



Operation LINDEN

Virtual meeting hosted by the ICO: 6 May 2021, 10am-12pm, MS Teams

Any information or statistics herein were correct as of the date of this meeting.

Attendees

Natasha Longson (CHAIR)	Information Commissioner's Office (ICO)
David Clancy	Information Commissioner's Office (ICO)
Stephen Flack	Information Commissioner's Office (ICO)
Stephanie Braley	Information Commissioner's Office (ICO)
Joel Lewis	Age UK
Victoria Feltham	Charity Commission (CC)
Arthur Cummings	Data & Marketing Association (DMA/TPS)
Amerdeep Somal	Data & Marketing Commission (DMC)
Barbara Kubis-Labiak	Financial Conduct Authority (FCA)
Duncan O'Meara	Financial Conduct Authority (FCA)
Zara Fisher	Fraud Advisory Panel (FAP)
Catherine Orr	Fundraising Regulator (FR)
Representative	Gambling Commission (GC)
Alan Tonge	Insolvency Service (INSS)
Lee Davie	Insurance Fraud Bureau (IFB)
Jonathan Duffy	Insurance Fraud Bureau (IFB)
Tony O'Sullivan	Insurance Fraud Bureau (IFB)
Debrah Harding	Market Research Society (MRS)
Drew Cooke	National Trading Standards Intelligence
Richard Clarke	National Trading Standards Scams Team
Amy Hemmings	The Office of Communications (OFCOM)
Mark Littler	The Pensions Regulator (TPR)
Sarah Scott	Phone-paid Services Authority (PSA)
Steve Smith	TrueCall
Stephanie Borthwick	Which?

Apologies

Dianne Doodnath	UK Finance
Mike Sturrock	Data & Marketing Association (DMA)

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Agenda

- **Introductions** - for those who have not previously attended (All)
- **ICO updates** – including a wrap up of reporting; focusing on a six-monthly update, recovery actions and what we have planned. The update will also include activity relating to COVID-19 and unsolicited or exploitative marketing.
- **Activity and actions updates** - 5-minute update on relevant activity from each organisation, as well as proposed actions for the next quarter. (All)
- **Insurance Fraud Bureau (IFB)** – Presentation on spoofed Google adverts.
- **Horizon Scanning** – discussion (All)
- **International enforcement** – update led by the ICO
- **AOB** - including any intelligence requirements, minutes and next meeting arrangements

ICO enforcement update

Operational overview (financial year end 2020-21)

- 48 compliance meetings.
- 21 organisations put on monitoring in order for them to take steps to improve their compliance.
- 25 cases at various stages of formal enforcement action.
- 141 further open investigations.

Financial Recovery Unit

- 21 Civil Monetary Penalties issued (YTD) for serious PECR breaches, totalling £2,495,000.
- Six Enforcement Notices issued instructing organisations to cease their processing.
- The rate of payments in full has been very high.
- Seven cases subject to first tier tribunal.
- Seven subject to recovery actions.
- Six directors disqualified for a total of 35 years.

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Current / future focus

- The ICO continue to investigate complaints relating to white goods insurance, pensions & investments and energy saving.
- A new operational area of focus is activity within the data broking industry.

Nuisance contact trends

- In FY 20-21, the ICO received 123,569 nuisance call and SMS complaints to our online reporting tool. This is an increase of 6,613 complaints or 6% over the last FY. This is somewhat surprising given that the early months of this financial year were heavily impacted by the first national lockdown of the pandemic.
- Complaint volumes have been steadily increasing over the course of the year, reaching a peak of 17,728 complaints in March 2021. This is the largest number of complaints submitted to the ICO online reporting tool since June 2016. It is anticipated complaint volumes will stabilise but remain high over the coming months.
- Across the whole FY, the breakdown of complaints between different contact types remains similar to previous years. However, much of the increase over the last six months in particular, was within the automated call category and related to suspected fraudulent calls. These complaints are often seen within the banking, broadband and 'none of the above' topic categories.
- The ICO have seen a recent increase in SMS messaging – particularly in relation to attempted delivery scams purporting to be sent from Royal Mail and other well-known delivery services.
- Within other complaint topics, the most notable change since the last FY year is the drop in accident claims calls, which was historically our largest topic category. Accident claims have declined by approximately 10,000 complaints or 32%, likely due to less cars being on the road and therefore less claims activity. We also continue to see a large number of complaints within the energy saving and insurance categories and continue to monitor for any complaints that may seek to exploit the COVID-19 pandemic.
- Going forward we anticipate an increase in nuisance complaints as businesses begin to reopen / lockdown restrictions ease, as the financial impact of COVID-19 continues and as more people begin to return to the roads.

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Activity and Actions Update

Which?

- Policy work is being carried out looking at telecoms-facilitated scams, e.g. scams made over the phone and via SMS. Which? has also been looking at how businesses use telecommunications.
- Which? is gathering feedback on policy recommendations and continues to liaise with communications providers. Input from LINDEN participants is welcome.
- Which? is developing a business-facing guide on SMS communications, with the aim of helping businesses improve their SMS communications practices and helping consumers recognise legitimate vs fraudulent text messages.
- Which? has launched a scam sharer tool – we ask consumers to tell us about scams they've seen or experienced. Which? is currently exploring ways to share data gathered from the tool with other organisations. Anyone interested in discussing scams data and intelligence sharing should get in touch.

TrueCall

- TrueCall ran a project with the NTS Scams Team, which provided 3,000 TrueCall units to vulnerable people. The final report was published in February 2020 and showed projected benefits of £20m.
- The Welsh and Scottish Governments each have funded hundreds of call blockers in their regions.
- TrueCall are concerned about companies/people selling call blocking apps, the way they are handling personal data and their use of an individual's contacts data as well. This raises the issue of the consent of user to use their contacts data vs consent of the contact for their information to be used.
- Currently, TrueCall are working with police teams as 30% of cases are related to fraud, however, there have been some issues with police resourcing for these cases.
- Looking back on historic data relating to DNO (do not originate) numbers, figures are much lower now, and the rollout has resulted in many of these numbers being blocked.

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The Pension Regulator (TPR)

- TPR have launched a pension scam pledge, encouraging pension providers to pledge to protect savers from scams, and follow the code of practice relating to due diligence.
- TPR held a webinar with the National Crime Agency (NCA) and the City of London police. It was launched at the wider industry to encourage increased reporting of pensions scams to Action Fraud. The initial test has seen a slight increase in reporting, it's likely that results of the initiative will become apparent over the next few months.

Data & Marketing Association (DMA)

- TPS complaints volumes remain at a historic low, around 1,300-1,500 complaints a month. This is 50% less than the 2019 figures, which were considered significantly low at that time.
- Almost half of all ICO call reports are automated calls, which explains the lack of TPS complaints in comparison, as automated calls fall outside TPS remit.
- The calls falling outside of TPS remit mainly relate to scam calls, regarding parcel/delivery scams, amazon account issues, or remote accessing of computers. This is similar to scam trends being reported in the ICO's own data.

Financial Conduct Authority (FCA)

Barbara Kubis-Labiak & Duncan O'Meara

- It has been two years since the FCA started regulating Claims Management Companies (CMCs). There were more than 900 applications to register from firms in 2019. From this, 670 CMCs were authorised, 176 applications from firms were withdrawn as they were not ready to be authorised and 80 applications remain open.
- The FCA continue to supervise firms and have published a portfolio reminding businesses of their strategy.
- PPI firms now appear to be winding down and the FCA has begun complex claims work to identify what areas these firms may decide to focus on post-PPI.

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- The FCA is prioritising any scams that are exploiting the pandemic. Currently figures are low, but with lockdown easing, more call centres may reopen so reports may increase.
- Overall reports year-on-year are significantly higher, however this includes reporting levels at the start of the pandemic which were much lower than usual.
- The top reported sectors are clones, people providing advice and crypto assets (Bitcoin).
- The FCA are also advising the public to be aware of scams where people purport to be from the FCA. Some of these scams include demanding monies for purported fees or taxes due, a spoof FCA website and Financial Services register.

Gambling Commission (GC)

- The GC continue to receive and review the ICO's Monthly Threat Assessment to identify any gambling operators of concern, in order to take regulatory action where required. The majority of concerns being reported relating to gambling typically fall within the SMS contact type.
- The Government (DCMS) launched the Gambling Act Review at the beginning of December 2020 with the publication of a call for evidence into the Gambling Act 2005. The review seeks to ensure people can continue to gamble but that legislation takes into account safeguards for vulnerable people and children.
- The review sets out six strands to cover, including marketing. This will include work around safer gambling messages and questions about the harms and benefits of advertising and sponsorship arrangements. The white paper will likely be published at the end of 2021.

Market Research Society (MRS)

- The MRS advised that telephone complaints have not risen in the last year, despite more telephone research being undertaken as a result of restrictions on f2f (face-to-face) data collection.
- The MRS have also identified some scammers pretending to be researchers linked to the Covid-19 infection study.

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The Office of Communications (Ofcom)

- Complaints seen by Ofcom are similar to the ICO's own figures. There were 4,700 reports received in February 2021, but these declined slightly in March with around 4,000 complaints being received. These mostly related to silent and abandoned calls.
- Ofcom continue to liaise with the largest communication providers to block numbers associated with nuisance and scam calls.
- Ofcom continues work on its Do Not Originate (DNO) list and are actively reaching out to police forces to make them aware of the list, should they need to add any of their numbers. The list is intended to help prevent scammers using spoofed numbers that appear as legitimate organisations by compiling numbers which will never be used by legitimate organisations to make outgoing calls. This list of numbers is then picked up by the phone network allowing them to identify calls from spoofed numbers which should be blocked. However, Ofcom have noted that scammers are changing call numbers frequently and so blocking these numbers may not be the complete solution to the problem. Ofcom are considering what other interventions are available to help tackle this activity.

Fundraising Regulator (FR)

- The FR received around 80 complaints a month in the last reporting year, with nearly 100 complaints received in March alone.
- Between September 2020 and February 2021, 50% of complaints received by the FR were fraud related.
- The FR continue to monitor levels of telephone fundraising complaints but has not observed an increase as yet.
- The FR has also issued a public warning about fraudsters seeking to impersonate known charities and has publishing advice on 'safer giving'.
- Fundraising Preference Service: there are around 400 subscriptions a month. There was a spike in March of 650 requests, which were linked to the marketing of the service.

Phone-paid Services Authority (PSA)

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- PSA complaints are just below 400 per month, compared to the 1,800 complaints per month reported in 2019. This is likely to be the result of the increased focus on due diligence work.
- The PSA have also engaged a specialised DPO agency, to assess and improve how the PSA share information with other regulators.

Fraud Advisory Panel

- The FAP have issued a position statement on preventing fraud on social media and ran a campaign around this which including five prevention recommendations.
- A statement was also issued following s COVID-19 fraud watch group last year, concerning the online harms bill.
- The FAP informed other LINDEN participants that International charity fraud awareness week would be resuming in October 2021, and is intended to provide guidance and resources for charities and trustees etc.

Joint Opportunities

The ICO continue to focus their attention on three main areas of investigation in relation to nuisance contact. These are:

- White goods: The ICO noted large volumes of calls that appeared to be fraudulent in nature and targeting the elderly and vulnerable. Calls relating to White goods insurance and warranty products (including fridge freezers & TVs etc) were prominent, with some callers also impersonating legitimate businesses. The ICO is investigating and working with partner agencies to see if there are any breaches of legislation or need for enforcement action.
- Loft insulation/energy saving: The ICO noted an ongoing issue in relation to the sale of loft and cavity wall insulation products. Related scam calls have increased following the launch of Government's Green Homes Grant scheme, as a way to boost the economy. The scheme was due to run until 31 March 2022 but has now been reallocated to local authorities. It is likely we will continue to see related complaints and again, these appear to be targeting the elderly and vulnerable. The ICO have also noted similar concerns relating to solar panels, windows/double glazing and boiler/heater replacements.
- Pensions: this area of work is a response to the Pensions Cold call ban and enactment of Regulation 21B of PECR. The investigation covers

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investment schemes and pension liberation and the ICO continue to work closely with partner agencies.

Horizon Scanning

This section of the agenda was omitted from the meeting in the interest of time. LINDEN participants were encouraged to share any thoughts in this area with the wider mailing list following the meeting.

International enforcement update

- The ICO and Ofcom continue to engage with the Unsolicited Communications Enforcement Network (UCENet) on an International level. Discussions have included the different approaches taken by UCENet members to the COVID-19 pandemic as well as wider trends observed in relation to unsolicited communications and scams. Other LINDEN participants are encouraged to reach out to the ICO should they wish to get involved with the network going forward.
- More widely, the ICO continue to engage bilaterally with a number of international authorities on specific investigations.

Any other business (AOB)

- No other business raised.
- A reminder was given about the upcoming Citizens' Advice Bureau scam awareness week in June 2021.
- Next meeting proposed for September 2021.
- ICO thanked participants for attending and contributing to the meeting. The sharing of any relevant information or contact points can be done through the ICO's Intelligence Department.

END

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