Suffolk Police and Crime Commissioner

Making Suffolk a safer place to live, work, travel and invest

| ORIGINATOR: CHIEF CONSTABLE | PAPER NO: APP22/44 |

| SUBMITTED TO: ACCOUNTABILITY AND PERFORMANCE PANEL – 16 SEPTEMBER 2022 |

| SUBJECT: CRIME, SAFEGUARDING AND INCIDENT MANAGEMENT (CSIM) / COUNTY POLICING COMMAND – RESPONDING TO FRAUD |

SUMMARY:

1.   This report provides information relating to Suffolk Constabulary performance in the area of fraud detailing force data and that from the National Fraud Intelligence Bureau.

2.   The reports sets out Suffolk Constabulary's current capabilities and approaches to the management of fraud.

3.   Areas of Strategic focus and operational development are set out, highlighting current and future improvement activity.

RECOMMENDATION:

1.   The Police and Crime Commissioner is asked to consider the contents of this report.

DETAIL OF THE SUBMISSION

1.   INTRODUCTION

1.1   This report covers fraud data performance data during 2021/22 together with operational development during the period January 2022 to August 2022.

1.2   The strategic management of fraud is delivered by the Detective Chief Superintendent Crime and Safeguarding Incident Management (CSIM) with operational delivery being within Workflow management and Investigations departments. Chief Officer oversight of fraud delivery is provided by ACC Rob Jones. A fraud delivery group is chaired by the Detective Chief Inspector Workflow Management providing tactical delivery of development and improvement.
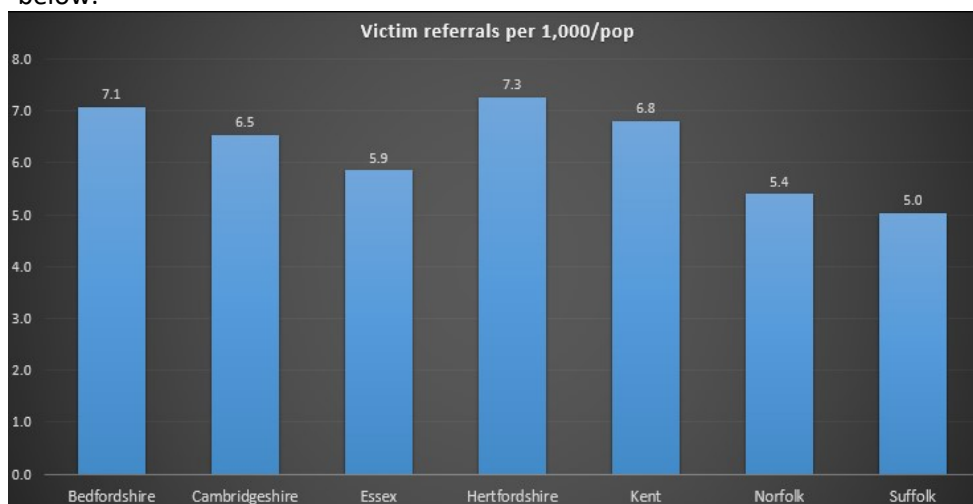
2.   FRAUD PERFORMANCE

2.1.   Fraud is reported to the Constabulary via two main routes. The first are reports made directly to the force that meet the criteria for a 'call for service' as defined within crime recording standards. These are where a suspect is identified as being resident in Suffolk, a suspect has been arrested or there is a crime in action where the suspect is present in Suffolk. The second route relates to disseminations from the National Fraud Intelligence Bureau (NFIB) after examination and analysis of Action Fraud reports.

2.2.   NFIB provide police force areas with performance data. This data relates to Home Office Crime recording outcomes and returns to NFIB with updates on disseminations made to police force areas.
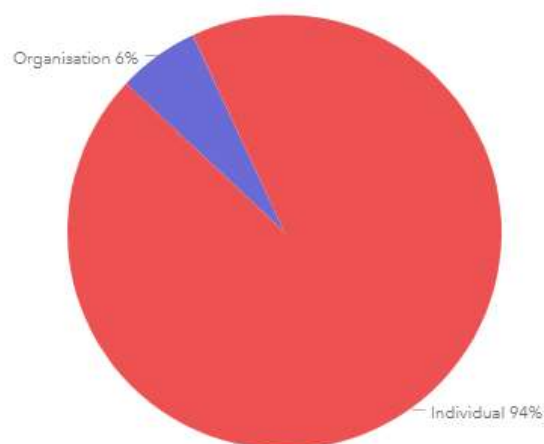
2.3.   Within the 2021/22 data up to 31st May 2022 Suffolk Constabulary shows an above average position in relation to judicial outcomes. The National average for judicial outcomes relating to NFIB disseminations sits at 4.2%. Suffolk sits at 7%, which is also a strong position within the Eastern Region.

2.4.   Suffolk Constabulary has reviewed its internal process to ensure timely and accurate information is returned to NFIB with outcomes of disseminations. This has improved performance in this area with Suffolk having 45% of outstanding returns compared with the National average of 54%.

2.5.   Suffolk as a County within the 2021/22 data (up to 31st May 2022) has the lowest rate of reported fraud into Action Fraud within the Eastern region, which is set out below in the data below:

2.6.   Whilst Suffolk has a lower rate of victim referrals into Action Fraud than other Eastern Region counties, the numbers per 1,000 of the population demonstrates the continued prevalence of fraud offences. It is also recognised that a large amount of fraud is believed to go unreported.

2.7.   During the six-month period 1st January 2022 and 30 June 2022 there were 1,752 fraud reports made to Action Fraud that relate to Suffolk. This has a total reported financial loss of £9.2 M.

2.8.   Fraud crimes that remain prominent at a national level are cheque, plastic card and online bank accounts, online shopping and auctions and application related. According to Action Fraud 90% of reported fraud crimes relate to individuals.

2.9.   In Suffolk NFIB data from the last 13 months shows a slightly higher level of fraud crime impacting upon individuals than the National average:

2.10.   In Suffolk prominent fraud related crime in comparison to other force areas during the financial year 2021 /22 were fraud by position of trust and payment diversion fraud.

2.11.   Suffolk Constabulary have recorded 473 fraud investigations in the last 12 months, which is a 24.6% decrease in the previous 12 months. The solved rate for these investigations is currently 19% an increase of 6.1% from the previous 12 months. This is a positive position with a reduction of recorded crime and increased performance set against the long-term average (See Appendix A).

3.   POLICING IMPROVEMENT

3.1.   In 2019 Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) published a report entitled 'Fraud: Time to choose – An Inspection of the police response to fraud', which highlighted 16 areas for improvement (AFI).

3.2.   The Constabulary responded to the 2019 HMICFRS report with a review of how it responds to calls for service and supports victims of Fraud. This included revised processes for receiving, assessing, and responding to referrals from the National Fraud Intelligence (NFIB) and directly from the public. The Constabulary also created a Fraud Improvement Plan to deliver against the National Police Chiefs Council (NPCC) National Fraud Policing Strategy 2019-22 and the 2019 HMICFRS report, with oversight from a Fraud Delivery Board.

3.3.   On 5th August 2021 HMICFRS published a review of the 2019 report, which sets out five remaining Areas of improvement (AFI) for policing and 3 further recommendations. Those that are focused upon delivery at a police force level are detailed below:

3.4.   Recommendation 9 (2019)

> - By 30 September 2019, chief constables should publish their force's policy for responding to and investigating allegations of fraud (in relation to both calls for service and National Fraud Intelligence Bureau (NFIB) disseminations for enforcement)

3.5.   Suffolk Constabulary published its Fraud Allocation and Investigation policy on 16th December 2019. This includes both calls for service and disseminations from NFIB. This policy is currently being reviewed and updated in line with the specified review date.

3.6.   AFI 2

> - Chief constables should ensure that their force improves the identification and mapping of organised crime groups in which the principal criminality is fraud.

3.7.   Suffolk Constabulary have established processes for the identification and mapping of Organised Crime Groups (OCG). The Joint Suffolk and Norfolk Organised Crime meeting (OCGM) works in partnership with the Regional Organised Crime Unit ERSOU, providing co-ordination and management of OCGs.

3.8.   The Constabulary is focused upon identifying OCGs involved in fraud through tasking, intelligence development and through the work of the Cyber Specialist Capability Team who receive cyber fraud referrals from NFIB. The Cyber Specialist Capability Team are trialing systems that are likely to increase intelligence relating to online fraud and provide opportunities for early preventative actions.

3.9.   The Constabulary can provide examples of OCGs where working in partnership with other agencies to tackle fraud, as a secondary crime type, has and is being undertaken. These have included joint working with the Department for Work & Pensions (DWP) and Her Majesties Revenue and Customs (HMRC) and have resulted in large scale disruption of fraudulent activity.

3.10.   AFI 3

> - Chief constables should ensure that fraudsters are included among those considered for serious organised crime 'prevent' tactics, including by local strategic partnership boards and through integrated offender management processes.

AFI 14

> - Chief constables should increase their force's use of ancillary orders against fraudsters.

3.11.   Lead Responsible Officers (LRO) for OCGs in Suffolk have received briefings that include recognised tactics under four key areas of prevent, pursue, protect and prepare, and have access to National Crime Agency (NCA) disruption guidance. Organised Crime issues are discussed at the Safer Stronger Communities Group (SSCG) which is a strategic partnership in Suffolk.

3.12.   Suffolk Constabulary through the joint Suffolk and Norfolk Cyber Specialist Capability Team are supporting the Regional Cyber Resilience Centre and Cyber alarm programme as a strategic business collaboration, which supports preventative measures.

3.13.   Fraud is not currently an index offence that meets the Integrated Management of Offenders Model (IOM). IOM staff attend the OCGM and are integral to the discussions regarding interventions with OCG subjects. If offenders have Fraud offending in addition to index offences, then they will be included within current processes, although this is data that is not currently recorded.

3.14.   The use of ancillary orders is promoted and those obtained are monitored on a regular basis for compliance between the Joint Suffolk/Norfolk Intelligence Team and the owning department.

3.15.   Recommendation 1 (2021)

> - 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

3.16.   Suffolk Constabulary do follow the guidance issued in relation to calls for service. Advice is available to the public on the Constabulary website and guidance for staff accessible via the intranet. Regular audits are completed by staff in the Crime Coordination Centre (CCC).

3.17.   Recommendation 3 (2021)

> - 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

3.18.   In many cases victims will be in contact with Action Fraud prior to contact with Suffolk Constabulary and will have been provided with information about safeguarding and preventative measures.

3.19.   Suffolk Constabulary has information contained on its website providing clear guidance and advice to the public, together with links to Action Fraud, CIFAS (Fraud Prevention), The Financial Conduct Authority, Financial Ombudsman and Trading Standards.

3.20.   Staff within the Crime Co-ordination Centre (CCC), Contact and Control Room (CCR) and investigators provide information and guidance to victims. An additional process has been adopted within the CCC to enable victims to receive an email with crime prevention guidance. For those considered most at risk or vulnerable, the Cyber Specialist Capability Team and officers conducting home visits (reduced during the Covid pandemic) will provide information packs to victims where appropriate.

3.21. The Cyber Specialist Capability Team have recruited a Digital Security Adviser to assist specifically with provision of information to victims of Cyber Fraud. The team have also developed a system that will produce bespoke written advice based upon the type of Cyber Fraud experienced, which is sent to victims.

3.22. When relevant, Constabulary staff complete vulnerable person referrals for multi-agency assessment.

3.23. Suffolk Constabulary recognises that a victim needs to be updated when an investigation is undertaken from an NFIB referral. The recording officer is responsible for contacting the victim, agreeing the contact and ensuring they are aware of the transfer of responsibility to a Suffolk investigator.

3.24. Fraud investigations are recorded in the same way as other investigations, using an 8-point investigation plan. Processes within Athena ensure compliance with the Victims Code of Practice (VCOP) applies to all Suffolk Fraud.

3.25. Bi-monthly audits are carried out on Fraud Investigations picked at random from the East, South and West command areas in Suffolk to ensure compliance and quality of service to victims.

4. CURRENT CAPABILITY

4.1. Suffolk Constabulary has three dedicated fraud posts, which are within the Fraud Assessment Unit within the Crime Co-ordination Centre (CCC) based at Police Headquarters Martlesham. The posts are Detective Constable roles. These officers have attended the Specialist Fraud Investigators course delivered by the City of London Fraud Academy. The officer's role is to provide early assessment of reported fraud crimes and disseminations from NFIB in line with the National Fraud Investigation Model (FIM). Using their specialist knowledge, they provide investigative plans and support investigators across the Constabulary.

4.2. The Constabulary also has a small pool of four Detectives based within Criminal Investigation Departments who have also attended the Fraud Investigators course delivered by the City of London Fraud Academy. These officer's further fraud investigations in their locality and support colleagues by providing advice and guidance.

4.3. The Joint Suffolk and Norfolk Constabularies Specialist Crime and Intelligence Directorate have resources that contribute to tackling Fraud. These consist of one dedicated police staff post, which is a Fraud Investigator and Fraud Intelligence Officer role, the Cyber Specialist Capability Team and Cyber Security Advisers. The team provide a reactive response and undertake work to prevent and protect the public against Cyber dependant Fraud.

4.4. The Intelligence Directorate have several staff trained to utilise systems to support intelligence development in relation to financial and fraud investigations. These staff are located within the Area Intelligence Teams and the Joint Force Intelligence Team based at Suffolk Police Headquarters.

5. ORGANISATIONAL DEVELOPMENT

5.1. Strategic Focus

5.1.1. Suffolk Constabulary has undertaken a review of its approach to fraud and has set out four key strategic areas within a Fraud Strategic Plan 2021/23, which align with the National Fraud Policing Strategy 2019/22 and supports the Constabularies Strategic Plan 2020/23.
These four areas are:

- Reducing harm to victims of fraud.
- Building workforce capability.
- Conducting quality fraud investigations.
- Working together to counter fraud.

5.2.   Operational Delivery

5.2.1. The Constabulary Fraud strategic plan 2021/23 sets out key areas for operational delivery under each area of strategic focus. These are delivered through a three-year continuous improvement plan, which has been produced to document specific actions and progress, with accountability through the fraud delivery group.

5.2.2. The Constabulary has a published Fraud Allocation and Investigation Policy, which is subject to two yearly reviews.

5.3.   Examples of Progress

5.3.1. Reducing Harm to Victims of Fraud

5.3.2. The Constabulary has recently reviewed the process undertaken to identify victims of fraud who may be considered the most vulnerable and sets out the subsequent contact that is made with them. This is conducted under the Constabularies Operation Sanctuary. The revised process will now see fraud trained officers contacting the most vulnerable victims. These officers can apply a specialist fraud investigative mindset to gathering evidence and intelligence in relation to Action Fraud reported incidents, as well as identifying any wider support that may be beneficial and help to prevent any future incidents.

5.3.3. Suffolk Constabulary has adopted the level 1 service provided by the National Economic Crime Victim Care Unit (NECVCU) which commenced in April 2022. This sees the unit making follow up contact with all non-vulnerable victims of fraud who have not opted for victim support services. It is hoped that central funding to support vulnerable victims in Suffolk through the NECVCU Level 2 service will commence in April 2023.

5.3.4. In support of Operation Sanctuary and the adoption of the NECVCU service, the Constabulary has updated records of both national and local services that may assist victims of fraud. Information on the Constabularies website is regularly updated with key information and signpost victims to several support services, with corporate communications promoting national fraud related initiatives.

5.3.5. Building Workforce Capability

5.3.6. Police officer and police staff access to fraud intelligence and research systems has been reviewed and increased to provide specialist officers the tools to support their work.

5.3.7. During the reporting period a further detective constable has attended and completed the City of London Fraud Investigators course. A Detective Constable within the Crime Coordination Centre has attended and completed a fraud intelligence officer course. With a further two officers due to complete this course within the next six months.

5.3.8. It is the intention to build capacity within Criminal Investigation Departments at Lowestoft, Ipswich, and Bury St Edmunds by sending further detectives on the City of London Fraud Academy course, as well as supporting the development of a small number of senior investigating officers by completing the academies counter fraud training.

5.3.9. Conducting Quality Fraud Investigations

5.3.10. A great deal of work is being undertaken to improve the quality of police investigations across Suffolk Constabulary through Operation Investigate, which is overseen by a Detective Superintendent.

5.3.11. Within the last reporting period the Constabulary has revised the internal guidance to investigators, with clear guidance accessible via the Constabulary intranet. Instances of support to staff by officers within the Fraud Assessment Unit continues to increase and is monitored as part of the Units performance framework.

5.3.12. Fraud investigations are included within current force auditing processes, but an additional audit of positive outcomes is being undertaken to identify any force level trends and good practise. Assessment of initial calls relating to fraud into the Constabulary Contact and Control Room has been undertaken and further work to support staff awareness of the criteria for 'calls for service' completed.

5.3.13. Suffolk Constabulary is represented at regional fraud and economic crime delivery groups, which seeks to share best practise. This will continue with any areas of best practise being considered for adoption in Suffolk.

5.3.14. Working Together to Counter Fraud

5.3.15. The Constabulary already works with several key partners in relation to fraud including the Eastern Region Specialist Operations Unit (ERSOU), National Crime Agency and City of London Police. In addition, Suffolk Constabulary works collaboratively with colleagues in Norfolk Constabulary to share best practice and access shared resources within protective services. There is regular dialogue between fraud investigators in Suffolk and staff within the Joint Suffolk and Norfolk Cyber Unit due to interconnectivity between many fraud offences and cyber-crime.

5.3.16. Suffolk Constabulary supports a multi-agency approach to tackling fraud and is seeking to further good working relationships with Suffolk Trading Standards and the multi-agency

safeguarding hub (MASH). A Trading Standards input to Suffolk fraud investigators has been completed in the last reporting period, with this being reciprocated by a police fraud input to Trading standards. These presentations seeking to provide better understanding of current agency roles and capabilities, promoting joint working.

5.3.17. During the last reporting period the Constabulary invited a peer review by ERSOU colleagues, which identified many areas of good practise, but made recommendations in relation to structure, additional resource, and risk assessment of more complex and resource intensive investigations.

5.3.18. The Constabulary was also visited by colleagues from the City of London Police as the lead police force for Fraud. Feedback from their visit is likely to be received within the next reporting period.

5.3.19. Opportunities to adopt National good practise relating to multi-agency approaches to fraud and fraud hubs will continue to be explored.

6.   FINANCIAL IMPLICATIONS

6.1.   To support improvement in many of the areas outlined, additional investment in training and people to fulfil key functions will be required.

7.   RISKS

7.1.   Suffolk Constabulary has a small number of dedicated fraud staff by comparison to other police forces within the Eastern Region. Outside of the Joint Suffolk and Norfolk Cyber Team there are no dedicated staff undertaking prevent or protect related activity in relation to fraud. This will limit the ability to develop policing improvements.

7.2.   The Constabulary has seen little improvement in the ability to demonstrate identification of organised crime groups where the primary criminality is fraud, use of ancillary orders in connection with fraudsters or co-ordinated prevent activity in relation to organised fraud criminality.

7.3.   It is recognised that fraud is under reported to both Action Fraud and policing, therefore the true scale of this type of criminality and its impact within Suffolk is unknown. Barriers to reporting exist that need to be better understood and overcome, which enhanced prevent and protect multi-agency activity would support.

8.   OPPORTUNITIES

8.1.   There are opportunities to progress a multi-agency hub approach to fraud investigation and prevention. Further Connectivity between agencies is likely to lead to consistent approaches to victim support, coherent and aligned messaging, a reduction in duplication with more complete assessments of fraud through information sharing.

8.2   The Eastern Region Specialist Operations Unit are investing in additional capabilities within the area of economic crime. Accessing specialist support in support of delivering against AFI's 2 and 3, which relate to serious and organised crime will help to further improvements in Suffolk.

8.3   The Suffolk and Norfolk Constabularies Organisational Analysis Team are currently undertaking research to support the identification of best practise in relation to fraud and have completed a benchmarking exercise with other police force areas. This together with

feedback from the City of London as the lead force is likely to lead to further opportunities to enhance the Constabularies response to Fraud.

Suffolk Constabulary Fraud Performance data

Supporting vulnerable victims	Last 12M	Previous 12M	Diff against Previous 12M	Long-term average	Diff against long-term average
Fraud					
Crime					
Fraud Referral volume	473	627	↓24.6%	739	↓36.0%
Solved number	90	81	↑11.1%	80	↑0.6pp
Solved rate	19.0%	12.9%	↑6.1pp	10.8%	↑8.2pp
Live Fraud Investigations	247				
Fraud Calls for Service	319	495	↓35.6%	646	↓50.6%
Victims					
Victim count	389	492	↓20.9%	596	↓34.7%
Victim age: Under 18	3.3%	2.2%	↑1.1pp	2.2%	↑1.2pp
Victim age: 18-29	20.1%	20.3%	↓0.2pp	18.3%	↑1.7pp
Victim age: 30-39	17.0%	17.1%	↓0.1pp	15.1%	↑1.9pp
Victim age: 40-49	14.7%	13.8%	↑0.8pp	12.9%	↑1.8pp
Victim age: 50-59	14.7%	11.4%	↑3.3pp	13.5%	↑1.1pp
Victim age: 60-69	10.3%	11.2%	↓0.9pp	11.3%	↓1.0pp
Victim age: 70 and over	18.0%	22.0%	↓4.0pp	22.7%	↓4.7pp
Victim age: Not known	2.1%	2.0%	↑0.1pp	4.0%	↓1.9pp
Victim gender: Male	46.5%	47.0%	↓0.5pp	49.0%	↓2.5pp
Victim gender: Female	52.2%	52.8%	↓0.6pp	50.9%	↑1.3pp
Victim gender: Not known	1.3%	0.2%	↑1.1pp	0.1%	↑1.2pp
Victim ethnicity: White	54.0%	55.3%	↓1.3pp	54.4%	↓0.4pp
Victim ethnicity: Not known	43.4%	41.1%	↑2.3pp	42.9%	↑0.5pp
Victim ethnicity: Black	1.3%	2.2%	↓0.9pp	1.5%	↓0.2pp
Victim ethnicity: Asian	1.3%	1.4%	↓0.1pp	1.0%	↑0.3pp
Victim ethnicity: Other	0.0%	0.0%	No change	0.2%	↓0.2pp
Suspects					
Suspect count	436	407	↑7.1%	429	↑1.6%
Suspect age: Under 18	5.7%	5.7%	↑0.1pp	6.8%	↓1.0pp
Suspect age: 18-29	44.0%	27.5%	↑16.5pp	30.0%	↑14.1pp
Suspect age: 30-39	25.9%	27.5%	↓1.6pp	27.8%	↓1.9pp
Suspect age: 40-49	12.4%	22.1%	↓9.7pp	18.6%	↓6.2pp
Suspect age: 50-59	5.3%	8.4%	↓3.1pp	6.9%	↓1.6pp
Suspect age: 60-69	2.8%	2.9%	↓0.1pp	4.5%	↓1.8pp
Suspect age: 70 and over	0.7%	1.5%	↓0.8pp	1.0%	↓0.3pp

Suspect age: Not known	3.2%	4.4%	↓1.2pp	4.4%	↓1.2pp
Suspect gender: Male	62.6%	65.4%	↓2.8pp	67.0%	↓4.4pp
Suspect gender: Female	37.4%	34.1%	↑3.3pp	32.8%	↑4.6pp
Suspect gender: Not known	0.0%	0.5%	↓0.5pp	0.2%	↓0.2pp
Suspect ethnicity: White	80.0%	72.5%	↑7.6pp	75.4%	↑4.7pp
Suspect ethnicity: Not known	17.7%	20.9%	↓3.2pp	19.1%	↓1.4pp
Suspect ethnicity: Black	1.4%	5.2%	↓3.8pp	4.6%	↓3.2pp
Suspect ethnicity: Asian	0.7%	1.2%	↓0.5pp	0.7%	No change
Suspect ethnicity: Other	0.2%	0.2%	No change	0.2%	No change