



## Fraud Policy

Department: Economic Crime Unit

### Background

In many ways, fraud is a unique type of crime. The levels of reported fraud are higher than other crimes and often complex with no respect for jurisdictional boundaries. Victims and offenders are often remote from one another, as are the agencies that tackle fraud. There is a national process for reporting fraud and deciding which cases will be disseminated for consideration of further investigation.

Fraud is the most commonly experienced crime in England and Wales with estimates of 3.6 million fraud incidents, an increase of 12.8% from the previous survey year. South Wales Police had 4,923 Action Fraud reported offences in the same period. On average fraud affects one in every ten people and yet only around 10% of fraud is reported to the Police service and Action Fraud.

This policy has taken in to consideration the National Police Fraud Strategy (2019-2022) and the Economic Crime Plan (2019-2022).

### Fraud Reporting

Fraud is reported to South Wales Police in the following ways:

#### Action Fraud

Action Fraud is UK's national reporting centre for fraud and cyber-crime. In the vast majority of cases, reports of fraud and cyber-crime are completed via the Action Fraud website or Action Fraud call centre. There are occasions when it is expedient for Police forces to act immediately, in response to a report of fraud or cyber-crime. These instances are identified as 'calls for service' (explained in more detail later in the policy). If a report is not a call for service, victims will be advised to report to Action Fraud directly. All cases of fraud whether reported directly by the victim or referred by the Police are recorded centrally via Action Fraud and analysed within the National Fraud Intelligence Bureau (NFIB) hosted by the City of London Police as the lead force. Following analysis, the NFIB provides the Police and other law enforcement agencies with individual crime packages that identify viable opportunities for either investigation or disruption.

#### Calls for Service

A 'call for service' is a fraud report that requires an initial response from the Police. In the case of fraud, the Home Office Counting Rules (HOCR) define the circumstances that should be treated as a call for service. These are:

- a. offenders are arrested by the Police; or
- b. there is a call for service to the Police and the offender is committing or has recently committed at the time of the call; or
- c. there is a local suspect

Where a call for service is apparent, a record will be created on Niche and resources will be deployed to the incident and if appropriate will record the offence with Action Fraud.

If an offence is not a call for service and is referred to Action Fraud, consideration will be given to carrying out some initial action with regards to the following:

- Seizure of Material that may not be available at a later date i.e. CCTV
- Where funds are at risk, e.g. the victim informs us that the funds are still in the recipient's bank account as advised by the suspect's bank, but they require Police intervention to freeze the account

If an offence is not a call for service but the victim is identified as being vulnerable the details of the fraud will be recorded on Niche and also recorded with Action Fraud.

## **Vulnerable Victims of Fraud**

The Economic Crime Unit receives weekly disseminations via Action Fraud of all reported frauds with victims in the force area. The FASO's assesses the level of vulnerability of each fraud victim which include specific economic crime vulnerability factors.

When vulnerability is identified the FASO will coordinate an effective response which can include personal visits, signposting to other agencies or tasking the Neighbourhood Policing Team. The aim of personal visits is to ensure that a specific question set is completed identifying preventative measures and ensuring that they are implemented, with an emphasis on maximising protection for the victim and reducing the risk of repeat victimisation.

Vulnerable victims of fraud that are referred to the Police via the National Crime Agency or the Banking Protocol will receive the same response.

## **Aims and Objectives**

This policy document sets out how South Wales Police will deal with the increasing threat from fraud. The intention is to provide a quality service to victims by dealing effectively and efficiently with their reports. South Wales Police aim to assess all fraud reports and take a practical and victim focused approach to tackling this increasing crime type that impacts on the entirety of our diverse communities.

## **Assessment and Initial Triage**

The expectation is that all referrals from NFIB will be considered for investigation, however, as with 'calls for service' the decision on whether to investigate an allegation of fraud lies solely with the local Police.

In making the decision whether or not to investigate an allegation of fraud, a number of risk factors will be considered. Proportionality will be considered with regards to available assets at local, regional and national levels, with due consideration given to escalating a case through the fraud escalation process. The criteria listed in Appendix A (below) will be used as the basis for this risk assessment.

The high-risk offences will be prioritised and the low assessed risk offences are not likely to be investigated.

As part of this assessment the National Decision-making Model will be utilised and professionally applied when completing the 'Screening & Allocation Matrix'. By applying this case acceptance criteria (Appendix A) South Wales Police will provide a consistent framework for assessing all reports of fraud. This will ensure that South Wales Police resources target those cases that present the greatest threat, risk or harm to our communities and protect the most vulnerable.

In line with the Investigating Fraud - College of Policing Authorised Professional Practice (APP4), the evaluation will utilise the Fraud Investigation Model (FIM) opportunities to achieve a positive outcome and ensure transparent decision making.

This fraud triage system is designed to reinforce the national '4 Ps' strategy in tackling fraud and Cybercrime.

**Pursue** - Perpetrators of fraud will face the risk of prosecution, loss of assets and dismantling of their operations at every opportunity. A combined law enforcement response will attack the finances of organised crime across regional, national and international borders. All statutory enforcement options available to Police and our partners will be exploited to detect, investigate and disrupt criminality at the earliest possible stage, prosecuting those responsible and recovering assets

**Prevent** - The Police and partnership approach will be to deter people from engaging in fraud by raising awareness of its devastating impact and showing that crime does not pay by marketing our success

**Protect** - By working together in a cohesive partnership we aim to educate the public and businesses to prevent them becoming victims of fraud. Activities across the full spectrum of public and private sector partners will ensure alerts of fraud are rapidly communicated to potential victims. By understanding our emerging threats we will effectively drive targeted communications to help individuals protect themselves and reduce repeat victimisation

**Prepare** - Given the rapid increase in fraud, both cyber enabled and otherwise, significant investment is being considered nationally for the staffing and resourcing of fraud investigation. In conjunction with our partners we are ensuring an effective response

<https://www.app.college.police.uk/app-content/investigations/investigating-fraud/>

Every fraud reported to South Wales Police will have an assessment conducted by a supervisor within the Economic Crime Unit. The assessment will be recorded on the OEL of the Niche occurrence.

The Economic Crime Unit supervisor will give guidance on the investigative response and opportunities which will be endorsed with an investigation plan. Victims will be updated as per the Victim Code of Practice.

If no further action is being taken victims will be provided with the rationale in writing.

## Appendix A

The below listed criteria will be taken into consideration when determining the investigative response by the force to a complaint of fraud. The criteria are not exhaustive and are not ranked in terms of priority. Furthermore, nothing in these guidelines prevents South Wales Police from investigating any case that they consider appropriate.

### Higher priority cases

- Frauds affecting vulnerable and/or repeat victims or having a significant impact on the victim(s)
- Frauds giving rise to significant public concern, high media interest, or where it would be in the public interest to pursue an investigation given all the circumstances
- Strong positive lines of enquiry are immediately apparent
- Frauds committed by, or knowingly facilitated by, professional enablers(e.g. lawyers, accountants).
- The offence is believed to be part of a linked or emerging series
- Frauds committed by organised crime groups
- There are clear opportunities to identify and restrain assets with the aim of pursuing confiscation or forfeiture proceedings
- Frauds committed by prolific offenders

## Lower priority cases

- Frauds where the eventual outcome, in terms of length of sentence and/or financial penalty, is not sufficient to justify the likely cost of the investigation
- The victim has pursued a civil recourse and is dissatisfied with the civil remedy
- Delays to the investigation and subsequent outcome will be caused by the location of key evidence elsewhere
- Available resources will not permit an immediate and expeditious investigation
- Frauds where the victim's conduct has contributed to the loss, in particular victims have received warnings that have not been acted upon
- There are justifiable doubts over the authenticity of the report
- Frauds where victims are not prepared to co-operate fully with the investigation and prosecution
- Frauds more suitable for investigation by another enforcement or regulatory agency
- Where there is minimal loss relative to the victim
- Frauds that have already been investigated by the Police or other enforcement agency, or that have been the subject of regulatory proceedings, unless significant new evidence has come to light
- The fraud is historic and there are no exceptional circumstances
- The victim(s) appears to have reported the crime for administrative reasons, e.g. to obtain a crime reference number for an insurance claim and has no expectations regarding the outcome of an investigation

## **Electoral Fraud**

All instances of electoral fraud will be treated as a 'call for service' and will be reviewed and assessed by the trained election fraud SPOCs within the Economic Crime Unit. All such investigations will be conducted whilst working closely with the Electoral Commission. Careful consideration will be taken in respect of the likely community impact and media interest.

## **Appeals Process**

The victim or person reporting may be dissatisfied with a decision not to further investigate a crime.

A nominated person senior to the decision maker will act as the appeals manager. This does not affect the victim's right to make a formal complaint via the appropriate channels but is intended to provide an alternative route to find an early resolution.

The appeals manager will use the National Decision-making Model, Appendix A criteria and the 4 P principles to assess whether the decision maker has appropriately considered and communicated the above factors to the victim or person reporting.

## **Consultation**

The following have been consulted during the formulation of this document:

- Head of Crime
- Professional Standards Department
- Legal Services
- Chief Officer Group

**PROTECT - MANAGEMENT**