

Impact case study (REF3b)

<p>Institution: University of Portsmouth</p>
<p>Unit of Assessment: 22 Social Work and Social Policy</p>
<p>Title of case study: Enhancing Support for Victims of Fraud</p>
<p>1. Summary of the impact</p> <p>This case study concerns the research of the Centre for Counter Fraud Studies relating to both individual and small and medium enterprises (SMEs) victims of fraud. It highlights how the underpinning research has influenced major national policy changes, such as the formation of Action Fraud and the services they and other bodies, such as the National Fraud Authority (NFA), Serious Fraud Office (SFO) and Office of Fair Trading (OFT), provide to support victims. It also demonstrates how the research has informed policy-makers of the significant impact of fraud on victims, stimulating changes in the services offered; with the Sentencing Council conducting a review of sentencing for fraud related offences.</p> <p>2. Underpinning research</p> <p>This research has been conducted through two projects. One was commissioned by the NFA, Association of Chief Police Officers and OFT and involved Professor Mark Button and Dr. Jacki Tapley. The second project was commissioned by the Sentencing Council and was undertaken by Mark Button in partnership with research staff from the National Centre for Social Research (NatCen). The two research projects were both awarded as a result of national competitive tendering processes involving multiple bids and the results have been published in four official reports and so far, given the recent completion of the research (2009 and 2013), the findings have also been developed into two articles in high quality peer reviewed journals.</p> <p>The first project was the largest study to date in the UK of individual victims of fraud, involving telephone interviews with 745 victims and over 30 face-to-face interviews, amongst other research strategies. This research clearly dispelled the myth of fraud as a 'victimless' crime, exposing the devastating impacts on victims, such as: the deterioration of physical and mental health; the psychological impact such as anger, leading to strained family relationships; and the more obvious financial impact.</p> <p>The research also found that there was a perplexing mix of agencies offering gateways to report fraud and offer support. This was confusing to many and led some on a 'merry-go-round' of having to approach multiple agencies just to try and report the fraud, before they even sought help. There was also wide variation in the support services provided, with some gaps in the provision of services for certain groups highlighted, particularly for SMEs. Linked to this was the dismissive way many victims were treated by the police and other agencies, with some also being blamed for their victimisation. Examples were exposed of victims having to write to MPs, utilise contacts and 'scream and shout' just to secure a response from the police.</p> <p>The research also highlighted that the Code of Practice for Victims of Crime did not cover a number of agencies which dealt with victims of fraud, such as the SFO, trading standards departments and financial institutions. The research made 11 recommendations to the government and agencies supporting victims, many of which have been implemented, including:</p> <ul style="list-style-type: none"> • The creation of a single point of call website providing extensive resources to victims. • The provision of special support for SMEs. • Widening the Code of Practice for Victims of Crime to other bodies, such as the SFO. • A call for further research on the sentences received by perpetrators of fraud. <p>The second project was commissioned by the Sentencing Council to explore the nature of online fraud, the impact on victims and their views on sentencing (Kerr et al 2013). This research involved a further 15 interviews with online fraud victims and six focus groups that included 48</p>

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victims. This research highlighted the innovative ways perpetrators use to trap victims and the devastating impact online frauds can have. The research also illustrated that the impact of being a victim of fraud was more important than the actual size of the loss.

The two projects have identified three key areas of findings. First, inadequate organisational structures for the provision of services to fraud victims, requiring greater central coordination. Second, the significant impact of fraud on victims, with the level of financial loss not necessarily that important. Third, gaps in the provision of services provided by bodies to fraud victims.

3. References to the research

Button, M., Lewis, C. and Tapley, J. (*In press*) Not a Victimless Crime: The Impact of Fraud on Individual Victims and their Families. *Security Journal*. DOI: 10.1057/sj.2012.11

Button, M., Tapley, J. and Lewis, C. (2013) The 'Fraud Justice Network' and the Infra-structure of Support for Individual Fraud Victims in England and Wales. *Criminology and Criminal Justice*, 13: 37-61. DOI: [10.1177/1748895812448085](https://doi.org/10.1177/1748895812448085) REF 2 output: 22-MB-002

Button, M., Lewis, C. and Tapley, J. (2009) *A Better Deal for Victims*. London: National Fraud Authority. Retrieved 5 September 2012 from <http://www.homeoffice.gov.uk/publications/agencies-public-bodies/nfa/our-work/better-deal-for-fraud-victims?view=Binary>

Button, M., Lewis, C. and Tapley, J. (2009) *Support for the Victims of Fraud: An Assessment of the current Infra-Structure in England and Wales*. London: National Fraud Authority. Retrieved 5 from September 2012 from https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/118470/support-for-victims-of-fraud.pdf

Kerr, J., Owen, R., McNaughton Nicholls, C. and Button, M. (2013) *Research on Sentencing Online Fraud Offences*. London: Sentencing Council. Retrieved 5 September 2013 from http://sentencingcouncil.judiciary.gov.uk/docs/Research_on_sentencing_online_fraud_offences.pdf

4. Details of the impact

The research on individual victims of fraud has had a significant impact on policy development by public, private and voluntary bodies in relation to the services and structures created to support fraud victims. Most significantly it has had a major influence on the decision to create Action Fraud with a variety of online services. The Chief Executive of the NFA stating:

"...the research crystallised thinking that there should be a single government backed body offering a reporting service to victims along with the provision of other support services."

The then Chief Executive of Victim Support also offered this conclusion on the Button et al (2009) research on highlighting the impact of fraud on victims and how this should influence the development of services for them:

"(the) research will help everyone better understand how victims are affected, which is key for developing more effective support services (NFA, 2010)."

Action Fraud is now the single point of reporting for fraud related offences and provides many of the services which were advocated by the research, such as the point to report fraud, public information on the types of fraud which are prevalent, how to prevent victimisation, the support available and additional resources for help. One area which was particularly highlighted by the research was the gap in support for SMEs. The research led to a decision by the NFA to offer greater services to these such of fraud, confirming:

"...the findings made us realise it was necessary to do much more to help such (SME) victims."

Indeed as the NFA (2010) noted in the list of achievements in relation to this research:

“The research has also influenced the support offered to victims by other bodies such as Victim Support, OFT and the Serious Fraud Office.”

Since the research the SFO has sought to address gaps with the publication of a Victim and Witness Strategy. This implements many of the provisions advocated by the Code of Practice for Victims of Crime, such as keeping victims up-to-date with the progress of the case and providing a sympathetic response, amongst others (SFO, 2009 and 2013). On the day of publication of the research, Richard Alderman, Director of the SFO commented:

“I am delighted with the prominence with which victim support is being highlighted today and I wholeheartedly commit the SFO to continue its own work, and to cooperation, in this area (SFO, 2009).”

Another example is the toolkit OFT have developed for practitioners dealing with ‘scam’ victims which has integrated within it some of the findings from the research on the devastating impact fraud often has (OFT, n.d., p 9). The findings have also influenced how bodies such as CIFAS, which deals with large numbers of fraud victims, organises their campaigns and services for victims, as the Deputy Head of Financial Crime and Strategic Intelligence from CIFAS noted in relation to the research, it:

“has proved an important part of the foundation on which subsequent awareness campaigns have been built.”

This research has also had a very positive impact in supporting the actual victims of fraud and their families. There is often a presumption that victims are ‘greedy’ and that it is partly their own fault they were victimised. The research highlighted this attitude in many organisations and has led some to reconsider how they do this (see SFO, 2013). One group which represents victims of ‘scams’, *Think Jessica* and CIFAS have found the research very useful in helping to articulate their case to government and other bodies, noting:

“The research served to highlight the previously under-emphasised emotional toll of this type of crime.”

Think Jessica stated in their letter that the research:

“had been invaluable in highlighting the financial and mental devastation..”

of fraud on victims and that as a result of the research:

“...existing and new bodies have taken these victims more seriously.”

The NFA Chief Executive also confirmed the importance of this in helping to articulate the case of fraud victims, stating:

“...through the large scale telephone survey which was conducted and the many tragic case studies described in the report. This has proved very useful in supporting policy development in areas where fraud victims are not considered as higher priority as other victims of crime.”

The research in partnership with NatCen for the Sentencing Council (Kerr et al 2013) builds upon this initial work and further highlights the impact of fraud on victims and how the actual loss is not always the most important factor in the crime. The Sentencing Council (2013: 6) have issued a consultation on the future sentencing of fraud offences, in which it commented on the impact of this research :

“The findings from this research informed the development of the guidelines and particularly the proposal that emphasis is placed on the impact these offences have on victims when assessing harm at step one.”

5. Sources to corroborate the impact

National Fraud Authority (2010) Achievements in 2009-10. London: NFA. Retrieved on 5 September 2012 from <http://www.homeoffice.gov.uk/publications/agencies-public-bodies/nfa/annual-reports/achievements-2009-10?view=Binary> P 26.

OFT (n.d.) Helping People Affected By Scams – A Toolkit for Practitioners. Retrieved 5 September 2012 from http://www.oft.gov.uk/shared_of/reports/consumer_protection/400585_OFT_ScamsToolkit_ful1.pdf P 9.

Sentencing Council (2013) Fraud, Bribery and Money Laundering Offences Guidelines Consultation. Retrieved 10th July 2013 from http://sentencingcouncil.judiciary.gov.uk/docs/Fraud_Consultation_-_web.pdf P 6, P 9.

Serious Fraud Office (2009) A Better Deal for Fraud Victims. Press Release. Retrieved September 13th 2013 from <http://www.sfo.gov.uk/press-room/press-release-archive/press-releases-2009/a-better-deal-for-fraud-victims.aspx>

Serious Fraud Office (2013) Victim and Witness Strategy. Retrieved 13th July 2013 from http://www.sfo.gov.uk/media/92704/victim_and_witness_strategy.pdf

Letters upon request from:

Founder, Think Jessica

Chief Executive, National Fraud Authority

Deputy Head of Financial Intelligence, CIFAS

Media

March 14th, 2011

BBC Radio 4, You and Yours (7/03) Dr Mark Button interviewed about new system of victim support set up for fraud victims (ICJS)