

Committee: Economic and Cyber Crime Committee – For information	Dated: 06/09/2021
Subject: HMICFRS Fraud Inspection	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly?	1,10, 12
Does this proposal require extra revenue and/or capital spending?	N
If so, how much?	NA
What is the source of Funding?	NA
Has this Funding Source been agreed with the Chamberlain’s Department?	NA
Report of: Assistant Commissioner McLaren	For Information
Report author: Alix Newbold	

SUMMARY

This report provides a short summary of the latest HMICFRS inspection published on 5 August. The report highlights some areas of good work in relation to improving the response to fraud. However, it also identifies areas where more needs to be done as many victims are still receiving a poor service.

The report states ten of the original recommendations have been satisfactorily implemented with five requiring further work and one no longer relevant. Three of the outstanding recommendations are the responsibility of COLP as NPCC Lead. As a result of this inspection revisit HMICFRS have also made a further three recommendations, one of which is the responsibility of COLP. A new work plan will be developed for each of these recommendations and monitored through the NLF Programme Board.

COLP will also work with forces to support implementation of the outstanding recommendation and areas for improvement that are the responsibility of chief constables. A letter was sent to all chief constables on the day of publication and this should also form part of wider PCC engagement who are ultimately responsible for holding their forces to account for delivery.

Recommendation(s)

It is recommended that members note the contents of this report.

MAIN REPORT

BACKGROUND

1. HMICFRS published its first thematic fraud inspection in 2019: [Fraud: Time to choose – An inspection of the police response to fraud - HMICFRS \(justiceinspectors.gov.uk\)](#). It contained 16 recommendations, a majority of which were for City of London Police as the NPCC Lead to deliver, and 5 areas for improvement for all chief constables.
2. In 2021 it conducted a revisit of the inspection focussing on how effectively the recommendations and areas for improvement have been implemented and their impact. The report was published on 5 August 2021: [A review of 'Fraud: Time to choose' - HMICFRS \(justiceinspectors.gov.uk\)](#)

CURRENT POSITION

3. The report highlights ten of the original recommendations have been satisfactorily implemented with five requiring further work and one no longer relevant. The recommendations requiring further work that are the responsibility of City of London Police as NPCC Lead are set out below. A new work plan will be developed for each of these recommendations and monitored through the NLF Programme Board.
 - a. **Recommendation 1:** By 30 September 2019, the National Police Chiefs' Council Coordinator for Economic Crime should publish a timetable for implementing the revised Know Fraud system, making clear which services are to become available at each stage of implementation and thereby enabling forces to make use of each service as early as practicable. The use made of the system by police forces should be monitored and evaluated to identify best practice.

It was recognised that plans for the new system had changed since the recommendation was made and this had **not been implemented**. HMICFRS identified some consultation has taken place between City of London Police and interested parties regarding the development of the new system. However, their inspection revealed that some forces are unaware of the problems with the current system and the difficulties in developing a new system. Regular updates to all forces, including, where possible, predicted timescales will form part of the Next Generation Service engagement plan.

- b. **Recommendation 7:** 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.

Despite the work that had been done to improve identification and sharing of good practice, including development of the Economic Crime Knowledge Hub, regional fraud development officers and other force engagement,

HMICFRS concluded this recommendation had **not been implemented**. It fell short of a structured, methodical and co-ordinated approach and there was little evidence of COLP and the College of Policing working together to implement this. Closer engagement with the College of Policing will form part of the future work plan.

- c. **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.

HMICFRS found while there had been some improvements in data collected around campaigns there was still little evidence effectiveness of campaigns were being evaluated and this was assessed as **not implemented**. COLP will be working with the NECC and the Home Office to improve the evaluation of the effectiveness of fraud protection advice.

- 4. As a result of this inspection revisit HMICFRS have also made a further three recommendations.
 - a. Recommendation 1: By 30 September 2021, chief constables should make sure that their forces are following the guidance issued by the NPCC Coordinator for Economic Crime about fraud-related calls for service.
 - b. Recommendation 2 By 31 March 2022, the NPCC Coordinator for Economic Crime with the National Crime Agency, National Economic Crime Centre and City of London Police, should set up an effective national tasking and co-ordination process for fraud.
 - c. Recommendation 3 By 31 October 2021, chief constables should adopt the guidance issued in September 2019 by the NPCC Coordinator for Economic Crime that was aimed at improving the information given to victims when reporting fraud
- 5. Recommendations 1 and 3 have arisen because HMICRS found that while previous recommendations required guidance to be issued by the NPCC Coordinator for Economic Crime (and therefore have been implemented), this guidance was not always being applied by forces. We have re-issued this guidance to forces.
- 6. Recommendation 2 is in progress, and we have commenced a pilot with the National Economic Crime Centre focussing on high threat/risk cases. Processes are closely aligned with the new serious and organised crime system tasking while retaining National Fraud Intelligence Bureau's responsibilities for allocation of fraud cases and crimes across policing. Once this has been tested, we will consider how it can be applied to volume fraud cases which make up the bulk of fraud demand. The project is being led by the National Economic Crime Centre and progress is also monitored through the NLF Programme Board.

CONCLUSION

7. The report identifies a majority of the recommendations were effectively implemented by City of London Police and highlights some areas of good work in relation to improving the response to fraud. However, it also identifies areas where more needs to be done as many victims are still receiving a poor service.
8. The outstanding recommendations from the 2019 report and the new recommendation from the 2021 report will be progressed and monitored by the NLF Programme Board.
9. COLP will also work with forces to support implementation of the outstanding recommendation and areas for improvement that are the responsibility of chief constables. A letter was sent to all chief constables on the day of publication and this should also form part of wider PCC engagement who are ultimately responsible for holding their forces to account for delivery.