

Committee(s): Police: Economic Crime Board	Date(s): 5 th September 2014
Subject: National Lead Force: First Quarter Performance Report	Public
Report of: Commissioner of Police – Pol 57/14	For Information

Summary

This is the Quarter 1 2014-15 Performance Report to your Economic Crime Board summarising the performance delivered by the City of London Police in its capacity as National Lead Force for Fraud as delivered through the Economic Crime Directorate.

The report for this quarter has been amended to reflect feedback received from the Economic Crime Board, therefore in addition to assessing its core performance, the report also provides your Economic Crime Board with a performance update in respect of:

- Action Fraud Victim Complaints.
- Value for Money position for the quarter
- Overall Attrition from Action Fraud Reporting through to outcomes for the victims.

Recommendation

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

PERFORMANCE REPORT

This report presents performance through a master dashboard (Table 1 below) and 4 subsidiary tables selected as being of particular and current interest to the Board. The direction arrows indicate overall trend with an upward arrow, for example, representing an improving situation.

Table 1 - OVERVIEW	
<p style="text-align: center;">ECD Performance (see Table 2) → GREEN</p>	<p style="text-align: center;">National Attrition (see Table 3) ↑ RED</p>
<p style="text-align: center;">Action Fraud Complaints (see Table 4) ↑ AMBER</p>	<p style="text-align: center;">Value for Money (see Table 5) → GREEN</p>

Table 1 Commentary: This table provides the overall performance overview in 4 areas each explored more fully in the tables below.

- **ECD Performance** Indicates how well ECD is performing against its 5 KPAs. ECD is delivering against its requirements.
- **Action Fraud Complaints** Indicates how well Action Fraud is performing based on the number and nature of complaints. There are some areas for concern and a tactical action plan is in place to address these.
- **National Attrition** Indicates how well CoLP is performing in its broader role as national lead force for fraud, based upon the ability to convert reports to Action Fraud into successful outcomes achieved by local police forces. There is significant concern over this area and a strategic action plan is being further developed to address this.
- **Value for Money** Indicates how well ECD is performing as measured by return on investment and customer satisfaction. ECD is providing satisfactory value for money.

ECD PERFORMANCE

Table 2 - ECD PERFORMANCE	
<p style="text-align: center;">KPA 1 Preventing and Reducing Harm ↑ GREEN</p>	<p style="text-align: center;">KPA 2 Enriched Threat Assessment and Intelligence Picture ↑ GREEN</p>
<p style="text-align: center;">KPA 3 Enforcing and Disrupting Crime ↑ GREEN</p>	<p style="text-align: center;">KPA 4 Education and Awareness → GREEN</p>
<p style="text-align: center;">KPA 5 Satisfaction Levels ↑ GREEN</p>	

Table 2 Commentary: ECD is performing well against its 5 KPAs and other than in KPA 4 in which it has remained level, has shown an improving trend. Whilst on profile a number of the underlying KPIs are either heavily dependent on outside factors including the courts (asset recovery for example) or are cyclical in nature (the formal process for mapping OCGs for example) and we will continue to monitor those particularly closely. Detail of individual KPIs is at Appendix 1 should the board wish to refer to it.

Action Plan. Continuous monitoring and ongoing improvement.

NATIONAL ATTRITION

Table 3 - NATIONAL ATTRITION	
Reporting Levels AMBER	Quality of Crime Packages AMBER
Disseminations to Local Forces GREEN	Outcomes RED
Disruptions GREEN	

Table 3 Commentary: As the national lead force for fraud we are responsible not only for our own internal performance but for the performance of the police service as a whole. Having responsibility for Action Fraud since 1 Apr 2014 we want to ensure that those who are subject to fraud are able and willing to report it, that the reports are turned into timely and effective crime packages, that all viable crime packages are disseminated to local police forces and that police forces are able to obtain successful outcomes for the victims as a result of those packages. Despite improvement the level of attrition ie the reduction from number of reports to number of successful outcomes remains unsatisfactory and as the national lead we are addressing this internally and with our policing partners. Mitigations are discussed later in this report. In addition to disseminating crime packages NFIB will use the intelligence gathered to disrupt criminal activity by having websites, bank accounts and phone accounts denied to the criminals. This has been a most significant growth area with 3,690 disruptions in Q1 last year having increased to 49,548 disruptions in Q1 this year.

- Reporting Levels** Some 266,000 reports were taken by Action Fraud in Q1 compared to 214,000 in the same period last year. Whilst this is both a significant volume and a further increase on previous periods, analysis tells us that we are still subject to under-reporting and that some areas of the community, including small businesses, are under-represented. We cover this in the mitigations below.
- Quality of Crime Packages.** Of the 266,000 reports received this quarter some 24,000 (17,500 in the comparable quarter last year) contained enough information to establish that a crime had been committed and that further analysis was warranted. Whilst police forces have voiced no concern over the quality of the packages there have been complaints made that there is a disparity in the length of time taken to produce them, depending on the analysts involved.

- **Disseminations** There has been a further increase in the number of packages disseminated to forces rising from 9,674 Q1 last year to 14,283 in this quarter. Forces which used to screen packages received from the NFIB no longer do so and all are now investigated by forces.
- **Outcomes.** Successful outcomes following dissemination of an Action Fraud crime packages to local police forces has risen significantly from 971 to 2,588 for Q1 this year. Whilst this demonstrates considerable value added by NLF it is still insufficient and is therefore subject of a national improvement plan, outlined below.

Action Plan. A formal Action Fraud action plan is in place and being worked through. Addressing the elements separately:

- **Reporting levels.** We are working with Victim Support and other police and private sector stakeholders to make the public facing aspects of Action Fraud as ‘user friendly’ as we can, compatible with being able to extract the information needed to produce a viable crime package. We have enlisted the support of local police forces to encourage victims of fraud to use Action Fraud as a reporting tool. We are developing the technical means to enable bulk reporting by business, this is included in the current IT procurement project and are engaging at the policy level with other public and private sector partners to ensure we are positioned to draw on all available data sources.
- **Quality of Crime Packages.** There has been a training programme introduced to help analysts better understand the disbenefits of ‘over-engineering’ crime packages and to recognise the appropriate balance between quality and time. We are conducting analysis to better determine which aspects of the crime packages impact on the ability of a police force to successfully investigate them
- **Outcomes.** Addressing the low number of crime packages converted by local police forces into successful outcomes is subject of a national action plan on which CoLP as NLF is leading. We have put in place an engagement strategy with police forces and their PCCs to work with them in identifying the local economic crime issues (as identified through NFIB local profiles produced for each force area) and are developing a national fraud strategy on behalf of the police service. Key to this strategy is the development of a crime prevention capability held centrally but reaching out to and working with local forces. This will of necessity be a collaborative effort in a similar way to that in which society has target hardened itself against domestic burglary by a combination

of industry designing in security, the public adapting behaviours to take sensible precautions and police working with their authorities to provide advice, deterrence and enforcement. As part of this action plan we will be seeing how we might provide some form of performance visibility to Chief Constables so that they might be able to hold their management teams to account for fraud outcomes within their area. This latter initiative is also likely to improve the timeliness and accuracy of reporting by police forces, which might in itself improve outcome figures.

Table 4 - ACTION FRAUD COMPLAINTS
Complaints AMBER

Table 4 Commentary: We track both the volume of complaints received by Action Fraud and the nature of those complaints. The number of complaints now stands at an average of 12 per month (in the context of 80,000 contacts with the public per month) compared to some 23 complaints per month last year. The two main categories of complaint have been firstly, complaints about the internal processes within Action Fraud with victims not knowing what has happened to the report they have submitted or being disappointed that their report has not been sent on to a police force for investigation and secondly complaints about the process once a crime package has been disseminated out of Action Fraud to a local police service, for example a lack of updates or a failure to obtain a conviction or recover funds.

Action Plan: On taking responsibility for Action Fraud in April we instigated a victim engagement process through which we wrote to each victim to let them know what was happening with their report within 28 days of it having been made to Action Fraud, this has already had a marked effect on the volume of complaints. As recorded above we have also undertaken work with partners to improve those letters from a victim perspective. Action Fraud will inevitably continue to receive complaints concerning the investigation or termination of investigation by local police forces, we will be looking to include some form of case tracking in the IT procurement so that we are better able to inform victims as to the status of the local police investigation when they contact Action Fraud.

Table 5 - VALUE FOR MONEY
Return on Investment GREEN

Table 5 Commentary: Using nationally accepted methodology and assumptions we have calculated the return on investment ECD represents to the public. This is expressed as a ratio representing the running costs incurred against the benefit

achieved in terms of the value of crime disrupted, the loss of money prevented by criminals being unable to operate following prosecution and assets denied or removed from criminals. In Q1 for FY 13/14 this was calculated as £32.29 benefit for every £1 spent, in Q1 for FY 14/15 this has risen to £45.70 for every £1 spent.

Action Plan: Continuous monitoring and ongoing improvement.

SUMMARY ECD is meeting its core delivery objectives, the 5 KPAs, and continues to deliver value for money. An action plan is currently being implemented to further improve Action Fraud which became CoLP's responsibility in April. We have a strategic, national, action plan in place through which we will ensure the whole end to end system from reporting to Action Fraud to successful outcome by local police forces is effective.

Appendix 1 – KPI Detail

KPI DETAIL

NLF objective	Comment on Progress
KPA 1 Preventing and reducing the harm caused by economic crime	
KPI 1.1 Projected monetary value of future fraud loss saved by disrupting financial, technological and professional enablers of economic and cyber crime	The potential value of ECD disruptions has increased from £104,615,899 in quarter 4 2013/14 to £121,315,018, in quarter 1 2014/15 GREEN
KPI 1.2 Raising Public sector/Private sector/not for profit sector organisation awareness of Economic and Cyber crime threats and increasing their ability to protect themselves	The volume of ECD products disseminated to private/public and not for profit sector organisations has increased in quarter 1 2014/15. 504 products were disseminated in Q1 2014/15 compared to 468 in Q4 2013/14. GREEN
KPI 1.3 Increasing individual self-protection from Economic and cyber crime and reducing the risk of repeat victimisation	The volume of media coverage for quarter 1 is 119. This figure relates to the number of programmes where ECD has been referenced on either television/radio or number of articles published on the internet or paper publications.
KPA 2 Enriching the national economic crime threat assessment and intelligence picture	

KPI 2.1 Impact of ECD contributions to the development of the National Intelligence Requirements	
KPI 2.2 Identification, assessment, management and dissemination of national active offenders (lone and OCGs)	
KPA 3 Enforcing and disrupting economic crime at the local, regional and national levels	
KPI 3.1 The value of criminal asset denial through to recovery (end to end process)	<p>The total £ value of assets recovered was lower during Q1 2014/15 at £272,878.66 than the untypically high Q4 2013/14 value of £6,016,612.88. None the less this remains on trajectory for a satisfactory annual outcome.</p> <p>AMBER</p>
KPI 3.2 The £ value of future fraud disrupted by NLF enforcement cases	<p>There was an increase in future fraud prevented in Q1 2014/15 with an estimated £86 million compared with an estimated £72 million in Q4 2013/14.</p> <p>GREEN</p>
KPI 3.3 To reduce the intent and capability of the most serious Organised Crime Groups perpetrating fraud	<p>2 OCGs were disrupted in Q1 2014/15 compared with a record 87 in Q4 2013/14. It is accepted that there will be a time lag now as new OCGs are mapped and action taken against them later in the</p>

	<p>year. This will be closely monitored but there are no indications at this stage that the targets will not be met.</p> <p>AMBER</p>
KPI 3.4 Quality of investigation and enhancing judicial outcomes	<p>There were 77 offender disposals registered within Q1 2014/15. This figure encompasses cautions, charges and community resolutions.</p>
<p>KPA 4 Raising the standard of economic crime prevention and investigation nationally by providing education and awareness to the counter fraud community</p>	
KPI 4.1 Impact and reach of training strategy and delivery	<p>The number of course delegates trained by the Fraud Academy in Q1 2014/15 were 253 which is an increase when compared to the equivalent quarter in 2013/14 whereby 83 delegates were trained.</p> <p>GREEN</p>
KPI 4.2 Impact and reach of standard setting and dissemination of best practice guidance	<p>No changes were made to Fraud Academy courses during Q1 2014/15 as a result of incorporating best practice reviews of fraud investigations.</p> <p>GREEN</p>
<p>KPA 5 Delivering value and reassurance to our community and partners in industry</p>	
KPI 5.1 To increase return on	<p>The return on investment value for</p>

<p>investment in NLF (£saved per £spent</p>	<p>Q1 2014/15 is an estimated £45.70, which is an increase compared to Q4 2013/14 whereby the return on investment recorded was an estimated £32.29.</p> <p>GREEN</p>
<p>KPI 5.2 To improve overall satisfaction of community (including victims) and partners in industry with NLF economic crime services</p>	<p>An average of 88% of victims during Q1 2014/15 were satisfied with the Action Fraud Reporting Service.</p>