

12 July 2011

IFB Statement in Response to Panorama, "The Great Car Insurance Swindle", 11 July 2011

Firstly, with regard the practices revealed by Panorama during last night's programme, the IFB is actively engaged with Panorama to obtain the information and evidence obtained during the undercover investigation.

The UK insurance industry has and continues to, invest significantly in preventing fraud. One part of that investment is the IFB.

The IFB is a not-for-profit organisation formed in 2006. Funded by 38 insurers and some compensators, the IFB is focused primarily on disrupting organised motor insurance fraud, to include what is known as "crash for cash".

This focus consists of a collaborative effort between the IFB, insurers, compensators, law enforcement agencies, regulators and the National Fraud Authority, to tackle organised insurance fraud.

The IFB has fraud intelligence sharing arrangements in place with law enforcement and regulators, to include the Ministry of Justice Claims Management Regulator and Solicitors Regulation Authority. These arrangements represent partnerships to tackle fraudsters.

Such efforts are underpinned and as demonstrated to Panorama, by the IFB successfully pooling industry insurance policy and claims data, and using sophisticated and very powerful analytical software to assist identify organised fraud. Accessing some 128 million industry records during the course of their activities, the IFB are ideally positioned to support the industry, law enforcement and regulators, tackle organised fraud.

Currently, the IFB has 25 live organised insurance fraud operations with 14 different Police forces. The value of the organised insurance fraud involved in these operations being in the region of £46million. A number of new IFB fraud operations are in the process of being formed, also involving law enforcement.

To date, 485 arrests have taken place in connection with IFB fraud operations, with more to follow. Successful prosecutions for concluded trials have led to sentences of imprisonment totalling 91 years being handed down. Proceedings under the Proceeds of Crime Act 2002 are also underway, to strip criminals of their assets.

The IFB maintains a fraud Cheatline where reports of suspicion or knowledge of any type of insurance fraud can be made; anonymously if necessary, using a Freephone telephone number: 0800 328 2550, or on-line www.insurancefraudbureau.org/report.

June 2011 represented the highest volume of new reports to Cheatline since the facility was first established, and to date the IFB have handled in excess of 5500 reports to Cheatline.

**Contact the IFB's free and confidential Cheatline with information on insurance fraud
Call 0800 328 2550 or online www.insurancefraudbureau.org/report**

NOT PROTECTIVELY MARKED

The IFB welcomes any form of report concerning insurance fraud, particularly concerning those professionals who are known or suspected of assisting or organising insurance fraud, to include for example claims management companies.

The industry investment to reduce fraud is being further strengthened, with a national database of insurance fraudsters being deployed, to be managed by the IFB.

Furthermore, the industry has agreed to fund the first dedicated Police team focused solely on prosecuting insurance fraudsters. The IFB will provide support to this Police team.

Taking into account the collective investment and commitment by insurers to prevent fraud, the strategic industry initiatives concerning the database of fraudsters and the Police fraud team, Cheatline reports made by consumers intolerant of fraudsters, all of which assisted and supported by the IFB, the industry is committed to make it a hostile and high risk environment for fraudsters.

Underlying this activity is the overwhelming industry objective to protect not only insurers from the cost of fraud, but genuine consumers.

ENDS

Notes to Editors:

The Insurance Fraud Bureau (IFB)

The Insurance Fraud Bureau (IFB) launched on July 26th 2006 and has been 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, www.twitter.com/theifb

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