

## **Association of Police and Crime Commissioners – Written evidence (FDF0064)**

### **Introduction**

1. This submission is made into the Fraud Act 2006 Committee in response to the Call for Evidence regarding digital fraud.
2. The submission is made by Mark Shelford, Police and Crime Commissioner for Avon and Somerset and Economic and Cybercrime Leads of the Association of Police and Crime Commissioners (APCC), and by his Deputies James Thomson, Chair of the City of London Police Authority Board and Andrew Dunbobbin, Police and Crime Commissioner for North Wales. The APCC is the national association for Police and Crime Commissioners (PCCs), locally elected officials who are responsible for policing and crime in their area.
3. If the Committee has any questions on the submission or for Police and Crime Commissioners more widely, one of the Leads will be more than happy to attend a hearing to speak in person.

### **Role of Police and Crime Commissioners**

4. As PCCs, our role in the work to respond to economic and cybercrime (including fraud) is varied and vital. We are committed to improving the response to fraud in England and Wales, protecting individuals and businesses, preventing victimisation, and supporting the CJS to prosecute offenders effectively.
5. Fraud continues to grow and has affected a significant number of our constituents, as it is now the most commonly experienced crime, with 4.4 million incidents in the CSEW (Crime Survey for England and Wales: year ending September 2020). Fraud causes severe harm to victims' finances and mental health. There are long-term financial implications when life savings are lost and 74% of fraud victims report being emotionally impacted.
6. As Leads, we have been working hard to highlight the critical role that PCCs play in the response to fraud with partners such as the City of London Police, the Serious Fraud Office, National Crime Agency, Her Majesty's Revenue and Customs, and the Home Office. In particular, we have been engaging closely with the Home Office as they develop the Fraud Action Plan. We strongly support the development and endorse the content of the action plan. We see the benefit in the work of the different pillars, and are keen to contribute as PCCs to the work of the plan.
7. We, as the voice of the public in policing, hold our Chief Constables to account for their response to fraud. The APCC has been supporting us in this role by working with partners such as the National Fraud Investigation Bureau and the City of London Police to analyse the fraud crime data by

force and ROCU area to understand performance, as well as developing questions and 'green flag' example answers.

8. Finally, as elected officials we engage with our constituents in a positive and regular way. Therefore we can act as conduits for the most up to date and effective prevention and protection messaging. There remains some misunderstanding around the reporting and analysing role of Action Fraud and the National Fraud Intelligence Bureau, which does not investigate fraud, and we continue to try and dispel this confusion.

## Digital Fraud Landscape

9. Our ambition is for a police service that is as equipped to deal with digital fraud as it is for other, more traditional crime types. It is estimated that over 80% of fraud is digitally enabled, with 16% committed via social media platforms. Based on Action Fraud data from 2020/21, the crime types that present persistent threats to the UK public and businesses are:
  - Courier fraud
  - Cheque and bank account fraud
  - Dating/romance fraud
  - Investment fraud
  - Payment diversion fraud
10. As commissioners of victims services, we have commissioned the National Economic Crime Victims Care Unit (NECVCU) in our areas, which provides specific care tiered for fraud victims. We support the national rollout of this service which will address any gaps in service provision for fraud victims in England and Wales and avoid a 'postcode lottery'.

## Legislative Remedies

11. We welcome the inclusion of fraud as a priority crime in the **Online Safety Bill**. Measures in the Bill will go some way towards mitigating the vulnerability of the public as they shop and socialise online. However, there are lessons to be learnt from the Fraud Act 2006 and we would ask the Committee to consider how legislation and regulation can be better future proofed against new and emerging fraud crime types. Fraudsters are agile and resourceful and the response needs to be empowered to respond in kind.
12. Regarding data sharing, we note that social media platforms are often the first to see the newest scams and would welcome better data sharing with those organisations to keep our protect and prevent response as up to date and effective as possible.

## Prioritisation and resources

13. We welcome the £100m allocated to fraud in the Budget, as well as the recruitment of officers dedicated to tackling fraud through the Police Uplift Programme. This is a good start towards creating a properly-resourced and prioritised whole system approach to fraud. However, fraud is a high-volume offence and the response requires partners and communities at local and national levels to work together systematically in order to address the threat collectively.
14. As PCCs, we have been working with our colleagues to ensure fraud is recognised as a priority, and are encouraged that of the forty one Police and Crime Plans already published, they all acknowledge the harm caused by fraud. To support this work, we would ask for a clear steer from government on the significance of fraud, perhaps through its inclusion in the Strategic Policing Requirement and including it within the National Policing Board performance measures alongside crimes such as burglary.
15. We also note the role of private companies and the third sector. We welcome and support the work of the City of London Police and the Home Office in highlighting the key protection and prevention role of the financial, telecommunications and insurance industries, but agree there is more to be done, for example with social media and online shopping platforms.

### **Prosecution and investigations**

16. Currently approximately 90% of investigations into fraud against the individual and private sector are undertaken by policing. In order to support the prosecution of these crimes, we would ask the Committee to consider adding further offences to the Fraud Act 2006. Currently it does not cover cyber dependent fraud, defined as offences where the misuse of computers are integral to the commission of the offence. As such these crimes are often prosecuted under the Computers Misuse Act 1990 and/or the Criminal Justice Act 1976 which are limited due to their age resulting in sub optimal judicial outcomes.
17. The strengths of the Fraud Act 2006 are that it simplified the law in relation to fraud and brought many offences under one banner. However it may benefit from expanding its scope to include more complex online fraud, which generally involve a misrepresentation and make cases easier to prove.
18. In order to increase pursuit and prosecution of fraudsters, law enforcement and the Crown Prosecution Service (CPS) need to maximise the effectiveness of their working relationship. There would be benefit in prosecutors and investigators collaborating more at an early stage to align investigative and prosecution strategies. To this end, we as Chairs of our Local Criminal Justice Boards have been prioritising fraud to engender discussion and develop closer working processes in fraud cases.
19. The APCC also submitted a response to the recent Justice Select Committee inquiry into the Criminal Justice System's approach to fraud. We are happy to share the full response with you, but we made the key points around the prioritisation of fraud causes by the CPS and improved

sentencing guidelines that recognise the emotional, as well as financial, harm of fraud.

20. We are all cognisant of the challenges faced by the courts throughout COVID and before, but as a consequence we have seen increasing delays. This is particularly true in the prosecution of fraud cases, which are already incredibly long, complex and often have an international dimension. As part of this, there can be a sense of a deprioritisation of fraud cases, due to their aforementioned length and complexity. We understand that the CJS recognises this backlog and are working to address this with more sitting days and other measures, for which we are grateful. However, we urged the inquiry to look into what more can be done in particular in the prosecution of fraud cases which have special requirements due to their complexity.
21. We also submitted that the fraud sentencing guidelines still only take into account the financial harm caused to victims. This is based on an out of date view that fraud victims only suffer financial harm and only require financial reparations for their harm.
22. We would also raise the question of where responsibility lies for investigating allegations of fraud against institutions and third sector bodies such as banks and charities, where wrongdoing has occurred but no investigation or prosecution has taken place. Currently there is no clear delineation of responsibilities in terms of pursuing offenders and we would welcome clarity on processes and definitions as to when investigations of fraud can be pursued at which level, i.e. national, regional, or local.

## **Victims of Fraud**

23. Victims of fraud have often been maligned, with the focus solely on the monetary loss rather than the emotional and psychological harm caused. Fraud has a devastating impact on individuals. The Victims Commissioners' report into victims of fraud noted that almost 75% of victims suffer emotional harm from fraud. Fraud crime types such as romance fraud can cause severe emotional distress. The view that fraud is a victimless crime is certainly no longer, if it ever was, correct.

## **Closing remarks**

24. We would like to thank the Committee for the opportunity to comment, and to reiterate our offer to attend an in person hearing if it requires any further information. Although we would like to raise these concerns, and noting the remit of the inquiry of the inquiry, we would like to highlight the important of prevention. As is noted often, we are not going to arrest our way out of this. We believe the best way to tackle fraud is to prevent victimisation. To this end, we have been piloting a postcard with clear prevention messaging for over 60s in Avon and Somerset. We hope this will have positive outcomes after evaluation and can be taken up as an intervention elsewhere.

25. To conclude, policing operates a model which applies resources based on threat, harm and risk. Recognising the harm done by fraud is a necessary step in continuing the work to build the capabilities and capacity in the whole system to effectively investigate and prosecute fraud. We urge the Committee to support the prioritisation of fraud, and to ensure the legislative and regulatory framework empowers law enforcement to bring offenders to justice.

*27 April 2022*