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10

FINANCIAL COST OF CRIME AGAINST LOCAL SHOPS

SHOESHOP THEFT

SCAMS

CRIME



VIOLENCE & VERBAL ABUSE

FRAUD

ROBBERY & BURGLARY

ENTRANCE-2-1902

The Crime Report 2019

A report by the Association of Convenience Stores
#ACSCrimeReport

ACS | the voice of
local shops

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FOREWORD

The Crime Report provides a snapshot of the incidents suffered by convenience retailers over the last year. The report not only shows the extent that the sector experiences crime but also looks to capture how crime impacts store colleagues and how retailers try to manage and prevent crime against their business.

We need action to reduce the volume and severity of crimes against the convenience sector. Government Ministers, Police and Crime Commissioners and Chief Constables need to appreciate both the direct impact that these crimes have on businesses, the people who work in them, and the communities they serve.

The financial cost of crime against local shops is £246 million, equivalent to a 7p crime tax for every transaction that takes place in store.

The biggest cause for concern in the report's findings is the prevalence of violence and abuse against retailers and store colleagues. People working in convenience stores are most vulnerable to violence when they are being responsible members of their community by challenging shop thieves, enforcing age restrictions or refusing to serve intoxicated customers.

As our Crime Report sets out, retail crime is not victimless - its impact on the people running, working in and using local shops is lasting, tangible and profound. Everyone connected with our sector, with law enforcement and with the treatment of offenders can play a part in tackling this problem.

Help us to help the victims of retail crime.

James Lowman, Chief Executive, ACS

ACS: WORKING FOR YOU

ACS is campaigning to secure the best possible response to retail crime from the Government, police and justice system.

We have been calling on Police and Crime Commissioners to support our pledge to dedicate more resources to tackle shop theft, which is the number one trigger for violence. We want more Police and Crime Plans to acknowledge the impact of retail crime and more action at a local level to tackle repeat offenders.

In Parliament, we have secured support from a cross-party group of MPs for the Government to develop a new approach to tackle violence against store colleagues. This has resulted in a government commitment to deliver a formal consultation on how to tackle violence and to fund an industry led communications campaign on tackling violence.

For convenience retailers, we have developed comprehensive guidance on managing retail crime, including an animation on managing the triggers for violence and abuse. When a serious incident does take place, which results in the death or life-threatening injury of a retailer or store colleague, ACS works with Crimestoppers to help. ACS will issue rewards of up to £50,000 for information that is provided to Crimestoppers to bring offenders to justice.

ACS.org.uk

COST OF CRIME TO CONVENIENCE STORES

Crime against convenience retailers costs an estimated



RETAILERS ARE MOST CONCERNED ABOUT



INVESTMENT

ON AVERAGE EACH STORE SPENDS



ON CRIME PREVENTION MEASURES PER YEAR

- ### TOP AREAS FOR INVESTMENT
- 1 CCTV
 - 2 EXTERNAL SECURITY
 - 3 CASH HANDLING & STORAGE

TOP FEATURES IN-STORE

- 1 CCTV
- 2 CASH HANDLING AND STORAGE
- 3 STAFF TRAINING
- 4 EXTERNAL SECURITY
- 5 PRODUCT TAGS

» **DEFINITION**

Theft is an offence where money, goods, company property or services are stolen from the business at that premises.

TOP THREE PRODUCTS TARGETED BY THIEVES



RETAILERS' PERCEPTION OF OFFENDERS



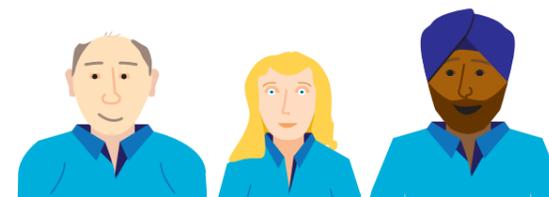
60% of retailers have experienced shop theft in the last year... ...30% of which have seen an increase in incidents

Shop theft remains the most prevalent and costly crime that retailers face. Despite figures from the Office for National Statistics² suggesting that shop theft reported to the police has declined, the Crime Survey estimates that the number of incidents of shop theft has increased over the last year - this suggests there is underreporting of shop theft to the police. Retailers note that the length of time it takes to report a shop theft and the response they receive from the police actively deters them from reporting all incidents that take place in their business.

When asked, convenience retailers state that repeat offenders are responsible for the majority of shop theft incidents in their stores. This was also a key finding from the Centre for

Social Justice report, Desperate for a Fix, which estimated that 70% of shop theft offences can be attributed to offenders with a drug addiction³. This raises questions about whether the justice system's current approach to repeat offenders needs to be reviewed.

Shop theft continues to be the number one trigger for violence and verbal abuse. This reinforces the view that shop theft is not a victimless crime. ACS has developed an animation for retailers to help their store colleagues on how to manage triggers for violence, which can be viewed on ACS' YouTube channel.



£20m

the total cost of staff theft to the sector

22,754

INCIDENTS OF STAFF THEFT IN THE SECTOR

£895 the cost per staff theft incident

£5m spent across the sector tackling staff theft

MOST COMMON INTERNAL THEFTS⁴

- 1** Cash directly from tills
- 2** Consumption of products in-store
- 3** Price overrides
- 4** Partial scanning of products
- 5** Lottery process

Retailers have invested over £5 million to tackle theft by staff in their stores. This has enabled retailers to identify and intervene in staff theft incidents earlier and reduce the cost of each staff theft incident, which currently stands at £895. The Home Office estimates⁵ that staff theft in the retail and wholesale sector has significantly fallen from an average of thirteen incidents per business in 2012 to six incidents per business in 2017.

Only 30% of staff theft incidents are reported to the police. ACS believes that retailers may be reluctant to report incidents of staff theft to the police because they perceive it to be a failing of their own internal reporting and checking procedures. Staff theft is a serious "breach of trust" offence which has significant fines and potential custodial sentences for offenders. Reporting incidents to the police can also prevent offenders moving to other businesses and committing the same offence.

All data on this spread - source: ACS Crime Survey 2019, apart from:
¹ Source: ACS Voice of Local Shops survey
² Source: ONS Police Reported Crime Data: year ending September 2018
³ Source: Centre for Social Justice report, Desperate for a Fix, 2018
⁴ Source: ACS Voice of Local Shops survey
⁵ Source: Home Office Commercial Victimization Survey 2017

» **DEFINITION** Assaults and threats are incidents where employees are assaulted, threatened or intimidated, as a result of disagreements with customers or other employees.

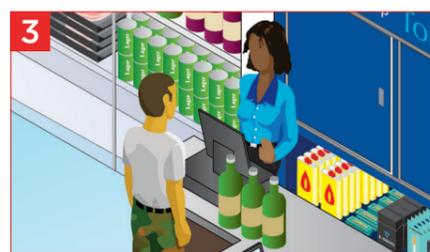
TOP TRIGGERS FOR AGGRESSIVE / ABUSIVE BEHAVIOUR



1
CHALLENGING SHOP THIEVES



2
ENFORCING AN AGE RESTRICTED SALES POLICY



3
REFUSING TO SERVE DRUNKS

Number of incidents of violence estimated in the sector = **9,782**

83%

of staff in convenience stores have experienced **verbal abuse**

41%

of violent incidents result in **injury**



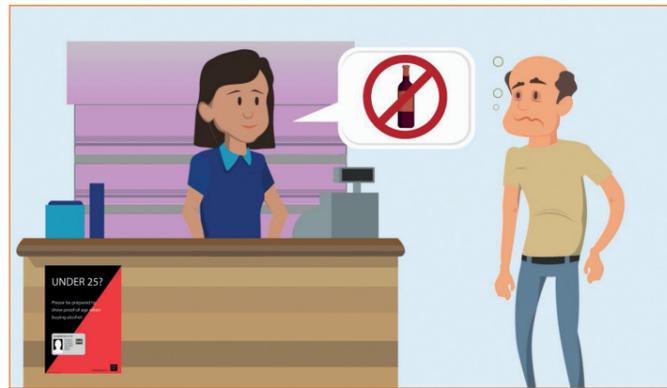
Violence against store colleagues is on the rise across the whole of the retail sector. The Home Office's latest Commercial Victimization Survey data⁷ estimates that workers from the wholesale and retail sector were victim to around 510,000 incidents of assaults and threats, more than twice the number recorded in the previous year (203,000 incidents).

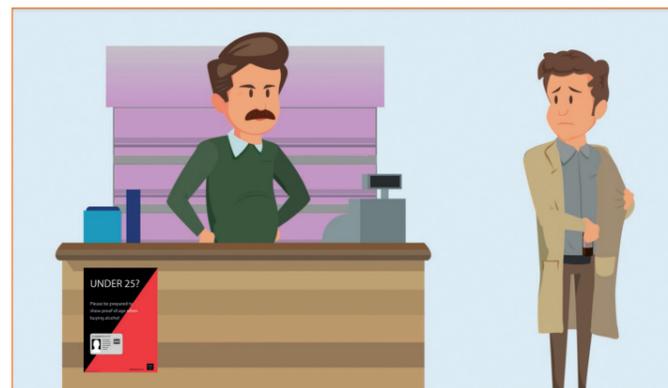
Retailers have invested, on average, £4,080 per store in crime prevention equipment and colleague training to increase the safety of the people working in their stores. But the incidents of violence in stores are usually driven by triggers that store colleagues will experience in their day-to-day work - dealing with shop thieves, enforcing age restrictions, and refusing to serve intoxicated customers.

It is shocking that 41% of violent incidents result in the injury of store colleagues and that 83% have been subjected to verbal abuse for just doing their job. We have been campaigning for tougher sanctions for offenders that use violence and abuse against retailers and store colleagues. The Government has committed to run a formal consultation on preventing violence in the retail sector and will be funding an industry led communications campaign.

MANAGING VIOLENCE AND VERBAL ABUSE IN CONVENIENCE STORES







ACS has developed an animation to help retailers and their staff identify and manage the triggers of violence and verbal abuse in store.

The training animation covers three key areas:

- Refusing to serve customers.
- Dealing with shop thieves.
- Armed robberies.

To download or view the animation, visit: <https://www.acs.org.uk/advice/crime-prevention>

EXPERIENCE OF VIOLENCE AND VERBAL ABUSE



48% of retailers have experienced violence or verbal abuse...

↑ 27% of which have seen an increase in incidents

OF CRIMES WHERE A WEAPON WAS PRESENT

68%	KNIFE
26%	OTHER WEAPON (E.G. AXE or HAMMER)
6%	FIREARM (IMITATION or REAL)



All data on this spread - source: ACS Crime Survey 2019 apart from ⁶ Source: ACS Colleague Survey 2018 ⁷ Source: Home Office Commercial Victimization Survey 2017 ⁸ Source: ACS Voice of Local Shops survey

ROBBERY

» **DEFINITION** **Robbery** is an offence where force, or the threat of force, is used either during or immediately prior to a theft or attempted theft, which can include use of a weapon.



» **DEFINITION** **Fraud** is wrongful or criminal deception intended to result in financial or personal gain.

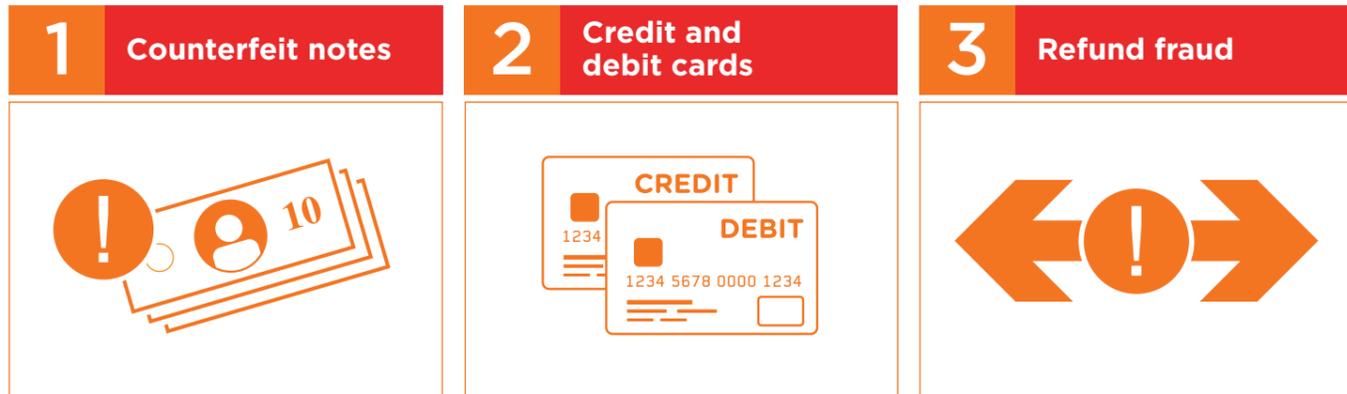


BURGLARY

» **DEFINITION** **Burglary** with entry is defined as entering any building on the premises without permission with intent to steal.



MOST COMMON TYPES OF FRAUD EXPERIENCED BY RETAILERS



ATM RAM RAIDS

» **DEFINITION** A robbery in which an ATM is rammed with a vehicle and looted.

Of the 7,030 convenience stores surveyed, **353 ATM ram raids** had been recorded in the last year




The number of robberies and burglaries has increased but there has been a significant decrease in the cost per incident. This could be the result of successive years of investment by retailers in reducing the amount of cash held on premises and better cash handling practices.

There has been a growth in ATM ram raids. Based on our sample alone, there were 353 incidents, often committed by organised gangs working within a region. ATM ram raids have a huge monetary cost not only due to the loss of cash from machines, but also structural and operational damage to stores where heavy machinery pulls ATMs from internal and external fixings.

Fraud cost the convenience sector £9m in the last year, equivalent to £194 per store. Counterfeit notes are the most prevalent type of fraud facing the convenience sector and also one of the most costly. The most common counterfeit banknote used in the sector is the Bank of England £20 paper note.

in circulation. While counterfeit notes are the most prevalent type of crime, retailers should also be conscious of the most expensive types of fraud facing the convenience sector including cybercrime and debit and credit card fraud.

The Bank of England are expected to introduce the £20 polymer banknote in 2020. Polymer notes have been introduced to reduce the number of counterfeit notes

Retailers may also be victim to scams in-store. To help retailers prepare their business against these types of incidents, ACS has developed new guidance for retailers to raise awareness about the most common scams in the sector. The guidance is available on page 7.

Crime is one of the biggest operational challenges for retailers and the illustration below outlines some of the key considerations for managing crime.

Assessing the vulnerabilities of your business to crime and planning a proportionate response is essential, whether it is installing CCTV or providing additional training for staff.

An example risk assessment for a convenience store is available from the Health and Safety Executive website: <http://www.hse.gov.uk/risk/casestudies/pdf/newsagent.pdf>

ACID AND KNIVES

- There has been an increase in the number of attacks where acid and knives are being used as a weapon to injure someone.
- Retailers should identify if they sell corrosive substances as the Government have committed to introduce an age restriction of 18 within the next year.
- It is illegal to sell a knife to anyone under 18. The Home Office is encouraging retailers to sign up to a voluntary agreement to take further action to prevent the sale of knives to under 18s. For more information, visit: <http://bit.ly/HomeOfficeVoluntaryAgreement>
- For more information, see ACS' Preventing Underage Sales guidance here: <https://www.acs.org.uk/advice/age-restrictions>

ATM

- If you have an ATM located outside, ensure that you have CCTV with a good view of the ATM. This will help with the police investigation in the event of an ATM ram raid.

EXTERNAL SECURITY

- Ensure that all doors and windows are secured to prevent burglaries.
- For high risk stores, consider the installation of external shutters (this may require planning consent).
- Where reasonably practicable, advertising should be restricted to allow for clear viewing into and out of the premises.

ANTI-SOCIAL BEHAVIOUR

- Contact your local police or community safety partnership.
- You can use the Community Trigger power to force a response from local agencies.

SELF-SCAN TILLS

- Ensure you have sufficient staff to authorise items during busy periods.
- Ensure staff are trained to support customers to scan difficult items through tills correctly such as fruit and vegetables.

STAFF

- **Make sure staff have been informed about:**
 - Security measures such as panic buttons and CCTV.
 - Internal and external crime reporting structures.
 - Dealing with abusive customers.
- ACS has developed an animation to help retailers and their staff identify and manage the triggers of violence and verbal abuse. The animation is available on ACS' YouTube Channel.

CUSTOMER SERVICE

- Be attentive, acknowledge all customers as they enter the store, so that potential thieves know that you are watching them.
- If you think you have spotted someone concealing goods, avoid direct confrontation, instead offer them a basket or help with carrying their goods.

CYBER CRIME

- The ways retailers can protect themselves from the most common cyberattacks are by backing up data, keeping smartphones and tablets safe, preventing malware damage, avoiding phishing attacks, (e.g. emails asking for sensitive information such as bank details), and using passwords to protect your data.
- For more information on ways to improve cyber security in your business see the National Cyber Security Centre's guidance for small businesses here: <https://www.ncsc.gov.uk/smallbusiness>

CCTV

- Ensure one camera provides quality images of everyone entering your premises and a second covers the till.
- A minimum of six frames per second should be used on your camera. Ensure recorded images are similar quality to live images and all images have a time and date.
- Identify the most important areas of the store for camera location and consider the angle of view and lighting.
- If you plan to share your CCTV footage, you must ensure you comply with GDPR regulations. To find out more, visit the Information Commissioner's Office guidance on CCTV, here: <http://bit.ly/CCTVGDPRGuidance>
- For more information: <http://bit.ly/cctvguidance>

INTERNAL THEFT

- Regularly monitor stock levels and stock rooms to deter theft by employees.
- Theft by an employee is a serious offence and breach of trust, it should be reported to the police.

TILL POSITION

- Are high value goods or targeted products (meat, cheese, alcohol) in view of the till?
- Ensure that the front of the store is visible from the till, so staff can see customers approaching.

CASH

- Reduce the amount of cash held in tills and on your premises.
- Change the routine of banking procedures so they are not easily observable.
- Think about using counter drop safes to reduce cash in tills.

AGE RESTRICTED SALES

- Ensure you have visible signage at the entrance, till and shelf edges of your store.
- Make sure staff know the store policy and acceptable proof of age documents.
- When asking for ID think about the following as ways to prevent confrontation: deflect, flattery, being constructive. For more information about ways to mitigate violence from enforcing age restricted sales, see ACS' animation on 'Managing Violence and Abuse in Convenience Stores', here: <https://www.acs.org.uk/advice/crime-prevention>



1. ACS Crime Survey 2019

The survey was sent to ACS members between 13th November 2018 and 31st January 2019. The survey had 60 respondents representing 7,030 stores. The figures in the Crime Report are based on store numbers from the ACS Local Shop Report (LSR) 2018, which stipulates there are 46,262 stores in the sector. The survey data has been weighted to represent the different store types according to their proportion of stores in the market.

For more information about the sector, and LSR methodology, the report is available at www.acs.org.uk/research

2. Crime Tax

The Crime Tax is calculated using ACS Crime Survey figures relating to total cost of crime per store and by using data from ACS LSR 2018 on sales and average basket spend to calculate a 7p cost per transaction.

3. ACS Voice of Local Shops survey (VOLS)

VOLS is a quarterly telephone survey with a sample of 1,210 independent retailers, including both unaffiliated and symbol group retailers.

Staff theft

The following question was asked in November 2018 VOLS.

Thinking about your experience of staff theft, what are the most common ways in which employees attempt to steal from your business? [all that apply]

- Cash directly from tills.
- Price overrides.
- Partial scanning of products.
- Consumption of products in-store.
- Lottery process.
- Fraudulent refunds.
- Bill payment process.
- Collusion with customers.
- Double ordering of stock.
- Other [specify].

[Asked only to those who had experienced staff theft over the past year].

Shop theft, violence and verbal abuse

The following questions are tracked in VOLS each quarter:

Thinking about your experience of shop theft in the last year, have you experienced...?

- No incidence of theft.
- Stayed the same.
- Increased incidence of theft.
- Reduced incidence of theft.
- Don't know.

Thinking about your experience of verbal or physical abuse in the last year, have you experienced...?

- No incidence of verbal or physical abuse.
- Stayed the same.
- Increased incidence of verbal or physical abuse.
- Reduced incidence of verbal or physical abuse.
- Don't know.

'Don't know' responses were excluded for analysis.

Yearly averages were calculated using figures from the latest four quarters (May 2018 to February 2019).

Violence

The following questions were asked in the November 2018 VOLS survey:

How many incidents of the following were recorded against you or your staff in the last 12 months?

- Violence with injury (includes assaults and robberies where injury was sustained).
- Violence without injury (includes assaults or robberies where no physical injury was sustained).

[asked only those who had experienced violence over the past 12 months].

The results from VOLS were combined with multiple and co-operative retailer responses from the ACS crime survey, according to the proportion of stores in the market, to determine overall results for the sector.

4. Centre for Social Justice – Desperate for a Fix (pages 4 and 5)

The Centre of Social Justice published their report, 'Desperate for a Fix' in June 2018. The report looks at the link between drug addiction and theft and calls for new policies to tackle the root causes of shop theft.

<https://www.centreforsocialjustice.org.uk/library/desperate-for-a-fix-using-shop-theft-and-a-second-chance-programme-to-get-tough-on-the-causes-of-prolific-drug-addicted-offending>

The estimate that 70% of shop theft offences can be attributed to offenders with a drug addiction comes from an estimate calculated by the Home Office in their 2013 report 'Understanding organised crime: estimating the scale and the social and economic costs': https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/246390/horr73.pdf

5. Office for National Statistics (ONS) Crime in England and Wales (pages 4 and 5)

ONS publish quarterly their Crime in England and Wales statistical bulletins which are produced in partnership with the Home Office. The statistics are based on police recorded crime data for the year ending September 2018.

<https://www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/yearendingseptember2018>

6. Home Office Commercial Victimisation Survey (CVS) 2017 (pages 5 and 6)

The CVS is a telephone survey where respondents from a representative sample of business premises in England and Wales are asked about crimes experienced at their premises in the 12 months prior to the interview.

Estimates for the 2017 CVS are based on 1,053 interviews with respondents at premises in wholesale and retail. Fieldwork was carried out between September and December 2017.

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/704366/crime-against-businesses-2017-hosb0718.pdf

7. ACS Colleague Survey 2018 (page 6)

An online and paper survey looking at the demographics, experiences and situations of 3,843 staff working within the convenience sector. Fieldwork was carried out between 21st December 2017 and the 6th March 2018.

For more information surrounding the methodology please contact katie.cross@acs.org.uk

CONTACT

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