

Just About Everybody Doing the Business? Explaining ‘Cash-for-Crash’ Insurance Fraud in the United Kingdom

Mark Button, Graham Brooks, Chris Lewis and Azeem Aleem

#Corresponding author Centre for Counter Fraud Studies, University of Portsmouth, Portsmouth, UK.
e-mail mark.button@port.ac.uk

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Abstract

There is much international research on the different types of fraud committed by individuals and/or organised crime. There is, however, limited research on insurance fraud and a particular species of such fraud which has become known as ‘cash-for-crash’ fraud in the United Kingdom. In addition there are very few published studies of fraudsters which actually draw upon interviews with those that have committed the act(s). This paper bridges both of these gaps providing a focus upon ‘cash-for-crash’ fraudsters which is based upon empirical research drawn from six interviews with such offenders and a database of over 400 offenders built upon successful prosecutions of such cases in the United Kingdom. This paper offers a profile of such offenders and presents insights into why and how some people might become involved in ‘cash-for-crash’ type frauds.

Keywords

Fraud, Insurance, Organised, Motivation

Introduction

In October 2015 the Sydney Morning Herald highlighted the case of a heavily pregnant woman who staged a motor accident to secure an insurance payment. In the same article the main trade body for insurers in Australia, the Insurance Council of Australia, was quoted as saying, ‘that networks of professional criminals had become "highly active" in the "claims farming" practice because it facilitates numerous payouts across multiple insurers’ (Duff, 2015). Insurance fraud and the involvement of a wide range of actors committing fraud, from lone opportunists to organised criminals, has been noted as a problem by several authors writing on Australia (see for example: Baldock, 1997; Hayes and Prenzler, 2003; Smith, 2015). In the UK over the last 10 years the type of fraud highlighted by the Sydney Morning Herald, which has been dubbed ‘cash-for-crash’ fraud, has grown to national prominence soliciting a wide range of government and industry initiatives to address it (Button and Brooks, in-press).

This paper explores ‘cash-for-crash’ fraud in the UK by providing a profile of the offenders who have been successfully prosecuted and then based upon interviews with six of those who have been

involved, offer insights on their motives for becoming involved. It will highlight the wide strata of society involved, from 'ordinary' citizens to large organised criminal networks. The paper starts with an examination of the types of 'cash-for-crash' fraud, before setting out the methodology for this research. The paper then examines the profile of those convicted for this type of crime, before examining some of the findings from the interviews which explain why people become involved in such crimes.

Insurance Fraud

There is a significant body of research that shows the willingness of 'ordinary' people to accept and engage in different types of insurance fraud in United Kingdom and other countries (Gill *et al* 1994; Dodd, 1998; Association of British Insurers, 2003; Hayes and Prenzler, 2003; Button *et al*, in Press; Karstedt and Farrall 2006; Buttler, 2013). There is also research illustrating the widespread involvement of the middle classes in the broad concept of white collar crime, into which much of fraud falls (Weisburd *et al* 1991; Weisburd and Waring 2001). There have, however, only been a limited number of studies on fraudsters in comparison to other criminals in the United Kingdom (Levi, 1998; Gill, 2005a; Goldstraw-White, 2011; Treadwell, 2011; Gill and Randall, 2015). Most have tended to focus upon relatively small scale samples in specific areas of fraud, seeking to understand their modus operandi and reasons for doing it. For example Levi's (1998) study of plastic card fraud, Cressey (1953), Gill (2005b) and Goldstraw-White's (2011) investigation of occupational fraudsters, and Dean and Melrose's (1997) interviews with benefits fraudsters.

Insurance fraud is a major problem, costing the United Kingdom sector over £1 billion per year (Association of British Insurers, 2012). 'cash-for-crash' fraud forms a significant part of this loss at £392 million per annum (Insurance Fraud Bureau, 2013). There has, however, been limited research on this type of fraud in the United Kingdom (see Clarke, 1989, 1990; Gill *et al*, 1994; Doig *et al*, 1999; Litton, 2000; Gill, 2001; Morley *et al*, 2006; Palasinski, 2009; Smith *et al* 2010; Dobie, 2012). There has been only one major study in the UK based upon interviews with insurance fraudsters, which will be returned to later in this paper (Gill and Randall, 2015).

'Cash-for-crash' fraud is a form of insurance fraud based around a road traffic accident (real or fake) where those involved make fake or exaggerated claims about damage to the vehicle(s), and/or personal injury claims, amongst others. There are many variations on this type of fraud and these include:

- A real accident where the claims are exaggerated;

- An accident where the fraudsters deliberately facilitate a situation so innocent motorists, who are likely to have insurance, crash into the back of them or both parties collude to create an accident which can then be used to farm claims;
- A fake accident where vehicles are deliberately damaged to make it look like they have been involved in an accident and then claims are made or simply a fake claim is made with no damaged vehicle.

The amount of money that can be made from one of these types of 'accidents' is between £3k and £30k, depending on the type of crash, the number(s) of people involved, what individuals claims for etc. There are a variety of income streams which enable this to occur: cash for damage to a car (value of car and damage can be exaggerated); personal injury claims for whiplash injuries for those 'in the vehicle' (frequently for multiple persons in a car, whether they were there or not); claims for loss of earnings; cost of hire cars (often corrupt hire car companies linked to scam, hire car may also be rehired unlawfully to name some); fees for accident management companies; fees for those recovering, storing or repairing the vehicle; fees for solicitors and fees for doctors.

The extent of 'cash-for-crash' fraud was illustrated by an industry report by the Insurance Fraud Bureau (IFB) report in 2013, of which there is limited information on the methods used and so should be treated as an informed estimate, which estimated this type of fraud was worth £392 million and that 1 in 7 personal injury claims were linked to 'cash-for-crash' scams, amounting to 69,500 claims (Insurance Fraud Bureau, 2013). The report also noted 1 in 10 people would consider taking part in such a scam. Central to the 'cash-for-crash' scam is a personal injury claim which usually centres on what is commonly called 'whiplash'. The House of Commons Transport Committee has conducted several inquiries into motor insurance and has touched upon the issue of fraud. It published some interesting statistics on the rise in personal injury claims set against the number of casualties on roads. They showed while road casualties falling between 2005-10 from over 270,000 to just over 200,000, the number of motor insurance injury claims rose from just over 466,000 to over 790,000 (House of Commons Transport Committee, 2011). In other research published in 2013 by the Association of British Insurers they found the UK was the 'whiplash' capital of Europe. It found that 78 percent of personal injury claims following accidents are for whiplash. This compares to 30 percent in France and Denmark, 31 percent in Spain, 35 percent in the Netherlands and 68 percent in Italy (Association of British Insurers, 2013).

'Cash-for-crash' fraud is therefore a major problem with thousands involved in it each year in the United Kingdom. Traditionally such claims have been dealt with by the insurance companies themselves by simply repudiating the claims. This still happens with most claims, but over the last 10

years or more the insurance industry has been 'deepening' its response to this problem by encouraging, facilitating and now paying for the police to investigate this type of fraud, amongst a number of other strategies (see Button and Brooks, in-press). Criminal prosecutions for insurance fraud and particularly this type, have therefore become much more common, although still representing the tip of the iceberg of the number of cases.

Methods

The principal aim of the research was to interview those who had been involved in 'cash-for-crash' fraud to understand their motivations, consideration of the strategies to prevent and detect them and their modus operandi, amongst others. The challenge, as with any research on criminals, is securing the participation of those involved. Most research on criminals and fraudsters has taken place in prisons (Gill, 2005a; Goldstraw-White, 2011; Maguire, 2012). The challenge in this research was that there have not been that many convicted of this type of crime. At the time of the research in 2011 the researchers had identified 189 convicted for this type of offence. Most of these were not sentenced to prison or for less than 12 months. Prison was therefore not likely to yield many potential participants.

However, the insurance industry and police are very keen to promote successful prosecutions for this type of fraud in the media as part of their deterrence strategy (see City of London Police, n,d.). Criminal prosecutions are rare by insurers and so when they are used they are keen for them to be publicised. As a consequence industry bodies and insurers often publish press releases and such cases often secure coverage in the media (national and local general, as well as trade press). The IFB (an industry funded body which undertakes various analytical functions to support investigations of insurance fraud) issues press releases for all cases it has an involvement in at various stages of the investigation process from arrest, charge, conviction and sentencing. All the convicted cases were added to the database related to cash-for-crash. The Insurance Fraud Investigators Group (a membership body of fraud investigators which shares intelligence) also profile on their websites cases from members and those highlighted in the media of arrests, convictions and sentences etc of insurance fraud cases. Those not already covered by the IFB were also added to the database. In both cases all insurance fraud cases are reported and so the researchers sifted out only 'cash-for-crash' related cases. To further check that all reported cases were included in the database further media searches were conducted which yielded a handful of minor cases which were not covered by the IFB/IFIG databases.

The authors are therefore confident for the time period considered (2008-2014) virtually all criminal convictions (including a very small number of contempt of court convictions) for this type of offence are included in the database. This information would also often provide a variety of data, including name (and therefore gender in most cases), age, occupation as well as the last known address of the perpetrator (bar the number of the house). The researchers were able to use this publicly available information combined with people tracing tools available on the internet (such as 192.com) to identify the complete last known addresses of many of the perpetrators. This also yielded a variety of other data on the fraudsters which has been subsequently updated to 2014 to yield a database of 404 convicted 'cash-for-crash' fraudsters, which will be discussed shortly in this paper.

The researchers were also supplied a database of 192 names from an insurance company that had fraudulently submitted claims which had been investigated and repudiated for fraud by that company, but which had not been pursued for criminal prosecution (which is the normal approach), of which 66 could be traced for an address (it was interesting that many of the claimants had not provided full or part of their home address and the researchers would only use such an address). This list proved a largely useless list yielding only one interviewee, who denied he was a fraudster. None of this data is included in the profile data later described, although details of the interviewee are noted later.

In the second stage of the research the researchers sought to interview some of the fraudsters identified on the convicted list and the insurers list. Letters were written to those on the lists where an address had been given or traced inviting them for interview and marked 'personal and confidential' with an incentive of a £50 token for participation. This amounts to the 'cold' contacting of potential research participants, which is undertaken extensively and widely in social research.

The researchers also drew on their network of contacts in law enforcement, insurance companies and friends for anyone who might have been convicted or involved in such frauds. From the convicted list the research team secured 3 responses, the insurers list 1 (who also disputed he had submitted a fraudulent claim), 1 through a law enforcement agency, and 1 through one of the research teams network of friends. Six interviews might initially seem a small sample, but Gill (2005) found such an approach to secure fraud interviewees very difficult. Gill and Randall (2015) also found it difficult to secure interviews with the much wider potential of *all* potential insurance fraudsters, illustrating the challenges of interviewing such persons in the field. Nevertheless, as Gray (2013) has shown with the offence of corruption, useful findings can be drawn from a very small sample, as he was able to secure significant findings from a 'public interview' with only one offender. Another important question relates to how representative of this type of fraudsters the six are, given

the vast majority declined to be involved. However, as will be shown shortly, at least in terms of profile the group are representative of those who have been convicted of this type of fraud to date.

Of the six interviews, five took place over the telephone and five were recorded. The reason for the use of telephone interview was because of safety. The researchers had been alerted by law enforcement that some of those convicted may have links with Islamic extremists and/or organised crime and it would be dangerous to approach them. There have been studies that have interviewed active fraudsters in the field who have not been detected by law enforcement (a form of research which is increasingly difficult to secure approval from ethics committees), such as Treadwell's (2011) study of fraudsters selling counterfeit goods on E-Bay. However, he had a gatekeeper and had not been warned of potential risks to his safety. The researchers for this paper had been warned and the university health and safety procedures meant most of the interviews had to take place using the telephone.

Profile of 'cash-for-crash' fraudsters

The analysis of the press releases and media coverage of 'cash-for-crash' fraudsters provided a wide range of data about those who have been convicted for this type of fraud. The interest of the media in such cases and the desire of the insurance and law enforcement industry to raise the profile of the detection and punishment of this type of offence mean the researchers are confident that they have secured the vast majority of convictions that have taken place for this crime in the United Kingdom. There might be some minor cases which have not been publicised or reported. Some cases also do not offer all details, such as age or because of the name it is not possible to determine the gender of a person. The database, however, represents the largest assessment to date of the profile of this type of insurance fraudster.

Profile of a convicted 'cash-for-crash' fraudster

Building profiles of fraudsters is fraught with challenges (Hayes and Prenzler, 2003). The profile about to be revealed is built upon convictions, which reflect what insurers and the police decide to detect and prosecute. It should be considered, therefore, as a profile of convicted 'cash-for-crash' fraudsters, rather than all 'cash-for-crash' fraudsters. Table 1 sets out the profile of a convicted 'cash-for-crash' fraudster. It shows the dominance of men at 84.4 percent of convictions. The dominance of men has also been noted in profiles of occupational fraudsters (Bussman and Werle, 2006; KPMG, 2011). It is, however, different from the much more balanced gender profile found by Button et al (In Press) of household insurance fraudsters. The mean and median age were 35.5 and 33 respectively, with just short of three quarters of those convicted under the age of 40. This

indicates this type of fraud is a younger persons type of crime, compared to occupational fraud and household insurance fraud, where the mean and median ages tends to be in the 40s and above (Bussman and Werle, 2006; KPMG, 2011; Button et al, In Press).

Table 1 about here

Many of the reports offered indications of the status, occupation and lifestyle of those convicted of these types of offences. They included the 'usual suspects' of 'known' organised criminals who were using this type of crime as an additional income source alongside other criminal enterprises. For example in March 2013 the trial process ended for a total of 60 people from County Durham associated to a notorious crime family, the 'Wrights' of Burnhope, who were linked to over 250 suspicious accidents and convicted for over half a million pounds of fraud (The Guardian, 2013). There were also, however, a variety of other groups, not as commonly associated with criminal enterprise. In the early convictions for this type of crime there were a number of Asian groups centred round extended families and associates/friends from locations where they lived, who were convicted. For example in 2009 Mohamed Patel was convicted for his part in large 'cash-for-crash' scam for which he was implicated in at least 93 car crashes costing insurers £17,000 each on average. Over 20 others were convicted in association with this group, with most linked by family and locality (Greater Manchester) (BBC News, 2009; Insurance Fraud Bureau, 2009). A further dimension is that groups of men and women linked by a common workplace. For example in 2010 a group of 25 were convicted for involvement in a 'cash-for-crash' scam, mostly recruited by Darren Duvall at the NTL Birkenhead office where they worked (Liverpool Echo, 2010). There have also been relatively small groups of friends and family who have been convicted. For example a brother and his step-sister from Barry in Wales were convicted in 2014 for staging a crash between a hired van and car and making up whiplash claims (Barry and District News, 2014). Single opportunists have also been sanctioned for exploiting genuine crashes, such as Joanne Kirk who was found guilty of Contempt of Court related to an exaggerated personal injury claim for a rear end shunt she had experienced and received £25,000 compensation for (Guildhall Chambers, n.d).

The other notable observation from the wide range of individuals that have been convicted (where this is noted in the report in the media – which it isn't always) has been the involvement of those from a wide strata of society. For example a TV Producer, civil servant, salesmen, a surveyor, a butcher, a university administrator, council workers, claims managers, bus drivers, taxi drivers, company directors, asylum seekers, pensioners, young mothers to the unemployed have all been convicted for involvement in this type of scam. Those working in businesses servicing the motor accident industry such as garage repair, accident management and car hire businesses have also

featured many times amongst those convicted. The means to exploit crashes for financial bonus have become common knowledge amongst the general population as was illustrated to the authors while conducting this research, when one of them suffered a rear end shunt. His car was replaced with a hire car while being repaired and when visiting friends (who as far as the author is aware are not convicted criminals or engaged in criminal activity), one of them noted the hire car, to which the reasons were explained, to which she retorted in a humorous tone, 'Got a sore neck, eh? £3 grand for your holiday coming your way!' (the author concerned did not have whiplash and so didn't make a claim).

The researchers were also able to assess the last known address of a significant number of the fraudsters in the database. This is presented in Table 2 below and has been broken down into the nations of the United Kingdom and English regions. The data is compared to the percentage of the UK population by area. This shows some striking findings. First there were no fraudsters with last known addresses in Scotland or Northern Ireland. Further probing of key individuals in the sector led to the revelation that the system for reimbursing lawyers in Scotland and Northern Ireland in their view did not encourage claims vis-à-vis England and Wales where the system did ie 'no-win-no-fee' is common. Second, there were regions of England which were significantly over-represented. For example the North West accounted for 38.8 percent of prosecutions, but accounts for only 11.1 percent of the population. At the other extreme the South West accounted for only 0.7 percent of prosecutions, but accounts for 8.4 percent of the population. There are a number of factors which could explain these differences. First it could arise from the interest of the local police forces. If this is so the areas of high prosecution would represent areas where there is interest amongst the police in this crime and areas with little or no fraudsters would represent areas where there is little interest from the police. However, as has been noted already and will be developed later in this paper, networks through family, friends, work colleagues etc are very important in these crimes. Areas where such criminal enterprises have been established may lead to knowledge sharing and the furtherance of the crime. Nevertheless the significant differences between the regions is clearly an area which warrants further research.

Table 2 about here

Profile of interviewees

The interviewees' roles in 'cash-for-cash' fraud and what happened to them is set out in Table 3. It shows they were all minor operatives and not ringleaders. The researchers did write to the convicted

organisers where contact details were traced but unfortunately none would participate. Nevertheless as the latter part of the paper will show, even though most were minor players they did offer interesting insights on this crime and the organisation of it. It is also important to note that such minor players represent the vast majority of those who are convicted.

Table 3 about here.

Table 4 also provides a profile of those that were interviewed. The group were representative of the broader group who have been convicted as presented in table 1 with a dominance of men and those under 40. There is also a dominance of the North West with 4 of the six coming from that area, which the profile of those convicted also showed. None of the interviewees were part of the same gang.

Table 4 about here.

As the interviewees were happy to take part in the research, when the vast majority were not, this may make them unusual in the context of the broader population of this type of fraudster. In the absence, however, of much research in this area this should be treated as the first research on 'cash-for-crash' fraudsters. Securing interviews with what many would call as white collar type criminals in the field is ultimately difficult (Gill and Randall, 2015), although as noted earlier Gray's (2013) work on corruption reveals useful insights can be secured even if only one offender is assessed.

Understanding involvement in 'cash-for-crash' fraud

The explanations for the causes and occurrence of fraud are found in the interaction of individual and social structures, and have been examined from a variety of perspectives such as public choice where the individual is portrayed as a rational calculated person (Clarke and Cornish, 1985) who chooses fraud when the advantages of such an act outweigh its expected disadvantages (Rose-Ackerman, 1978; Klitgaard, 1988; Graaf, 2007) and the idea of a rogue element and/or the 'bad apple' where the cause of fraud is within an individual under pressure (Cressey, 1973). In much of the literature individualist explanations seek to discover the underlying characteristics and motivations of the offenders. However, an alternative approach is to stress how similar rather than different people are who commit different types of fraud (Coleman, 1999). Rather than review all literature here, however, we focus on key theoretical explanations as to why people commit 'cash-for-crash' fraud that helped explained involvement in this type of crime.

This research discovered that 'cash-for-crash' is often seen as providing a simple opportunity to secure additional payment, with the variety acts that fall under 'cash-for crash' viewed as harmless or at worst borderline criminality. Combined with these recurring views in this research was the perception that the risk of arrest and then conviction was low and that the police were not interested in this type of crime and the insurance industry lack the skills to detect offenders. As one of the participants noted:

*You can put it down to people taking a chance and putting a good display on and thinking they will get away with it. You know the insurance companies are only as good as the people they employ to process and look into these cases. **Guy.***

The fraud triangle (Cressey, 1973) of 'pressure', 'opportunity' and 'rationalisation' offers some explanatory value, particularly that of rationalisation. However, none of those we interviewed seemed to be under 'un-shareable' stress or strain (Agnew, 1985) - perceived or actual – involved in a collapse or downturn of business, mounting debts and lack of recognition with an organisation and relationship with employers. This fraud triangle is mostly applicable to those on the inside of an organisation. Furthermore, it is wide ranging and perhaps an all-encompassing catalogue of factors. Personal pressure can manifest itself in many ways; financial, psychological and social and as a result of pressure, opportunity and rationalisation, the culture of environment and/or matters of personal life (Gill, 2005), all of which suggested that people will commit fraud. Albrecht et al (1984) also present the acts of fraud as built on pressure, opportunity and rationalisation and included factors such as living beyond personal income, a desire for personal progression, high personal debt, pressure from family and friends. These factors are also wide-ranging and too broad, particularly if pressure is perceived rather than real and therefore all of us, at some point in time, could fit into some of these explanatory factors. Furthermore, some of these are instrumental factors while others are expressive and emotional. It is difficult to know when, or if what factors are responsible for acts of fraud, as they are multi-layered and complex (Brooks et al, 2013). In the cases of cash-for-crash, however, it is this last 'factor' of pressure from family and friends that played a part in some people's involvement in 'cash-for crash'.

*It was actually a cousin of mine whose actually car was being hit, and he actually rang me up, saying to me, 'Oh can you come down and...can you come to Manchester, and I'll put you as the person in the car, and I'll give you so much money out of it.' And that was it. And I just went down, didn't think nothing of it **Zahir.***

Furthermore, justifications and in particular techniques of neutralisation (Sykes and Matza, 1957) and Dittenhofer, 1995) were recurring themes in this research. Many did not even consider what they were doing to be criminal. As stated:

*I did not do anything wrong. I just inflated the claim/damage. He was successful. He paid me anyway for using my name as a witness (to his claim). **Stuart.***

*Just a passenger in a car and I didn't really...well I didn't know what was going to happen, I didn't know how it was going to happen at the time...nothing...it was just offered to me and I didn't have a job or nothing. And I was struggling for a bit of money. So I didn't actually think what was going to happen. I didn't think obviously it was going to be...I didn't think we were going to get arrested or anything like that at the time. I got offered a bit of money, and all I actually had to do was to sit in the car. So I wasn't driving or nothing, I was just sitting as a passenger in a car. **Zahir.***

In this instance it is possible to see Zahir as both an offender and victim of fraud (Button, Pakes and Blackburn, In Press; Pratt, Holtfreter and Reisig, 2007; Hutchins and Hayes, 2008) due to his limited knowledge of what he was involved with.

A common theme to this research, however, was the denial of the victim (Sykes and Matza, 1957, Matza, 1964). In many variations of the scam there is no crash and the insurance company as the victim is rationalised as a deserving one. As Palasinski (2009, p. 552) has noted such an attitude is common regarding the insurance industry viewed as unscrupulous and evil. This fitted with Stuart that saw his insurance company as a malign organisation which had failed to pay out on previous 'genuine' insurance claims, so deserved the false one. As he noted:

*I made the claim because Insurance companies make money out of us. They do all they can to stop paying you and even if you don't have an accident put up the insurance... Insurance companies are a con. I have always paid my insurance and yet when I want them they are awkward and do all they can do is block paying you. **Stuart.***

This perceived injustice, also referred to as the 'due me' fraud has resonance with previous research. Mars (1982; 1984) and Hollinger and Clark (1983) in particular have pointed out that the 'due me' frauds are usually small and primarily used to fulfil a lack of financial reward. Whilst these papers were concerned with employees in an organisation, particularly those that have spent years at the

same company, where a personal contribution to the company has not been amply recognised the sense of injustice and 'due me' payment is common to both.

In this research, we further uncovered workplace collaboration to defraud an insurance company. The work of Ditton (1977) and Mars (1982) has resonance here as they illustrated how colleagues are prepared to collaborate or assist a friend to defraud either employers or and customers. In this research Guy noted his involvement had been facilitated by a colleague who he noted:

Well we worked together in the van....

*I lent them my work vehicle like and knew they were going to use it to create a fake crash and all that. I knew they were going to smash it up but I don't know actually what happened or where they did it. We all agreed that I would provide the vehicle and they would organise everything else. I don't know what happened with the other vehicle of the other people who claimed for the injuries. I told the people at work that I had a crash. **Guy.***

For Stuart the scam was not an industrial scale enterprise and responded to a friend who was seeking help. As he stated:

*A friend/mate asked me to be a witness to a car accident that he was in. He used my name. He told me that he had been in an accident with an old person and he was to blame, but the old person was 'shaken-up' and he used this to his advantage. **Stuart.***

Extracts from the interviews further illustrate a rationalisation of this unsolicited opportunity and planned organised insurance fraud:

*...when my cousin called me ...we just thought, 'It's alright, it's only a bit of money, we'll just go for it.' **Zahir.***

*One day; I received an email, pointing out that I could earn 1-2k / month by just working 3-4 hours per week. On replying back to the advert I was contacted by the scam team and asked to send a recent size photo of myself and a brief CV. On sending the requested information I was given a call by one of the team members, I was given time to meet up at a public place. **Razi.***

When Razi met the fraudsters was very impressed with signs of material wealth. As he recounted:

*The gang leader came driving a Range Rover Sports and was wearing very Dapo (new and stylish) clothes... I told him I need to think about this, on hearing this he was not impressed and said there is a job for you tomorrow morning if you want to be earning this lifestyle then email me by the end of today. Once our meeting was ended he dropped me near my house. I was fascinated by his lifestyle and his style of clothing – he told me how he is able to look after his family but also got a very healthy lifestyle. **Razi.***

Zahir and Razi were both in cars that deliberately crashed. For Zahir no preparation or instruction was offered. For Razi, however, it was treated like any 'ordinary' position of employment and induction into a company. Razi, was briefed and trained for the task ahead. As he explained:

*Once I agreed to be part of the scam, I was called by the Gang Leader and was asked to come to the location in the morning. At the location (garage) I was shown on a white chart how the scam would be carried out. There I met the driver and some other passenger of other cars. Once we were shown the process of the scam we were shown a slight demo with cars as well. After this I was asked to confirm whether I understood everything – I was a bit worried about the impact of the crash but I was shown through the car demo that it won't be much of the impact. **Razi.***

How many hours did you take? **I.**

*2-3 hours were training and then it took us one hour to commit the crime. **Razi.***

This organised approach to 'cash-for-crash' has been noted by police in the United Kingdom. Button and Brooks (in press) found one police officer interviewed stated that they were 'keeping one particular group of criminal's under-surveillance' as they 'noticed them deliberately destroying a vehicle'. This type of crime, however, is only one in an armoury of professional and organised criminal ventures, as illustrated by Hobbs in his trilogy of works on the criminal working classes of the East End of London (Hobbs, 1988, 1995 and 2013).

There are elements of rational choice (Clarke and Cornish, 1985) and routines (Cohen and Felson, 1979) in the responses from our participants in 'cash-for-crash', but cultural, familial and community relationships were always part of the explanation and justification for involvement in this type of

crime. As such, individuals' morality can be seen as of less importance than the environment in which a person is located (Boisjoly, 1995) that directs human action and interaction. Sutherland's (1948, 1949) suggestion that crime is explained by a preponderance of criminal attitudes instead of non-criminal attitudes and socialised into such attitudes has some relevance to 'cash-for-crash' and the techniques of neutralisation mentioned above. However, this association fails to explain how and why people do not engage in systematic fraud and reject the offer to engage in crime that Razi and others were unable to. In fact, Braithwaite (1985) denounced differential association as a platitudinous attempt to explain organisational crime in particular (Brooks et al, 2013) and of limited value.

All of these explanations are of course limited; however, they do offer us with a working framework to understand why people commit 'cash-for-crash' fraud. The extent to which a culture and personal and familial relationships determines involvement in this crime, however, is dependent on a number of factors. Those that organised 'cash-for-crash' scams ensured, as much as they possibly could, those approached could be trusted. The scams suited 'groups' who have common bonds and cultures. Many of the convictions for 'cash-for-crash' fraud have centred on the Asian community (from the Indian sub-continent) in the United Kingdom. These scams were planned, organised and executed by extended families and close knit communal links. Analysis of those convicted reveals many husbands and wives, partners, sons and daughters, cousins and extended family members involved in this type of fraud. The community and its values and contacts in particular influenced the young men involved in this crime.

*I knew people who had given cars and gone ahead with this fraud that was going on with the slam-ons, or there was fraud, rather than doing slam-ons, people were just getting in their cars, finding other people who had a clean profile, like never had an accident before, never claimed before, in a good profession, one of them would be learner drivers, getting one of them to do a 'fault accident' basically...it was just people that I knew growing up in the area, and I knew about these lads. Around every single corner in Bolton there's an accident management company. Now, I just knew these people, because I've grown up with them and I knew what they were doing and what they were all about. **Khalid.***

Even though acts of fraud are often secretive, and thus difficult to define and classify there have still been attempts to construct a profile of characteristics and behaviour that might help identify potential individuals. However, the theoretical and empirical literature we have drawn on has its limitations, too. This is not to dismiss it, but merely recognise that we are still building on the useful and informative work undertaken to date. The search to understand why people commit 'cash-for-crash' fraud in certain circumstances is ongoing, but research is also needed in keeping checks and balances in place to prevent and reduce the incidence of this crime in the United Kingdom and elsewhere that encounter this type of fraud.

Conclusion

This paper has illustrated the growing problem of 'cash-for-crash' fraud in the United Kingdom, which is presently estimated at £392 million per annum (Insurance Fraud Bureau, 2013). Only a tiny percentage of those involved have been pursued in the criminal courts, with many undetected or dealt with by the insurance companies through denial of their claims. However, the small number who have been successfully pursued highlight a wide strata of society involved, from organised criminals to families to opportunistic individuals with a diverse range of occupations from the highest to the lowest in society. If those convicted are typical of all those involved this research supports findings from other studies in general insurance fraud and other white collar crime illustrating widespread involvement in criminal activity of ordinary people (Wiesburd et al, 1991; Karstedt and Farrall, 2006). The paper highlighted innovative methods to trace the fraudsters and interview them outside of a prison context. The small number of interviews yielded important findings on how and why 'cash-for-crash' fraud is committed and the motivation of offenders and limited interest criminology has so far paid to this crime. This paper is, hoped, to provide a platform on which to build further research into this and other types of fraud.

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Tables

Table 1. The profile of a ‘cash-for-cash’ convicted fraudster (2008-2014)

Characteristic	Number	Percentage of Known
<i>Gender</i>		
Male	335	84.4
Female	62	15.6
Unknown	6	
<i>Age</i>		
Under 30	104	31.2
30 to 39	139	41.7
40-49	55	16.5
50-59	21	6.3
60+	13	3.9
Unknown	71	
Mean Age	35.5	
Standard Deviation	9.9	
Median Age	33	
Age Range:	19-74	

Table 2. Last known address by region of convicted 'cash-for-crash' fraudster (2008-2014)

	% of Prosecutions	% of UK Population
East Midlands	2.2	7.2
East of England	17.2	9.3
London	16.8	13.0
North East	3.4	4.1
North West	38.8	11.1
South East	4.1	13.7
South West	0.7	8.4
Wales	1.9	4.8
West Midlands	5.6	8.9
Yorkshire and Humberside	9.3	8.3
Scotland	0.0	8.3
Northern Ireland	0.0	2.9

N=268

Note:

1 The researchers secured the population of the regions from (ONS, 2015) and then where a last known address of an offender was identified it was linked to a region. The researchers were then able to calculate from the total number how many offenders had last known addresses in each region.

Table 3. Fraudsters and suspected fraudsters interviewed

'Name' (not real name)	Role in 'Cash-for-Crash' Fraud	Outcome
Guy	Worked for a company where there were a number of fraudulent claims made and he was asked to become involved for a payment. His involvement was supplying his work van to be smashed.	He was caught amongst many others and sentenced to 6 months imprisonment. He also lost his job and at the time of interview was out of work.
Zahir	Was contacted by a cousin to see if he wanted to make some 'easy' money for sitting in a car. He was given a thousand pounds. He met his cousin and another person and sat in the car while the driver	He was caught as part of a wider investigation into a conspiracy to defraud and sentenced to 8 months imprisonment.

	sought to engineer a crash, which he did eventually.	
Khalid	Was well versed in the culture of fraudulent claims in his community and also had prior convictions for fraud and decided he wanted a new car and knew people who could help arrange a crash of his old car in-order to realise this.	He was caught as part of a wider investigation into a conspiracy to defraud and was sentenced to 8 months imprisonment. He was already serving a 3 year sentence for involvement in another type of fraud.
Stuart	Stuart was paid to be a witness for a friend for an accident he wasn't present at and had previously submitted an exaggerated claim for a motor accident.	He received the payment for being a witness and the insurance payout and has not been caught by the insurance company or the police.
Razi	Razi was unemployed and received an E-Mail promising £1k to £2k income per month for only a few hours work. He sat in a car which was deliberately crashed.	He received a payment but was caught a few months later and was ultimately convicted of conspiracy to defraud and was sentenced to seven months imprisonment.
Dave	Dave worked for a firm of solicitors dealing with personal injury claims. After an accident where a car crashed into the back of him he submitted a personal injury claim. After initially been treated as legitimate, he was then treated as a fraudster after the car had been inspected.	Dave sued the insurance company and won. It is unlikely he was a fraudster, but it is interesting that the insurance company regarded he was one.

Table 4: Profile of those interviewed

	Guy	Zahir	Khalid	Stuart	Razi	Dave
Gender	M	M	M	M	M	M
Age	31-40	21-30	21-30	31-40	21-30	41-50
Race	White	Asian	Asian	White	Asian	White
Region	North West	North West	North West	East Midlands	North West	South East
Occupation at time of fraud/claim	Sales	Unemployed	Banking	Call centre operative	Unemployed	Legal clerk
Education	16 no GCSEs or equivalent	Left school at 14	Left college at 17 during GNVQ	A Levels	Left college after completing some NVQ modules	Graduate
Status at time of fraud/claim	Family	Single	Single	Living with partner	Single	Married