



Thames Valley Chamber of Commerce Group

Regional Position on Crime Against Business

Crime Against Business Survey 2008

Introduction

The Thames Valley Chamber of Commerce Group welcomed the opportunity (in 2004) to input into the Police Strategic Plan 2005-2008. The Chamber's response focussed mainly on the correlation between the police strategic priorities and key criminal issues that are specific to business.

2004 Results

The results of a survey published by the British Chambers of Commerce in April 2004 illustrated that nearly two-thirds of all businesses have been the victim of at least one crime, while almost half have suffered more than one crime. The average cost of crime per business was £8,000 per year. This figure was derived from direct losses incorporating: insurance costs; collateral damage and repairs; escalating insurance costs; managerial time spent "coping" and lost staff days through fear.

British Chambers of Commerce, Crime Against Business Survey 2008, *Aim*

The aim of the survey was to provide a better understanding of the nature, cost and extent of crime against business, enabling the Chamber of Commerce to lobby the police and key policy makers and encourage the issue to be placed higher on the Home Office's agenda.

Crime against business deprives communities of shops and amenities, it destroys employment opportunities and it can devastate the lives of managers and staff traumatised by violence and intimidation. Small businesses with few resources are particularly affected by crime which can lead to their closure.

Consultation was carried out with Chamber of Commerce businesses across the Thames Valley, at the Chamber Councils and in the Chamber's Electronic Newsletter. The Thames Valley Chamber of Commerce Group works with 2,600 businesses across Berkshire, Buckinghamshire, Oxfordshire and Wiltshire.

2008 Results

We have calculated that the total cost of crime against business has risen by an alarming 20% since 2004¹ from £10.5 billion to £12.6 billion. The average cost of crime against business has risen a staggering 50% since 2004¹ from £8,031 to £12,200 per business, per year.

Two thirds of businesses indicate that they do not display confidence that the police are dealing with issues important to the business community. As a result, three in ten businesses, nearly double that from 2004, are choosing not to report all crimes committed against them while 36% claim they will not report an incident due to the lack of confidence in a suitable police response. Further, a majority of businesses have questioned the priority with which the police place on issues important to the business community.

The lack of a national definition of business crime (or statistic) from which police forces can record instances of crimes committed against business means that the true extent of the problem is unknown and the police do not understand the true nature of crimes. The British Chambers of Commerce believes that this position is wholly unacceptable and calls on the Home Office and ACPO (Association of Chief Police Officers) to deliver a national police performance indicator to ensure that this type of crime is specifically recognised and addressed by the police.

Summary of National Key Points

The effectiveness of Crime and Disorder Partnerships (CDRPs) has been called into question and there is a definite call for dedicated police business crime officers in every police force. *(There are 16 groups within the Thames Valley.)*

Experience of crime and reporting it

Over half of all businesses experience crime yet almost three in ten do not report it.

- 58% of businesses have experienced at least one incidence of crime in the last 12 months. Most commonly businesses have suffered damage to vehicles, vandalism and graffiti and burglary.
- Overall, 15% have experienced just one instance of crime in the last 12 months, 28% between two and five incidents, 7% between six and ten incidents and 5% eleven or more.
- Of those that have experienced crimes in the last 12 months, 28% chose not to report the incidents to the police. 21% reported up to half and 14% reported most of them. 37% reported every incident.
- The majority of businesses, 68%, suggest that they might not report a crime if there were no or only a relatively small loss or damage to their premises or property. 36% claim they might not

report it because of a lack of confidence in any police response and 29% feel the time taken to report such an instance could be too time consuming. 20% suggest they might not report a crime if it were just an attempt, whilst 18% would be concerned about increases in their insurance costs.

Computer related crime and e-crime

e-crime is prevalent and should be tackled by a central or national body.

- 94% of businesses have suffered from spam e-mail during the past 12 months. Coupled with this, 31% claim to have been the victim of phishing attempts, 23% have been infected by spyware, 19% have experienced equipment failure or data loss following virus infection, 11% credit card fraud and 8% theft of laptop or desktop computers.
- 81% of businesses use anti-virus software to help combat computer related incidents and 77% use SPAM filtering software. 74% routinely back-up their business data; 70% store their data off-site. 63% have installed a software based firewall and 51% a hardware firewall. 40% have developed a strong password policy and 21% have compiled an asset inventory.
- 74% feel there should be a central or national body set up to deal with the issue of e-crime.

The cost and impact of crime

- 73% of businesses feel that crime levels in an area have a negative effect on business location decisions. 62% also believe an area's crime levels can hamper inward investment whilst 57% suggest they can impact decisions on expansion. 49% feel crime levels have a negative effect on recruitment.

Thames Valley Results

Which of the following, if any, has your business experienced in the last 12 months?

Damage to vehicles	22 or 33.3%
None of these	22 or 33.3%
Anti-social behaviour	16 or 24.2%
Vandalism and graffiti	14 or 21.2%
Attempted burglary	12 or 18.2%
Burglary	9 or 13.6%
Fly-tipping	7 or 10.6%
Vehicle theft	5 or 7.6%
Robbery	5 or 7.6%
Theft by an employee	5 or 7.6%
Personal injury or violence not defined as burglary	4 or 6.1%
e-crime	2 or 3%

¹ **British Chambers of Commerce (2004) Setting Business Free from Crime.**
Thames Valley Chamber of Commerce Group – Crime Regional Position, 2008

For what reasons might you not report a crime?	Relatively small or no loss or damage to premises or property	31 or 66%
	It was only an attempt	8 or 17%
	Too time consuming	13 or 27.2%
	Would increase insurance costs	6 or 12.8%
	Unable to contact the police	2 or 4.3%
	No confidence in police response	15 or 31.9%
	Fearful of reprisals	2 or 4.3%
	Fearful of negative publicity	1 or 2.1%
	Other reason	1 or 2.1%
	Would always report crime	1 or 2.1%

Which of the following computer related incidents, if any, has your business experienced within the last 12 months?	SPAM e-mail	55 or 96.5%
	Equipment failure or loss of data through virus infection	9 or 15.8%
	Spyware infection	9 or 15.8%
	Phishing	20 or 35.1%
	Any kind of hacking or electronic intrusion	2 or 3.5%
	Malicious loss/deletion of critical data	1 or 1.8%
	Credit card fraud	5 or 8.8%
	Theft of PC/Laptop	7 or 12.3%
	Theft of Server	n/a
	Theft of company data	2 or 3.5%
	Unauthorised disclosure of information by staff or other person	4 or 7%

What impact has crime had on your business?	Disrupted trading	16 or 25%
	Lost business	7 or 10.9%
	Damaged company image	12 or 18.8%
	Lowered staff morale	20 or 31.3%
	Increased difficulties recruiting/retaining staff	2 or 3.1%
	Postponed investment	5 or 7.8%
	Changed building layout design	6 or 9.4%
	Moved premises	1 or 1.6%
	Increased insurance costs	19 or 29.7%
	Increased difficulty obtaining insurance	n/a
	Wasted staff time	45 or 70.3%
	Other	4 or 6.3%
	Has had no impact	14 or 21.9%

Do you feel the level of crime in an area has a negative effect	Yes	41 or 62.1%
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on inward investment?	No	16 or 24.2%
	Don't know	9 or 13.6%
Do you feel the level of crime in an area has a negative effect on business location decisions	Yes	46 or 69.7%
	No	15 or 22.7%
	Don't know	5 or 7.6%
Are you aware of a community safety partnership or a Crime and Disorder Reduction Partnership in your area that brings together local organisations, helping them work together to tackle crime?	Yes	26 or 38.8%
	No	41 or 61.2%
Are you aware of PCSOs patrolling your local business area?	Yes	30 or 47.6%
	No	33 or 52.4%
Do you think that crime against business should become a Key Performance Indicator for the police?	Yes	49 or 80.3%
	No	12 or 19.7%

Ongoing/Existing Issues

Anti-Social Behaviour

Thames Valley Chamber of Commerce recognises that anti-social behaviour is a huge problem for businesses and we encourage initiatives which will support and lead to anti-social behaviour orders.

Corporate Social Responsibility & Guardianship

Corporate Social Responsibility (CSR) is an increasing component of a business profile. The Chamber encourages businesses to develop Corporate Social Responsibility policies as a mainstream component of their business profile.

Fraud

The Chamber would like to see a strategy for dealing with all business related fraud including but not exclusive to hacker-related and internal fraud. The Chamber recognises that its members suffer from internal/external fraud. That it is not always reported to the police often is for sound business reasons. We will continue to develop a strategy to support members who are victims of fraud and encourage police to respond to their needs.

Police priorities do not always allow them to deal with minor fraud. However, the Chamber encourages its members to help gather fraud-related information/intelligence through the Business Information Crime System (BICS). *(This is a best practice software programme which allows businesses to share crime control data. The police and council can also participate by signing up to the protocol which is at the heart of the scheme.)*

Fraud: Card not Present

The Chamber calls for the recognition of the need for the accurate recording of credit and debit card fraud, and especially card not present fraud, to determine the scale of the problem and attract resources that focus on the issue.

Future Activity

The Chamber would also like to highlight examples where local Chambers and police forces have successfully worked in partnership and to look at ways as to how others can develop good working relationships where currently a police force is not actively engaged.

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