

<b>Committee(s):</b> Police Economic Crime Board	<b>Date:</b> 18 May 2017 1 <sup>st</sup> June 2017 (TBC)
<b>Subject:</b> Fraud in the City of London	<b>Public</b>
<b>Report of:</b> Commissioner of Police Pol 22-17	<b>For Information</b>
<b>Report author:</b> T/Commander Dave Clark National Co-ordinator for Economic Crime & Alix Newbold, Head of EC Strategic Delivery Unit	

### Summary

This report provides an update on the impact of fraud on the City of London community and has been submitted at the request of the Chairman and Town Clerk's Policy officers.

There has been an 8% increase in the number of City-based victims reporting crimes to the National Fraud and Cyber Reporting Centre in 2016/17 compared with the previous year. 48% of these crimes were disseminated for investigation (with the remaining being used for disruption or intelligence purposes). 79% of the disseminated crimes were sent to City of London Police units for further action (with the remaining allocated to other police forces). Of the crimes disseminated to the City of London Police, 70% of these crimes were dealt with by units funded by the insurance and banking sectors.

In response to a significant increase in investment fraud reports and investigations between 2014 and 2016, City of London Police established Operation Broadway which targets enablers of investment fraud within the City of London.

Crime prevention advice is targeted at members of the City community through a number of different channels including one to one engagement, direct email, public crime prevention events, social media and through partners. The City of London Police is also working with the London Digital Security Centre to improve digital security and identify vulnerabilities within City businesses.

Vulnerable victims of economic crime receive tailored support and crime prevention advice through a dedicated unit operated in partnership between City of London Police and the Metropolitan Police Service (MPS), which is successfully preventing repeat victimisation. Of the 3,000 victims provided with a service by Economic Crime Victim Care Unit (ECVCU) since May 2014, none have since reported being a repeat victim.

### Recommendation(s)

Members are asked to note the report.

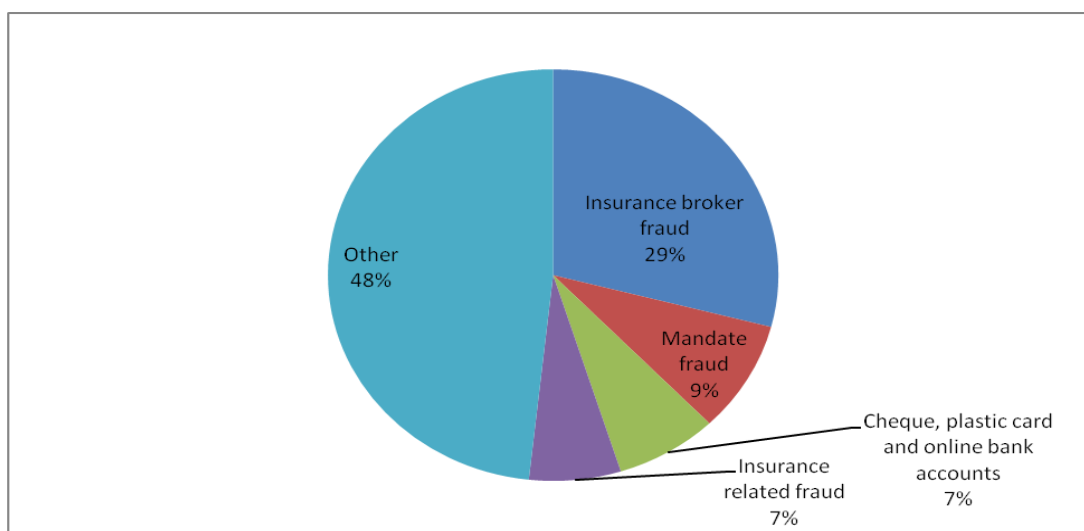
## MAIN REPORT

### BACKGROUND

1. This report provides an update on the impact of fraud on the City community and Economic Crime partnership working.

### CURRENT POSITION

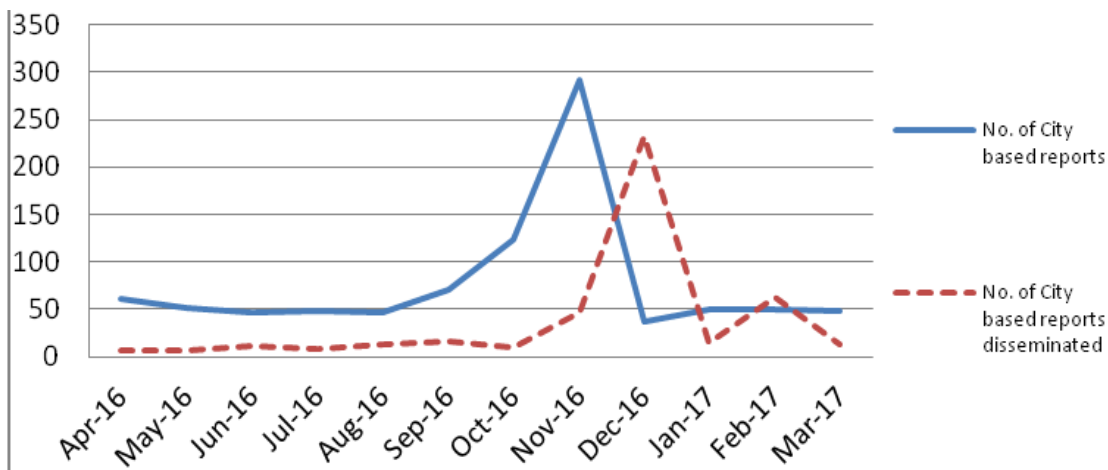
2. There has been an 8% increase in City based victims reporting crimes to the National Fraud and Cyber Reporting Centre in 2016/17. This comprises 926 reports compared with 855 in the previous year.
3. The most common types of fraud reported by City based victims during the period are set out in the graph below. "Other" represents all other NFIB fraud types. During this period the most common "Other" fraud types included Corporate Employee Fraud, Online Shopping and Auctions, and Consumer Phone Fraud.



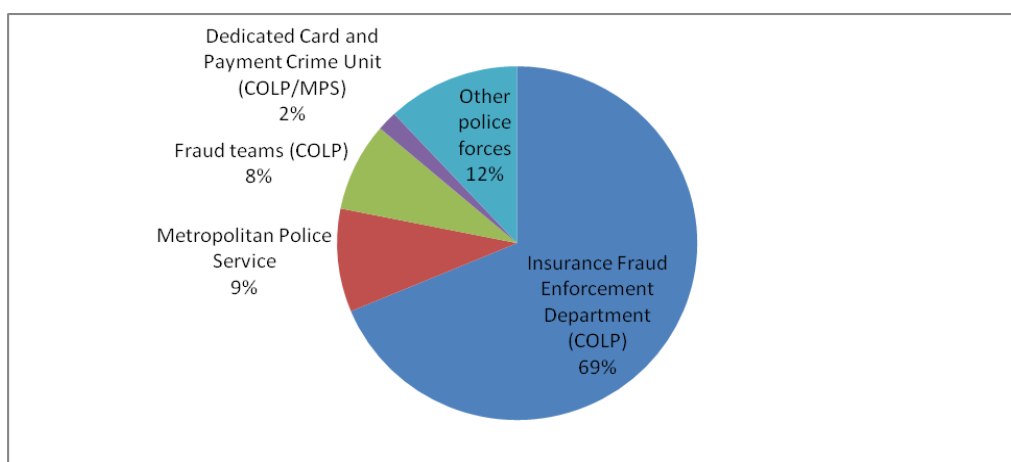
### CITY OF LONDON POLICE RESPONSE

#### Pursuing offenders

4. 48% (444/926) of City based crime reports with viable lines of enquiry were disseminated for investigation. Those crimes not disseminated are used to build the national intelligence picture (and retained for analysis against future crime reports), and/or are subject to disruption activity (e.g suspension or closure of websites, telephone, email and bank accounts).



- 79% of these crimes were disseminated to City of London Police and 70% of these were investigated by units funded by industry through sponsored service agreements.



- During 2016/17, 30 investigations into City based offenders reached a point of outcome. 43% resulted in detections / judicial outcomes, 30% resulted in another form of disruption and 27% resulted in an intelligence product.
- The fraud teams, Dedicated Cheque and Plastic Card Unit (DCPCU) and Insurance Fraud Enforcement Department (IFED) combined have achieved 116 convictions with a combined sentencing length of 219 years and secured compensation awards for nearly £1.5m on behalf of 558 victims. (It should be noted that this includes investigations in respect of victims who are not based in the City.)

### Reducing investment fraud in the City through Operation Broadway

- In response to a significant increase in investment fraud between 2014-2016, City of London Police established Operation Broadway.
- Operation Broadway is a collaboration between City of London Police, Trading Standards and the MPS. It uncovers and disrupts investment fraudsters operating out of premises in the capital. The City of London

Corporation has created a specialist Trading Standards officer post which has responsibility for Operation Broadway.

10. In 2016/17, over 30 stakeholder engagements relating to Operation Broadway were undertaken and in October 2016, a week long investment fraud campaign on social media with the hashtag #BeatTheBoilerRooms was launched. This resulted in 927,209 impressions on Twitter and Facebook and a 25% engagement rate for paid Facebook advertising. The campaign was also covered by The Guardian, The Sun, The Evening Standard, CityAM and regional publications.

#### Crime prevention and community engagement

11. City of London Police's Economic and Cyber Crime Prevention Centre develops and disseminates prevention advice on behalf of police forces nationally. The advice is aimed at both individuals and businesses and is based upon the latest threats and vulnerabilities identified through the National Fraud and Cyber Reporting Centre and National Cyber Security Centre.
12. As an example, in January 2016, a campaign on common threats relating to fraud and cyber crime was launched. This included releases every three weeks on threats associated with public wi-fi, email spoofing, dating fraud, money mules and holiday fraud. The campaign reached over 10 million people across Twitter and Facebook alone. Third party advocates helped to extend the reach of the campaign on social media and there were over 1,487 different supporters of the campaign on Twitter including police, Trading Standards, local authorities and key partners, including Getsafeonline.
13. This crime prevention advice is targeted at members of the City community through the following mechanisms:
  - a. one to one business engagement with over 80 stakeholder engagement events undertaken in 2016/17 (City of London Police is also recruiting a dedicated Cyber Protect officer who will work with businesses in the City of London to reduce the threat from cyber crime)
  - b. public crime prevention events – examples include a City of London Police hosted fraud and cyber awareness event in Spitalfields in August 2016 which engaged with approximately 5,000 members of the public and a cyber security and resilience event in the City held in November 2016 which was attended by over 150 SMEs
  - c. webinars in partnership with the financial services sector broadcast to 3,550 attendees from SMEs
  - d. speaking at City conferences, e.g a speaking event at Lloyds to 25 high value customers undertaken in February 2017
  - e. alerts direct from City of London Police and through crime prevention partnerships including the Crime Prevention Association,

Neighbourhood Watch, Cross-Sector Safety and Security Communications (CSSC), Federation of Small Business, National Anti-Fraud Network and London Fraud Forum

- f. social media – City of London Police’s crime prevention advice has resulted in a 64% increase in digital engagement compared with the previous year
- 14. City of London Police sits on the City of London Corporation-led Financial Abuse Taskforce which aims to reduce the threat from financial abuse against vulnerable adults in the City.
- 15. City of London Police has also been collaborating with the City of London Corporation Economic Development Office account management team on the City offer to business in respect of expertise in fraud and cyber crime prevention.

#### London Digital Security Centre

- 16. City of London Police has a secondee from MOPAC working within its National Fraud and Cyber Reporting Centre one day a week to undertake research and analysis on how fraud and cyber crime is affecting London businesses. This report will be used to inform activities of the London Digital Security Centre (LDSC) and City of London Police.
- 17. In April 2017, the LDSC commenced a programme of activities in each borough across Greater London and within the City. As part of this programme, the LDSC is engaging with businesses at their place of work and holding workshops and events focused on relevant digital security topics. The first of these events was run with City of London Police at the end of April. The purpose of this activity is to ‘take digital security to the high street’ and to engage on a one to one basis with business owners and employees.
- 18. At the conclusion of the workshops, LDSC has undertaken to share with City of London Police a profile of how these businesses operate online, and highlight key vulnerabilities that are identified. This information will be used to inform future fraud and cyber prevention strategies within the City boundaries.

#### Victim support

- 19. Vulnerable victims are supported by the ECVCU. This is a partnership between City of London Police and MPS which provides tailored support for London victims of economic crime and advice on how to prevent repeat victimisation. City of London Police is currently implementing processes so that all City-based victims are also offered a home visit.
- 20. The support provided to victims has resulted in a number of positive interventions. Of the 3,000 victims provided with a service by ECVCU since May 2014, none have since reported being a repeat victim. This year 8 victims who had received support from ECVCU were able to identify subsequent

attempts to defraud them and they sought further advice which enabled them to avoid repeat victimisation.

21. Another example of the positive impact of the unit's work was highlighted when members of the ECVCU received a call from a suicidal fraud victim. The team identified the caller's home address from previous records and passed these details to the MPS who attended and made sure the caller was safe, whilst they were kept talking on the telephone.

## **CONCLUSION**

22. The above sets out how City of London Police is proactively working with partners to protect the City from fraud and the breadth of channels being used to reach and engage with individuals and businesses.

### **Contact**

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