

**26<sup>th</sup> February 2013****Agenda Item: 11****REPORT OF THE SERVICE DIRECTOR, PROMOTING INDEPENDENCE AND  
PUBLIC PROTECTION****E-CRIME INFORMATION REPORT****Purpose of the Report**

1. To update the Committee on the Trading Standard's specialist e-crime investigation capability.

**Information and Advice**

2. "E-crime" is a broad term used to describe criminal activity where a computer or computer network is the source, tool, target or place of a crime.
3. New and developing communication technologies offer massive benefits to business and consumers but they also offer unprecedented opportunities for criminals.
4. E-crime is notoriously difficult to detect and punish owing to its sheer technical complexity. Unseen attackers can strike victims from hundreds or even thousands of miles away. Owing to its nature E-crime is able to evolve with technology with new threats emerging with an alarming degree of regularity.

**Specialist E-Crime Officers**

5. In 2009, following the introduction of the Home Office National E-crime strategy, the Service recruited two officers to undertake E-crime work. One of these officers has recently become one of only 9 Trading Standards based accredited Covert Internet Investigators (CII).
6. This development has become necessary as criminals are becoming increasingly clever at concealing their identity and the extent of their online criminal activity from law enforcement agencies. Whereas dedicated e-commerce sites such as EBay and Gumtree have been a large marketplace for online counterfeit and unsafe products sold in the UK, sites such as Facebook allow sellers to restrict sales to 'friends'. This activity attempts to conceal online sales from Law Enforcement Agencies and have now become an additional avenue for such products.
7. The work of the CII will involve developing online relationships with suspects in order to gain intelligence and evidence of criminal activity.

8. The Service now has the capability to combat this growing issue by infiltrating hidden online marketplaces. Crucially, because Trading Standards have an accredited CII, the Service is able to carry out such investigations safe in the knowledge that the Service is acting in a manner fully compliant within the legal obligations of the Regulation of Investigatory Powers Act 2000<sup>1</sup> and the Human Rights Act 1998<sup>2</sup>.

### **Examples of E-Crime Work**

9. During December 2012 officers seized counterfeit clothes, sunglasses, DVDs and electrical items from two traders who were selling using Facebook. E-crime officers were able to ascertain that the individuals had an expansive network of contacts that they supplied the goods to around the County. These investigations continue.
10. Individuals have also recently been identified selling unsafe baby products such as 'bling' dummies and dummy clips over social network websites such as Facebook. These products posed potential choking hazards to small children through the small parts attached to them. A number were also found to contain toxic adhesives. The individuals concerned engaged with the service and have removed the items from sale.

### **Popular Scams**

11. As well as the tool used for selling counterfeit and unsafe products criminals are frequently targeting computer/smart phone users with a number of scams.
12. The Service continues to receive information regarding computer virus scams, where the consumer receives a phone call saying someone has discovered a virus on their computer. Consumers are told by the caller that their computer is unprotected and are persuaded to pay for a virus protection package when in fact there never was a virus.
13. There have been a number of scams where companies offer to recover people's Payment Protection Insurance (PPI) for a fee. They take a payment from the consumer, but never attempt to obtain the PPI.
14. Residents still receive emails and pop ups about lotteries and competitions where they have to pay a fee to claim their prize. Needless to say the prize never materialises.
15. These scams often originate outside the UK and present difficulties for the Service to take enforcement action. In an attempt to protect consumers the Service utilises local press to publicise these issues, as new scams become apparent Neighbourhood Alerts are issued to warn local residents and pass relevant information to Action Fraud (national body for scam reporting). There are currently 7955 Nottinghamshire residents who can be contacted directly by email via the alert system.

### **Tips for Avoiding Internet Scams**

16. There are a number of ways that consumers can protect their identity and money from online scams. They should:

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<sup>1</sup> [Regulation of Investigatory Powers Act 2000.](#)

<sup>2</sup> [Human Rights Act 1998.](#)

- Create passwords which are long, unique and use a mix of random numbers and lower and upper case letters.
- Only allow someone to remotely access their computer if they are from a trusted source, such as internet service providers.
- Use antivirus software and keep it up-to-date. If they buy software online to make sure it is from a genuine supplier.
- Always use secure sites. A secure site will have a web address beginning with https not http.
- Ensure firewalls are always switched on. A firewall is a security shield that stops scammers getting into your computer.
- Never open suspicious or unknown emails, email attachments, texts or pop up messages. For example an email with an unusually worded subject heading.
- If they do open a scam email, they should not reply to it, click on any links or open attachments. If they have already clicked on a link and opened a website, they should not give any personal information out.
- Consumers should only need to provide personal information when they are logging onto a service such as online banking. Genuine online companies do not contact individuals and ask for log-in details, such as passwords or user ids.

## **Statutory and Policy Implications**

17. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

## **RECOMMENDATION/S**

- 1) It is recommended that the Committee notes the contents of this report.

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**Background Papers**

None.

**Electoral Division(s) and Member(s) Affected**

All.

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