

## **NEWS RELEASE**

21 July 2010

### **ONGOING JOINT IFB MAJOR INSURANCE FRAUD INVESTIGATION ARRESTS FRAUDSTERS**

Durham Constabulary's Serious and Organised Crime Group arrested three men in breakfast-time raids today (21 July) as part of an ongoing major investigation into organised criminals believed to be involved in 'crash for cash' activity producing false insurance claims conspiring to defraud insurance companies. Warrants were executed at a total of 4 addresses in the Derwentside area, Lancashire.

In July 2009 Durham Constabulary approached the Insurance Fraud Bureau (IFB) with quantities of paperwork related to insurance claims highlighting anomalies with suspicious links to local businesses. Following further investigation, the Bureau found multiple member insurers were affected by the scam and was able to provide Durham Constabulary with valuable intelligence.

The investigation, codenamed Operation Nacho (a part of Operation Sledgehammer), involved a specialist team of detectives within Durham Constabulary who investigated the information provided by the IFB regarding the alleged scams in operation in the local area.

Substantial financial sums are thought to have been accumulated by the individuals involved in the scam, who are suspected of making false insurance claims around vehicle accidents.

Detective Sergeant Amanda Henderson said: "Our enquiries have been underway for several months and are continuing."

"We are very pleased with the arrests, which follow on from two men being arrested in April as a part of the same investigation after Police raided two businesses and two houses in the Derwentside area. We take insurance fraud very seriously and will continue to work to tackle serious and organised crime."

Glen Marr, Director, IFB said: "The success of this operation sends a very clear message to those criminals who are targeting innocent motorists - we know who you are and we are coming after you.

"The IFB has been working closely with Durham Constabulary on this investigation and these arrests are testimony to the power of a collaborative partnership between Police and Insurers. Can I urge anyone with information on insurance fraud or who fears they may have been a victim of a staged accident to call our free confidential hotline on 0800 328 2550 or online at [www.insurancefraudbureau.org/report](http://www.insurancefraudbureau.org/report)."

The three people arrested are currently being questioned at Consett and Durham Police stations. Enquiries continue.

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**Note to Editors:** The IFB was launched in July 2006, to clamp down on organised, cross-industry insurance fraud in order to protect honest policyholders. Undetected insurance fraud costs the insurance industry over £1.9billion a year and adds on average £44 to honest policy holders premiums per annum. Criminal gangs organising complex scams are earning up to £4 million a week from organised insurance fraud and frequently use the proceeds to fund other forms of criminality.

Via the IFB, the insurance industry is working collaboratively to detect and expose these criminal gangs; 97% of the UK's personal lines insurers are participants in the IFB service. The Bureau analyses the details of insurance policies and claims records of all insurer members to identify suspicious activity. It then leads or co-ordinates investigations with the effected insurers and police to expose fraudsters and bring them to justice, recovering fraudulent monies paid out and seeking criminal prosecution.

For further information visit [www.insurancefraudbureau.org](http://www.insurancefraudbureau.org).

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