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NORTH WALES
POLICE**



SECURE YOUR PDQ

Chief Inspector Rob Rands

Police Constable Annie Halstead

gwneud Gogledd Cymru'r lle **mwyafr dlogel** yn y DU
making North Wales the **safest** place in the UK



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Wales - Cymru

Land of mysteryDruidsMountainsCastles



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North Wales Police

Wales is part of the United Kingdom (UK), having been so since 1282 when sovereignty was lost.

North Wales has a population of 678,461 people. It is 6,172 km²

It has 1,450 Police officers

Compared to the 42 other UK police forces

- Covers the 6th largest geographic area
- Has the 15th smallest number of officers
- Has the 16th smallest budget

Now to our story....



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Our story

TreYsgawen Hotel - Anglesey



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- Distraction techniques
- Card payment machine/PDQ removed, refund processed, PDQ returned
- Suspects then leave the location



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Local actions and investigation

4 males arrested following a brief pursuit – part of a Somali OCG

Investigation – ANPR showed that they had travelled from London directly to a hotel in Llandudno and then to our location.

Enquiries in Llandudno showed that a likely offence was prevented by the actions of staff.

Arrested persons were part of a Somali OCG

Activation of Shop watch & Pub watch considered

PCSO engagement with businesses



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Having an un-protected card machine is no different to leaving a cash till wide open – don't be an easy target!!








Social Media Consideration

Informative – but to who?

Educate potential victims

Educate potential offenders

Easy MO

-  Password protect all card machines for refund facility
-  Set refund limits
-  Regular password changes
-  Don't write the password down
-  Don't leave card machines within easy reach

**DON'T
FALL VICTIM
TO CARD
MACHINE
THEFT**



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ULTIMATE SAFEGUARDING MEASURE

MARCH 2020 LOCKDOWN – THANK YOU BORIS



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Problem Solving - Scanning

Local picture

8 reported incidents within North Wales in total between December 2019 and March 2020

All incidents involved hotels

All lone working receptionists – in the early hours

- 3 successful refunds completed with unprotected PDQ machines – totalling over £40,000
- 4 unsuccessful attempts due to staff interrupting the offenders
- 1 unsuccessful refund due to the PDQ being password protected



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Problem Solving - Scanning

National picture

Changing picture of crime. Traditional forms of crime (burglary, car theft, low level assaults and so on) have been replaced by new forms of crime and harm (The Police Foundation, 2022: p.9).

Huge rises in fraud (47%) and Computer Misuse Act (89%) compared to September 2019 (ONS, 2022)

These offences are very difficult to detect with only 0.2% resulting in a prosecution. This indicates efforts to prevent, detect and investigate such offences have limited success.

UK police are doing little to tackle this.



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Problem Solving - Scanning

Gang distracts staff at Pembrokeshire hotels to steal thousands from card machines

5 September 2019 at 2:20pm



By Jamie M...

Thursday, 23rd M...

Credit: The Belg...

Police are a
Pembrok
Five m
show

Pair walked into empty hotel reception in the early hours and gave themselves a £13,600 refund

Harun Buni and Abdawali Maxamed calmly walked into the hotel and picked up the card machine



By **Liz Day** Court correspondent
21.56, 29 FEB 2020 | UPDATED 11:57, 29 FEB 2020

NEWS

Two men walked into a hotel reception in the early hours of the morning, picked up the card machine and processed £13,600 worth of refunds.

Harun Buni and Abdawali Maxamed took the card reader out of sight of CCTV cameras then processed six transactions on two different bank cards.

Sentencing the pair at **Cardiff Crown Court**, Judge Richard Twomlow said: "It was a sophisticated offence, in my view, carefully planned and carefully executed."

The court heard the incident happened at Bryn Meadows Golf and Spar Hotel in **Caerphilly** on January 30.

Nuhu Gobir, prosecuting, said staff reviewed the CCTV footage and saw two men approach the reception desk at 5.15am.

The brazen moment gang steals £9,000 from Tenby hotel using their credit card machine

Police say the incident was part of a spate of distraction thefts in Pembrokeshire



By **Laura Clements**
10:40, 4 SEP 2019 | UPDA...

NEWS

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of pounds from

otel in **Tenby** but

one was

e keypad

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Whilst a...
behind the recep...
totalling £9,000.
it was the third time that day d...
£5,000 from a St Florence busi...

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Problem Solving - Scanning

Investigation input

Suspects phones showed a journey from London to Northern Ireland returning through Scotland in the days prior to our offence.

On the day of our offence the car was collected from a rental company and driven straight to Llandudno, only stopping at M6 services where an offence was attempted before travelling straight to Tre-Ysgawen Hall. This hardly appeared random.

Suspects were known for county lines criminality and part of a London based Somali OCG.

Funds were transferred to a Netherlands based bank, with links to other criminality both in the UK and internationally.



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Problem Solving - Scanning

Information gaps

Difficulties with establishing the full scale of the problem –

- Were all offences identified/reported?
- Deliberate under reporting
- COVID-19 Pandemic effect on hospitality

No one body dealing with this type of offence. The Dedicated Card and Payment Crime Unit (DCPCU) deal with crimes against victims rather than against businesses. Focusing on card skimming, or cloning offences.



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Problem Solving Hub

Problem Solving Hub – oversight and assistance

North Wales Police problem solving hub – supports officers and officers help and guidance

Plan quality assurance and oversight of unit lead – which at this time was me

Plan review – local picture for Anglesey and even North Wales had been really well covered

Could we close the vulnerability nationally?

Barriers to this?



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Problem Solving - Analysis

Vulnerability explored

PDQ – Process Data Quickly.



No – A default PIN is set when the device is issued. Similar to a mobile phone



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Problem Solving - Analysis

Why is the offence happening?

Vulnerability

Reward

Lack of Risk

Location guardianship

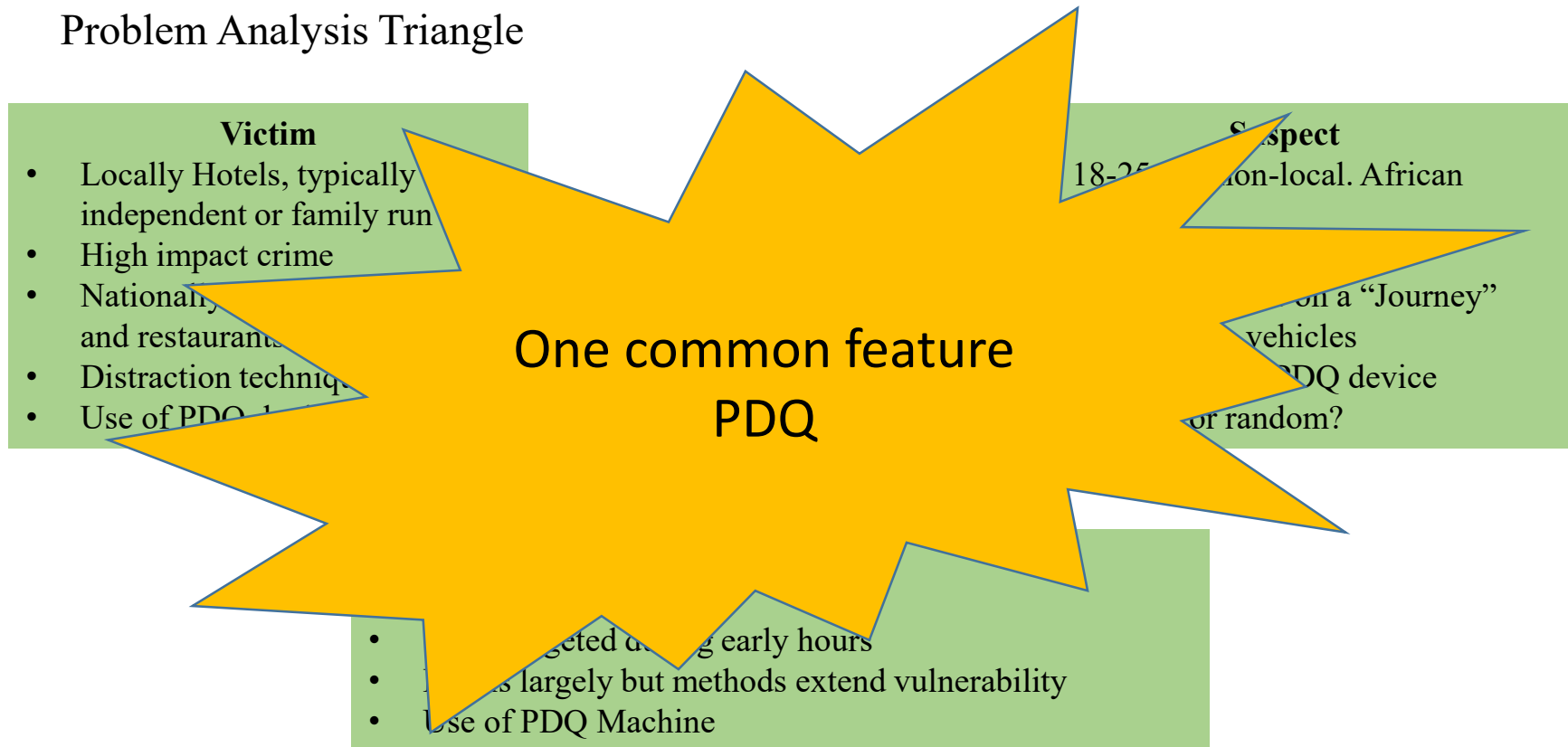
The locations are targeted when there is only a night porter on duty and distraction is easy. Independent hotels are less likely to warn others.



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Problem Solving - Analysis

Problem Analysis Triangle





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Problem Solving - Analysis

Crime Method

So we knew that all the suspect needed was access to PDQ device in order to exploit its vulnerability.

The distraction was not important

Night time offences

Software vulnerability

Industry guardian?



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Problem Solving - Analysis

Stakeholders

In North Wales important as we are to our own community how would we get the attention of the national industry to address this?

Super controller influence

Working group established



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Problem Solving - Responses

Local Response

Various methods of communicating with local business were considered such as leaflet design, shop watch & pub watch. But lockdown prevented the need.

Investigation

Following interview all four suspects were placed on bail conditions.

Accounts were frozen and funds seized.

The interview account was disproven.

All four suspects were charged with conspiracy to commit fraud.



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Problem Solving - Responses

National Response - Op Blue Centennial established and a series of meetings between NWP, City of London Police, Barclay Card & UK finance generated the following preventative actions;

Target hardening

By providing education we are denying future victims by ensuring that they are aware of the vulnerability and take action themselves to prevent becoming victims.

1. Guidance to all PDQ device operators.
2. Unique PIN numbers for devices and consider security method of the machine itself.
3. Link the PDQ devices to a business the booking system



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Problem Solving - Responses

Removing the means to commit crime

Reducing opportunity

3. Replacement and

4. PDQ operating so

Increasing the risk of

5. Transaction moni



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per
default PIN's set.



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Problem Solving - Assessment



Could we claim that our work had led to a 100% reduction?

There were a number of factors that we needed to consider;

1. Lockdown
2. Time & Space

Within North Wales Police there has not been a single crime reported.

However the national aspect of our work to close this vulnerability has had an effect.



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Problem Solving - Assessment

Local business survey – Anglesey

We surveyed 24 independent hotels – the results were positive -

All had received guidance from their PDQ providers

Only one didn't have a unique PIN, but said they would change after the call.

50% (12) had linked there PDQ to there booking system for the additional verification.

63% now lock away there PDQ device for bookings out of hours.

Many had reviewed CCTV coverage to ensure it covered the main desk.

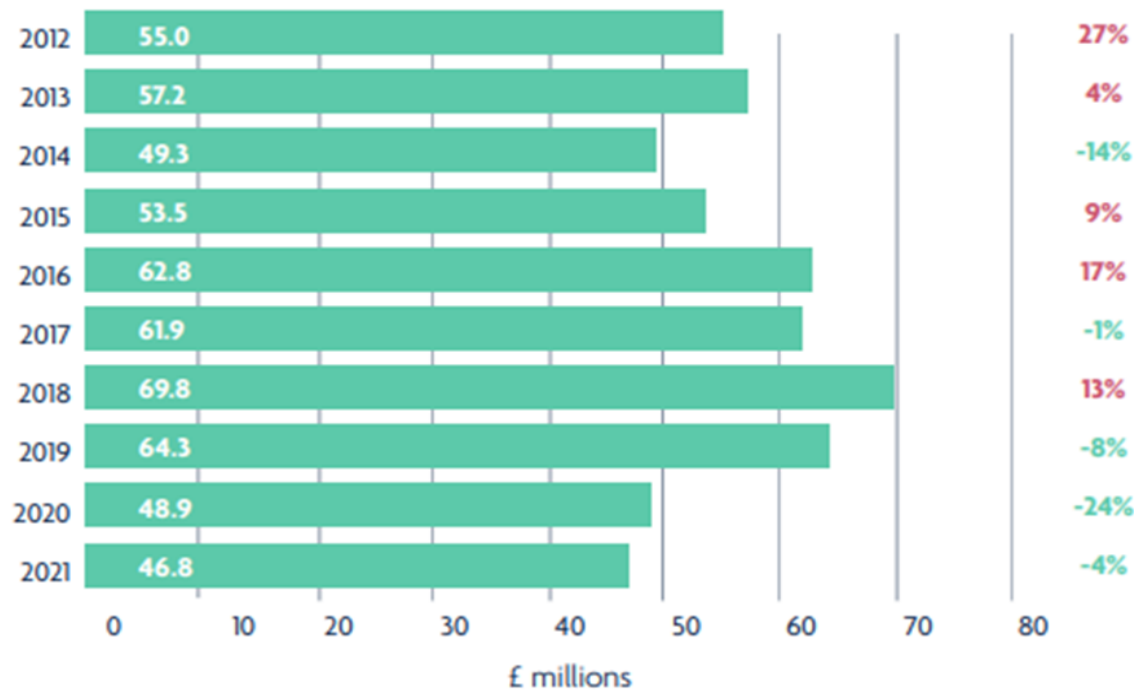


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Problem Solving - Assessment

UK national crime data

Card Fraud Losses at UK retailers (face-to-face transactions) 2012-2021



Over the period of time that our offences took place (March 2020 in 2019 data) and the introduction of our solutions a national reduction of £46m in all card fraud.

UK Finance annual fraud report 2022

Card fraud losses at point of sale saw a reduction of £15.4m.

UK finance annual fraud report 2022



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Problem Solving - Assessment

National Picture based on the BFP technique

It is very difficult as stated previously to put an accurate figure to the cost of this crime, due to the low level of reporting and/or knowledge of the offence, and the Home Office Crime Recording Standards (HOCRS).

In North Wales the loss amounted to £52,000 (although some prevented).

Assumptions – are dangerous.....but

We are one of 45 forces in the UK.

Newest crime trends don't often start in North Wales – and we know this didn't

Larger forces/more metropolitan may have experienced higher losses – but assume same as NWP

We can therefore assume that the level of loss nationally to be $45 \times £52,000$

A staggering £2,236,000 based on a BFP calculation



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Problem Solving - Assessment

National Picture based on crime volumes

	England and Wales	England and Wales, Police Scotland and PSNI	North Wales	North Wales percentage factor of crime
All crime	5,003,557	6,430,019	60,479	0.94%
Fraud data	37,951	55,746	285	0.51%
Theft	1,811,838	1,952,786	14,639	0.75%
Burglary	248,633	273,765	3,205	1.17%

Dependant on comparable crime type North Wales represents between 0.51 and 1.17% of national crimes in the offending area

Multiplying our loss (£52,000) by that percentage we get a scale of loss of between

£4.4m - £10.2m



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Problem Solving - Assessment

The level of loss may have been much lower or higher than those figures

And we may not have been able to claim that we delivered 100% reduction nationally

And we know that OCG's evolve and change their model to exploit other vulnerability

But what we do know is that the quick actions on the night prevented one local business becoming a victim, and that follow up actions and the problem solving approach that we took has played a part in closing a national financial vulnerability.

In a time where hospitality businesses were struggling with the financial losses caused by COVID we delighted to have played a part in preventing further losses at a time when they would have hurt even more.



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Problem Solving - learning

Problem Solving Hub and structure evolution

Method and application of POP plans

Power of a super controller

Knowledge sharing

Application of SARA in a fraud context



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(Thank you very much)



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Chief Inspector 739 Rob Rands
Robert.Rands@northwales.police.uk

Police Constable 3487 Annie Halstead
Annie.Halstead@northwales.police.uk