



The UK's Fraud Prevention Service

Press Release

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Identity theft can be too close to home

While identity theft is often committed by faceless fraudsters, organised criminals and those unknown to the victim, it is not uncommon for the culprit to be a "friend", or even a family member.

In 2007, Members of CIFAS - The UK's Fraud Prevention Service - identified 65,043 victims of identity fraud, and a further 6,272 who had their account(s) taken over by a fraudster. The effects on victims of their identity being hijacked are more well-known now, with the obvious impact upon one's financial well-being and credit worthiness. However, the shadow cast by identity theft is not just one that can affect your ability to obtain credit. The psychological and even physical damage that can result from identity theft can take years to undo, especially when the fraudster is someone close.

This was the case for Alan James, who discovered his identity had been stolen to obtain credit cards, computers and a well-known catalogue company's accounts. Mr James first discovered the theft of his identity when he was contacted by a credit card company's debt-recovery agency. If that was not stressful enough – to discover ultimately that it was his own brother who had stolen his identity had a more lasting repercussion on family life.

"All in all it has cost me relatively little to resolve the damage done as all parties involved have accepted that I am not the person they have dealt with. My only cost has been for CIFAS Protective Registration, phone calls and postage. This cost is insignificant compared with the damage my brother has done to the family and the people around him."

"It really has had a profound effect upon me and the way I interact with people, including my family. I find myself always wondering whether I can actually trust people. It was just such a shock that the fraudster was so close to me."

In a similar case, the effect upon Pete Thomas had potentially far graver consequences than the impact upon his financial life and good name. Having proved that a car hire-purchase and even a warrant for his arrest were cases of his identity being stolen, Mr Thomas then received an invoice for unpaid tax (for a business run from his home address) and a further notification of a loan he had supposedly taken out with another person.

This eventually led to the fraudster's arrest (who turned out to be a former family friend) but the anxiety did not stop there!

With the case being adjourned due to ill health, the fraudster moved house and continued to raid Mr Thomas's identity for five further years. The fraudster was eventually caught once more, and (this time) convicted and sentenced, but the damage to Mr Thomas went much deeper.

“When I had gone to the doctors through the stress I received, I was told my medical notes had been moved. I was then taken into a room and put on a heart monitor because they were concerned about my health and were worried that I was going to have a heart attack from the stress.”

Peter Hurst, Chief Executive of CIFAS, comments "The effect on victims can be devastating. Where a victim's identity has been seriously compromised - as in the case of Mr Thomas - it can take years to untangle the threads of deception. When you add to this the effect of the fraudster being someone close and trusted, the repercussions can be shattering.

“Even where it is possible to rectify matters quickly, the overall effect and damage such frauds cause to relationships and families is incalculable.

"While most family members can trust one another without reservation, it is always sensible to remove temptation by keeping personal and financial documents, PIN numbers and passwords **completely** confidential."

For further information, contact: press@cifas.org.uk

Notes to Editors:

1. CIFAS is the UK's Fraud Prevention Service with over 270 Member organisations spread across banking, credit cards, asset finance, retail credit, mail order, insurance, investment management, telecommunications, factoring and share dealing. Members share information on identified frauds in the fight to prevent further fraud. CIFAS is unique and was the first data sharing scheme of its type in the world. Other schemes modelled on CIFAS have been set up in South Africa, Ireland and Germany.

2. The following figures show the trends of particular types of Identity Theft identified by CIFAS Members between 2006 and 2007

Fraud type	Jan to Dec 2006	Jan to Dec 2007	% Change
Victims of Impersonation	67,406	65,043	-3.51%
Identity Fraud applications received by CIFAS Members and identified after having been granted	28,340	32,175	13.53%
Facility Takeover Fraud	4,665	6,272	34.45%

3. Of the 77,593 Identity Fraud cases identified in 2007, 38.2% involved a current address fraud, compared with 27% in 2006.

The surge in current address fraud is of particular concern, because in order to perpetrate it, the fraudster effectively needs a perfect data set, which indicates that fraudsters are becoming more sophisticated in their methods, and are accessing more data about victims. This can be due to abuse of Companies House Data, data breaches, fraudulent mail redirections or bin raiding. But in general it happens because the fraudster has access to, or can intercept, the victim's post. The increase may therefore at least partially be attributable to identity frauds being perpetrated by friends and family members.