

Committee(s): Police: Economic Crime Board	Date(s): 1 st May 2015
Subject: National Lead Force: Fourth Quarter and end of year Performance Report	Public
Report of: Commissioner of Police Pol 22/15	For Information
<p style="text-align: center;">Summary</p> <p>This is the Quarter 4 2014-15 and end of year 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.</p> <p>The report also provides your Economic Crime Board with a performance update in respect of:</p> <ul style="list-style-type: none"> • Action Fraud Victim Complaints. • Value for Money position for the quarter • Overall Attrition from Action Fraud Reporting through to outcomes for the victims. <p>In general members will note there has been some significant improvements in our reported performance this quarter, especially in relation to our national performance figures and in particular the latest national attrition figures are a demonstration of the success we are having influencing forces right across the country in prioritising fraud and cyber crime. Action Fraud complaints continue to be an extremely small percentage of overall crime reporting (0.03%) and the nature of complaints has changed as a result of the improvements implemented by the new Director. Members will notice however that there are some areas of concern in relation to parts of the ECD performance reporting and as a result an initial review was instigated to look into the underlying trends for some of the downturns; the results of this review are included in the report. Members should be aware however that there is also a more comprehensive and in depth review underway with the Directorate Commander to ascertain how we can ensure we maintain and improve upon all areas of ECD performance overall.</p> <p>Recommendation</p> <p>It is recommended that your Board receives this report and notes its contents.</p>	

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.

Key:

	Performance is satisfactory and gives no cause for concern.
	Performance is satisfactory but with minor cause for concern. It is being monitored and action is being taken where required.
	Performance is unsatisfactory. Action Plans are in place.
↑	There is an improving trend (ie an improvement in performance rating or improvement within the performance rating)
↓	There is a declining trend (ie a decline in performance rating or decline within the performance rating)
→	Performance is neither improving nor declining

Table 1 - OVERVIEW	
ECD Performance (see Table 2) →	National Attrition (see Table 3) ↑
Action Fraud Complaints (see Table 4) ↓	Value for Money (see Table 5) ↓

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. Generally ECD continues to deliver against the 5 KPAs to a satisfactory level. Some KPIs require improvement. Appendix 1 outlines the areas of concern and details intended action and expected trends.
- Action Fraud Complaints** Indicates how well Action Fraud is performing based on the number and nature of complaints. The level of Action Fraud complaints remains low and has reduced further but continues to be subject of an action plan.
- 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. We are seeing national police forces improving their performance under CoLP with the number of outcomes rising to 10147 in Q4 2014/15 from 3001 in Q 4 last year 2013/14.

- **Value for Money** Indicates how well ECD is performing as measured by return on investment and customer satisfaction. Although a drop in last year ECD continue to provide satisfactory value for money.

ECD PERFORMANCE

Table 2 - ECD PERFORMANCE	
KPA 1 Preventing and Reducing Harm	KPA 2 Enriched Threat Assessment and Intelligence Picture
KPA 3 Enforcing and Disrupting Crime	KPA 4 Education and Awareness
KPA 5 Satisfaction Levels	

Table 2 Commentary: Generally ECD is delivering against the 5 KPAs to a satisfactory level although some KPIs require improvement. Appendix 1 outlines the areas of concern and details intended action and expected trends.

KPA 1 is trending up with the YTD value of potential disruptions raised by an impressive 68% from £317million in 2013/14 Q4 to £534 million in 2014/15. The cumulative volume of media coverage has increased by 49% from 619 in Q3 to 920 in Q4.

KPA 2 sees continual improvement. NFIB provided enhanced intelligence against 8 OCGs in Q3 and 15 in Q4 taking the yearly total to 28. This work has made significant contributions to the national intelligence picture on organised crime. Additionally, ECD has contributed to the National Intelligence Requirement by answering 100% of the Economic Crime gap questions through products disseminated in Q4.

KPA 3 has seen consistent performance throughout the year; however comparison of some KPI performance against 2013/14 sees a decrease in output due to exceptional circumstances in that year.

KPA 4 sees a significant improvement with the number of Economic Crime Academy delegates exceeding 1000 improving standards of investigation across the public and private sector.

KPA 5 sees consistent performance in Action Fraud satisfaction levels at 92% throughout 2014/15. Satisfaction levels in ECD victim service has significantly increased rising from 40% in Q1 to 100% in Q4. Return on Investment (RIO) recorded a return of £45.71 for 2014/15 lower than 2013/14 due to lower value fraud

cases an element beyond ECD's control. A full explanation of the data is provided in Table 5 .

Action Plan: Continuous monitoring and ongoing improvement.

NATIONAL ATTRITION

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

Table 3 Commentary: In addition to disseminating crime packages, NFIB will use the intelligence gathered to provide prevention messages across sectors and to community groups, and disrupt criminal activity by having websites, bank accounts and phone accounts denied to the criminals to prevent further victimisation.

Disruptions For the year ended 2014/15 disruptions totalled 167,456. This compared against the previous year of 82,152, illustrates an exceptional increase of 85,304 or 104%. The upturn in disruption activity highlights the changing methodology of policing to prevention and disruption.

- **Reporting Levels** 248,260 crime reports were ingested by Know Fraud in 2014/15 compared to 230,845 in the same period last year an increase of 8%.
- **Disseminations** There has been a significant increase in the number of packages disseminated to forces rising from 45,543 last year to 68,998 this year representing an increase of 52% on last year's performance.
- **Outcomes** Reported "outcomes" following dissemination of an Action Fraud crime package to local police forces has risen from 8,580 last year to 22,950 this year representing an impressive increase of 167%. This clearly illustrates the impact of the work of the National Police Coordinator for Fraud to improve forces responses to fraud crime.

Table 4 - ACTION FRAUD COMPLAINTS	
Complaints	↑

Table 4 Commentary: Analysis of Action Fraud (AF) complaints identified victim's required timely updates on reported crime. In response victim updates are now provided 28 days after initial report notifying the victim of the initial outcome. This change in procedure has reduced the number of complaints regarding 'no updates'.

The overall number of complaints received by Action Fraud has increased from 31 in Q3 to 34 in Q4. However the amount of complaints regarding lack of update has decreased from 28 in Q3 to 13 in Q4 indicating the new processes implemented are having a positive impact on our service.

Although complaints have increased it should be noted by members that volumes of reported and disseminated crime have increased and presented as a percentage complaints represent 0.03% of all Action Fraud contacts in Q4 which is consistent.

To improve AF service delivery a new comprehensive process is being implemented to ensure all areas of complaints are captured and addressed. This will enable ECD to formulate a bespoke short and long term action plans with other forces to address victim concerns.

This has proved more problematic than anticipated because of the variety of performance sources that need to be accessed nationally and the degree of de-confliction that has to take place to ensure reports are not duplicated.

Please note the table in Appendix 2

Table 5 - VALUE FOR MONEY	
Return on Investment	↑

Table 5 Commentary: Using nationally accepted methodology and assumptions ECD reports 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.

The 2014/15 annual ROI is £45.71, this is calculated by dividing the yearly total £ value of fraud loss saved by the budget spend, a decrease when compared with the 2013/14 ROI of £77.68 but an increase on the 2012/13 ROI at £32.17.

After review the following factors should be considered when making comparisons with the 2013/14 year.

- 2013/14 values were significantly influenced by unprecedented levels of the £ value of Future Fraud disrupted, caused in Q3 2013/14 by just six exceptional cases with reported fraud losses ranging between £1.1 Million and £15 Million as set out in Appendix 3.

Action Plan: Continuous monitoring and ongoing improvement.

SUMMARY

Overall ECD is meeting its core delivery objectives, with a number of areas of improvement being addressed.

The national performance including on attrition is improving consistently. We are ambitious in this area and continue to push for further improvement.

We will continue to monitor progress against these action plans and report to the Board.

Contact:

Commander Stephen Head
National Police Co-ordinator Economic Crime
020 7601 6801
Stephen.head@cityoflondon.pnn.police.uk

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	At the end of Q4 2014/15 the YTD position for the value of ECD disruptions has increased by 68% from £317 Million in 2013/14 to £534 Million in 2014/15.
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	In Q4 2014/15 220 ECD products were disseminated a 21% decrease on Q3 2014/15 at 279. The total ECD products disseminated in 2014/15 is 1317 a 27% decrease on the 2013/14 at 1808. However, improved product quality is having a significant impact on the National Intelligence Requirement answering 100% of the Economic Crime Intelligence gap questions in Q4.
KPI 1.3 Increasing individual self-protection from Economic and cyber crime and reducing the risk of repeat victimisation	The cumulative volume of media coverage has increased from 619 at Quarter 3 2014-15 to 920 in Quarter 4. 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	In Quarter 4 2014-15 100% of the National Intelligence Requirement Gap questions were answered as a result of ECD contributions. NB The Board should note that this is a new measure so no YTD comparison is available.
KPI 2.2a Identification, assessment, management and dissemination of national active offenders	In Quarter 4 2014-15 4406 offenders were identified by ECD and disseminated to law enforcement partners illustrating consistent performance in this measure. This is an increase on Q3 with a total of 16811 offenders disseminated to law enforcement partners. The Board

(lone and OCGs)	should note that this is a new measure so no YTD comparison is available.
KPI 2.2b Number of priority and High priority OCGs where ECD have provided enhanced intelligence and information to Law Enforcement Partners to assist disruption.	This is a new measure that was base lined during Q's 1 and 2. In Q4 ECD provided enhanced intelligence and information to Law Enforcement Partners to assist the disruption of 15 priority and high priority OCGs compared with only 8 in Q3. This work has made significant contributions to the national intelligence picture on organised crime.
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 Criminal Assets recovered for 2014/15 is £5.7 Million a decrease on the 2013/14 Criminal Assets recovered £13.4 billion but reasonably consistent with 2012/13 return £7 million. However the following mitigating factors should be considered when making comparisons with the 2013/14 year.</p> <p>After review it was identified the nature of financial assets available to be seized 2013/14 asset recovery values were considerably higher than other years. An element beyond ECD control.</p> <p>The asset recovery team have maintained consistent performance in the number of Asset recovery investigations resulting in confiscation/forfeiture orders (2014/15 – 123; 2013/14 – 134 and 2012/13 – 128). This indicates that the value of assets recovered can fluctuate depending on the assets available to recover.</p>
KPI 3.2 The £ value of future fraud disrupted by NLF enforcement cases	<p>The total future fraud disrupted figure for 2014/15 is £548 million a decrease on the 2013/14 at £1.1 billion but an increase on the 2012/13 return £531 million. The following factors should be considered when making comparisons with the 2013/14 year.</p> <p>The 2013/14 Future Fraud disrupted figure was influenced by the inclusion of six exceptional high value cases in Q3 2013/14 which ranged between £1.1 Million and £15 Million. See appendix 3.</p>

<p>KPI 3.3 To reduce the intent and capability of the most serious Organised Crime Groups perpetrating fraud</p>	<p>1 OCG was disrupted in Q4 taking the yearly total to 22 compared with 91 in 2013/14. Corporate knowledge and context must be taken into account in interpreting comparisons with previous years. In the final 2 quarters of 2013/14 the force reviewed the status of force OCGs to align force processes with national best practice for OCG disruption. Force OCGs that were classified as dormant or dismantled were re registered, reviewed and reassessed for disruption, this caused a significant increase in the volume of disruptions in the final half of 2013/14. Therefore, the volume of disruptions in 2013/14 is disproportionate to both 2012/13 and 2014/15 and no like for like comparisons are feasible. The NLF are increasingly dealing with more serious organised crime gangs operating with impunity across jurisdictions to a higher level and example of this is a recent operation within the city based at the Heron Tower. In summary 2014/15 performance is more comparable with 2012/13 where 32 OCGs were disrupted.</p>
<p>KPI 3.4 Quality of investigation and enhancing judicial outcomes</p>	<p>There were 23 charges in Q4 2014/15 a decrease of 62 on last year 2013/14. Performance between 2013/14 and 2014/15 remained consistent for initial 3 quarters of the year; however an exceptionally high volume of cases in Q4 2013/14 has distorted year on year comparisons. Analysis suggests performance in 2014/15 has been adversely impacted by a backlog of cases awaiting CPS charging decisions.</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>	
<p>KPI 4.1 Impact and reach of training strategy and delivery</p>	<p>The year-end position for the number of delegates trained by the Economic Crime Academy has increased from 743 in 2013-14 to 1009 at the end of Quarter 4 2014-15.</p>
<p>KPI 4.2 Impact and reach of standard setting and dissemination of best practice guidance</p>	<p>Whilst the Economic Crime Academy has not changed any Fraud Course content since Q2, the courses are reviewed constantly against operational debrief information. We are satisfied the course content reflects best practice.</p>

KPA 5 Delivering value and reassurance to our community and partners in industry	
KPI 5.1 To increase return on investment in NLF (£saved per £spent	Please refer to table 5.
KPI 5.2 To improve overall satisfaction of community (including victims) and partners in industry with NLF economic crime services Action Fraud satisfaction	During Quarter 4 2014-15 ECD maintained consistent performance with 92% of victims were satisfied with the Action Fraud Reporting Service. NB The Board should note that no YTD comparison is available.
Victim satisfaction in ECD services	Victim satisfaction with the levels of service provided in ECD investigations has peaked in Q4 at 100% this is a significant improvement on Q1 at 40%.

Appendix 2

Action Fraud complaints analysis

	Q2	Q3	Q4
Crimes reported	102,975	97,106	104,844
Complaints to PSD	42	31	34
Lack of update	33	28	13
Misc	9	3	21
Ratio of complaints to reports crimes	0.04%	0.03%	0.03%
Action Fraud Satisfaction level	92%	92%	92%

Appendix 3

High value cases contributing to Q3 2013/14 Future Fraud disrupted by enforcement cases

CR/3818/04	£15 Million	OCG involved in cheque and CHAPs transfer frauds
CR/5698/10	£3.1 Million	Boiler room.
CR/2407/11	£1.7 Million	Mortgage fraud
CR/5454/11	£1.1 Million	Insider fraud
CR/6814/12	£1.2 Million	Insider fraud
CR/5013/12	£2.6 Million	Mandate fraud