

## Written evidence from NECC

1. The National Economic Crime Centre (NECC) was created to deliver a step change in the UK's response to, and impact on, economic crime including Fraud. The NECC brings together law enforcement and justice agencies, government departments, regulatory bodies and the private sector with a shared objective of driving down serious organised economic crime, protecting the public and safeguarding the prosperity and reputation of the UK as a financial centre.
  2. The NECC is responsible for coordinating and tasking the UK's response to economic crime, harnessing intelligence and capabilities from across the public and private sectors to tackle economic crime in the most effective way. We work with partners from across the public, private and third sectors to pursue serious and organised fraudsters, make individuals and businesses more resilient to fraud and other economic crimes, and, wherever possible, to return funds to victims.
  3. It will jointly identify and prioritise the most appropriate type of investigations, whether criminal, civil or regulatory to ensure maximum impact. It will seek to maximise new powers, for example Unexplained Wealth Orders and Account Freezing Orders, across all agencies to tackle the illicit finance that funds and enables all forms of serious and organised crime.
  4. The NECC will ensure that criminals defrauding British citizens, attacking UK industry and abusing UK financial services are effectively pursued; that the UK's industries and government agencies know how to prevent economic crime; and that the UK's citizens are better protected.
  5. The NECC is hosted within the National Crime Agency (NCA) and includes officers or representatives from a number of other member agencies including the Serious Fraud Office (SFO), City of London Police (CoLP), HM Revenue & Customs (HMRC), the Crown Prosecution Service (CPS), the Financial Conduct Authority (FCA) and the Home Office (HO).
  6. The NECC is supportive of submissions into this enquiry from member agencies listed above, including the recommendation for a corporate 'failure to prevent fraud' offence, and seeks only to add to these submissions and provide additional details pertinent to the specific questions asked in the call for evidence and will not duplicate areas answered in full in other submissions.
  7. However, the NECC would like to particularly reinforce the importance of increased levels of funding capacity and capability across the fraud system from reporting to investigation to prosecution, covering sensitive and effective victim support measures to ensure the whole system is able to respond to the threat in the most effective way. We are working closely with the Government in relation to this point.
  8. The NECC is also supportive of the proposals by the City of London Police and CPS into potential reforms and enhanced guidance in managing disclosure linked to the prosecution of frauds which has unfortunately led to the collapse of a number of fraud cases in the UK, which can undermine law enforcement efforts to deter criminals from engaging in fraud and fail to permit victims from receiving justice .
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## **NECC plans to tackle rising instances of fraud, particularly the rise of fraud facilitated online**

### **Co-ordination of National Law Enforcement Activity**

9. Since late 2019, the NECC have worked in collaboration with the City of London Police, police forces across the country, the FCA, HMRC, CPS and SFO to increase the operational response to fraud under a national campaign named Project OTELLO.
10. OTELLO comprises of a series of initiatives tackling some of the highest harm fraud types including courier fraud, romance fraud, investment fraud, payment diversion fraud (sometimes referred to as mandate or business email compromise fraud) and frauds linked to Covid-19.
11. The NECC working closely with City of London Police, instigated the campaign following discussions with Chief Constables, Police and Crime Commissioners and senior officers from other agencies at a national meeting. This led to a tasking being issued under the Crime and Courts Act 2013 by the then National Crime Agency Director General Lynne Owens focused on improving the intelligence picture on fraud, pursuing offenders causing the highest harm, and increasing the priority of fraud across the system.
12. In addition to these intensification campaigns the NECC is utilising the capabilities of the NCA to focus on organised crime groups and high harm fraudsters committing or facilitating fraud, either in the UK or from overseas, to ensure law enforcement (including the NCA itself) focuses their limited operational capacity for fraud against those posing the greatest risk.
13. The NCA will continue to use its international liaison officer network on behalf of policing to exchange information and intelligence with partners abroad leading to the tracing and arrests of criminals globally. The example set out in evidence submitted by the City of London Police indicates how this can impact on fraud, whereby working closely with Ghanian authorities has resulted in the repatriation of monies lost to romance fraud, repaid to UK victims.

### **Public-Private Partnerships**

14. The NECC recognises that reported experiences and reported incidents of fraud need an appropriate and effective response in terms of law enforcement action through the justice system, but equally recognises the important role that private industry can play in disrupting criminality and reducing opportunities for fraudsters to operate in the first place. (see Sector Charter commitments being delivered by the Home Office's Joint Fraud Taskforce).<sup>1</sup>
15. The NECC has been instrumental in the development of the Online Fraud Steering Group (OFSG) with UK Finance and techUK in 2021.<sup>2</sup> The OFSG is a public-private group focused on reducing the threat from online/cyber enabled-fraud in the UK. This is the first time that the technology and banking & finance sectors, government and law enforcement have all come together to work collectively to tackle fraud.
16. The OFSG has a strong 5-point mission:
  - To make the UK the least attractive place for online fraudsters to operate.
  - To involve all relevant sectors as required to collaborate and form targeted responses to prevent different types of fraud.

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<sup>1</sup> [Joint taskforce relaunched to protect against rise in fraud crime - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/joint-taskforce-relaunched-to-protect-against-rise-in-fraud-crime)

<sup>2</sup> [National Economic Crime Centre - National Crime Agency](https://www.necce.org.uk/)

- To share information and refine our understanding of the complexities of online fraud.
  - To boost the response from law enforcement, technology and banking sectors through improving communication flows.
  - To enhance public communication and raise awareness to support consumers.
17. Although still in its infancy, one of the key achievements of this group has been the members commitment to ensure that only FCA authorised firms are able to advertise investment activities<sup>3</sup> as required under the Financial Services and Markets Act 2000 (FSMA), reducing the opportunities for criminals to advertise fraudulent schemes.
18. The NECC also worked with partners to provide evidence to the draft Online Safety Bill committee to include fraud, and specifically paid for advertising. This places a requirement for online platforms to be proactive in stopping fraudulent material from reaching the UK public, as well as removing it when reported.

**Date: 21/01/2022**

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<sup>3</sup> [Tech giants agree to only publish ads of FCA-authorised firms | International Adviser \(international-adviser.com\)](https://www.international-adviser.com)