

Chartered Trading Standards Institute – Written evidence (FDF0041)

Fraud Landscape

1. What fraud risks are UK a) individuals, b) the Government and c) businesses particularly vulnerable to today,

Online

Banking

Texts

Social media

and what are the reasons for this?

The rapid digitalisation of consumer marketplaces and the economy in general.

2. What future economic and technological developments are likely to impact how fraudsters seek to commit crime over the next five to ten years, and how might these be prepared for and mitigated? What role can technology and tech companies play in combatting fraud across this timescale?

Renewable energy and new net zero products rolling out to an unfamiliar consumer base.

Banking scams becoming more sophisticated.

The growth of emerging forms of payment and investment such as cryptocurrency.

3. Is fraud and its victims treated as a priority? If not, what are the reasons for this. The Committee is particularly interested in responses that can explain any barriers preventing effective counter-fraud cooperation within Government, law enforcement, the public sector and the private sector.

No – a lot of fraud goes officially unreported, especially at the lower level. There are perhaps a confusing number of agencies that can receive reports. Trading Standards have limited resources to contend with fraud after experiencing up to 50% cuts in budgets to services over the past decade.

Agencies are rarely joined-up in approaches and data sharing is extremely limited in many instances. Prevention aspects quite often utilise different tactics

and measures depending on the agency. In Scotland they are attempting to tackle this by the introduction of a Scams Strategy Group.

4. What is the role of international actors in the UK's fraud landscape? What are the barriers to tackling borderless fraud?

International fraud actors are difficult to trace for local authorities must rely on specialist units

With a lot of fraud originating from abroad, resources are not in place to be able to prevent, deter, detect or enforce at local trading standards services.

5. Are sufficient resources available to Government organisations (such as the Serious Fraud Office and Crown Prosecution Service) and wider police forces to tackle fraud and support victims, and how should this be addressed if not? Answers need not be limited to financial resources.

No there are not sufficient resources, but we don't use what we have effectively either. Borders, both within the UK at the devolved level, and internationally provide obstructions. Lack of intelligence sharing between international agencies and the local level.

6. What are the responsibilities of the private sector in protecting the public against digital fraud? How can a balance be achieved between the need to tackle digital fraud whilst supporting the growth of these sectors? To what extent is work done to combat fraud across the private sectors undermined by siloed or independent working practices?

Whilst we know consumers have largely embraced digital platforms and many businesses have adopted better cyber defences, we still see many of the big names including banks, the NHS, DVLA, etc. targeted or used as a method for confusing customers.

8. What are the legislative or regulatory impediments to sharing fraud risk data across and between the private and public sectors? For example, to what extent does General Data Protection Regulation (GDPR) limit data sharing?

According to our Lead Officer, it is very difficult in practice to obtain data at any level.

7. What is the role of the individual in relation to fraud? Are consumers well informed about the risks of fraud and how to prevent them? If not, which bodies or organisations should do more to ensure this? What are the most

effective methods of educating the public about fraud crime and prevention?

A lot of fraud is committed by Serious and Organised Crime Groups (SaOCG). They also exploit crises. The COVID-19 pandemic saw a wave of different scams appearing, all of which exploited the situation and the increased vulnerabilities of the general public. Additionally, we foresee the cost of living crisis increasing fraud activity due to the increased financial vulnerability of the public.

Whilst consumers need to be on their guard and we have a role to inform, and we do via press release, TV, radio, and public campaigns, we must make it as difficult as possible for criminals by working ever more closely with social media and other website platforms.

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