

Public Accounts Committee
House of Commons
London
SW1A 0AA

3 May 2023

Dear Chair,

Publication of the Government's Fraud Strategy

Today we publish our Fraud Strategy. This ambitious plan covers the work that we, as government, will undertake alongside law enforcement, regulators, industry and charities to better protect the public from fraud and catch those that commit it.

You will know, from the evidence you have heard and the research you have done as a committee, that fraud is the biggest crime category in the UK. It causes untold misery and harm on millions of people a year. We have heard testimonies from committees such as your own, and from our constituents, businesses and consumer groups, who want to see scams prevented, and fraudsters punished.

The strategy outlines our comprehensive and long-term approach, across 3 pillars: **Pursue fraudsters** and bring them to justice; **Block** frauds before or as they are carried out; and **Empower the public** so they are more likely to avoid fraud and the harm that comes with it. It shows how government alongside all partners will:

- Cut fraud by 10%
- Make it easier to report fraud online
- Ban SIM farms
- Tackle number 'spoofing'
- Replace Action Fraud
- Appoint an Anti-Fraud Champion
- Ban cold calls on financial products
- Lead a new international response to international crime

Your recent report, 'Progress combatting fraud', published in March this year, is well-timed. The report calls for the Government to publish the fraud strategy without delay and specify what impact it will have on reducing the harm caused by fraud. The report also shines light on several, very important areas such as work with police, industry and international partners that our Strategy also covers. A fuller response to your report will follow in due course, however, in answer to several of your recommendations, I would like to draw your attention to several key announcements in our Strategy.

Pursue fraudsters. We have listened about the need to increase investment in how we investigate and prosecute fraud. We have prioritised £400m to tackle economic crime including fraud. With this we are investing in a new National Fraud Squad that will draw on resource from national, regional and City of London Police investigators alongside 400 new posts by 2025. We are also investing £30m to upgrade the Action Fraud Service. Fraud will also be prioritised amongst local forces as we have updated the Strategic Policing Requirement to cover fraud for the first time. We have heard the concerns about the criminal justice response, so we are also announcing a review into investigating and prosecuting fraud with a focus on modernising the disclosure regime, the current efficacy of the Fraud Act 2006 and making it easier to inform on criminal associates.

Block frauds. Your report covers prevention and the role of industry, which the Strategy reflects. Following recommendations, including in your report, we have recently announced the introduction of a Failure to Prevent Fraud offence in the Economic Crime and Corporate Transparency Bill, including sectors like tech and telecommunications. Furthermore, the Online Safety Bill continues to pass through Parliament, and we have begun work on an Online Fraud Charter, with social media, search engines and other tech companies, to implement greater protections for the public and more sectoral involvement in countering fraud. Alongside the other charters both old and new, the Strategy demonstrates our approach to collaborating with industry and our timeframes to do this.

Empower the Public. Protection and support of the public is very important, and your report made many helpful recommendations on this. In line with recommendations in your report we have announced that we will be launching a significant national comms campaign to help the public spot and avoid frauds and seek support.

The Strategy also announces how we will bolster key cross-cutting capabilities, including our international response. The Strategy outlines how we intend to lead a global coalition of countries against fraud as well as bolstering law enforcement in upstream countries.

I hope you can see that our Strategy fulfils many of the recommendations made by your committee. We would be delighted to welcome your support in this work. I am

confident that together we can do more to protect UK citizens from fraud and ensure there is no safe space for criminals to commit these terrible crimes.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Tom Tugendhat', with a stylized, cursive script.

Rt Hon Tom Tugendhat MBE VR MP

Security Minister