

Report of the Business Crime Stakeholder Event held in the Senate Chamber on 14 May 2015

Introduction

1. The Committee for Justice held an informal stakeholder event on business crime on 14 May 2015 in the Senate Chamber, Parliament Buildings. The purpose of the event was to discuss key issues relating to business crime and identify actions that could be taken to address particular problems.
2. The following organisations that represent local businesses, retailers and the hospitality industry were invited to attend as well as members of the PSNI:
 - *The Federation of Small Businesses (FSB)*
 - *Northern Ireland Independent Retail Trade Association (NIRTA)*
 - *Northern Ireland Retail Consortium (NIRC)*
 - *Police Service of Northern Ireland (PSNI)*
 - *Pubs of Ulster*
 - *Retailers Against Crime (RAC)*
3. The Committee agreed that a paper would be prepared summarising the issues raised at the event. The emerging themes and issues identified are set out below. A copy of the Hansard of the event is attached at Annex A and copies of the written submissions provided by a number of the participant organisations are attached at Annex B.
4. The Committee at its meeting on 28 May 2015 considered a written briefing paper provided by the National Federation of Retail Newsagents and agreed to include that written briefing paper as an appendix to the Business Crime Event Report.

Confidence in Policing and Justice

5. Some of the organisations expressed a lack of confidence in policing and justice in relation to retail and business crime. RAC identified that the underreporting of business crime reflected this lack of confidence and a perception that retail crime was not considered as seriously as other types of

crime. FSB stated that underreporting was particularly evident in relation to rural crime.

6. RAC also raised concerns regarding the penalties associated with those convicted of retail related crimes, stating that current penalties did not adequately 'fit the crime' nor did they present a sufficient deterrent to offenders.
7. The PSNI agreed that it needed to provide reassurance that it took business crime seriously and that this was part of a four-stage approach involving prevention, intelligence and enforcement.

A strategic partnership approach

8. Many of the organisations shared examples of positive partnership working with the statutory agencies including the Department of Justice (DoJ), Northern Ireland Policing Board (NIPB), PSNI, and the Policing and Community Safety Partnerships (PCSPs). There was consensus however, that current partnerships arrangements could be developed and strengthened.
9. NIRTA was one of the organisations that called for greater emphasis to be placed on a partnership approach and advised that it had previously been involved in the business crime partnership. Whilst NIRTA advised it was open-minded about what form a future partnership approach should take it did emphasise the requirement for an '*outcome-focused*' model. NIRC stated that businesses wanted and needed to work alongside the police, the DoJ and other wider stakeholders and that the knowledge and expertise of this sector could be used to help achieve crime and policing objectives across the whole retail sector from the small businesses up to the multiples.
10. The Pubs of Ulster however cautioned against the creation of a large body such as the business crime partnership as, in its view, the partnership failed because it had too wide a remit.
11. There was disappointment expressed regarding the lack of a strategic approach in relation to tackling business and retail crime. The participants advised that strategic focus on business and retail crime was limited to a mention in the Department of Justice's Community and Safety Strategy '*Building Safer, Shared and Confident Communities*' and was not evident at all in the policing plan for 2015-2016.

12. An emerging consensus was that a retail crime strategy/business crime plan for Northern Ireland was required which would assist to strengthen partnership arrangements by ensuring a consistent approach for the benefit of all retailers and businesses.
13. The PSNI also supported a partnership approach to tackling business crime and gave examples of its involvement with the DoJ's retail crime working group, the Organised Crime Task Force, the RAC, the bookmakers' security forum and some of the subgroups that work around cybercrime and fraud. PSNI also provided details of its local partnership initiative 'the City Centre Beat Scheme' successfully operating in Belfast for 10 years.

Measuring the impact of crime

14. All of the organisations emphasised the serious impact of business and retail crime on the economy and wished to challenge the perception that such crime is victimless.
15. NIRC identified that there was no comprehensive official data or proper measurement of crime committed against businesses in the UK and therefore the understanding of the scale and impact of the problem was limited. NIRC recommended the adoption and use of the Association of Chief Police Officers' (ACPOs) definition of business crime to allow better collection of data for analysis. The operational use of business crime data would assist the police to target its resources more effectively.
16. The PSNI agreed that the difference in the crime figures used by the participants at the event was a result of disparities in the definitions used in relation to business crime.

Organised crime

17. Most of the organisations identified growing evidence of organised crime in Northern Ireland, stating that retailers are being targeted by more organised and sophisticated criminals including those that operate across borders.
18. The FSB stated that organised crime groups operating in Northern Ireland and the Republic of Ireland have been linked to crimes such as cash-in-transit robberies, ATM robberies and rural crime including the theft of machinery,

metal and livestock. The FSB also highlighted organised crime group activities involving alcohol, food, oil fraud, tiger kidnappings, drugs, human trafficking, money laundering and cybercrime and highlighted the awareness raising required to reduce the demand for products and services supplied by organised crime groups.

Cybercrime and fraud

19. NIRC stated that cybercrime and fraud was a huge issue for business. It highlighted that there was a lack of understanding of how prevalent this type of crime was and recommended that an action-fraud reporting system was put in place.

20. The PSNI stated its belief that the vast majority of cybercrime is not being reported and it is therefore difficult to have an accurate picture of the local impact of cybercrime. The PSNI stated the importance of businesses reporting a cybercrime attack as it allows the PSNI to share the information with other businesses and possibly prevent further crime.

21. FSB highlighted the growing threat of cybercrime to businesses given the requirement on business to develop ecommerce opportunities for business growth and survival. FSB research found that the average annual cost to small business of fraud and online crime was just under £4,000 per year, which is a cost that many small businesses cannot afford.

Licensing

22. The Pubs of Ulster highlighted the impact of illegal trading by 'rogue elements' within the hospitality sector on those who conducted their business legally. Organisations that operated through less expensive restaurant licensing arrangements had a direct impact on other local businesses that operated within the more expensive alcohol licensing arrangements and this was an issue that needed to be addressed.

Rural Crime

23. Many of the organisations raised concerns regarding rural crime. NIIRTA raised the issue of ATM robberies in rural area putting insurance premiums

up for businesses and putting at risk future viability of ATMs in some rural locations.

24. The PSNI highlighted the joint operations and information sharing that takes place with the Garda Siochana to tackle rural crime in the border region and the need for rural crime to be reported in a timely manner. The PSNI outlined the role of PCSPs in bringing together a strategy to tackle rural crime.

Conclusion

25. The suggested actions included:

- Development of a Business Crime Strategy/Business Crime Plan for Northern Ireland
- Improved strategic partnership working through either:
 - i. A Partnership Forum
 - ii. A dedicated Assistant Chief Constable for business crime to provide ongoing engagement
- The adoption and use of an agreed definition of business crime to provide for improved and consistent data collection and analysis regarding scale and impact