

**SAFER
HAMPSHIRE
BUSINESS
PARTNERSHIP**

Working
together
to tackle
crime

V1.0

BUSINESS CRIME GUIDE

**HOW TO IDENTIFY
AND REPORT
DIFFERENT
TYPES OF FRAUD**



HAMPSHIRE
CONSTABULARY

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INTRODUCTION

According to Action Fraud, the UK's national reporting centre for fraud and internet crime, one in four businesses is affected by fraud every year. In 2017, fraud cost UK businesses £190 billion. Fraud is a crime involving misrepresentation, trickery, scams, imposters or deceit. Fraud almost always involves money, either directly or indirectly. No loss needs to occur for an offence of fraud to have been committed. This guide has been produced to help businesses identify and report different types of fraud.



TYPES OF FRAUD

For the purposes of this guide, the different types of fraud that fall under the remit of Action Fraud are:

- **Section 2** Fraud Act 2006: Fraud by false representation.
- **Section 3** Fraud Act 2006: Fraud by failing to disclose information
- **Section 4** Fraud Act 2006: Fraud by abuse of position

For these offences there needs to be dishonest financial gain or loss, or an exposure to loss.

These categories are then broken down further by Action Fraud into more than 60 different types of fraud. You can learn more about these on the Action Fraud website by selecting "Types of fraud" on the homepage and then choosing "A-Z of fraud".



SECTION 2: FRAUD BY FALSE REPRESENTATION

This is the most common fraud that the police deal with in relation to businesses.

EXAMPLE SCENARIOS:

1 A customer orders goods on an account which he/she is not associated with.

2 A customer enters a shop, takes an item from the rack and then goes to the customer service desk requesting a refund as the item is too small.

In both cases the suspect has lied in order to gain financially and in turn has caused a loss to the business if the fraud is not realised.

SECTION 3: FRAUD BY FAILING TO DISCLOSE INFORMATION

EXAMPLE SCENARIO:

1 An employee who has gained employment by falsifying their application form by not disclosing a criminal conviction where there is a legal duty to do so.

The suspect has gained employment or goods by lying, therefore their actions are fraudulent.

SECTION 4: FRAUD BY ABUSE OF POSITION

There is no defined list which outlines who can be seen as being in a position of trust, so all information is judged on its own merits and businesses are no exception.

EXAMPLE SCENARIOS:

1 A director of a company who falsifies records and transfers money into their own personal account at the expense of shareholders.

2 An employee entrusted with company data who then steals that data in order to gain financially through the sale of that data to another company.

Half of all frauds reported in the UK are by businesses. This includes an insider threat so employers need controls and checks when entrusting staff and ensure there are security measures in place to prevent fraud in the workplace.

REPORTING FRAUD

The crime types listed on pages 6-7 need to be reported to Action Fraud to obtain a crime number and password.

Determining if there is a “call for service” will depend on whether the police direct

the company to Action Fraud or take a report and start an investigation.

All fraud reports are sent to the National Fraud Intelligence Bureau, which forms part of the City of London Police, who are the national lead for fraud.

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How to beat scam calls and messages

Don't click on the links or attachments in suspicious emails, and never respond to unsolicited messages and calls that ask for your personal or financial details.

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For more information about how to stay safe online, visit cyberaware.gov.uk

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Oh my code i've been phished

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CALL FOR SERVICE

A call for service simply means that Hampshire Constabulary will initially own the investigation and take any required action. If any of the following apply, you should call the police in the first instance.

The guidelines for a call for service are set out by Action Fraud. Hampshire Constabulary will consider the following along with a vulnerability test prior to directing businesses to Action Fraud:

1. The offender is there now or has been recently or the offender has been detained by the business.

If a business contacts the police and reports that the offender is on their premises or has just left, there is a clear opportunity for Hampshire Constabulary to detain and identify that person. In this type of case, Hampshire Constabulary would start the investigation and report the matter to Action Fraud to obtain a crime number.

2. Fraudulently obtained goods are soon to be or have been delivered to an address in Hampshire.

If your company has been the victim of fraud whereby goods have been purchased fraudulently and the parcel is currently en route or has been delivered to an address in Hampshire, there is an opportunity here to recover property and identify offenders.

If your business is the victim of this type of fraud it is important that you contact the police force in the area where the parcel is being delivered or has been delivered and not your local force.

For example, if your parcel is being delivered to an address in Kent then you should call 101 and ask to be put through to Kent Police.

3. The offender is known and lives in Hampshire or police can locate the suspect with the details provided.

It is not unusual to receive calls from businesses who are able to identify suspects who commit fraud on their premises (this does not include employees). What is important is that the suspect is known and lives in Hampshire, or the business can provide Hampshire Constabulary with enough information that allows the police to locate the suspect in Hampshire.

If the police identify that the suspect lives in another force area and no other call for service criteria apply, then your business will be directed to Action Fraud to report the crime. Fraud is dealt with in this way to ensure that forces deal with suspects in their own policing area and do not have to travel the country arresting suspects.

4. Evidence which will be lost if left in situ.

When the police talk about evidence which will be lost if left in situ, this generally means CCTV, although this could also include forensic evidence. If your business has been the victim of a fraud and the suspect has been caught on CCTV with a good clear facial image and there is an opportunity to identify the suspect, then the call for service would have been met.

5. Employee fraud – the suspect’s usual place of work is in Hampshire.

It is important to note that if your business has been the victim of employee fraud then the criteria from point 3 listed on page 9 – offender is known and lives in Hampshire – does not apply. It does not matter that the suspect could live out of county. In these circumstances the most important point

is that the suspect’s business address is in Hampshire and, if this is the case, the call for service criteria would have been met.

It is important that businesses are aware that Hampshire Police will assess the call for service criteria and that only one criterion needs to apply e.g. CCTV evidence which would otherwise be lost would take priority over an offender in a different force area.



NO CALL FOR SERVICE

If it has been assessed that there is no call for service and no vulnerability has been identified, your business will be directed to Action Fraud to report the crime.

This can be done online at www.actionfraud.police.uk or by calling Action Fraud on **0300 123 2040** (office hours).

ActionFraud
National Fraud & Cyber Crime Reporting Centre
 actionfraud.police.uk 

FRAUDS WHICH DO NOT FALL UNDER THE ACTION FRAUD REMIT

There are certain types of fraud that Hampshire Constabulary crime classifies locally and we deal with these as “business as usual”.

These cases do not require an Action Fraud referral and will not be judged against the call for service criteria. These fraud types are listed below:

1. Making off without payment/bilking (see exceptions below)
2. Forgery or use of drug prescription
3. Other forgery – counterfeit currency
4. Making or supplying articles for use in fraud
5. Possession/control of articles for use in fraud
6. Possession of false documents
7. Theft of fuel
8. Forgery associated with vehicle driver records
9. All Proceeds of Crime Act offences
10. Cash seizures/confiscations

If your company is affected by any of these types of fraud in the Hampshire Constabulary area, you should call the police on **101** or report the crime using the online reporting tool on the Hampshire Constabulary webpage. Below is a guide to some of the most common frauds reported by businesses to Hampshire Constabulary.

1. MAKING OFF WITHOUT PAYMENT/BILKING

There are three exceptions where this will become a fraud that should be reported to Action Fraud and therefore will be assessed against the call for service criteria:

a) The offender has been asked by the cashier if they have fuel and they say “no”

This is a straightforward fraud by false representation and it is likely in these circumstances that there will be CCTV, so the call for service criteria “Evidence which will be lost if left in situ” will apply.

b) The suspect pays by fraudulent means

Whether the suspect is paying a taxi driver, a restaurant or a petrol station, if they pay by fraudulent means this becomes a fraud by false representation, therefore each incident will be judged against the call for service criteria prior to Hampshire Constabulary taking any further action.

c) The suspect enters into a civil agreement but leaves false details

A person should not believe that they can enter into a civil agreement to repay a debt and then leave false details. This is a fraud by false representation and, as such, should be reported to Action Fraud. This should not be seen as a civil debt. The call for service criteria will be reviewed against the information provided by the victim prior to taking a report or directing them to Action Fraud.

2. FORGERY OR USE OF A DRUG PRESCRIPTION

If your company deals with drug prescriptions then you need to know that the force has an action plan for incidents of this nature and, if the suspect is on the premises, a deployment should be requested via our control room. If the suspect has left the building and you have CCTV then we will investigate this in the usual way. It is important that you download any CCTV at the earliest opportunity and forensically preserve the prescription.

3. COUNTERFEIT CURRENCY

Hampshire Constabulary will investigate incidents involving counterfeit currency which form part of a series or are identified by the National Crime Agency to be part of a national series. It is important that you understand what information the police will require and, most importantly, you must protect the note(s) forensically. Please do not hand notes between staff as this could lead to a forensic examination being refused.

When calling the police please be prepared to tell the operator what type of note has been passed, what the serial number is and what denomination we are dealing with, for example: Bank of England £50 serial number UH96 308214. This will enable the police to ascertain whether your incident is part of a larger series.

We would encourage businesses to contact the police prior to considering taking the note to the bank. A bank will take any counterfeit currency passed to them out of circulation and whilst they will provide you with a receipt, the note, in most cases, will be required by the police for evidential purposes.

The police will assess all incidents individually and if it is determined that your report is an isolated incident and not linked to any other crimes then your incident will be recorded and the appropriate advice will be given with regards to the note.

THE SECURING OF EVIDENCE



It is important that businesses secure evidence at the earliest opportunity

CCTV footage degrades the longer it is left on your system. At the point of realising an offence has taken place, the footage should be downloaded. Businesses should not wait to receive a CCTV pack through the post.

Any evidence with forensic potential should not be passed between staff members.

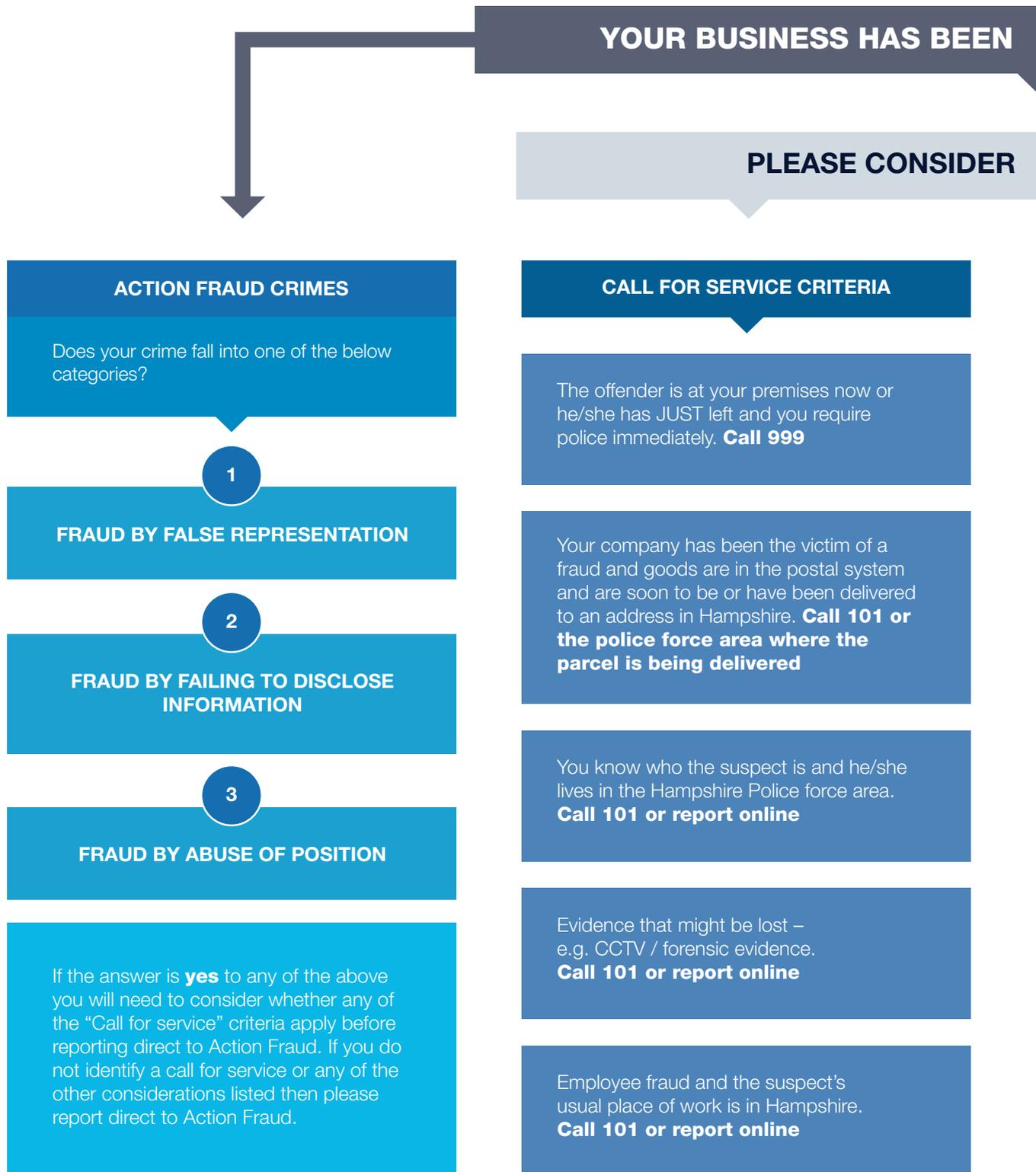
Counterfeit notes are often handled by 3-4 people before anyone is convinced they are fake.

Secure the evidence by placing the item into a poly pocket so as to reduce the risk of contamination.

If you are reporting a fraudulent transaction using a bank card, ensure that the card details are secured and available to the police. Without them, difficulties arise in securing any evidence. CCTV images alone are often not enough to secure a conviction.

FRAUD BUSINESS FLOWCHART

IDENTIFYING AND PROTECTING THOSE WHO NEED OUR HELP



THE VICTIM OF A FRAUD

EACH COLUMN BELOW

OTHER CONSIDERATIONS

VULNERABILITY

Is the victim of the fraud vulnerable?
Call 101 or report online

POLICE NATIONAL COMPUTER REGISTERED ITEM

Does your fraud involve a vehicle, plant or machinery which can be recorded as stolen?
Call 101 or report online

BILKING / MAKING OFF WITHOUT PAYMENT

- Does your incident involve an element of misrepresentation?
 - Suspect left false details?
 - Paid by fraudulent means?
 - Said they did not have fuel when they did?
- Call 101 or report online**

LOCALLY RECORDED FRAUDS

Please **call 101 or report online** BUT where appropriate **call 999**

SHOULD YOUR FRAUD BE CRIME RECORDED BY HAMPSHIRE POLICE?

- Making or supplying articles for use in fraud.
- Possess / control of articles for use in fraud.
- Possession of false documents.
- Forgery drug prescription.
- Forgery counterfeit notes
- Bilking / making off without payment (see exceptions).
- Forgery associated with vehicle driver records.



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