

## **City of London Police meet with Network Operators**

### **Background**

The City of London Police Economic Crime Department (COLP ECD) met with various Network Operators at the ICSTIS Offices on 1 February 2006. The team of over 100 detectives and support staff at the COLP ECD is accustomed to working closely with a variety of regulatory bodies and in 2005 it was asked to scope the Premium Rate Industry as a whole and focus on criminal elements.

The COLP ECD agreed to meet at ICSTIS on the request of Network Operators and because of the current media pressure on the Premium Rate Industry. Their objective was to educate and advise Network Operators about criminal activity so attendees were not only aware of problems but able to recognise and reduce them.

### **Offences**

The COLP ECD advised Networks of the importance of due diligence and the dangers of doing business with people that they suspected were involved in criminality. It was stressed that Network Operators may be committing offences if they continue to do business with people after such suspicion arises.

### **Due Diligence**

In a closing Question & Answer session between the various Network Operator representatives and the COLP ECD speaker, a series of safety guidelines were recommended to help reduce exposure to criminality. This is a simple guide and it is advisable for Network Operators to seek legal advice should they need further help in understanding this complex issue in depth.

It was advised that the industry should:

- Look at the FSA Guidelines available on the FSA website [www.fsa.gov.uk](http://www.fsa.gov.uk). Although Networks are not regulated by the FSA, these guidelines illustrate good practice that can be adopted across the board.
- If a Network becomes aware of criminal activity but chooses to turn a blind eye, the Network may fall into the criminal arena by committing an offence under the Proceeds of Crime Act.
- If a Network takes money (and keeps it or passes it on) that has been made as a result of criminality (that they knew or suspected was criminal), the Network may also be committing an offence.
- If a Network receives information that businesses further down the value chain are acting suspiciously, they should question it, tell other people they are working with and inform the regulators of their suspicions.