

NEWS RELEASE

7 October 2011

Further Crash for Cash Fraudsters Sentenced

The Metropolitan Police Service is advising the public to be vigilant against car insurance fraud following an increase in so called 'cash for crash' insurance claims.

The advice comes after the most recent case, a joint investigation between the MPS and the Insurance Fraud Bureau, in which seven men were today (Friday 7 October) sentenced at Harrow Crown Court for their roles in three fraudulent insurance claims totalling more than £50,000.

DCI Nick Chalmers from the MPS Traffic Unit investigations team said: "The Met is actively pursuing organised criminal networks that seek out car owners and induce them into allowing their vehicles to be part of insurance fraud.

"In the past 18 months more than 100 people have been arrested by the MPS as part of numerous investigations in relation to vehicle insurance fraud. Many of them have never been in trouble with the police before but are lured in the misheld belief that there are no risks and the money is easy to make. They will now have a criminal record which will affect their job and other prospects.

"Unscrupulous people, usually linked to organised criminal networks go out and deliberately induce members of the public to allow their cars or details to be used in bogus insurance claims.

"Not only is it a criminal offence to arrange a car collision or to allow your vehicle to be used in one, it is extremely dangerous with every chance that people's lives will be at risk. We want to bring offenders to justice, while preventing members of the public from becoming involved."

The MPS is also urging the public to come forward if they are approached by someone offering a fraudulent insurance claim, or if they know anyone involved in this sort of crime.

Anyone with information can contact the police through Crimestoppers or www.met.police.uk/roadsafelondon. In an emergency you should always dial 999.

The MPS has a dedicated team of Traffic officers working closely with the Insurance Fraud Bureau to tackle induced, staged and other bogus vehicle collisions. It is investigating more and more cases across London and is urging people not to get drawn into this illegal activity.

Insurance industry figures indicate that there are at least 30,000 fraudulent claims nationwide every year in the UK, with many others going undetected.

Glen Marr, Director of the Insurance Fraud Bureau comments: "This is another example of the ability of the insurance industry, Police and IFB, to successfully work together to bring those concerned with organised insurance fraud, to justice.

Individuals who take part in such fraudulent activity, however small their involvement, face the very real risk of being detected, prosecution, imprisonment and living with the personal consequences of having a criminal record.

Insurance fraud costs the industry an estimated £2billion per annum, adding, on average, an extra £44 a year to each insurance premium for every UK policyholder.

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Further Crash for Cash Fraudsters Sentenced Continued/...

The IFB urges anyone with information on any kind of insurance fraud, to do the right thing and help root out these criminals. Calls can be made to the free and confidential IFB Cheatline on 0800 328 2550, or reports made online at www.insurancefraudbureau.org/report.”

The main types of scams where car owners agree to let their details be used in fraudulent insurance claims involve:

- Contrived collisions - These are paper based exercises where fraudulent documentation is submitted to the insurance company alleging that a collision has taken place. Often a policy of insurance will be taken out with the sole purpose of making a claim against the policy.
- Staged collisions - involve vehicles being deliberately driven into each other, either on the road or private land/premises with the intention of making it appear that a genuine collision occurred.
- Induced collisions - is where an innocent motorist is forced to collide with a vehicle driven by a criminal so that the criminal may make money from the insurance company through submitting a bogus claim. An induced collision usually follows the following pattern: the criminals use two cars to target their victim, these cars will get ahead of a vehicle in steady moving traffic, the first will then brake hard or make an unexpected manoeuvre, causing the second car to brake hard (often using the handbrake to avoid alerting the intended victim). This results in a collision. This type of collision is of significant concern to the police as it involves dangerous driving on public roads.

Sentencing Details:

Seven men were sentenced for their roles in three fraudulent insurance claims totalling more than £50,000.

Ali Saleem Akhter [B] and Jamshid Ahmadzai [A] were main players in an organised gang who made money from induced collisions. A third 39 year old member of the gang, wanted in connection with all three claims, remains at large.

The other four men were lured into the fraud by gang members, allowing their vehicles to be used, or submitting false claims in return for money, usually a couple of thousand pounds.

Crash 1

On 11/9/07 on A41 a Jaguar owned by Sherwan Raja and driven by a 39 year old man who remains at large was involved in an induced collision (moving and still images are available of this induced crash).

A Vauxhall Vectra, used as a decoy car, travelling in front of the Jaguar swerved into a side road, the Jaguar braked and the Ocado van travelling behind collided with the rear of the Jaguar. This resulted in fraudulent injury claims being made by Sherwan Raja and Qasim Mehmood. The total value of the claim to the insurance industry was approximately £32,000.

Sherwan Raja [C] (24/4/71 - 40yrs) of Thimblemill Road, Smethwick, West Midlands was sentenced to a nine month in prison suspended for two years for one count of conspiracy to defraud insurance companies in connection with this collision. He was detained breaching his bail conditions at Heathrow Airport on 27th July this year on a plane bound for Pakistan. Qasim Mehmood [D] (15/11/82 - 28yrs) of Clifford Court, Tanfield Avenue, NW2, who put in a false claim as a rear seat passenger, will be sentenced later today.

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Crash 2

On 21/7/09 on the A12 Eastern Avenue, Wanstead a Ford Mondeo estate owned by Jalal Arabi was involved in an induced collision. A Vauxhall Corsa (decoy vehicle) driven by Ali Saleem Akhter cut across in front of the Mondeo which braked and the Sky van travelling behind collided with the rear of the Mondeo.

Ali Saleem Akhter [B] (2/10/86-25yrs) of The Larches, Watford, a member of the gang behind the collisions, was sentenced to eight months in prison for one count of conspiracy to defraud insurance companies.

Jamshid Ahmadzai [A] (6/6/91-20yrs) of Harrow Road, Wembley, also a member of the gang, and a passenger in the the Mondeo, received a six month sentence suspended for two years, for one count of conspiracy to defraud insurance companies.

Jalal Arabi [E] (25/5/91-20) of New Chapel Square, Feltham, Surrey also received a six month sentence suspended for two years for one count of conspiracy to defraud insurance companies in connection with a collision on 21/7/09.

Crash 3

On 9/11/09 on the M4 at junction 6 (Windsor /Slough) a silver Nissan Micra owned by Fawad Khan was involved in an induced collision. The Micra was driven by the 39 year old man who remains at large, moved partially from lane one into lane two and braked in front of a building services van which collided with the rear of the Micra.

Fawad Khan [F] (9/1/86-25yrs) of Weirside Gardens, West Drayton, provided his silver Nissan Micra which was involved in an induced collision with a builders van on 9/11/09 on M4 at junction 6, Windsor/Slough. He was sentenced to a six months in prison suspended for two years for one count of conspiracy to defraud insurance companies in connection with a collision on 9/11/09.

Amin Beg [G] (1/1/86-25yrs) of Newnham Close, Northolt, was sentenced to a six months in prison suspended for two years for one count of conspiracy to defraud insurance companies in connection with a collision on 9/11/09. Beg submitted a fraudulent injury claim.

Ends

NFPUB: For further information or interview requests please contact the CO Press Desk on 020 7230 3051 or the Press Bureau on 020 7230 2171. DCI Nick Chalmers will be available for interview after 2pm at NSY.

For further media enquiries about the Insurance Fraud Bureau please contact Nicky Godfrey at Peak Marketing and Communication Services Ltd on 020 8661 2444 or email nicky.godfrey@peak-marketing.co.uk

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

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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 125 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.