

News Release

30 August 2011

The Insurance Fraud Bureau Releases Q2 2011 'Crash for Cash' Hot Spot Statistics

The Insurance Fraud Bureau (IFB) today releases its Q2 2011 statistics pinpointing the top twenty areas of the UK affected by 'crash for cash' activity.

For the sixth consecutive quarter, Birmingham remains in hotspot number one.

The IFB used its analytical software, to analyse c128 million insurance records, to identify and produce the league table of regional hotspots for 'crash for cash' activity. (A full break down of the top 20 hotspot locations is available in Editors Notes as Appendix A).

'Crash for cash' takes different forms and includes the deliberate targeting by criminals of innocent motorists. Such practices are distasteful, can be distressing for motorists and are criminal acts.

Working in partnership with insurers and compensators, the IFB is actively engaged with Police forces and regulators, in respect of intelligence sharing arrangements and joint operations concerning 'crash for cash'.

The IFB has 29 live organised insurance fraud operations with 17 different Police forces, focused on fraud valued at approximately £59.5 million, with new operations currently being formed. Many of these operations involve crash for cash activities.

Operations have to date resulted in over 486 arrests, 119 criminal convictions and sentences including over 91 years imprisonment, for trials that have concluded so far. Activity to liquidate the assets of insurance fraudsters is also taking place.

Glen Marr, Director of the IFB comments:

"We use our powerful analytical software to interrogate a significant level of industry data, which includes that relating to insurance claims. This provides the insurance industry with unique capability to identify insurance fraudsters, link parties together, to include professionals that are assisting this criminal activity, and ultimately disrupt their illegal activities".

"Experience has demonstrated that it requires a sustained collective industry effort to reduce the incidence of this type of fraud, and that is precisely what is in place.

"Insurers have invested heavily in reducing insurance fraud, to include 'crash for cash'.

This investment is also being supported by consumers, who intolerant of insurance fraud and the criminals associated with such, are taking a stand by reporting suspicions to their own insurers and to the industry fraud Cheatline managed by the IFB.

"It is estimated that undetected insurance fraud costs the industry up to £2billion a year, adding, on average, an extra £44 a year to the insurance bill for every UK policyholder. Consumers should not be subsidising the actions of criminals and the industry is committed to rooting out fraudsters.

"For anyone with suspicions or knowledge regarding any type of insurance fraud, particularly concerning those organising or encouraging fraud, information can be shared in strictest confidence and anonymously, if necessary, with the IFB through the Cheatline.

"Reports can be made by calling the Cheatline freephone on 0800 328 2550, or by reporting on-line: www.insurancefraudbureau.org/report."

More follows/.....

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Editors Notes:

Appendix A: Regional Hotspot League Table on ‘Crash for Cash’

Post Area	Rank of Post Area within High Risk Networks	Variation in rank score since previous analysis
Birmingham (B)	1	0
Sheffield (S)	2	0
Manchester (M)	3	0
Nottingham (NG)	4	+2
Cardiff (CF)	5	+2
Liverpool (L)	6	-2
Newcastle-upon-Tyne (NE)	7	-2
Leicester (LE)	8	+3
Bristol (BS)	9	0
London South-East (SE)	10	+8
London East (E)	11	-3
Coventry (CV)	11	+3
Glasgow (G)	13	+3
London North (N)	14	-2
Peterborough (PE)	15	+4
Leeds (LS)	16	-6
Brighton (BN)	16	+9
Reading (RG)	18	+5
Guildford (GU)	19	+7
Portsmouth (PO)	20	+11

more follows/...

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.

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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 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.

For further information please contact:

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