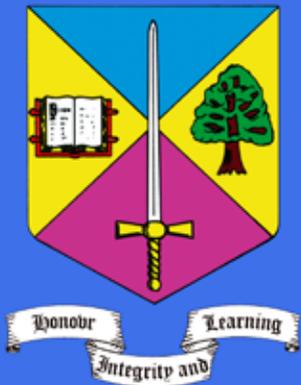


AGM

BOILER ROOM FRAUD

Presented by
Detective Superintendent Robert Wishart
Head of the Economic Crime Unit

16 October 2009
Civil Service Club, London



The Professional Investigator

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Ian Hopkins
Editor



Dear Member

This is the first news letter of 2009. Please accept the Boards apology for the late distribution but as you see from the contents we have been in lengthy discussions with the Secretariat regarding a new contract and did not want to pre-empt the result of those discussions.

At a board meeting held on 27th March 2009 the Principal Nicola Amsel announced that she would be standing down from the board at the AGM which is to be held in October. Following a lengthy discussion, followed by a vote, it was unanimously decided that Ian Hopkins would be the next Principal and that David Palmer would become Deputy Principal.

It was also announced at the meeting that Michael Whittington, currently Treasurer of the Institute, and Ruth Hoffmann, Chair of the Legislation Committee, will both be standing down from the board. As we already have a vacancy following the earlier resignation of Andy Stephenson we now have four vacancies for board members. On behalf of the Board I would like to thank Nicola, Ruth and Mike for their valuable contribution to the successful running of the Institute.

We need experienced people to fill these vacancies. If you can offer your time and experience and feel that you can make a contribution to the Institute please forward your name and two seconders to the Institute's offices no later than 31st August 2009. If there are more than four applications a vote will be held at the AGM.

The Institute has secured the services of Detective Superintendent Robert Wishart Head of the Economic Crime Unit for the City of London Police to be a speaker after the formal part of the AGM. This is an ideal opportunity to listen to and understand what cooperation the City of London Police will offer those Investigators in Private practice. I think you might be surprised.

continued>>

Discussions were held with the Secretariat, Pelican Management, concerning the details of a new contract. The Board of Governors are pleased to announce that a new three year contract has been agreed and signed by both parties. The essential details are that Pelican have agreed to reduce their annual fee by £6k per annum and to offer their services for the first three months of the contract free of management charges. There were other concessions made regarding the costing of running the distant learning course and photocopying etc. The Board anticipate that the finances of this new contract will enable the Institute to return to profitability whilst continuing to finance the distant learning course.

The Institute has received notification from Skills for Security that they are going to review the National Occupational Standards for Investigators.

Below is an extract from Skills for Security explaining the position.

'All NOS have to be reviewed every three years to ensure that they are still fit for purpose. The current investigation NOS are dated March 2007, meaning they will expire in March next year unless they are reviewed.

As the email explains, normally we would start the review in the Autumn, to ensure that it's completed in time but the timetable has been brought forward by the Commission for Employment & Skills, the body which approves and governs NOS.

The review need not be as lengthy and involved as the writing of the original standards - it may be that nothing needs to be amended or added or removed, but we can't decide that: it has to be you, the practitioners.'

We will keep the membership fully informed of any decisions taken regarding this issue.

Ian Hopkins
Editor

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The Institute of Professional Investigators

* * *

Annual General Meeting

to be held at the

Civil Service Club

13/15 Great Scotland Yard, London, SW1A 2HJ

nearest BR Station, Charing Cross

nearest tube station Charing Cross or Embankment

on Friday 16th October 2009

Programme

10.45 for 11.00 to 11.30

Annual General Meeting

11.30

*Detective Superintendent Robert Wishart
of the City of London's Economic Crime Department
Will speak on " Boiler Room Fraud "*

12.30

Break for pre-lunch drinks

13.00

Lunch

*(please ensure that you book well in advance for lunch,
to include pre-lunch drinks and wine at lunch, £ 60 , please telephone
the Institute's offices 0870 330 8622 or e-mail info@ipi.org.uk
there will be no charge for AGM and seminar attendance)*

AGM Presentation: 16 October 2009 London

BOILER ROOM FRAUD

The incidence of Boiler Room Fraud, where victims are cold-called by fake stockbrokers and persuaded to buy shares in worthless, nonexistent or near bankrupt companies is on the up. Superintendent Robert Wishart, Head of the Economic Unit will present on this topic at the AGM

A Boiler Room is a bogus stockbroker, usually based overseas, which cold-calls investors and pressures them into buying worthless shares. Historically victims were usually middle aged men with previous experience of investments/share/stock dealings, who typically lost £20,000 each to the fraudsters.

However, recently there has been a sharp rise in the number of women and younger men being targeted by the Boiler Rooms. In the current economic climate, Boiler Rooms are starting to target victims who have redundancy money or those who are not experienced investors.

Boiler Rooms have now developed new strategies to target victims such as a promise to recover monies lost to the original Boiler Room, in the format of a Recovery Room. In addition victims are being encouraged to sell previously highly regarded 'blue chip company shares', such as

banks and financial institutions and to invest in green and new technology shares marketed by the Boiler Rooms.

Robert Wishart Profile

Robert Wishart was educated at Elton Green School and the University of London. On completing his education he joined the City of London Police in 1984 where he has served continuously since.

During his service he has received a number of Commendations including two for solving major fraud cases. He has also been seconded for a period to the British Foreign Office which involved him working in the Caribbean and Miami in co-operation with the FBI. Since being appointed head of the Economic Crime Unit he has resolved a number of worldwide major fraud cases."

AGM Documents

[Click here to Download a Booking Form](#)

[Click here to Download a Nomination Form](#)

[Click here to Download the Official Notification](#)

Dear Editor

Thank you for such a well turned out magazine with such variety of issues - it's a credit to the IPI.

Regards,
Ted Potter
D-Tect Investigations Ltd, Bolton

Dear Editor

Good informative read. The e-version of the magazine is much easier to read, is faster, and of course, a saving to the Institute. Keep up the good work.

John Clark MIPI
Hopeman, Moray

Health & Safety (Offences) Act 2008

The Health & Safety Offences Act 2008 came into force on 16 January 2009 and applies to offences committed from that date. Whilst the Act doesn't impose additional health and safety duties upon individuals or businesses, it does increase the penalties for breaches of existing health and safety legislation.

The Act increases the maximum penalties that can be imposed for breach of health and safety legislation and extends the range of offences for which an individual can be imprisoned:

- The maximum fine which may be imposed in the Magistrates Court has been increased from £5,000 to £20,000 for the majority of health and safety offences. DWP Minister Lord McKenzie said that this should result in a "faster, less costly and more efficient justice."
- There are unlimited fines in the Crown Court.
- Imprisonment is a sentencing option for individuals prosecuted for health and safety offences in both the lower and higher courts - up to 12 months in a Magistrates Court and 2 years in a Crown Court.
- Specified offences, which are currently triable

only in the lower courts, will be triable in either the lower or higher courts.

Directors and senior managers could previously be convicted if it was proven that the company failing occurred as a result of their consent, connivance or neglect, under Section 37 of the Health & Safety at Work Act 1974. Additionally, under Section 7, a director was potentially culpable for a failure to take reasonable care for the safety of others or himself.

The 2008 Act now suggests that for both Section 7 and 37 offences, one could receive a sentence of up to two years' imprisonment and a fine if committed to the Crown Court. "Jail sentences for particularly blameworthy health and safety offences committed by individuals can now be imposed reflecting the severity of such crimes" Lord McKenzie.

Indian Elections

Jalees Andrabi, Foreign Correspondent of The National writes that elections in India have gone beyond the usual political rhetoric and campaign tactics. Now political parties are hiring private detectives to keep tabs on what their opponents are doing.

As the voting nears for the first phase of elections, about 15,000 private detectives

have been hired to monitor the movements and strategies of candidates and their staff members. Kunwar Vikram Singh, chairman of the Association of Detectives of India (ADI), said his industry was not prepared for such a surge in business during elections.

“Political investigations are picking up in India, from municipal elections to parliamentary elections. Politicians and political parties are recognising the power of professional investigations. It’s not just about knowing the secrets of your rivals but ensuring your image is not sabotaged,” Mr Singh said.

Parties, while denying doing so, are also spying on their own people, he said. “Our main aim is to gather maximum information about the election campaigning strategies of the candidate and his areas of strength. Normally, we track him during public rallies, party meetings and other public interactions but sometimes the client wants 24-hour surveillance,” Mr Singh, who also heads Lancer Network, an investigations company based in New Delhi, said.

Political analysts said it has become imperative for campaigns to keep an eye on suspicious elements in the party, especially those would-be MPs who might be denied tickets, party permission for contesting the elections. In the past, this job was done by party confidantes but

has now switched to professional investigators.

“There are at least 10 to 15 aspirants from a particular party who want to contest elections from a constituency but the party has to choose one from the lot. There is every possibility that some of them may secretly join hands with the rival groups and try to harm their party,” said Sujata Anandan, the political editor of the Hindustan Times Mumbai edition.

“For every constituency there are around 20 to 25 candidates who want to contest the elections. Fearing loss in vote share, candidates from bigger parties try to stop them from contesting by publicising their flaws gathered by detectives,” Deepak Kumar, director of A4 Detectives in New Delhi, said.

Because of their numbers, the lower economic class decides the fate of candidates in most elections and political parties use all kinds of gimmicks and tactics to grab their votes. During the last month’s electioneering, senior candidates, including a former minister and the BJP leader, Jaswant Singh, Congress leader Govinda, who uses one name, were captured on camera distributing money in election rallies in violation of the election code of conduct.

Apart from money, liquor is often distributed to

New Members

The Institute would like to welcome the following new members:

Dan Aharon	Member
Philip Mawson	Member
Roy Herridge	Member
Fred Herring	Member
Dr. David Wright	Member
Michele Lacorte	Member
John Bain	Associate
Neil Macdonald	Member
Philip Hastain	Member



the voters, particularly in slums in urban areas. “We keep a track on the activities of the rivals’ candidates, for example if they are distributing liquor, money or other freebies to the poor people in slums. We often use hidden cameras to record evidence for our clients, which can be presented as proof before the authorities,” said Mr Kumar, whose agency is providing investigators to two political parties during the current campaign.

Investigators’ jobs do not end with tracking the rivals because political parties now use them to try to ensure every penny they raise through donations is used judiciously by their poll managers. Parties spend millions of rupees on campaigning.

“We have some clients who asked us to keep a tab on their poll managers,” Mr Kumar said.

The investigators charge anything from US\$1,000 to \$7,000 per assignment depending on the nature and extent of the work.

“We have introduced package systems based on parliamentary constituency, daily or monthly basis. There are around 5,000 agencies in India and most of them have election-related assignments,” Mr Kumar said. The investigators are also proving to be an added advantage for the political parties that are using their research for drafting their manifestos.

“Our inputs are authentic and impartial, to my knowledge parties have included investigator

reports in their poll manifestos as they represent their voice,” Mr Singh said.

Google Street View

According to digitaltrends.com a ruling from the Information Commissioner says that Google’s Street View does not breach British privacy laws.

After hundreds of complaints, and an incident where residents former a cordon around a camera car trying to photograph their village, the Information Commissioner (ICO) has ruled that Google’s Street View does not breach British privacy laws.

Responding to an official complaint from Privacy International, the ICO said: “If consent were required by the law, then the producers of, say, [soccer program] Match of the Day, would have to gain the consent of all people attending televised football matches who might be caught on camera.”

“In our opinion, there is no clear evidence that the community find Street View particularly harmful or insidious.”

Google said: “We look forward to a constructive dialogue with Privacy International and other privacy stakeholders.”

Builder Blacklist

According to Archana Venkatraman writing in the Information World Review the shocking

revelations of a well used blacklist of construction workers recently triggered information industry calls for stronger safeguarding of people’s private data and hopes of firmer enforcement.

A decision by information commissioner Richard Thomas to prosecute private investigator Ian Kerr for secretly building an “extensive intelligence database” of over 3,000 construction workers has been welcomed by the information industry.

Kerr, who ran the firm The Consulting Association, is accused of selling personal information dating from the 1980s about potential staff to construction companies without the workers’ consent. This is said to include such details as employment history and trade union activity, which could be used for blacklisting.

The 1998 Data Protection Act (DPA) gives individuals the right to know what personal details are held about them, and sets out rules to make sure this information is properly handled. Steve Kuncewicz, an intellectual property lawyer, said: “All employers owe general data protection duties towards their employees but more importantly are subject to the terms of the DPA, which requires them to process data lawfully and in accordance with a number of principles.”

Thomas said that following the ICO’s eight-month investigation, he has documents which “show that files on individuals included comments

on individuals such as ‘communist party’, ‘ex-shop steward, definite problems, no go’, ‘do not touch’, ‘orchestrated strike action’ and ‘lazy and a trouble-stirrer’.”

Experts point out that blacklists are compiled using hearsay data, are prejudiced and cannot be used to make sound employment decisions. David Coats, associate director of policy at The Work Foundation, said: “Individuals have a legal right to know that their personal data is being collected for these purposes and must be able to challenge obvious inaccuracies.

National Fraud Strategy

Tony Hetherington writing in the Mail on Sunday said the government has launched a new National Fraud Strategy, a three-year plan aimed at countering every kind of scam from credit card cheating through to VAT swindles.

The government’s own figures estimate annual fraud losses at £14bn. That’s two and a half times the losses through every single burglary, robbery and theft added together.

It is setting up a new National Fraud Reporting Centre, and a National Fraud Intelligence Bureau. It will focus on fighting identity fraud and mass marketing fraud.

It aims to disrupt frauds while they are happening, punish more fraudsters, and improve support to their victims. And it hopes to reduce

fraud in the long term by educating us all on how to sidestep scams.

Both the Reporting Centre and the Intelligence Bureau will be run or piloted by the City of London Police. The challenge will come when the public starts to report fraud to the new centre, and when intelligence begins to pour in.

The Treasury has allocated £29m for the work of the new Authority, but roughly £16m of this will go to the City Police for its fraud work, including the intelligence and reporting centres.

The most effective anti-fraud measure taken by the government may well turn out to be acceptance of plea bargaining, starting from May 5. But this is something the Serious Fraud Office has wanted for a long time, and strictly speaking is not a new weapon as part of the National Fraud Strategy.

New Information Commissioner

The Ministry of Justice has selected Advertising Standards Authority director general Christopher Graham to replace Richard Thomas as Information Commissioner.

Thomas is stepping down from the post at the end of June after six-and-a-half years in charge of the data and Freedom of Information watchdog.

New Zealand

Richard Akehurst, our member in Australia has sent us the following extract regarding licensing in New Zealand

A Bill which aims to overhaul the regulation of the security industry today passed its first reading in Parliament and was referred to the Justice and Electoral Select Committee.

The Private Security Personnel and Private Investigators Bill, which was introduced by the previous government, seeks to repeal and replace the Private Investigators and Security Guards Act 1974.

Associate Minister of Justice Dr Richard Worth said the existing legislation had become outdated, and reform was needed. "We are conscious of the need to revisit the current regulatory system, particularly in light of major upcoming events like the 2011 Rugby World Cup."

Dr Worth said the Government was keen to encourage detailed scrutiny of the Bill at Select Committee stage as it recognised there was scope for improvement. "We have decided to proceed with this Bill as it is, rather than withdraw, review and redraft it, because it is time to make some real progress on reforming the existing regulatory regime.

"We want to get the Bill before a Select Committee so that it can give detailed consideration to the proposed reforms and so that the public can have its say," he said.

Dr Worth said most members of the security industry were consummate professionals, in whom New Zealanders could happily place their complete trust. "However, regulation has the ability to encourage all members of the industry to meet the high standards that are expected today. It is my intention that this Bill, when finally enacted, will achieve this an efficient and cost-effective way."

The Bill proposes three key changes:

The obligation to be licensed or hold a certificate of approval will be extended to a wider range of security-related activities. In particular, crowd controllers such as bouncers, and bodyguards and private security staff guarding people in legal custody, would have to be licensed or hold a certificate of approval.

It will be possible to make regulations requiring private security staff to undertake training.

A dedicated enforcement body, the Complaints, Investigation and Prosecution Unit, would be created to investigate complaints and improve compliance with the new legislation. There would also be heavier penalties for breaches of the regulatory regime.

Dr Worth said it was expected that a significantly larger number of security staff would have to be licensed under the new legislation if it was enacted in its current form.

"Some of the increase is expected to come from greater compliance, while some of the increase would come from the wider range of security personnel who would be regulated. I am encouraging the Select Committee to look closely at whether the scope of the proposed regulatory system and the associated compliance costs are appropriate," said Dr Worth.

Dr Worth said he also expected the Select Committee to pay close attention to the specific obligations of private investigators, which the Bill had carried over unchanged from the 1974 Act.

Member Profile: Fred Herring

Fred Herring has recently joined the IPI. He has been in the security industry for in excess of 40 years and is currently a Director & co-founder & 50% shareholder in The London Key Holding Co Ltd.

Prior to this he has been a Director of a number of Security companies that specialised in the installation of Alarms locks & safes, Manned Guarding etc.

During this time, he has been active in the provision of Technical Surveillance Countermeasures (De-Bugging) TSCM, and the time has now come when, what was a part time venture has now turned into a full time service under the banner of HERRING & CO.

Most of the work has come from Private Investigators who, although fully conversant with the techniques of Investigating, do not have the Expertise or Equipment when it comes to dealing with the electronic side of our industry.

It is his company's aim to continue to bring their services to a wider selection of Private Investigators & will be offering a "Sub-Contractor Scheme" whereby they will act as "sub- contractors" and work for individuals, and at a reduced rate, allowing them to add something for their part of the service, or act for and on behalf of them, under their banner.

They also intend to provide Annual Service Contracts to their clients, for inspections on a quarterly basis and one off calls prior to "special meetings" the client may be holding, or even during such meetings, to try and ensure the meetings remain "Private"

Fred Herring says the intention of the organisation is to provide the best service that they are capable of, and to remain "Professional" at all times, and remain willing to learn from others, as things change.

Legislation Committee Report

Ruth Hoffmann MIPI

The European Court of Human Rights

The European Court of Human Rights has ruled that a photograph taken without the consent of the subject breaches that person's human rights. The court ruled that it should be protected even if unpublished. Although this ruling does not change current UK law courts will consider it in similar cases.

Further Changes to the Private Investigative Profession in France

Private Investigators in France have been subject to controlling legislation since 1983. Since that

Further changes are planned for this year.

These include a restriction on ex-police officers entering the profession until they have been out of the police for 5 years and have taken a two year course

time the legislation has been amended, including the addition of the requirement of qualification to degree standard. Further changes are planned for this year. These include a restriction on ex-police officers entering the profession until they have been out of the police for 5 years and have

taken a two year course. It is also intended that a Judge should be put in charge of the profession.

Europol

The Stationery Office has published House of Lords papers – Session 2007–2008 Europol: coordinating the fight against serious and organised crime: report with evidence: 29th report of session 2007-2008 – European Union Committee – Lord Grenfell (Chairman), Lord Jopling (Chairman, Sub-committee F). This is available under reference 978-0-10-401370-0. Price £24.50.

Scotland

Act of Sederunt (Summary Applications, Statutory Applications and Appeals etc. Rules) Amendment (Adult Support and Protection (Scotland) Act 2007) (No.2) 2008. Coming into force 29.10.2008. Available from The Stationery Office under reference 978-0-11-100044-1 price £5.00

Act of Sederunt (Sheriff Court Rules) (Miscellaneous Amendments) (No. 2) 2008. Coming into force 13.11.2008 except for paras 2-6; 25.11.2008 for para 6; 01.12.2008 for paras 2-5. Available from The Stationery Office under reference 978-0-11-100069-4. Price £5.00.

Act of Sederunt (Fees of Messengers-at-Arms) (EC Service Regulations) 2008. Coming into force 13.11.2008. Available from The Stationery Office under reference 978-0-11-100071-7 Price £4.00

The Bankruptcy (Scotland) Amendment Regulations 2008. Coming into force 14.11.2008. Obtainable from The Stationery Office under reference 978-0-11-100041-0 price £5.00.

Act of Sederunt (Summary Applications, Statutory Applications and Appeals etc. Rules) Amendment (Adult Support and Protection (Scotland) Act 2007) (No. 3) 2008. Coming into Force 20.11.2008. Obtainable from The Stationery Office under reference 978-0-11-100078-6 price £5.00.

Act of Sederunt (Fees of Sheriff Officers) 2008. Coming into force 26.01.2009. Obtainable from The Stationery Office under reference 978-0-11-100176-9 price £5.00.

Act of Sederunt (Fees of Messengers-at-Arms) 2008. Coming into force 12.01.2009. Obtainable from The Stationery Office under reference 978-0-11-100177-6 price £5.00

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