HOUSE OF LORDS

Justice and Home Affairs Committee

Uncorrected oral evidence: Tackling shoplifting

Tuesday 3 September 2024

11.35 am

Watch the meeting

Members present: Lord Foster of Bath (The Chair); Lord Bach; Baroness Buscombe; Lord Dubs; Lord Henley; Baroness Hughes of Stretford; Lord McInnes of Kilwinning; Baroness Meacher; Baroness Prashar; Lord Sandhurst; Lord Tope.

Evidence Session No. 3 | Heard in Public | Questions 34 – 46

Witnesses

I: Sophie Jordan, Manager, National Association of Business Crime Partnerships; James Lowman, CEO, Association of Convenience Stores Ltd; Adam Ratcliffe, Operations Director, Safer Business Network CIC.

Examination of witnesses

Sophie Jordan, James Lowman and Adam Ratcliffe.

Q34 **The Chair:** Welcome to this second oral evidence session for our inquiry into shoplifting. I would be grateful if our witnesses could introduce themselves.

James Lowman: I am the chief executive of the Association of Convenience Stores. There are 50,000 convenience stores in the UK, and it is our job to represent them to government.

Sophie Jordan: I am the manager of the National Association of Business Crime Partnerships, the representative body for Business Crime Reduction Partnerships in the UK.

Adam Ratcliffe: I am the operations director for Safer Business Network, a non-profit organisation that owns and implements multiple crime reduction partnerships.

The Chair: We look forward to your evidence. If there are things that you have not had the opportunity to say but you think we need to know, please feel free to write to us pretty quickly after this session.

Q35 **Lord McInnes of Kilwinning:** My question is focused on Mr Lowman, but the other two witnesses should please feel able to come in. We have just had compelling witnesses from the world of academia and from a larger chain of stores about the effect of shop theft—calling it that, rather than shoplifting, is my learning point of today—and its impact across the UK more generally and on larger stores. In this evidence session, we are particularly interested in smaller businesses, especially convenience stores. James, can you explain to us the impact of shop theft on those smaller stores? We are particularly interested in exploring the rate of reporting from convenience stores and what your members feed back to you about feeling able to report and the response they might get from the police.

James Lowman: I can refer to a number of pieces of information. First, we ask our independent members about their experiences of shop theft and whether it has got better or worse in the previous period of time. That creates a shop theft index, which has been rising consistently at an alarming rate since about summer 2021. Over a sustained period of time, the proportion of retailers reporting an increase in shop theft is continuing to go up.

I will illustrate some of the costs of crime across the whole sector. The cost of crime as a whole is about a quarter of £1 billion. On top of that, more is being invested in crime prevention measures. When you add all that up and divide it by the number of transactions in the convenience store sector, it equates to a tax of 10p per transaction, if you like. If there was no crime, every time you tapped your card or paid at a till then it would be 10p less—that is the scale of the financial cost.

But there are far greater impacts even than that—particularly the impact of violence. We know that shop theft is one of the biggest triggers for violence against

shop workers—and retailers—when they challenge shop thieves. People committing these offences are often in a heightened state: they often have dependency and addiction problems, and they are desperate. That can escalate very quickly. The biggest single trigger for violence in stores is challenging someone stealing from the store.

That tallies with the information we get on the people committing the offences. They are usually repeat offenders—people with addiction problems, as I say—and are often well known to the people running the stores. There are often two-person, three-person or four-person crime waves in a housing estate or village. You often know who these people are, but they continue to offend.

As well as the volume of theft, what has probably changed is its brazenness. Rather than sneaking in and stealing some items, people are now clearing whole shelves. That comes with a strong degree of threat to the people in the store.

There were 5.6 million incidents of shop theft and 76,000 incidents of violence in the sector last year. However, there is underreporting; no one has an accurate figure because a lot of retailers do not bother to report crime. They do not believe anything will happen if they report it to the police, and they therefore think that the most effective thing is just not to report. We are starting to see some changes in that, turning around that vicious cycle. In some areas, we are seeing much better protocols for reporting: simple online systems for reporting crime, followed up by the police, with information given back to the retailer, particularly about identifying those prolific repeat offenders who are responsible for so much of the crime. At the moment, the biggest barrier to a retailer reporting is that they just do not think anything will happen.

Often, it can be quite a laborious process to report crime: providing the images and giving witness statements can take a lot of time for the retailer or their colleagues. There is no faith that the police, or ultimately the courts, will intervene with effective penalties against those prolific repeat offenders. We have to get ourselves out of that vicious cycle.

Lord McInnes of Kilwinning: Does the inevitable proximity of the convenience store to the community add a level of fear of intimidation or repercussions, if people are known within the community and it will be obvious when a sole trader reports someone, perhaps with two other members of staff who may well be from the same family?

James Lowman: Absolutely. These people live next door to colleagues—there is that ultimate proximity. Over half of customers walk to a convenience store to shop, and nearly half of colleagues walk to the store. They are very much drawn from the local community. So there is that proximity, which makes it that much more real. It means that colleagues are sometimes fearful of coming to work or leaving and going home. The threat “I know where you live” is not empty: those people absolutely know where they live because it is next door to them. That level of threat is very real.

More retailers are telling us that it is harder to get colleagues to come and work in stores and it is harder to retain them. Where there have been incidents or a threat of incidents—or where they see me, Paul Gerrard or someone else talking about this serious issue in the media—they think, "Is this something we want to be exposed to?" Certainly, family members ask whether that is the job they want them to do. Obviously, there are lots of great things about working in the local shop: there are great, local, secure and flexible jobs. There are lots of great reasons to work in the local shop, but I understand people's reservations, which are now starting to have an impact on recruitment in our sector.

Adam Ratcliffe: The thing to add is the frequency with which a lot of these volume crimes take place. These prolific and persistent offenders are local, as James said. They are offending at such a rate that it has an impact on the members of staff within those stores, who see them every day—potentially several times. Some offenders commit 80 or 90 offences in a two-month or three-month period in the same store. If you work in that store, the impact that has on you is incredible. It is the difference between actual crime and the perception or fear of crime. Your perception is that nothing is happening and that these people are offending with no possible outcome against them, so they will come back the next day and the next. This is having a significant impact on the people who work in these stores. We are also hearing that members of staff are having to be moved to different stores because of the things James mentioned.

The Chair: Do we have any figures that illustrate the difficulty in recruiting people to own, manage or work in convenience stores as a result of shop theft?

James Lowman: I do not have data that would point to a direct cause and effect. We certainly have some evidence from members who are talking about this as an increasing challenge, so I can try to find some of those examples and provide the committee with them.

The Chair: It would be very helpful if you could find anything to help us.

Q36 **Baroness Buscombe:** We have had quite a fascinating first session, so this is very helpful as well. I want to ask about the most effective strategies to deal with shoplifting by prolific offenders and organised crime groups, from both a business and policing perspective. In that context, are we now talking about a cultural thing? It is more than just saying, "We need a stronger presence, we need to pursue all lines of inquiry, we need to focus on repeat offenders"; there is a massive cultural issue here, whereby so many people now think this is easy street and a lawless situation. What can we do to involve the public more and raise awareness of what is going on in their villages, towns and cities?

Adam Ratcliffe: One of the issues is that we need to be able to talk about the positive work going on behind the scenes to try to raise awareness. This is always the problem. I think it impacts police involvement a lot of the time, because they are criticised from every corner of society, especially at the moment. They do not want to put their head above the parapet to talk about anything unless they

absolutely have to, because they will just receive criticism. When something is so drastically underreported, as shop theft is, the idea that we might start to delve into it and get a real idea of the figures will never come across amazingly well. Senior officers will feel criticised because their forces are not dealing with an issue properly. We cannot then talk about what is going on because it will reduce public confidence by raising public awareness.

On the cultural thing, as James mentioned, one of the big changes for anybody who has worked in this sector for a long period is the change in behaviour from the prolific offenders. Nobody even has the audacity to run any more: people are walking out of stores. When they are challenged by staff, they say, "Well, what are you going to do?" A certain number of years ago, they at least made efforts to be a bit more furtive with their behaviour and get out.

This comes into the key effective strategies that you asked about. There are two main areas: sharing of information and intelligence, and multiagency collaborative partnership working. It is about the right people who have interests in this sector coming together to work collaboratively to try to address the issue. While we are talking about having no police resources to address volume crime, we cannot keep banging the drum of "What are you doing about shop theft?"

Instead, we need to be able to make the police as efficient as possible with their resources, by the private sector, the third sector and industry working collaboratively to paint a much clearer picture so that the police can be very efficient with their resources and go after that anecdotal figure of 10% committing 60% to 70% of the crime in an area—those local offenders who have been named by the staff in those stores. The wealth of information, understanding and knowledge in this industry is huge, and it is an untapped resource because of the fear of tapping into it and seeing the true scope of the problem. If we could get past that and start looking at the problem-solving element, it would be huge. But, again, it comes back to public perception: if it comes out into the media that there are potentially 8 million incidents of retail crime and less than 4% have been reported to the police, that will be a huge issue as well.

Baroness Buscombe: I will not name the market town, but recently there were five police on show, spending hours in the town centre and being available to chat about domestic abuse. Why could they not do the same to make people aware of these appalling crimes? We hear that they are not even using the word robbery. This is serious crime. Of course domestic abuse is serious, but is there an issue around prioritising?

Sophie Jordan: I certainly think there is. Retail crime is often looked at as a monetary value, and we do not look at the personal cost to individuals and people working in the store, and the effect on customers. It needs to be looked at as a more victim-based crime. When you have a victim of domestic abuse in front of you, it is very clear who that victim is. It is about raising awareness of the victim impact.

The Chair: Perhaps we can get a bit more detail on that.

Q37 **Lord Dubs:** This question is addressed specifically to you, Sophie. Could you explain a bit more how Business Crime Reduction Partnerships work and operate to reduce acquisitive crime and violent crime against businesses, their premises, staff and customers? Could you add a little bit about information gathering and sharing work experience?

Sophie Jordan: Business Crime Reduction Partnerships are independent, not-for-profit organisations. Their role is to bring everybody in a community together, with a partnership between businesses, the police, the local authority and other key stakeholders, such as drug and alcohol groups and homeless groups, to address and prevent crime and disorder. Membership of a Business Crime Reduction Partnershipis subscription-based for businesses. They are funded mainly by subscriptions from the member businesses, so they are self-funding. Being a member of a BCRP costs about £500 a year per premises. We are not talking about a great deal of money.

For the return on investment you get for that £500, you will be provided with the tools and services that you need to prevent yourself and the entire community being a victim of crime. BCRPs will often offer a walkie-talkie radio network in a town so that you can communicate with the other businesses around you, sharing real-time information about what is happening now to prevent crime. That is supplemented by an online software incident and intelligence reporting system, where you can report the incidents that happen in your shop. For example, in a town centre setting, if everybody reports those incidents then crime trends are spotted and that information is analysed. You will be invited to briefings and intelligence meetings, which are also attended by police and other agencies, such as probation and the other agencies that I have mentioned, with the business community providing feedback on what is happening. The BCRP will also deliver a lot of national safety priorities, such as Ask for Angela, if you know about that, which is about violence and harassment against women, safer business action days and safe spaces. They not only support the business community but do so much for community safety as well.

The data-sharing element of that links in via the online intelligence platform and the real-time sharing of information live on the radio network. When an incident happens in a store, member businesses are encouraged to report everything that happens in or near their premises, whether that is thefts, violence or abuse, prevented thefts or anti-social behaviour outside, such as street drinking and drug problems. Whatever the situation might be that affects your business premises and the perimeter, we ask for it to be reported. We then analyse this information and build up a whole picture of what is happening in the local area. Because we have community buy-in and we share this information, these people are often recognised and named, so we enable offenders to be identified at a much earlier stage than they ordinarily would be if we worked individually in silos.

We are able to cut through all that low-level crime: the business crime reduction partnership will deal with the low-level crime, build up an intelligence profile of who

the most prolific offenders are, notify businesses of the most high-risk people who they really need to watch out for to enable them to prevent that crime happening again to themselves or their neighbours, and flag up with the police who the most prolific offenders are. We give the police workable crime reports that they can get a good result from. When we get that good result, we feed that straight back to the businesses so they can see that action is being taken. That in itself forms the momentum—that it is important to report and that we need to report because action is taken. It builds up the whole momentum of buy-in and engagement in the business crime reduction partnership.

Q38 **The Chair:** We are looking largely at shop theft and shoplifting, so this is a simple question: do shops in any of these areas regularly get involved in these partnerships? Is it the majority of them or just a few, or are they involved in other partnerships so they feel that they do not need to belong to this?

Sophie Jordan: I would say that the majority do support Business Crime Reduction Partnerships and buy into them. However, many corporates will not, as a rule, buy into Business Crime Reduction Partnerships. This is why the engagement aspect is key: if you are investing and—

The Chair: By "corporates", are you referring to corporate shops as opposed to convenience stores?

Sophie Jordan: Absolutely—the corporate retailers.

The Chair: So convenience stores join in but the brand names—the high-street, well-known names—do not.

Sophie Jordan: A lot of high-street, well-known names do buy in but others do not.

James Lowman: On the point about involvement in partnerships by convenience stores, many will be involved in Business Crime Reduction Partnerships but some, by virtue of their location, may be less likely to be involved. Our heartland is probably outside of main centres in housing estates and villages—the sorts of areas that may not be big enough to have their own partnership. They could be part of a wider town or regional partnership—many are and, obviously, some operate in town centres—but some can feel quite isolated because they do not have that network of other businesses directly around them. That can be a barrier to involvement for some of them.

The Chair: Let me stop you there because that very neatly leads us on to the next question.

Q39 **Baroness Prashar:** This question is really for Sophie, but Adam may want to come in. What factors or measures need to be in place for these partnerships to operate more successfully and effectively?

Sophie Jordan: The first factor for more success in Business Crime Reduction Partnerships would be funding, because each BCRP is independent and self-funded by subscription from businesses. There is a lot of involvement and buy-in from the

big corporates, as well as from the smaller shops; however, bigger towns have more resources than smaller towns and it is often the smaller towns that need more involvement. It would be really good to have that sustainability in the funding, which would help raise consistency so that we can all operate the same.

Alongside funding sustainability, regulation and governance are important. These would sit quite nicely under, for example, the Police and Crime Commissioners and the funding aspect, which would be more regulatory. If they sat under this umbrella, we could have more standardisation and governance across the UK.

Engagement is really important as well—ensuring that there is engagement throughout, from the head offices of the big corporate companies to the people on the ground. It is about ensuring that it filters all the way down from the top, with the people on the ground engaging, attending meetings and working together as a community to prevent crime; it is about them seeing not just their role in their shop but the benefits to their shop and the wider community as well.

The sharing of data is also incredibly important; that comes with the engagement aspect. It is about being confident to share, knowing that your data is secure and not being scared to share information. I think those are the main factors.

Adam Ratcliffe: Legitimisation is huge here. BCRPs have organically grown from what were often referred to as shop watches and pub watches—that is, very small schemes of a group of businesses working collaboratively to support one another. They have grown over the years. Some are still in that small system, which works well for them, but some have grown to thousands of business members.

We are still dealing with personal relationships when it comes to statutory partners. We still have our teams building relationships with individual police officers to create partnership working; then, as soon as that police officer moves on to another area, that process starts again. Our drive is to try to create legacy policies so that it does not matter which officer comes into that position—they know that there is a crime reduction partnership in operation in the area with which they work, what they can do and how they can be part of the solution. That creates an immediate start to the relationship as soon as the person is in place.

You can go into any area and speak to one officer from the police force, and they will completely buy into what we are doing. They will support it, buy into it and do everything they can. You can speak to one of their colleagues who will go, “I have no idea who you are. I do not know what you’re doing. I am not going to share any information with you. This is police data. Why would I give this to you?” They do not understand the concept around information-sharing agreements because they are not taught that at a basic level at the beginning. So there is a piece around education when new officers join the job, to understand both the incredible amount of money that goes into the private sector to address this and how it is an untapped resource that can really support the police to be more effective in what they are trying to do. If they see industry as an ally rather than someone expecting too much of them, the situation changes drastically.

We are looking for—this would be huge—the legitimisation of these third-sector, private-sector parties that are working collaboratively to try to address an issue. If the police and partners know that the BCRP is doing really good things and can work with them, joining the dots and bringing everyone together, that is a game-changer.

Q40 **Baroness Hughes of Stretford:** Taking a slightly different tack, I am interested in the extent to which businesses and private companies see their own responsibility in trying to prevent some of this activity—first, in trying to design out opportunities for crime in their own businesses. To what extent do your organisations support them with best practice? Secondly, to what extent do they contribute to partnerships such as the business partnerships and Pegasus and try to take a more preventive approach collectively?

We have all been in convenience stores with the very expensive alcohol on the shelf, ready to be gathered up and run out with, but there are less obvious practices that stores can institute to design out crime through a target-hardening approach. How do you see the issue of responsibility? How do they see it? What do your organisations do to support them in that?

James Lowman: As I mentioned earlier, there has been huge investment by our sector and other sectors of retail in crime prevention. Well over £300 million was invested last year in things such as CCTV. We are increasingly seeing body-worn cameras, headsets and monitoring systems.

On top of that, there is a lot of designing out of crime, the most specific and obvious thing being sight-lines through to higher-value products. There are some things that cost a bit of time but do not cost money, such as greeting every customer who comes into the store; that customer or potential thief's recognition that they have been noticed is very important.

There are certain fundamentals. We are open long hours. We are often in areas where we do not have a lot of police presence around us. We sell products that people want—I hope, because we want to sell them. This means that we are vulnerable to that extent. Unless we shut down the stores or build them up as fortresses, there will always be a risk of some theft. Clearly, there is a massive incentive for our sector to reduce the level of theft because it is a huge cost for the business. I am sure that everyone knows this, but a myth that some of us hear occasionally is, "You claim it all back on insurance, don't you?" Absolutely not: you do not get insured against shop theft. Those are losses straight off the bottom line of that business.

There has been an awful lot of investment. We share a lot of good practice with retailers about things like reporting, which we have talked about, designing out crime and being a good witness—that is, getting good evidence when there has been an incident and gathering it to pass to the police. A lot of good advice is being shared already. If one of my members were here receiving that question, they would probably reflect some frustration that they do not feel they have enough support from the police. They are legitimate businesses paying taxes, contributing a

great deal to the economy and providing essential local services—whether that is post offices, other bill payment services, parcel services or, in some cases, pharmacies—and they need more support to be able to continue to offer those services in the community.

Sophie Jordan: For the big businesses buying into these schemes, it is their responsibility to look after themselves, just like it is our responsibility to secure our property. But you find that the same ones are investing in these schemes and paying into the likes of Pegasus and the Business Crime Reduction Partnerships. They are taking an active role. We need to get more engagement from all businesses in taking that responsibility. Business Crime Reduction Partnerships also offer a lot of training for staff working on the ground. Many will offer things such as de-escalation techniques and conflict management, as well as other broader safety techniques for the town centre. Again, it is back to engagement—making sure that everyone is fully engaged and taking it as their responsibility.

Adam Ratcliffe: Sophie just touched on an area that we did not really touch on with BCRPs: the training and upskilling element. They work on the criminology principle around the offender triangle, to remove one element in the offender-victim-location. We cannot remove the location because we want thriving high streets and shops to be bricks and mortar, so it is about focusing on the other two. We target hard and we upskill. We educate the businesses on what they can do. The National Business Crime Centre, as part of the National Police Chiefs' Council, does amazing work pushing out best practice guidance. A lot of BCRPs will then use that as the formation of their training.

It is also about focusing on the offender and being offender-led, ID-ing the most prolific offenders and ensuring that businesses are aware of who they are. As James mentioned, one of the biggest tools that we teach is the power of hello—the engagement with offenders as they walk through the door. They know when they have been recognised and that will be a deterrent to a lot of them. You deter before they get in the door or as they are coming in. You can do that only if you are equipped with that information. That is one of the fundamental elements that the BCRPs bring: "Here are your top 10 offenders in this area. If they walk in your door, go and speak to them. Do not leave their side. Offer them a basket". It is things like that.

It has been shown that it has an impact, but the businesses understandably have to create a balance between making money and putting products where the statistics tell them they should put them, compared to where we think they should put them to try to avoid crime. There are constant conversations around trying to find a balance there. We are not in a position to tell businesses what they should or should not do with their stock, but we can always ensure that they are given best practice, guidance and support if they have any questions.

Q41 **The Chair:** Can you quickly answer one element of the question that we have not really explored? Do you believe that there is a responsibility on businesses to fund

these sorts of partnerships? Should businesses be funding them at all, or should it be the responsibility of the state?

James Lowman: Businesses should be playing a part in partnerships, sharing information and working with other businesses, local police and others. That is more important than the funding from businesses, frankly, although funding can be a part of that.

The Chair: I accept entirely that if they do not participate, they will not benefit. I am asking specifically whether businesses or the state should be funding schemes like that.

James Lowman: It is both—a partnership of both.

Adam Ratcliffe: Industry has demonstrated its willingness to fund initiatives if they work. Ultimately, it is about whether this will have the impact that it wants.

Sophie Jordan: I think there should be more funding from the state.

Q42 **Baroness Buscombe:** I have a quick question about working together and discussing how to make things better, easier and safer. A friend last evening told me that she saw someone stealing a bottle of wine and told a member of staff. My friend was then followed to her home and threatened, and a car came in. It was horrendous. Do you discuss how you deal with helping the public or making sure that, if that situation occurs, one might see that person home or whatever?

James Lowman: That is a good question. That is not a scenario you hear about a lot, although it is obviously a horrific situation. That is quite a common occurrence for colleagues in stores but less so for customers. In that situation, retailers should certainly be thinking about how they can support that customer, who has helped them. It is putting them in an uncomfortable position.

Baroness Buscombe: It is about awareness across the board, is it not?

Adam Ratcliffe: It is a question of vulnerability. Partnerships look at vulnerability as a whole because it is situationally contextual. Is it a nightclub? Is it a shop? If someone has demonstrated that they are vulnerable by the fact that they have challenged a shoplifter and might be in a vulnerable position, the staff are encouraged to support that person. As James said, it does not happen often.

Our reach to the public is minimal—we engage with our members—so that is where that difficulty lies. However, it comes back to one of your earlier points around better education on all the measures that are out there. If we talk to members of the public about things such as the Ask for Angela campaign that Sophie mentioned earlier, most are very happy to hear that something like that is in place. The public want to hear that these positive things are happening, but with radio silence they assume nothing is happening and then they hear the negative stories in the media and the press. Therefore, there is a piece here about education to upskill people as well.

Q43 **Lord Henley:** You talk about the benefits of various businesses taking part in schemes such as Pegasus. What is the effect on those that do not take part?

James Lowman: I have characterised some of the challenges our members face from these local offenders who commit a high volume of crime, which is often unknown. The challenge is to have those crimes reported so that those individuals can be dealt with, whether through sentencing, rehabilitation orders or whatever it might be to take them out of the cycle of reoffending.

There are also, in the retail industry as a whole, many offenders who travel from area to area across force boundaries and commit pretty organised crime. It involves people going into centres and stripping out stores on a serious and large scale. That is less directly relevant to us. Some of our members engage with Pegasus and similar cross-force initiatives.

There is always the risk that, when one set of offenders is targeted, there is a kind of knock-on effect for those who are not taking part and other offenders. In this case, some offenders will be caught as part of Pegasus who would have committed crimes in their local store or another local store during their travelling. It is good for us to have them taken out of the system, if that is the effect. In this instance, I do not fear a massive knock-on effect for the smaller stores but there is a risk that city-centre and town-centre initiatives that focus on making those places much safer could displace crime into the outlying areas. We need to think about how we deal with that.

However, there is something in the middle of that as well: more localised organised crime. We are seeing vulnerable people, often with addiction problems, going to the store, stealing to order for resale and often being exploited by the person organising it. One of the perhaps underreported and under-recognised features of the cost of living challenges is that we are not seeing loads of new people suddenly starting to steal. Some new people will be stealing but, by and large, our members report that it is the same people. However, we have seen a greater appetite to buy those stolen goods. That may be because people feel that they can turn a blind eye to a degree, even if they would not commit the primary offence of stealing from the store themselves.

We need public awareness, which we talked about a little earlier, around buying stolen goods; if you have a deal that is too good to be true, it probably is. Where has that product come from? It has probably been stolen from a legitimate retailer. Whether it is people buying in pub car parks, over the internet or from other shops, that is a serious and underdiscussed issue.

Lord Sandhurst: Are the police going after the organised receivers?

Adam Ratcliffe: That is difficult to answer, because how much they are able to go after that side of things is determined by how much they can look at the offenders. That is the problem because, at the moment, if they do not have the resources to look at the offenders then they cannot look two stages down the line. That is where

private industry can support, because organisations such as ours around the country have the time and energy to look at where this stuff is going and where it is being sold. We find Instagram, Etsy and TikTok accounts being used to facilitate the selling of these products. One will find videos of people almost boasting about the level of product that they have taken from these stores. We want almost to say that we are happy to do that work, but the police need to be able to take that on and investigate further. At the moment, in terms of resources, they do not have time to do it. A lot of positives could come from going down that line, though.

James Lowman: I do not think they are doing nearly enough to investigate that. It comes back to Adam's point about viewing the level of volume of crime in the retail industry as being just too big to get our arms around. We need to turn that around and look at it as a data resource. Using that effectively means that you will find the repeat offenders, their handlers and the people who are exploiting them, and you will then find the people who are reselling the stolen goods. All that adds up to a lot of very serious crime and very motivated criminals who could be addressed and taken out of the system and the cycle. How do we do that? I appreciate that it is not an easy thing to do, but I do not think that challenge is even being taken on in many areas at the moment.

Q44 **Lord Sandhurst:** But without receivers you do not have anything for the thieves.

Is facial recognition technology useful and cost efficient? Are people using it? What about the convenience stores in particular? What proportion install it now?

James Lowman: The numbers using it are still relatively low. We are certainly talking about sub-10% of stores using it, and the number is probably quite a bit lower. Some groups are using it. Some individual retailers use it, and many of them report good results. When it works for them, it works because of the recognition; they can match against the database of other local offenders who are part of that scheme. They get a ping on their phone, their colleagues or the retailers get a ping, and they can then engage with that customer as they come in.

Lord Sandhurst: So it is proactive.

James Lowman: As the person comes into the store, they are told about that and they can then engage.

Lord Sandhurst: And there is after the event, too.

James Lowman: One of the challenges with the system I have described is that it leads to an interaction between those two people. That can result in the would-be thief seeing that they have been recognised, realising that the store is probably a harder target and leaving—and, in reality, probably going somewhere else. None the less, they have left the store. That can work.

It can also bring forward the moment and the trigger for the confrontation, which we know can lead to serious issues. With the right training and in the right context in the store, there are members who report it being very successful. I do not think it

is simply a case of installing that system and immediately the crime goes down and there are no further consequences. It needs a lot of management.

For the police, certainly, facial recognition can have a massive impact on all the challenges that we have talked about of reporting and data gathering. It makes that a lot slicker and more effective for identifying persistent repeat offenders.

Adam Ratcliffe: There is such nervousness in that industry around the legalities and the human rights element, because with live facial recognition you are scanning everyone, so you are processing somebody's data as they walk into the store, even if they are not an offender. So there are concerns about accuracy.

Lord Sandhurst: It is identifying people who have been in and stolen. There is no issue there.

Adam Ratcliffe: No. The other side of that is what a lot of partnerships do, which is to use the technology to run the information that is coming in against the database of known offenders—these people have already offended, which is why they are in a database—and afterwards work collaboratively with the police to go after those offenders, knowing that they are offenders. That is the difference.

There is so much nervousness about live recognition that a lot of retailers are not willing even to entertain it until a lot further down the line.

Lord Sandhurst: But using it simply to identify someone you have seen taking a bottle of wine and rushing out—

Adam Ratcliffe: That is where it is incredibly valuable, because it allows us to streamline that investigation work and to present more comprehensive evidence to the police to make them more efficient.

The Chair: Let us take that a bit further. Baroness Meacher has a question.

Q45 **Baroness Meacher:** Perhaps initially this is just to Sophie. What factors in relation to technology more generally are important to a retailer's capacity to deal with shoplifting?

Sophie Jordan: This goes to the reporting of crime with the technology. One of the main problems faced is the system the police use to gather CCTV. It is now done via an online electronic version, so a retailer will be expected to submit the CCTV electronically via a link. However, a lot of retailers do not have the capacity for this on their systems. Some do not even have internet access or computer systems in their stores. That is one of the main challenges.

Baroness Meacher: What is the importance of this technology to small businesses, for example? You say that they are at quite a disadvantage. How do you see that?

James Lowman: Certainly some of the most impactful technology comes with a high price tag, as you would expect; I am thinking particularly of things like monitoring technology.

But as that develops further and hopefully the price comes down, there is the potential, if you are using the systems, to recognise certain behaviours and actions in-store and then target the data capture around those, and to package that for the police automatically. It is taking down all these manual reporting processes, which at the moment, as I described earlier, are really laborious and dissuading a lot of retailers from doing it. We still think they should, but it does dissuade them from doing it.

Identifying the behaviours, integrating the system to link it to sales data, and the ability to track everyone who has been in the store is much more automated. It links those systems together and packages the data for the police in the most effective way possible so that they can access that data without all the laborious, manual sifting through, which we know takes them a lot of time. They should do it, but it does take a lot of time.

Adam Ratcliffe: That is huge, because the onerous expectation on the police of the level of investigation for low-level crime is a barrier, because you are taking an officer out of action to do all these things. The technology is there to automate a lot of this work.

The knowledge and expertise in the industry is huge. There are people out there who can do their own statements and submit evidence, and put packages together. If we can get 80% of that done and then present it to a police officer who then decides whether to charge or to present it to the CPS, that is far more efficient than a police officer physically having to do these things, often dealing with retail staff who are working on their own in a store for however many hours.

Baroness Meacher: Those were very helpful responses from all three witnesses. Thank you.

Q46 **Lord Bach:** This may be a time when public confidence in the police is not as high as it should be. It may be much lower than it really ought to be, given what has happened to the police in the last number of years. Do policing and business partnerships have public buy-in, and is it important that they should? We have heard evidence that those partnerships, certainly recently, have been working much better than they did before. Is that your and your members' experience, and what about the future?

Adam Ratcliffe: We have many examples of it working and of good news stories. One of our primary focuses is to try to promote that in order to improve people's confidence in the police, because the police are doing some wonderful work behind the scenes but are often not very good at talking about it.

What we do is not complicated; it is a very simple procedure. As an example, some of our areas will create a top 10 list. That list is presented to the local police, who will then know the top 10 offenders committing business crime and can go out operationally and deal with it. They tell us, "We've arrested, we've charged, we've put in prison". We then tell the businesses that this has happened, and the

businesses say, “That’s brilliant. We’ll keep doing this”. There is that positive reinforcement.

The public side is so difficult because we do not have that access to the public, but obviously the people who work in the stores are members of the public; they are from the local community. Their reassurance, faith and confidence in the police is vital, so the more engagement we get with these partnerships that demonstrate that positive work and those positive outcomes, the more we will increase public confidence. It is the staff who work in the stores, who live locally and explain it to their families and friends. The more that happens, the more we can start promoting this work and making the information more widely available.

Sophie Jordan: As Adam said, a lot of people who work in shops are members of the community. Something like one in 10 people in the UK works in retail, so if we can get the buy-in and confidence in the police of people who work in retail, we will go a long way to develop that for the wider population as well. It is all about feeding back the good-news stories. Too often, we focus on the negative, so if we can feed back when we have positive results, that will go a long way to help rebuild public confidence.

James Lowman: Often, communities can feel quite powerless in the face of seeing a lot of crime. Where partnerships are effective, that can give them a lot of confidence. So the confidence and the support will be based entirely on the success of those partnerships and on communicating that well.

The Chair: Thank you all very much. May I, on behalf of all of us, thank you for the work that you are doing? It is enormously valuable. Thank you for the evidence you have given. As I said at the beginning, if there are further things that you think we need to learn and which you wish you had said, please get in touch with us as quickly as possible.

We will write a report that will contain a number of recommendations to government and various other bodies, such as the police, for what we want them to do, so if you have any suggestions for what you would like to be put in our report—obviously, the committee will decide whether we will include them or not—please feel free to put them forward.

On behalf of the entire committee, therefore, a huge thank you. We look forward to hearing a bit more from you over the next week or so.