

## ECONOMIC CRIME BOARD OF THE POLICE COMMITTEE

Friday, 27 April 2018

**Minutes of the meeting of the Economic Crime Board of the Police Committee held at the Guildhall EC2 at 11.00 am**

### **Present**

#### **Members:**

Simon Duckworth (Chairman)  
Nicholas Bensted-Smith  
Deputy Keith Bottomley

Deputy Robert Merrett  
Deputy Henry Pollard  
Deputy James Thomson (Ex-Officio)

#### **Officers:**

George Fraser - Town Clerk's Department  
Alex Orme - Town Clerk's Department  
Glenn Maleary - Detective Chief Superintendent, CoLP  
Neil Taylor - CoLP

#### **1. APOLOGIES**

Apologies were received from Deputy Doug Barrow.

#### **2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

There were no declarations.

#### **3. MINUTES**

The Board considered the minutes from the last meeting, held on 2 February 2018.

**RESOLVED** – That the minutes be approved.

#### **MATTERS ARISING**

The Chairman noted that Dave Clark was no longer T/Commander of Economic Crime, and that Pete O'Doherty was currently in his place, pending recruitment of the permanent position in the coming months.

#### **4. OUTSTANDING REFERENCES**

The Board received a report of the Town Clerk that summarised the outstanding actions from previous meetings.

The Chairman noted that there were 3 Outstanding Actions from previous meetings.

#### **OR2 – Cyber Training for Members**

The Commissioner explained that a draft proposal for a 2-hour cyber training session for up to 40 members had been drawn up and was tabled at the

meeting. It was agreed that CoLP would feed back with some proposed dates, and a schedule that could be run for Members of the Police Committee. (1)

The Commissioner noted that the risk in this area to the public sector was high, and that there would be good opportunities for monetisation.

### **OR3 – Facilitation Reporting**

The Commissioner explained that facilitation of crime training was tasked out to external agencies at a national level. He confirmed that he would follow up to gain feed back on this for the next meeting. (2)

### **OR4 – 16 Non-Judicial Outcomes**

The Commissioner agreed that he would circulate the list of 16 Non-Judicial Outcomes to Members. The chairman requested that figures of who falls into each category be included. The Commissioner suggested that they could include details of these categories going forward and Members agreed that this would be useful.

## **5. NATIONAL LEAD FORCE: 2017/18 PERFORMANCE REPORT**

The Board received a report of the Commissioner that outlined the quantitative and qualitative data performance of City of London Police as the National Lead Force for Fraud for the period April 2017 – March 2018.

The Commissioner explained that there had been a significant increase in the number of reports received by ECD which was not matched by their resource. This meant that there was a significant challenge, and fewer disseminations as a result. This figure is, however, linked to capacity limitations on a national scale. The Commissioner explained that CoLP's MORILE (Management of Risk in Law Enforcement on a National Scale) was employed in this regard to prioritise with a sight to maximum reduction of harm.

The Commissioner explained that the implementation of new systems had taken some staff resources from the frontline but this would now be expected to level out.

The Chairman emphasised the importance of including all headlines, positive or negative, in the summary section of the report. This would ensure that there is no misconception that report authors are attempting to hide any negative results.

The Chairman noted that it was clear ECD would be working with limited resources and asked if there was any plan to address these needs. The Commissioner confirmed that there was a plan to focus developments on NCAA. He also explained that there was an impetus to improve service to victims through strategic changes. Operationally, the new Action Fraud systems would provide significant benefits and reduce the duplication of work, and once the intensive testing phase is completed, pressures on staffing would be reduced somewhat.

The Commissioner noted that THRIVE, a demand management tool that prioritised risk areas would enable CoLP to address issues more effectively.

A Member asked if CoLP distinguished between low volume Fraud reports by individuals, and high-volume reports by businesses. The Commissioner explained that attacks on businesses were becoming an increasingly significant threat.

The Commissioner explained that CoLP were working on a new “Omnichannel” reporting strategy, and the new system would raise the current limits on reporting upload capacity. He warned that this would need to be effectively managed in order to remain compliant, and thus would require thorough testing.

A Member asked what percentage of high-risk reports CoLP were not able to address. He noted that it was an issue if they could not feasibly handle 100%. The Commissioner explained that they were confident in their ability to handle 100% of high-risk reports, though they were not content with their timeliness as requests for banking information cause additional delays that mean it is sometimes not possible to make their 28-day targets.

A Member asked how the savings as a result of website disruptions were calculated. The commissioner explained that the quoted savings figure was based on the disruption of 22,000 websites with a measure of turnover per webpage, relying on an algorithm conceived by economists that was widely trusted within the banking industry. The Commissioner conceded that it was not an exact science, but nevertheless remained a reasonable measure. The Commissioner explained that ECD’s ambition for global influence meant that areas such as this were perceived as potentially lucrative revenue streams. The Chairman approved of this approach, noting that the City of London was an international hub.

A Member asked if the new system upgrade was going to be launched imminently, citing previous claims that it would be live by the end of April. The Commissioner explained that contractual issues faced have led to delays and could be discussed during Item 11 on the non-public agenda.

The Chairman warned that the graph of total outcomes recorded, as it was based on a rolling quarterly basis, would lose the positive benefits of the spike in outcomes in Q1 2017 as the next reporting period commenced. He asked for assurance the CoLP were prepared for this shift, and if there was an explanation for the spike. The Commissioner explained that May/June 2017 was a period where a volume of outstanding cases were cleared, thus resulting in a spike. He noted that increased efforts had been made to encourage other forces to report more regularly to avoid spikes such as this going forward.

The Chairman queried the current status of ECD in relation to the “Protect” area. The Commissioner explained that the reduction in victim satisfaction levels was accountable to the significantly increased survey sample size, and the CoLP were confident that these figures were more representative. The Chairman noted that the figures were still very good. The Commissioner

explained that negative responses would always arise from delays, often caused by a reporting lag around weekends that could now be resolved.

A Member noted that the category “Actionable” was very important as if only half of the responses are deemed as actionable, then the figures for each category lose their validity.

The Chairman noted that there was now an amazing reach through the use of social media and technology. The Commissioner explained that CoLP were very effective in promoting campaigns e.g. Holiday Fraud, and ECD’s staff were very flexible and determined in taking advantage of opportunities that arise.

The Commissioner noted that their campaign #PhishyFridays was very important to ECD and requested that Members do what they can to support it. The campaign aims to raise awareness of the dangers of phishing scams. (3)

The Commissioner explained to Members the work that had been undertaken around the “Prepare” area. He noted that success of the ECA’s bespoke financial investigation training course delivered in Kenya, suggesting it could be feasibly applied in other locations.

The Chairman noted that it was useful to have a representative of Action Fraud present as part of the team conducting the Fraud inspection for HMICFRS.

The Commissioner provided Members with an update on the Victim Service area. He noted that of the 0.03% of reports that amounted to complaints, the main cause of complaints remained due to a lack of investigation, and as such, an undesirable outcome. The Chairman noted that a fundamental issue with Fraud was that perpetrators were not accessible in many cases; He asked if CoLP had improved its ability to explain the realities to victims in a way that would be more acceptable. The Commissioner explained that the standard “4 Ps” had been adapted to add consideration for “V”, referring to victim care. He explained that CoLPs victim strategy was centred around a new Fraud Hub which was still in the pilot phase. He assured Members that there was no complacency around treatment of victims.

A member asked for the latest update on the Economic Crime Victim Care Unit (ECVCU). The Commissioner explained that outstanding work had been achieved, with almost 2,000 victims contacted since January 2018 with the “Tier 1” level of service. The Commissioner explained that there was a clear steering group around ECVCU. He explained that there was a funding lag challenge to overcome, but the board was reporting back delivery locally around the country. He agreed to report back to Members from the steering group. (4)

The Chairman noted that the shortfalls highlighted within resourcing were undeniable and asked how long the recruitment process to fill the gap would take. The Commissioner explained that a risk matrix was employed, and there was a desire to avoid constantly shifting resources in order to fill gaps. He explained that there were currently transferees waiting on vetting and health

checks which cause some lag in filling vacancies. He explained that CoLP now employed an induction programme that could be commenced prior to the completion of necessary checks that would reduce recruitment delays where possible.

**RESOLVED** – That the report be received.

6. **RESOLUTION - CRYPTOCURRENCIES**

The Board received a resolution from the Port Health and Environmental Services Committee that asked Members to note the recommendation that the City of London Police address the issue of fraudulent cryptocurrencies on its website.

The Chairman illustrated his approval that there was clearly an awareness of these issues and that Members were able to utilise the proper channels to raise the issue.

**RESOLVED** – That Members agree the fraudulent cryptocurrencies issue should be addressed by the city of London Police website.

7. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

There was no further business.

8. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

9. **EXCLUSION OF THE PUBLIC**

**RESOLVED** – That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the Local Government Act.

10. **NON-PUBLIC MINUTES**

The Committee considered the non-public minutes from the last meeting, held on 15 December 2017.

**RESOLVED** – That the minutes be approved.

11. **RESTRICTED ACTIVITY UPDATE**

The Board received a report of the Commissioner that summarised the notable activity not for publication affecting the City of London Police in its capacity as National Lead Force.

**RESOLVED** – That the report be received.

12. **ECONOMIC CRIME ACADEMY UPDATE**

The Board received a report of the Commissioner that provided Members with an update on activity involving the Economic Crime Academy.

**RESOLVED** – That the report be received.

**13. NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There was one non-public question.

**14. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

The Chairman explained that he would not be putting his name forward as Chairman of the sub-committee for the ensuing year, and as such this would be his final meeting as Chairman. He stated that it was a pleasure to chair the ECB for 6 years and thanked everyone for their valuable contributions during that time. Members thanked the Chairman for his leadership in this area over the last 6 years.

**The meeting closed at 12.37 pm**

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Chairman

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