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Learning the lessons of the TSB fraud attack, and hunting down the criminals behind it

By Richard Meddings, Executive Chairman, TSB

In May 2018, for a period of a fortnight, almost the entire volume of UK bank fraud was directed solely at TSB customers. This included a phishing attack which put us second only to Amazon as a target for worldwide phishing attempts.

Fraudsters will take advantage of any opportunity they can to create confusion and cause chaos. In TSB's case, this was the online and mobile access outage which our customers experienced as a result of the migration of our IT systems. We quickly took the decision to refund any customer who lost money as part of this attack, and that was a vital first step. The second starts here; sharing what we learnt from that unprecedented fraud attack.

Fraud is now one of the most common crimes in the UK, with one in four Brits falling victim to this form of theft in the last year alone. And the financial impact to consumers and companies is enormous.

In the first half of 2018, fraudsters stole over £500m from UK bank customers, whilst banks prevented a further £700m of potential thefts, thanks to systems and eagle-eyed staff.

But whilst these figures show the benefit of fraud prevention measures, they're not enough by themselves. We also need to step up our efforts to take the fight to fraudsters. Today's reality is if they don't succeed at one bank, they just move onto another customer or business.

I often hear fraud losses referred to as "a cost of doing business". That's nonsense. Fraud losses are not just another cost – they are the criminal proceeds of crime. And we should tackle this issue as we would any other serious crime.

The criminals behind these frauds are organised gangs, and they are becoming increasingly sophisticated. That means that we need to be organised too; we need to broaden the fight – forging a direct alliance with telephone network operators, retailers, charities, the police as well as law makers to enlist them in our fight back against ever evolving attacks. The Telegraph is doing a good job in helping with that fight. Helping educate readers on fraud will ensure they stay one step ahead of criminals.

But stopping the fraudsters at the point they attack is only a start, albeit a good one. Better still is supporting law enforcement agencies to hunt down the criminals, arresting them and putting them in front of a judge.

We've seen from our own experience that by working closely with the police, as well as other banks, sharing quality intelligence quickly results in arrests and convictions.

That's why we are launching a new partnership with the Metropolitan Police to bolster London's fight against fraud, and to bring the criminal gangs behind it to justice. An initial £200,000 investment in the Met's anti-fraud programmes targeted at increasing the ability of the police and



local partners to work together on fraud prevention and enforcement; enhancing the skills of officers and staff and financing new and innovative ways of fighting fraud at a local level.

Closer co-operation across multiple industries, more targeted funding of front line policing and better, more effective customer education will make a real difference by turning fraud into a difficult and high-risk crime.

That sounds a lot more like true fraud prevention to me.