

Police can't cope with avalanche of fraud cases

Times investigation prompts damning report

Paul Morgan-Bentley, Head of Investigations

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Fraudsters in Britain “operate with impunity” because the police are not adequately equipped to investigate them, a report has concluded.

No force can cope with the rapidly increasing number of cases and they are regularly handed to “unskilled investigators”, it revealed.

Millions of victims are being failed and police staff say “they can no longer work effectively to identify criminals and help bring them to justice”.

The review, led by Sir Craig Mackey, former deputy commissioner of the Metropolitan Police, was prompted by a Times investigation last year. An undercover reporter found that call handlers for Action Fraud, the police’s national reporting service, mocked victims as “morons” and were trained to mislead them into thinking their cases would be investigated when most were never looked at again.

It found that only one in 200 officers was dedicated to investigating fraud even though there were almost four million incidents a year in England and Wales, more than a third of all crimes.

Sir Craig’s review supported this newspaper’s findings and said that the police response to fraud needed “radical change”. It found that:

- The growth in fraud means that it should be seen as a “national threat”.
- Action Fraud is failing to answer a third of calls and has “disturbing” problems including high staff turnover and absenteeism.
- There have been “unacceptable delays” because forces are making excuses to avoid taking on investigations.

- Police computer systems that should collate reports with matching details are so poor that staff have had to record crimes on makeshift spreadsheets.
- Fraud has been spelt “fruad” for a year on one page of the Action Fraud website despite complaints from victims. The change has not been made because of worries that the outsourced firm running the website may charge to edit it.

As much as £60 million could now be redirected to fraud policing as part of a national overhaul. It could fund 400 new officers and staff in regional fraud squads and a recruitment drive for experts from the private sector.

Last night the Home Office said that it was carefully assessing the report.

Victims of fraud must contact Action Fraud. The service is overseen by City of London police but its call centre and computer systems have been outsourced to private companies. If call handlers deem cases to be crimes they are passed to crime reviewers at the National Fraud Intelligence Bureau (NFIB), who decide which should be sent on to police forces for investigation.

After the *Times* investigation four managers left Action Fraud and the police launched Sir Craig’s inquiry. He described how staff were trained to decide during calls whether cases should be filed as “crime reports” or as less serious “information reports”, which are rarely looked at again.

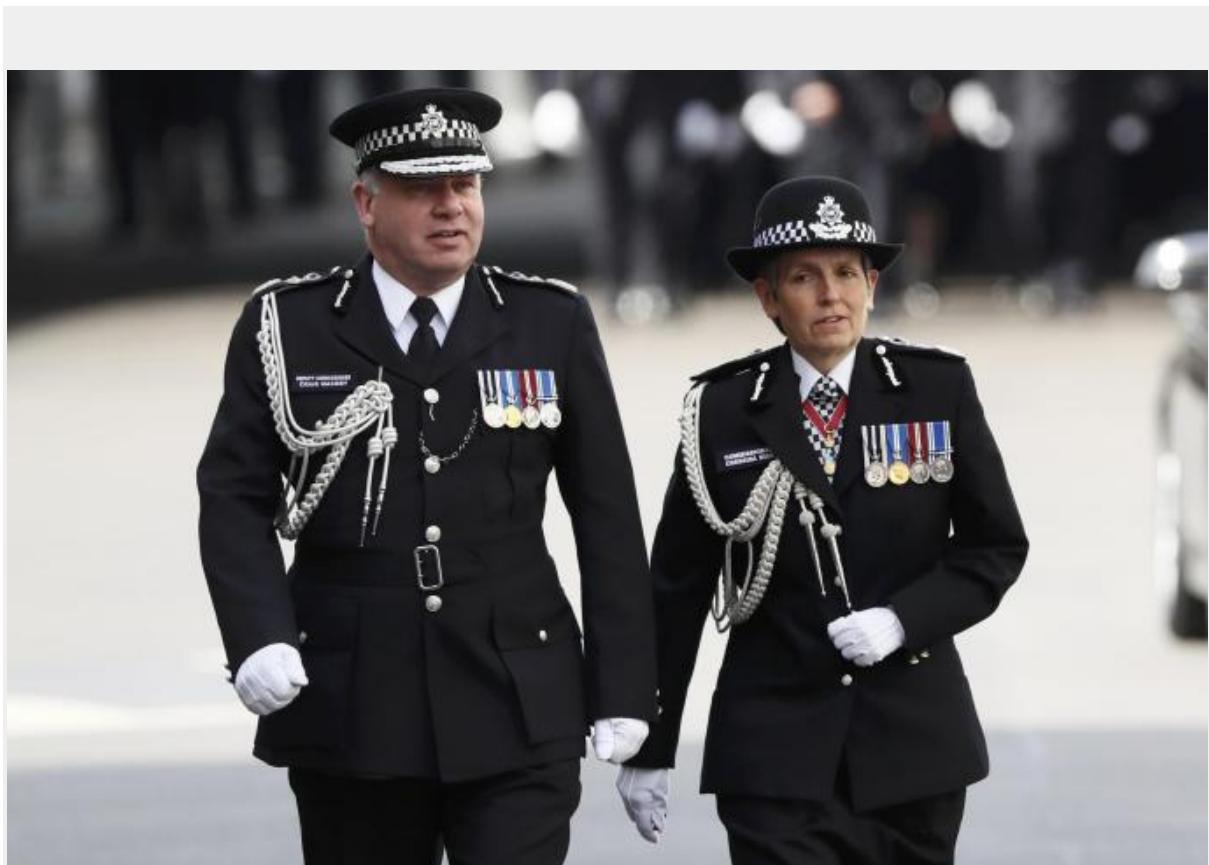
Referring to the undercover footage, he wrote: “New joiners can be seen in the video being told not to disclose to victims that their report would be recorded for information only. This was done to mislead victims into believing that their allegation would be investigated even though it is clear that this would not be the case.”

Sir Craig found there were “disturbing trends” in the work of Action Fraud, which is “lagging behind industry standards” and that “immediate steps should be taken to boost staffing levels”.

Victims wait too long to be answered and too many hang up. Staff cannot cope with the number of calls and frequently misclassify reports.

Action Fraud takes an average of four minutes and 37 seconds to answer calls, compared with a standard of 35 seconds in commercial call centres, the report said. At Action Fraud 33 per cent of calls are abandoned, compared with 14 per cent in the private sector. When cases were passed on correctly, he wrote, “the capacity to investigate in police forces is at best stretched and sometimes non-existent”.

Sir Craig called for “radical change”. “Fraudsters currently operate with impunity and renewed commitments are needed in the police service to take the fight back to them,” he wrote.



Sir Craig Mackey, former deputy to the Met commissioner Dame Cressida Dick, right, said fraud policing needed radical change

STEFAN WERMUTH/REUTERS

Plans for regional police squads dedicated to investigating fraud have already been drafted, Sir Craig disclosed. They are to be submitted to the Treasury for approval by the end of the 2021-22 financial year.

He suggested the teams should be led by a chief officer dedicated to fraud and include financial experts recruited from the banking sector as part of “modern” teams that could deal with the demand and complexity of fraud investigations. This would require forces being allowed to offer better pay terms than are usually allowed.

“It is time to pioneer flexible employment terms to bring new blood into the police service,” he wrote.

Action Fraud needs an urgent and significant increase in staff of up to 50 call handlers, the report said, because “the capacity to answer calls has not kept up with increased volumes of reporting”. About 50 more staff are also needed at

the NFIB, which is under “considerable strain” and able to review only about half of 19,000 crimes with viable lines of inquiry that it receives every month.

Sir Craig wrote that an integral part of the NFIB’s computer system, which matches crimes having similar features such as the same bank account, is “malfunctioning”. This means “larger networks of offenders are in effect beyond the reach of law enforcement”.

There are backlogs of tens of thousands of cases. Staff have resorted to trying to group cases manually in a spreadsheet and say they feel that “they can no longer work effectively to identify criminals and help bring them to justice”.

Thousands of cases sent by other agencies have not been investigated.

Sir Craig found that the computer system needed urgent repair and that “the future of fraud investigation in the UK is dependent on it”. He wrote that the lack of staff and the computer problems have created a “perfect storm”.

Describing police forces’ performance on fraud when the cases are passed on to them, he wrote that it was “rarely” a priority and officers “lack the skills to investigate complex cases”.

“There is a mismatch between the scale of fraud offences and the capacity and capability of forces to investigate them,” he said. “Cases are routinely assigned to unskilled investigators; and, worse still, no force has the capacity to manage the workload.”

City of London police said that they would work with the City of London Corporation, the National Economic Crime Centre and Home Office to address his recommendations.