



NIAGARA REGIONAL POLICE SERVICE

Police Services Board Report

PUBLIC AGENDA

Subject: Annual Report – Fraud and False Pretence Investigations
January 1 to December 31, 2021

Report To: Chair and Members, Niagara Police Services Board

Report Date: 2022-04-20

Recommendation(s)

That the Niagara Police Services Board receive this report for information.

Key Facts

- The purpose of this report is to advise the Board that the Service is in compliance with By-law 230-2000 – Fraud and False Pretence Investigations.
- The Chief is required to make a written annual report to the Board with respect to Fraud and False Pretence Investigations.
- This report is submitted to provide information to the Board for review and consideration of information relating to the Service's response to Fraud and False Pretence Investigations.

Financial Considerations

There are no financial implications relating to the recommendation in this report.

Analysis

In accordance with By-law 230-2000, the Chief shall make a written report to the Board on or before August 30 of each year in respect of investigations of fraud and false pretences. The report shall include:

- a) A summary of the written procedures concerning fraud and false pretence investigations;
- b) The status of Service compliance with the said procedures; and
- c) A summary of the steps taken by the Service to monitor and evaluate response to fraud and false pretence investigations.

This Board report will outline each of the above and confirm our compliance with the By-law:

a) *"...a summary of the written procedures concerning fraud and false pretence investigations..."*

The Service has specific policies related to the investigation of fraud and false pretence occurrences. The following General Orders establish rules, procedures, and responsibilities for managing investigations into fraud and false pretence incidents:

- Fraud Investigations - GO 172.07
- Major Incidents and Routine Criminal Investigations - GO 095.10

General Order 172.07 – Fraud Investigations, meets all the requirements as outlined in the Provincial Adequacy Standards Regulation LE-038. The Order was re-evaluated in 2021 with minor amendments which are awaiting final approval.

General Order 095.10 – Major Incidents and Routine Criminal Investigations complements the Fraud Investigations General Order by outlining in detail how major incidents and routine criminal investigations, including fraud investigations, are to be conducted.

b) *"...the status of Service compliance with the said procedures..."*

The Service continually reviews compliance with the Provincial Adequacy Standards and police directives including General Orders.

General Order – 095.10 – Major Incidents and Routine Criminal Investigations obligates the District Staff Sergeant or Sergeant to review all occurrence reports submitted by members under their command and returns the occurrence report to the officer for follow-up investigation, if required. The Order also requires the Officer in Charge of a District Detective Office to review all occurrence reports pertaining to criminal investigations and return them to the original investigating officer, or re-assign as necessary for follow-up investigation.

Provincial Adequacy Standard LE-038 requires the Chief of Police to ensure that officers investigating complex fraud and false pretences occurrences have the knowledge, skills and abilities required. All officers assigned to the Central Fraud Unit (CFU) are required to have the following training:

- Ontario Police College (OPC) - Criminal Investigation Training Course provides the fundamental training required to conduct criminal investigations;
- OPC - Fraud Investigation Course provides specialized training relative to fraud and false pretences investigations;
- OPC - Ontario Major Case Management Course provides specialized training relative to the investigation and management of large-scale investigations;

- OPC - Investigative Interviewing Course provides specialized training relative to the skills of interviewing and interrogation; and
- OPC - Search Warrant Course provides investigators with the skill sets required to successfully prepare a range of applications for prior-judicial authorization for search and seizure activity.

Additionally, fraud investigators participate in a number of associations such as the International Association of Financial Crime Investigators, the GTA Fraud Managers' Group, the Joint Agency Investigation and Liaison Committee and the Canadian Bankers Association. Investigators' participation in these organizations provides a resource of contacts with fraud investigators throughout North America and has proven to be an invaluable asset to the Service.

c) *"...a summary of the steps taken by the Service to monitor and evaluate response to fraud and false pretence investigations..."*

The CFU is comprised of a detective sergeant and seven detective constables. The Unit reports to the staff sergeant in charge of the Major Crime Unit.

All fraud and fraud-related incidents are reviewed by the officer-in-charge of the CFU, ensuring a consistent response. Incidents requiring further investigation are either assigned to a detective or returned to the district investigator or uniform officer.

In 2021, the Service received 2877 fraud-related complaints as defined by the Canadian Centre for Justice Statistics (CCJS) in the categories of fraud, identity theft or counterfeit. This represents an increase of 521 complaints over last year. The increase in fraud complaints is consistent with national fraud trends. The Canadian Anti-Fraud Centre recorded an increase of 130% from 2020.

Criminal charges were filed in 297 incidents while 169 incidents were deemed unfounded or cleared otherwise. 140 cases from 2020 remain open investigations. Incidents cleared otherwise are incidents where sufficient grounds existed to proceed with a charge, but charges were not pursued for a variety of reasons including cases where the complainant did not want to proceed with charges; the suspect was charged in other related incidents; charges were not pursued based on the recommendation of the Crown Attorney or police discretion.

Year	Total Incidents	Cleared unfounded or "otherwise"	Cleared by Charge
2019	2614	186	364
2020	2356	144	226
2021	2877	169	297

Education is crucial in reducing victimization to fraud. With the assistance of the Service's Corporate Communications Unit, public advisories are regularly issued in response to fraud trends. The CFU continuously monitors national trends and has provided educational support to local business to reduce victimization. Members of the CFU regularly deliver presentations covering a wide area of fraud information to various community groups. Due to the COVID-19 pandemic in 2021, members of the CFU were unable to participate in any public presentations.

Alternatives Reviewed

Not applicable.

Relationship to Police Service/Board Strategic Priorities

To comply with the provisions of the Police Services Board By-laws and to maintain compliance with the Provincial Adequacy Standards Regulations.

Relevant Policy Considerations

Police Services Board By-law 230-2000 – Fraud and False Pretence Investigations
General Order 095.10 – Major Incidents and Routine Criminal Investigations
General Order 172.07 – Fraud Investigations

Other Pertinent Reports

7.11.2021.05.20 – Annual Report – Fraud and False Pretence Investigations – January 1 to December 31, 2020

This report was prepared by Ray Aceti, Detective Sergeant, Central Fraud Unit in consultation with Steve Magistrale, Staff Sergeant, Major Crime Unit, and reviewed by James Leigh, Inspector, Investigative Support Services and Brian Ash, Superintendent, Emergency and Investigative Services, and recommended by Brett Flynn, Deputy Chief, Operational Services.



Submitted by:

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Chief of Police

Appendices

Not applicable.