	1,009,342	931,156	3,357,025	958,740	822,797
Number of Twitter impressions	1,171,903	985,010	1,164,593	3,321,506	1,295,485	1,347,600	1,042,400	3,685,485	957,414	1,307,244
Website page visits from Facebook	8,739	7,725	6,609	23,073	24,143	9,465	12,953	46,561	9,879	7,737
Website page visits from Twitter	3,020	2,336	2,260	7,616	6,394	2,923	2,377	11,694	1,814	1,652
Cumulative number of Twitter followers	45,112	45,574	46,115	136,801	46,669	47,352	48,101	142,122	48,507	49,811
Cumulative number of Facebook followers	44,805	15,246	45,838	105,889	46,856	47,534	48,300	142,690	49,107	50,481
Action Fraud Twitter engagements	20,212	16,950	15,454	52,616	25,708	16,421	14,416	56,545	19,326	16,151

3.2.1 Media stories

Action Fraud's Christmas fraud campaign

- The Daily Mail, The Telegraph, The Sun, Yorkshire Evening Post (available on request published, Money Saving Expert, Your Money, Mirror and the Daily Mirror (available on request coverage of Action Fraud's Christmas fraud campaign which focuses on online shopping fraud.

Reductions in Fraud Investigators

- DCS Pete O'Doherty was quoted in an article by The Times about reductions in fraud investigators to balance police budgets.

IFED – Commercial Property Fraud

- One of IFED's biggest cases of commercial property fraud, which involved an organised crime group who stole £1m from insurers over a four year period, was covered by Sky News, the Telegraph, Insurance Times, Insurance Post, Lincolnshire Live, LBC and Law 360.
- A Fraud Squad case involving a trio of fraudsters who ran a boiler room in the City and convinced victims to invest in worthless diamonds was covered by the Evening Standard, Daily Mail, Financial Planning Today and Law360.

3.3 Protect Campaigns and Events

Coordinating a national response

- NFIB Cyber PROTECT team have conducted a number of activities with the aim of reducing the impact of cybercrime over the quarter. This has included supporting and coordinating the ROCUs by producing new materials and supporting national campaigns;
 - **39** new materials have been created using gov-approved messaging with **14** public-facing alerts disseminated.
 - The overall reach of gov-approved messaging via policing was **over 32 million²** with campaigns including: *Action Fraud's Fight Festive Fraud, Cyber Aware, Take Five, Charity Fraud Awareness Week, DCMS Secure by Design, NCSC #TwoYearsOn, #OneReset, GCA DMARC, NCSC Black Friday campaign, NCSC Cyber First Girls*
- NFIB Cyber PROTECT are establishing procedures to deliver PROTECT information directly to victims who have reported to Action Fraud.
- Over the quarter we have also taken part in **6** engagements with public and industry, including being on the international podcast CyberWire's Hacking Humans and speaking on BBC's SeeHear programme for the Deaf community.

Working in partnership

NFIB Cyber PROTECT continue to work collaboratively with other organisations to support the aims and objectives of the National Cyber Security Strategy.

- Cyber PROTECT maintain a direct link to the NCSC which puts us in the ideal position to act as a first point of contact for those that wish to raise their awareness of cyber threats and improve their defences.
 - We continue to coordinate the PROTECT response when data become available on a national level responding to data breaches such as Dixon, Reddit and Marriot.
 - We continue to distribute alerts to trusted partners and the general public about the latest intelligence relating to fraud and cyber crime. We've sent multiple phishing related alerts to our VisaV audience and on Twitter between October to December 2018.

This included alerts about a surge in sales-related phishing before Black Friday & Cyber Monday and a rise in delivery company phishing emails before Christmas.

² This is shown as a significant improvement from last quarter, however last quarter was not fully counted.

Enhancing the threat picture

- NFIB Cyber PROTECT continue to lead on producing the latest intelligence for law enforcement and supporting the development of front-line cyber policing.
 - The intelligence team have produced two intelligence / analytical product over the quarter and provided analytical support to the NCA, HMRC and NCSC.
 - NFIB Cyber PROTECT also produced the cyber profiles / dashboards as part of the NFIB collective fraud and cyber profiles.
<https://www.actionfraud.police.uk/data>
 - NFIB Cyber PROTECT now also provide a 'NFIB Threats and Trends' update quarterly to national partners at the Multi-Agency Campaign Group.
- NCO will engaged with the APPG (All Political Party Group) MP and Aides at a drop in session at Parliament on December 3rd regarding financial crime prevention.
 - Advice will be given on Fraud and Economic Crime along with answering any questions MPs have. It's anticipated that this input will be directly beneficial to MP's and also indirectly to their constituents.

PREPARE

4.1 Economic Crime Academy (ECA)

The ECA is piloting a Specialist Fraud Investigators Programme with Guernsey police specifically aimed at crown dependencies. If successful it will be promoted to others in this group.

Statistical update – to 30 November 2018

	PYTD	2018/19 YTD	% Change
Total courses	46	69	50% ▲
Total course delegates	621	686	10% ▲
Total delegate days delivered	2,104	2,622	25% ▲
Delegate satisfaction	99%	99%	0%

ECA Police Transformation Fund Grant

- The bid for a grant from the Home Office's Police Transformation Fund (PTF) was successful. The grant, which runs from April 2018 until March 2020, was not confirmed until mid-financial year. The ECA element of the grant is to invest in the fraud capability of all Home Office forces to investigate serious and complex fraud through training. This will be achieved over the two years by training 504 investigators in the Specialist Fraud Investigation (SFI) Programme and 120 fraud managers in the Accredited Counter Fraud Managers (ACFM) Programme.

- Due to the late confirmation of the funding most previously 'open' courses run from April 2018 have been converted to be run as PTF courses. Forces have been informed about the funding and advised as to their allocation of places over the two year period.
- To the end of November there have been eight SFI courses converted to PTF with a total of 87 delegates attending from Home Office forces. There are two more open courses to be converted to PTF and four further courses to be dedicated to PTF delegates to the end of 2018/19. The training schedule is on track to exceed the 98 delegates target set by the funding for this financial year.
- To the end of November there have been three ACFM courses converted to PTF with a total of 25 delegates attending from Home Office forces. There are three more courses which will be dedicated to PTF delegates to the end of 2018/19. The training schedule is on track to meet or exceed the 60 delegate target set by the funding.
- PTF courses to date have been run solely using current ECA staffing which is not sustainable for the uplift in courses in 2019/20.
- As the weight of courses will run next financial year extra trainers and back office staff are required to facilitate the courses and authorisation to recruit has been granted. The main risk to non-delivery is the inability to recruit trainers on a secondment or fixed term basis in time to deliver the uplift in training. The cost of the additional members of staff is fully covered by the grant.

4.2 National force engagement

Banking Protocol update

	Month of Nov-18	8 months to 30 Nov-18
Amount Prevented	4,480,558	24,729,167
Arrests	20	164
Emergency Calls made	595	3,722

- Banking Protocol was developed as a partnership between the finance industry, police and Trading Standards, the Banking Protocol enables bank branch staff to contact police if they suspect a customer is in the process of being scammed, with an immediate priority response to the branch. Branch staff, call handlers, police and trading standards officers in each area have all been trained in the Banking Protocol and the steps that need to be taken when a customer is at risk
- As well as stopping frauds taking place, the scheme ensures a consistent response to potential victims and gives them extra support to prevent them becoming a victim in the future.

HMICFRS Inspection programme update

- Cyber-dependent inspection is taking place in spring 2019, Action Fraud and NFIB will be inspected as part of this however the force cyber-crime assets will not be.

5 PREVENT

5.1 Pilot - Mini Police

- Sessions and content have been tested with various year groups at a school outside of London. Feedback has been positive and supported the development of content, to ensure it is both topic and age appropriate.
- COLP will be re-engaging with Sir John Cass's Primary School to run more sessions this year.
- The National VPC is currently conducting a large scale evaluation with academic researchers on Mini Police programmes across the country. The findings of this are expected to be published in the spring and will inform how COLPs programme is rolled out on a wider basis.

VICTIM SERVICE

6.1 Action Fraud reporting satisfaction

- For the 8 months to 30 November 2018, 7,745 victims completed the online Action Fraud reporting satisfaction survey. 88% of those surveyed had a positive or neutral experience of the process.
- For the same period last year, 6,397 victims have been surveyed. 90%, had a positive or neutral experience of the process.

6.2 Action Fraud Complaints

	April	May	June	Q1	July	August	September	Q2	Oct	Nov	YTD	PYTD
Number of new complaints received by PSD	3	1	0	4	0	0	0	0	0	0	4	114
Type of complaint - Lack of investigation	3	0	0	3	0	0	0	0	0	0	3	77
Type of complaint - Lack of update	0	0	0	0	0	0	0	0	0	0	0	24
Type of complaint - Service complaint	0	0	0	0	0	0	0	0	0	0	0	7
Type of complaint - Other	0	1	0	1	0	0	0	0	0	0	1	6
Number of correspondence letters received (including MP letters)	17	11	21	49	23	20	19	62	17	15	143	114

- Recorded complaints have invoked 'service recovery' using the Action Fraud Complaints policy, so PSD now only consider complaints for recording under Schedule 3 PRA 2002 once this process can be evidenced.
- This also gives us a more informed basis for making a decision to record or not.
- As a result we are informally resolving – service recovering, and non-recording more complaints that reach PSD.

6.3 City of London Police Economic Crime Directorate victim satisfaction – All departments

- No surveys have been undertaken during this financial year, this is due to the fact that approval of new GDPR compliant survey letters has yet to be received, the contract with data handlers ORS is still in place.

6.4 Value for Money

Return on Investment

- The Return on Investment measure (ROI) which allows for the assessment of the cost of the resources invested against the monetary value of the fraud prevented over a period of time.
- Expenses of a unit are measured against the potential value of criminal gains prevented, i.e. Asset recovery, bank cards seized, website disruption and arrest activity by units within ECD.

	Q1 2018/19	Q2 2018/19	Oct & Nov 2018
Return on Investment	£63.71	£12.82	£36.19

- ROI for the 2 months to 30 November returned £36.19, this was driven by DCPCU, in identifying a banking insider, linked to high value accounts and also recovering tens of thousands of compromised credit card numbers from the dark web.
- ROI in Q1 was boosted by industry approved pre-release movie piracy interception from PIPCU.
- During 2018/19, the ROI has dropped, but it still represents a positive return for the money invested within the directorate (including funded units).

6.5 Resourcing - @ 12th December 2018

The table below shows the number of posts in each ECD department, including both police officers and members of police staff. Also shown are the current vacancies and any over resourcing. This will be monitored on a quarterly basis along with an update on actions being taken to fill any vacancies.

Department	Total posts in Model	Current Strength
DCPCU	18	-1 officer - 2 staff
IFED	46	- 3 officers -0.14 staff
PIPCU	20	- 0 officers - 1 staff
FIU	34.77	- 4.1 officers -1 staff

Fraud Teams	58	- 3.8 officers + 1.8 staff
ECA	13	- 2 officers - 2 staff
NFIB/AF	85.1	-1.2 officers + 6.28 staff

Sickness

- In November 2018 across ECD there were 47 instances of absence from work (Current and ongoing).
- Excluding the 8 instances of Medical certificated, the remained averaged 2.7 working days lost.

6. APPENDICES

- Appendix A - indicates the volume by fraud type reported to Action Fraud, for month of 30 November 2018.

Peter O'Doherty
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 Head of Economic Crime Directorate
 City of London Police