

News Release

22 September 2011

End of the road for cash for crash gang

A team of criminals who made nearly £2million pounds from false crash claims through fraudulent accident management companies have been convicted at Southwark Crown Court (21 September).

They are:

Mohammed Samsul Haque, 26, (07/02/1985) a company director, of Lydford Road, London, W9;

Rosul Yusuf, 33, (07/01/1978) a car salesman, of Sandhurst Drive, Ilford, Essex;

Shalim Miah, 29, (08/06/1982) a company director, of Rampayne Street, London, SW1;

Nazruislam Rahman, 32, (01/07/1979) unemployed, of Turner Avenue, London, N15;

Noveed Akthtar, 40, (28/08/1971) a surveyor, of Cochrane Court, Leyton Grange Estate, London, E10;

Halimur Rashid, 28, (14/04/1983) a car hire manager, of Leamington Gardens, Ilford, Essex.

The team of six staged over 120 fraudulent claims to insurers for accidents that never took place, so called 'cash for crash' scams, making £1.17million for themselves with the insurance companies paying out a total of £1.91 million.

The criminal gang staged 'crashes' in their business premises prior to submitting claims to the insurers for services that were not provided. These claims were for recovery and storage as well as replacement hire vehicles.

From November 2005 to October 2008 a number of London based accident management companies were used as a front to hide their activities.

Accident management companies are businesses that assist motorists with insurance claims.

Motor Alliance, a Tottenham based company, was set up by the criminal mastermind Samsul Haque to handle fraudulent claims. The business combined accident claim management with other services such as storage facilities and the hire of replacement vehicles whilst the claim was being settled.

The fraudulent claims mainly involved a low and a high value car, where the low value car was always 'at fault'. Motor Alliance purported to act for the third party 'driver' whose expensive vehicle had been hit by an insured policyholder who would admit liability.

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A claim would be made against the insurance of the cheaper vehicle enabling the fraudsters to make as much cash from the insurance claim as possible. This included costs for repair of the damaged vehicle and its storage as well as often tens of thousands of pounds for a bogus courtesy car.

The courtesy car was often conveniently provided from the company's stock of high value hire vehicles, such as Mercedes, BMWs and Jaguars, at a charge to the insurance company of up to £350 a day.

Police began to unravel the group's activities after a tip off from an insurance company who had noticed a pattern of irregularities in submitted claims. On 15 October, 2008 officers raided the business premises of Motor Alliance and found 64 files relating to insurance claims in the boot of a silver Mercedes, which formed the basis of their inquiries.

During the investigation it became clear that the same individuals were involved in separate claims and some vehicles were used in multiple claims. When dealing with insurance companies Samsul Haque would use the alias Samuel Hague and on occasions the same hire car was shown as hired out to two or three different clients at the same time.

The fraudsters often roped in other people to provide their driving licence details, to substantiate the claims and in return they were offered modest sums of money and duped into believing there was little or no risk involved.

Police also unearthed reports of a 'crashing party' inside a garage at the Motor Alliance premises where Yusuf, Miah, Haque and Rashid had some food and drink before Haque and Yusuf directed those present to drive low value cars into high value cars, consistent with the false claims. Typically they would obtain low value cars from people they knew who wanted to get rid of them. High value cars came from either their own stock or were on occasions specifically bought for the purpose.

After each crash Haque and Yusuf would inspect the cars and if the damage was deemed insufficient, cause more damage using baseball bats.

Haque and Yusuf were arrested on 15 October 2008 following the police raid. Akthtar was arrested on 3 September 2008 and Rahman on 4 June 2008. Rashid and Miah were arrested in January 2010.

Haque, Yusuf, Miah, Rahman and Akthtar pleaded guilty to conspiracy to defraud on the following dates: Haque on 1 July 2011, Yusuf on 13 September 2011, Miah on 14 September 2011, Rahman on 6 September 2011, Akthtar on 13 September 2011, and Rashid pleaded not guilty in August 2010 and was found guilty on 21 September 2011.

The gang are due to be sentenced at Southwark Crown Court on a date in October.

Throughout the case police worked closely with partners in the insurance industry including the Insurance Fraud Bureau (IFB).

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Detective Superintendent John Hollands, of the Traffic Operational Command Unit, said:

"This scam has a knock on effect on insurance companies who pass the cost on to the motorist. So the real victims of this crime are you and I - everyone who pays motor insurance in this country.

"A team of detectives worked on this case which has involved a great deal of painstaking work in piecing together a picture of how this organised criminal gang operated. They were devious characters who were perfectly prepared to exploit ordinary people to back up their claims and make their scheme work.

"The Traffic Operational Command Unit began specialising in this type of crime in 2007 and has now made over 200 arrests connected with this type of fraud. Many of these people now have a criminal record or a prison sentence to their name as a result. If you are involved in this type of crime, you can expect to be caught."

Glen Marr, Director of the Insurance Fraud Bureau (IFB) commented:

"Fraudsters involved in this type of organised crime who have attacked the insurance industry, have now been sentenced to over 100 years imprisonment".

"Criminals who seek to defraud insurers in this way are deluded if they think they won't get caught, and equally so if they feel there aren't very real and serious personal consequences involved".

"The message from the industry is clear - commit fraud and the consequences include imprisonment. Genuine insurance consumers should not be footing the bill for these criminals".

"We encourage anyone with information concerning all forms of insurance fraud to report it to the IFB. Reports can be made, anonymously if preferred, to our free and confidential Cheatline by calling 0800 328 2550 or by reporting on-line at <http://www.insurancefraudbureau.org/report/>."

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Editors Notes:

About the IFB:

The IFB launched on July 26 2006 and was formed to provide a cost effective, tactical solution for the detection and prevention of organised, cross industry fraud, supporting the wider Association of British Insurers industry fraud strategy. The IFB leads or co-ordinates the industry response to the identification of criminal fraud networks and works closely with the Police and law enforcement agencies.

www.insurancefraudbureau.org twitter.com/theifb

The IFB currently has 29 active joint Police operations spread across 17 Police forces, with the combined value of the fraud involved being approximately £59.5 million. Since its formation in July 2006, the IFB has been instrumental in helping the Police make over 486 arrests of people concerned with organised insurance fraud, resulting in 119 convictions and terms of imprisonment handed down by courts for

finalised criminal prosecutions. Additionally, proceedings are taking place to liquidate the assets of criminals who have been defrauding insurers.

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