



# THEFT

**– A PROACTIVE APPROACH IS THE  
BEST PREVENTATIVE STRATEGY**

# INTRODUCTION

**Theft – a proactive approach is the best preventative strategy.**

**An increase in incidences of theft is currently being seen across the UK<sup>1</sup>, impacting both businesses and individuals. Whether it's a bicycle or a large piece of construction equipment that's stolen, being a victim of theft can be extremely distressing, often compounded by the knowledge that there's only a limited chance of recovering the stolen item.**

Thieves are taking goods both openly and covertly, continually devising new methods for illegally acquiring items. Further, with developments in technology, it's no longer just the theft of tangibles which causes concern but increasingly online theft and fraud is becoming a serious issue. With mounting pressure on police resource to investigate and apprehend these criminals, it's prudent for individuals to adopt preventative measures to stop the crimes occurring in the first place.

Are we experiencing a theft epidemic? With numbers of insurance claims rising across many areas including motor theft, tool theft and construction plant theft<sup>2</sup>, insurers certainly suspect this is the case. This white paper looks at why and where incidences of theft are particularly high and considers particular trends to be aware of. What kind of preventive measures could businesses and individuals consider and what could be the underlying reasons for this rise in theft crime?

1 Office for National Statistics. Crime in England and Wales: year ending June 2018. <https://www.ons.gov.uk/releases/crimeinenglandandwalesyearendingjune2018>

2 Source: Allianz Insurance internal claims data, 2015-2018



**There's been an 8% increase in overall theft offences according to the Crime Survey for England and Wales (CSEW), with 3,591,000 cases reported between July 2017 and June 2018.**

# FACTORS DRIVING THEFT

**THERE CAN BE NO SINGLE ANSWER AS TO WHY WE ARE SEEING MORE THEFT OCCUR, BUT RATHER IT SEEMS TO BE A COMBINATION OF VARIOUS SOCIO-ECONOMIC AND POLITICAL FACTORS:**

## UK ECONOMY

Whilst unemployment may be at its lowest level in four decades with 32.6m employed between October and December 2018<sup>3</sup>, the UK is showing possible signs of entering an economic downturn. Uncertainty about the outcome of Brexit has led to concerns about job security and income, plus a reported 16% of all UK businesses state they have made relocation plans as a result of the referendum<sup>4</sup>. Consumer confidence remains low in the current political climate, mirrored by falling high street sales, plus interest rates have risen to 0.75%. There is a worry we are heading into recession with some predictions stating this could be realised within three years. Crime typically rises in recessionary periods which could be a contributing factor to the current spike in UK theft trends.

## RISE OF ORGANISED CRIME

According to the National Crime Agency, organised crime costs the UK over £34bn each year<sup>5</sup>. With the internet and social media enabling ever-faster and wider communication, it's easier to facilitate theft and the movement of stolen goods more quickly and easily than ever before. Criminals are also making use of encrypted communication apps to aid this activity.

In the commercial space, thieves are targeting cash-intensive businesses and ATMs, often with mounting levels of violence. Increasingly, gangs are turning their attention to remote locations and business parks where police response is slower. In organised vehicle theft, criminals seek to profit from reselling stolen vehicles and parts, or may use the vehicles to carry out further criminal acts, such as robberies.

3 Clegg, R. (2019). UK Labour Market – Office for National Statistics. [online] Ons.gov.uk

4 Iod.com. (2019). Nearly a third of firms looking overseas due to Brexit | Institute of Directors | IoD

5 Nationalcrimeagency.gov.uk. National Crime Agency – About us <http://www.nationalcrimeagency.gov.uk/about-us>



## TECHNOLOGY IS FACILITATING THEFT

Google has stressed its Street View does not encourage crime, but some critics have said it shows too much information and therefore could aid burglars in spotting properties that may be easier to break into. Meanwhile, social media use could also result in thieves gaining advantageous knowledge if users provide information about when they are away from their properties or businesses.

Whilst most people use the 'surface web', which only allows access to sites searchable through major search engines, the dark web can only be accessed with special web technologies. This is a playground for criminals who benefit from the anonymity the dark web affords, and who use it to carry out illegal activities, such as buying and selling illicit goods.

In the motor space, technology designed for convenience and safety can inadvertently create security issues. Keyless vehicle entry systems are one such example, where criminals are capitalising on this technology to gain unauthorised access to a vehicle. For more information, read our article, "[Keyless cars: Vulnerable to theft](#)".

## THEFT CAN BE 'TOO EASY'

Thieves learn 'tricks of the trade' and can become faster and more efficient at what they do. Selling items is also facilitated by various online shopping websites, where vast numbers of goods can be sold at speed and where full checks would be impractical. For example, a former London bicycle thief<sup>6</sup> has explained how he was easily able to obtain tools to crack locks, steal expensive bikes and then sell them via an online platform.

## REDUCTION IN POLICE NUMBERS

Former home secretaries had said that falling crime justified cutting police numbers and re-allocating these to focus on other areas, such as cyber-crime and terrorism. However, a rise in crime across the board has set alarm bells ringing that the cuts were too severe. The current Home Secretary, Sajid Javid, has said he is 'listening' to police concerns and will seek to boost funding if it is necessary.<sup>7</sup>

## WEALTH 'INEQUALITY'

Despite high employment, there remain an estimated 14 million people living below the poverty line, according to a 2017 report by the JRF Analysis Unit.<sup>8</sup> This may include those with insecure 'zero contract' jobs or those with no income at all. Some argue that austerity policies have worsened matters and claim the UK has 'a very high level of income inequality compared to other developed countries'.<sup>9</sup>

As is evident from the above, the factors driving theft are manifold and complex. The next section examines the different areas where theft trends are being seen, with guidance on how to mitigate such activity.



6 Weekly, C. (2017). Bike thief reveals tricks of the trade in this shockingly candid interview – Cycling Weekly. <https://www.cyclingweekly.com/news/latest-news/bike-thief-reveals-tricks-trade-stunningly-candid-interview-225130>

7 Dodd, V. (2018). Sajid Javid seeks to win over police with funding pledge. The Guardian. <https://www.theguardian.com/uk-news/2018/may/23/sajid-javid-seeks-to-win-over-police-with-new-funding-pledge>

8 Barnard, H. (2017). UK Poverty 2017. Joseph Rowntree Foundation. <https://www.jrf.org.uk/report/uk-poverty-2017>

9 Equalitytrust.org.uk. (n.d.). The Scale of Economic Inequality in the UK | The Equality Trust. <https://www.equalitytrust.org.uk/scale-economic-inequality-uk>

# THEFT TRENDS AND TECHNIQUES

## – A DEEP DIVE

### MOTOR THEFT

In November 2018, the Association of British Insurers announced the cost of motor theft claims<sup>10</sup> – some £271 million – rose by a third on the previous year, with the number of claims settled rising by 11% over the same period. The trade body said that the increase was in part linked to keyless vehicle theft. Technology is generally viewed as a way of boosting security, but the arrival of keyless cars have enabled them to be stolen at lightning speed via so-called ‘relay crime’; indeed videos exist of this actually occurring<sup>11</sup>.

**Thieves can steal a car in under a minute, using readily obtainable devices, without the need to break in or pick locks.** So-called ‘relay amplifier’ devices can be purchased online for a couple of hundred pounds. Typically, one criminal stands by the targeted vehicle with a transmitter, whilst an accomplice remains near the house with an amplifier device which can detect a signal from the key fob inside the property. This signal is sent to the transmitter, which acts as the key and unlocks the vehicle.

This type of theft is growing in the UK, rising by 9,000 in 2016 to a total of 43,308 in 2017, according to DVLA figures. Certain areas of the country also appear to be more heavily targeted than others with rates in the West Midlands, for example, increasing by 80%.

While relay theft kits are readily available to buy on websites, there have been calls to outlaw them. This would make it for easier for the police to act, as currently an arrest can only be made if a thief is caught in the act or it’s proven there is intent to steal.

Keyless thefts are also being employed to steal vans<sup>12</sup>, causing havoc for small businesses and indeed those running commercial fleets. Data from the Tracker portal for 2017 showed 82% of vans were stolen without the keys last year, which was an increase of 44% over 2016<sup>13</sup>.

**Allianz’s claims data showed an increase of 112% in cases of motor trade claims involving forcible or violent entry to the vehicle between 2015 and 2018.**

10 Abi.org.uk. (2018). Driving on – motor insurers paying out a record amount to motorists ABI. [online]

<https://www.abi.org.uk/news/news-articles/2018/11/driving-on-motor-insurers-paying-out-a-record-amount-to-motorists/>

11 Metro: Thieves steal a car in 30 seconds. [video] Available at: <https://metro.co.uk/video/thieves-steal-car-30-seconds-keyless-entry-1692360/>

12 <https://www.commercialfleet.org/news/van-news/2018/03/20/keyless-technology-leads-to-increased-van-theft>

13 <https://www.commercialfleet.org/news/van-news/2018/03/20/keyless-technology-leads-to-increased-van-theft>



## PREVENTING CAR THEFT

Tried and tested rules still apply in terms of making sure nothing of value is left in vehicles and to park in well-lit parking areas, ideally where there is CCTV. At home, driveway parking posts can be an option and steering wheel locks may be viewed as an old-fashioned deterrent, but they can be off-putting to criminals who want to steal a vehicle quickly. Relay crime can be prevented if keys are kept away from the front of the house and stored in a metal container or a so-called Faraday pouch which is easily obtainable and relatively inexpensive. It's also possible for the radio signal to be switched off; in some cases this is as easy as double clicking, so a dealer or logbook can provide details. A tracker device will also increase the chance of recovery if a vehicle is stolen.

## COMMERCIAL PROPERTY THEFT

There were a reported 48,650 commercial property thefts and burglaries in London between July 2016 and June 2017.<sup>14</sup> Premises targeted ranged from retail and wholesale premises which stock high value items such as computers and mobile phones, to unoccupied properties, targeted for their non-ferrous metals, including copper pipes and lead.

A targeted premises may not only suffer from loss of stock but also physical damage. The nature and methods of thefts are becoming increasingly extreme and violent in nature with a rise in types of theft that had been in decline, notably ram-raids and theft of ATMs. It's increasingly common for the same location to be targeted multiple times, usually after the original stock has been reinstated.

There are a number of preventative steps which can be taken, including installing CCTV, ensuring that doors and window fittings are secure and that the property is well maintained, whether occupied or not. It can also be worthwhile for companies to engage with other local businesses, such as crime prevention schemes. Also, it's advised to undertake checks on visitors to the building and implement processes such as signing in/out systems and visitor security passes.

**Allianz claims data saw a 24% increase in theft claims notified for SME property accounts between 2015 and 2018. The mid-corp account saw an increase of 5% over the same period.**

<sup>14</sup> Locksmith Service. (2017). Commercial property thefts per London Borough:  
[www.locksmithservice.co.uk/news/commercial-property-thefts-per-london-borough/commercial-property-thefts-per-london-borough](http://www.locksmithservice.co.uk/news/commercial-property-thefts-per-london-borough/commercial-property-thefts-per-london-borough)





## TRADESPEOPLE – HIT BY SOARING TOOL THEFT

While vans are being targeted by thieves, it may be the contents within which is even more attractive. Having crucial tools stolen can be devastating for tradespeople and what's more, thieves will often damage a van to get at the contents inside. It's a crime which causes huge frustration as well as economic misery for the business owner, plus potential delays for customers.

In October, the Federation of Master Builders found that some 51% of builders had been victims of tool theft. According to the trade association's Chief Executive, Brian Berry, "More than half of builders in the UK have fallen foul of tool theft with concerns growing over a crime wave wreaking havoc across the construction industry. Tools are being stolen from vans and direct from construction sites, with some builders even being assaulted by would-be thieves."

Of these tool theft cases, some 46% had resulted in the side panel of the van being broken or pierced or prised open, 23% had windows smashed and 22% involved locks being picked.

### KEEPING TOOLS SAFE

It's now common to see signs on vans stating that no tools are left in the vehicle at night and because of theft, far more tradespeople are bringing in their tools at night, installing extra locks and where possible, parking against a wall.

Tools with recognisable brands are less appealing to criminals wishing to sell them on, when the brand name has been removed or where they have been marked with sprays or dyes. It's a good idea to take photographs of tools, including any serial numbers, helping to trace them to the rightful owner in the case of them being recovered.

Whilst CCTV signs may cause some criminals to think twice, they aren't a sure-fire deterrent. Adding in extra security measures such as locking tools with a security chain or installing a truck alarm system can certainly assist in theft prevention. Having appropriate insurance in place is always recommended, should the worst happen and the thieves be successful in their crime.

### SOME TIPS TO PREVENT TOOL THEFT:

- Never leave your tools in the back seat of a vehicle; instead lock them away in a secure cabinet.
- Double up on security with a hardened-steel security chain and high quality padlocks.
- Add GPS trackers to tools – these often work in conjunction with smart phone apps to remotely track the item's location.
- Engrave personal information or identifying marks permanently on the tool.
- Park in well-lit areas wherever possible.
- Consider installing a truck alarm system.



## CONSTRUCTION PLANT THEFT REACHES NEW HEIGHTS

Plant and machinery are valuable commodities as thieves are only too well aware and construction sites are increasingly being targeted by criminals. Research by Allianz Insurance plc found plant theft claims rose steadily between 2013 and 2017; – there were a recorded 428 instances of plant theft in 2013 but this increased to 665 in 2017 and had hit 730 by the end of 2018.<sup>15</sup> It's believed that organised gangs are behind many of the crimes, with other cases being purely opportunistic. The most valuable stolen items may well be shipped abroad where they are sold either in their existing state or for parts.

Whilst tools are coveted as an easily portable stolen item, the research also found larger items of plant such as excavators can provide a lucrative haul for criminals. These are expensive claims and thieves are often determined to secure them; indeed there are cases where onsite staff have been threatened and the machinery removed by force. Stolen excavators have also been used to rip out ATM machines from walls, resulting not only in the value of the cash, but also extensive property damage.

Criminals may also fraudulently hire high value plant, pretending to be an authentic company and using genuine details they have obtained illicitly. Once they have access to it, they arrange for its sale, perhaps via the dark web, and then disappear with the proceeds.

### HIGHEST FREQUENCY OF PLANT THEFT CLAIMS:

#### Allianz Insurance plc research

- 1 Tools
- 2 Surveying equipment
- 3 Breakers
- 4 Excavators/diggers
- 5 Generators
- 6 Rollers
- 7 Wacker plates
- 8 Pressure/power washers

*“plant theft claims rose steadily between 2013 and 2017”*



<sup>15</sup> [https://www.allianzbroker.co.uk/content/allianzbroker/en\\_gb/application/content/documents/news-and-insight/commercial/construction-plant-theft-is-on-the-rise/\\_jcr\\_content/documentProperties/currentDocument.res/construction-plant-theft-on-the-rise\\_aom8166.pdf](https://www.allianzbroker.co.uk/content/allianzbroker/en_gb/application/content/documents/news-and-insight/commercial/construction-plant-theft-is-on-the-rise/_jcr_content/documentProperties/currentDocument.res/construction-plant-theft-on-the-rise_aom8166.pdf)

## WAYS TO PROTECT PLANT

Because of the high earning potential, thieves will go to great lengths to steal plant, cutting through fencing and avoiding or damaging CCTV equipment. Immobilisers are worthwhile and trackers can be extremely useful – although if equipment is taken abroad quickly, it may be difficult to locate and return and thieves may also be able to disable or remove such equipment.

Certainly, having a security presence can help in ensuring there is monitoring of who is on- and off-site. Turnstiles, swipe cards and finger-print recognition systems are all beneficial and it should be a priority that the entire workforce is engaged with the need to keep plant safe and to play their role as the eyes and ears of the company. This is applicable at all levels, including those with responsibility for checking the credentials of any firm that requests hiring plant. It's encouraged to register plant with the Construction & Agricultural Equipment Security and Registration Scheme (CESAR).

**More information can be found in our article, "[Construction Plant Theft is on the Rise](#)".**

## METAL THEFT – REMAINING PROBLEMATIC

At the end of 2017, the government announced that metal theft had fallen by more than three quarters in four years because of action it took to reduce the crime. This was through reviewing the Scrap Metal Dealers Act 2013 that brought in measures to tighten regulations and licencing, making it more difficult to dispose of stolen metal. While thieves might make £300 from a catalytic converter, car owners are left with repair bills of £2,000.

But, fast forward to 2019 and it seems this crime is still present. A 2018 report in *The Telegraph* covered gangs 'stripping cars of catalytic converters in broad daylight to steal valuable metal.'<sup>16</sup> The prize is the rhodium, palladium and platinum in the devices which can be recycled for use in jewellery, dentistry and electronics. Rhodium is worth up to £2,000 an ounce, twice the value of gold. Palladium and platinum trade at 70% to 80% the value of gold. The report said a crime wave is underway reversing the decline in metal theft.

Meanwhile, the British Metals Recycling Association has said there are increasing reports of theft of lead and copper from church roofs, copper rail signalling cable and iron drain grates.



## TAKING A STAND

Preventing the theft of a converter is no easy matter as police recommend the etching of security details or installing extra bolts, but defensive parking against a wall may be an easier alternative. As for churches and other buildings where metal theft may be a risk, typically those which have lead on roofs, taking advice from their broker or insurer may be the best strategy. Isolated buildings where there is poor security will always be most at risk, which is why CCTV, alarms and regular security checks are essential.

<sup>16</sup> <https://www.telegraph.co.uk/news/2018/09/11/gangs-stripping-cars-of-catalyticconverters-broad-daylight-steal/>





## CYBER CRIME AND IDENTITY THEFT

Despite raised awareness and advances in security, identity theft continues to be a major problem. The Cifas Fraudscape survey showed a small 1% rise in 2017 over the previous year, but this is still a 125% increase compared to 10 years ago.<sup>17</sup>

Businesses are starting to become aware of the threat that cyber-crime poses. A malicious hack can result in a data breach, diminished consumer confidence and reputational and/or financial damage. The Wannacry and Petya ransomware attacks in 2017 were two of the biggest cyber-attacks seen so far, with Wannacry affecting organisations in 150 countries, with an estimated cost of £6bn to the global economy. It's important for businesses to understand their exposure to cyber-attacks and take reasonable steps to reduce the likelihood of an incident.

### THIS INCLUDES:

- Monitoring and protecting the use of computer equipment and systems.
- Educating and encouraging employees in the importance of using strong, secure passwords and locking PC screens when away from desks.
- Raising awareness of the potential dangers of opening emails or attachments from unknown senders.
- Conducting regular audits performed by cyber-security consultants, or appointing a data security officer.

**THERE IS NOW MORE POLICE RESOURCE INVESTED IN TACKLING GLOBAL CYBER-CRIME AND, INDEED, A FEW HIGH PROFILE ARRESTS HAVE BEEN MADE. BUT, THIS IS A CONSTANTLY CHALLENGING CRIME AND MANY CRIMINALS, BASED ALL OVER THE WORLD, CONTINUE TO STEAL WITH IMPUNITY.**

<sup>17</sup> <https://www.cifas.org.uk/secure/contentPORT/uploads/documents/External-Fraudscape%202018-Final.pdf>



# CONCLUSION



**There is currently much uncertainty around the UK's future, but blaming Brexit, politicians or even parenting is not going to change the current reality.**

It seems that in order to combat the problem, one solution lies in educating businesses and individuals on how to do more to prevent theft themselves. Certainly in the case of tackling rising theft trends, the old proverb seems the most apt that,

*“prevention is better than cure”.*

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