

<b>Committee:</b> Economic and Cyber Crime Committee	<b>Dated:</b> 13 May 2022
<b>Subject:</b> National Lead Force Update	<b>Public</b>
<b>Which outcomes in the City Corporation's Corporate Plan does this proposal aim to impact directly?</b>	1,10, 12
<b>Does this proposal require extra revenue and/or capital spending?</b>	<b>N</b>
<b>If so, how much?</b>	<b>NA</b>
<b>What is the source of Funding?</b>	<b>NA</b>
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	<b>NA</b>
<b>Report of:</b> Commissioner of Police Pol 23-22	<b>For Information</b>
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## **SUMMARY**

This report provides information on key activities delivered as part of the National Lead Force Plan. These activities include:

- Improvements to Action Fraud reporting
- National protect campaigns to tackle online shopping and romance fraud
- Continued coordination of Project Otello activity
- Multiple arrests for courier fraud
- Force and PCC engagement

### **Recommendation(s)**

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

## **MAIN REPORT**

### **BACKGROUND**

The National Lead Force Plan was approved by Police Authority Board in October 2020. The plan is structured around 5 key outcomes / aims with milestones and performance measures attributed to each milestone. This report will be a standing agenda item in future and will provide an overview of ongoing activity.

### **CURRENT POSITION**

#### **Outcome 1: The public has confidence in the Action Fraud reporting service**

***Action Fraud is the National Fraud and Cybercrime Reporting Service delivered by COLP. Responsibilities include providing a first point of contact for victims of fraud, crime reporting and triage. We constantly seek opportunities to improve the quality of service delivered informed by user feedback. A number of activities are in progress including changes to staffing and recruitment models and technological improvements.***

#### Next Generation service project update

1. The Fraud and Cyber Crime Reporting and Analysis Service (FCCRAS) programme is implementing a transformational change.

The future system will have an ability to ingest, analyse and publish information in a timely manner at scale to help the City of London Police (CoLP), in conjunction with forces across England, Wales and Northern Ireland, better prepare for the ever-evolving fraud and cybercrime landscape.

Using automation across law enforcement, government agencies and the private sector, will allow the system to share data intelligence with the right people, enabling them to disrupt scams, live fraudulent activity and cyber breaches.

Suppliers have submitted their proposals for the new service which CoLP is evaluating. The evaluation will result in a selection of a group of suppliers to take through to the final phases of the procurement. Final suppliers will be chosen before the end of the calendar year.

#### **Outcome 2: People and organisations are prevented from being victims of fraud, and victims are supported (Protect)**

##### CoLP progress MOU with Pension Regulator to help support victims of fraud

2. CoLP's Victim Care Unit (VCU) and The Pension Regulator (TPR) have now agreed an MOU for the Pension Regulator Contract for Victim Management. This contract has now been signed by both parties. The VCU will work with TPR to coordinate this transition for victims who will receive support by COLP on behalf of TPR. This agreement strongly aligns with our role as National Lead Force and encapsulates the new policing plan Operational Priorities - Protecting the UK from the threat of Economic and Cybercrime and Putting the victim at the heart of everything we do.

### Remote Access Scam campaign launched in April 2022

3. Action Fraud has worked alongside City of London Police and TeamViewer to launch a national campaign, to raise awareness of remote access scams. A partner pack containing assets and social media messaging has been circulated, along with the publication of a press release. In 2021, over 20,000 people reported falling victim to scams that involved fraudsters remotely connecting to the victim's computer, with losses totalling over £57m.

### Launch of Ticket Fraud campaign in April 2022

4. Action Fraud have launched a national campaign to raise awareness of ticket fraud on Monday. A media pack containing social media assets and messaging has been shared with forces and partners. Welsh assets have been produced to support this activity with key Protect messaging, advice and guidance.

### **Outcome 3: Police resources are coordinated and deployed efficiently and effectively (Pursue / Protect / Prepare)**

***City of London Police is responsible for developing and disseminating crime reports for intelligence, protect and pursue action to policing and other law enforcement through the National Fraud Intelligence Bureau. It is also responsible for leading and coordinating the police response to fraud. Its current focus includes increasing judicial outcomes and the effectiveness of operational activity undertaken by policing through leadership and coordination of activity against high harm crimes.***

### New officers join LFOR under Police Uplift Programme

5. Two police officers joined the Lead Force Operations Room (LFOR) in March under the Police Uplift Programme.

The officers, who will take on the role of Proactive Economic Crime Team (PECT) liaison, will be responsible for co-ordinating activity with the four regional PECT teams. They will offer any support required outside of force areas and offer specialist national lead force resources that could support the new regional teams, which are being established in Yorkshire and Humberside, West Midlands, Eastern and North West.

The PECT teams are at various stages of operational capacity but already some excellent results have been achieved regarding high harm cases disseminated by the national lead force. Examples include positive action regarding a courier fraud linked

to a large operation in Wales and a very quick intervention to safeguard a romance fraud victim who lost £150,000.

LFOR has also been updated with some excellent proactive work being conducted outside of lead force tasking and it has been demonstrated how the PECT teams can support national operations such as Operation Henhouse.

The process regarding tasking and co-ordination, investigation tracking and performance monitoring continues to develop and with the additional officers in LFOR, the team are well placed to support the other regions with the development of PECT. In 22/23 we will see regional growth of PECTs in five other regions and London.

#### LFOR's National Coordination Office continue to engage with forces

6. An interim review of the NLF force engagement plan was conducted following the completion of 17 force visits. This continues to be a significant time and resource effort but manageable with the current skills and capacity and benefiting from excellent feedback. The vast majority of staff/officers visited have been receptive, engaged, see CoLP as assisting and not as a threat – this is due to how the visits have been instigated, arranged, pitched and delivered. Key message from forces is that this interaction is very welcome and will need to be maintained beyond 2022.

The outputs to date are very comprehensive debrief reports, a series of COT engagements and a list of all the main areas of best practice. The major drivers of this force engagement have been to meet our NLF objectives of coordination and to maintain policing and HO confidence we continue to maximise awareness of the effort, success and achievements through: NLF newsletter, NLF internal communication, Briefing note to all forces on the top 10 areas of best practice

#### Success for Operation Henhouse

7. Operation Henhouse, the national fraud intensification campaign, took place throughout March 2022.

The joint operation between the National Lead Force for Fraud and the National Economic Crime Centre (NECC) had additional funding made available to law enforcement agencies to intensify pursue activity linked to fraud related offences.

The operation was extremely well received by police forces and regional hubs throughout the UK, with 54 funding applications received. The amount of funding made available exceeded £750,000.

To date this has resulted in 194 arrests, 13 attempted arrests, 128 voluntary interviews, the issuing of 268 Cease and Desist Notices, and 139 seizures of money and property with a total value of £16,857,816. Operational activity will

continue throughout April and public awareness communications are planned once activity has been completed.

#### National Lead Force courier fraud campaign to be launched

8. City of London Police will be launching its next National Lead Force communications campaign, with a focus on courier fraud, in May 2022. The campaign will run for one week from Monday 16th May to Friday 20th May. Communications materials will be issued to forces approximately two weeks prior to the campaign beginning.

#### Pre-emptive messaging in response to Ukraine – Russia conflict

9. In response to concerns that fraudsters may seek to capitalise on the conflict in Ukraine, Action Fraud has shared proactive messaging that aims to raise awareness of charity fraud and encourages members of the public to report scam websites, texts and emails. In view of the heightened cyber risk, organisations are being encouraged to bolster their cyber resilience and security via NCSC advice and guidance which has been amplified across Action Fraud channels.

#### National Lead Force Investigation results in Romance fraud suspect being jailed for 12 months

10. A suspect in a romance fraud case has been jailed for 12 months after a successful collaboration investigation with North Wales Police.

Having travelled to North Wales to obtain evidence from vulnerable victims, CoLP Officers was able to identify a UK based suspect, through analysis of banking material and communication data.

Latif Kasule was convicted at Caernarfon Crown Court of seven counts of money laundering and jailed for 12 months.

Through links forged via the NCA, the investigation team have been able to engage with foreign law enforcement via video conferencing, providing a platform to encourage positive action outside of the UK, targeting perpetrators who cause victims so much emotional and financial harm.

#### **Outcome 4: Fraudsters operating nationally are identified and their offending is being disrupted (Pursue)**

***City of London Police investigates nationally significant, serious and complex fraud on behalf of policing. It received referrals from a range of stakeholders including police forces, ROCUs, National Fraud Intelligence Bureau and the***

***National Economic Crime Centre, as well as stakeholders linked to its funded units.***

LFOR helps secure 21 years jail time in large scale courier fraud case

11. The Lead Force Operations Room (LFOR) supported the North East Regional Special Operations Unit (NERSOU) in securing a total of 21 years jail time for an OCG involved in courier fraud.

City of London Police (CoLP) assisted with Operation Tucson, an investigation looking into the targeting of vulnerable people in the North East and nationwide who fell victim to courier fraud. A total of 16 victims were identified, with losses amounting to over £700,000.

CoLP assisted with arrests, premises searches and the recovery of evidence which led to a dramatic fall in this crime type in the North East. Following a trial at Durham Crown Court, five offenders were convicted of fraud and money laundering and received significant custodial sentences totalling 21 years. One member of the group received nine years jail time.

DCPCU investigation Op LORUS results in \$500,000 crypto seizure

12. DCPCU have recently seized half a million dollars of crypto currency in relation to Operation Lorus. This relates to the arrest and charge of an individual linked to the selling of One Time Password (OTP) software. The OTP software is an online tool for fraudsters. If fraudsters are in possession of compromised banking information the software allows multiple factor authentication to be bypassed. The seizure has gone into a CoLP owned wallet and the investigation continues with a further 10 actors in scope.

Insurance Fraud Enforcement Department increases usage of cease and desist

13. The Insurance Fraud Enforcement Department (IFED) has explored alternative methods of disposal for lower level offenders over the past 18 months, including the use of 'cease and desist' notices.

This method is suitable for cases involving first-time offenders where there is unlikely to be a charge or conviction at court, while still educating the individual and deterring them from committing further criminality.

After a thorough review of intelligence and a consultation with the party who referred the case, two police officers will attend the offender's residence to serve the notice. The document outlines the crime which they are believed to be involved in and requests that they 'cease and desist' from any future offending, otherwise they may find themselves under criminal investigation.

The individual is then subject to intelligence checks every six months to ensure that they have not reoffended. Out of 48 notices served in the first year of IFED trialling this method, just one individual reoffended.

### **Outcome 5: Policing has the capability and capacity to detect, disrupt and deter economic crime (Prepare)**

***City of London Police is a centre of expertise for fraud and is responsible for identifying, developing and disseminating good practice. It provides economic crime investigation training to policing, government and the private sector through its Economic Crime Academy. It is working with policing to build fraud capabilities and reform the fraud operating model.***

#### **Fraud and paid-for advertising included in Online Safety Bill**

14. Fraud and paid-for advertising will be included in the Online Safety Bill, the Government has announced. City of London Police has been calling for fraud to be included in the scope of the Bill, along with paid-for advertising to stop people from becoming victims of fraudulent online advertisements.

Last month, the Government announced that fraud would be included as a priority harm within the remit of the Bill and on March 9, it was announced paid-for advertising would also be included within its scope.

It is estimated that at least 35,000 reports into Action Fraud over the last year were connected to fraudulent online advertising, with victims losing a total of nearly £400,000 as a result. The Online Safety Bill is expected to come before Parliament in the coming months.

#### **The National Economic & Cyber Crime Academy (ECCA) launch new course**

15. The National Economic & Cyber Crime Academy has developed a further online course to add to its current offerings. The 'Demystifying Cyber Enabled Fraud' course is a great introduction to cybercrime and was designed by an expert team of cybercrime and security trainers. It is suitable for those who do not currently have technical knowledge of this kind of crime and also those who have cyber elements to their role but would like to increase their knowledge. The course complements the Demystifying Cybercrime and Demystifying Blockchain and Crypto packages, but students do not need to have taken those courses in order to engage fully with this one.

ECCA are also working with Police Now to explore ideas about bringing in new recruits trained to specialise in fraud within their first two years of service.

### Cyber Prevention and Disruption Team continue to assist law enforcement with phone and online takedowns

16. City of London Police's Cyber Prevention and Disruption continues to support law enforcement by assisting with phone and online takedowns. The team is part of the National Fraud Intelligence Bureau (NFIB) and is made up of five detectives who are dedicated to identifying and disrupting the key enablers used in fraud, namely UK registered phone numbers, emails, websites and social media accounts.

Last year, the team disrupted over 1,100 websites actively involved in fraud, with a further 8,500 websites created for fraud disrupted before they went live. Over 600 emails and 400 phone numbers used in fraud were also taken down, all of which were calculated to have resulted in losses of over £144 million.

### National Romance Fraud Toolkit launched by CoLP

17. Following a successful Romance Fraud investigation by City of London Police, a Romance fraud Toolkit has been developed and rolled out nationally, utilising the learning and experience gained from this investigation. The toolkit has been created in order to assist investigating officers investigating this crime type and to help disrupt and detect Romance fraudsters.

### Intellectual Property Office launch new counter-infringing strategy

18. The IPO launched its intellectual property counter-infringing strategy 2022- 2027 in February, with the key document outlining new process and highlighting new and emerging trends. PIPCU works closely with the IPO to assure its enforcement actions are in line with the overarching strategy and supports the goals of the IPO in protecting the UK from the negative economic impact of this type of criminality

## **CONCLUSION**

19. This report provides an overview of the NLF outcomes and highlights a selection of activities being delivered in pursuit of these outcomes.