

THE INVISIBLE CRIME: A BUSINESS CRIME SURVEY

APRIL 2008



British
Chambers of
Commerce
The Ultimate Business Network

ABOUT US

The British Chambers of Commerce is the national voice of local businesses, acting on behalf of a network of Accredited Chambers of Commerce across the UK.

Representing over 100,000 businesses and 5 million employees, Chambers of Commerce are the Ultimate Business Network. Lying at the heart of their local community, Chambers serve all businesses with a passion no-one else can match.

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When the British Chambers of Commerce commissioned its last *Crime Against Business Survey* in 2004, there was a belief among the business community that the Government was at last taking the issue of business crime seriously. A renewed focus on working with local partners and a greater emphasis on national partnerships were seen as positive steps in the right direction.

However, this survey has found that confidence in the police and its ability to deal with business crime is worryingly low. As a result the disturbing trend of non-reporting of business crime is on the rise. Businesses, at the heart of their local communities and as providers of jobs, are key to the development and sustainability of their local areas. Damage to business, therefore damages the community itself.

The British Chambers of Commerce estimates the cost of crime against business has risen by a worrying 20% since 2004 with the total cost now standing at £12.6 billion. This acts as a

significant brake on growth not only of the national economy but at a local level. Towns and cities are sustained by the viability of their local economies. If crime against business continues to rise, companies will be forced to relocate taking with them the employment and opportunities they provide while areas affected by crime will fail to attract the investment required to stimulate and sustain economic regeneration.

It is now imperative that the Government recognises the seriousness of crime against business. The British Chambers of Commerce believes that the Government should tackle business crime in partnership with the business community. Chambers of Commerce are ideally placed at the heart of local communities to assist the police in tackling business crime. We urge the Government to take action on this important issue and to engage with all stakeholders.

A handwritten signature in black ink, which appears to read 'David J. Frost'.

David Frost
Director General
British Chambers of Commerce

1.1 EXECUTIVE SUMMARY

Crime against business is a problem that is not only affecting many companies' ability to do business but is also blighting the communities in which they are situated. 80% of businesses indicated that crime against business is a problem in their local area. Businesses sit at the heart of communities providing jobs and opportunities while contributing to development and economic growth. Crime that affects businesses is not therefore an invisible phenomenon but a serious threat to local jobs and the viability of an area.

The British Chambers of Commerce reports that business crime is rising at a disturbing rate. Since 2004 the total cost of crime against business has risen nearly 20% from £10.5 billion to £12.6 billion. The Home Office has previously estimated the total cost of crime in Britain each year is £59.9 billion¹, which would suggest that business crime accounts for a substantial share of the total cost of crime.

The low priority with which the Government places business crime was clearly felt by businesses responding to this poll. Three fifths of businesses do not feel confident that the police understand the issues that are most important to their business while two thirds did not display confidence that police were dealing with these issues. As a result of this three in ten businesses, nearly double that of the 2004 survey, are choosing not to report all crimes committed against them, even as over half have stated in this report that they have in fact been victims of one or more instances of crime. 68% suggest that they might not report a crime if there was only a

relatively small loss or damage to their premises while 36% claimed they would not report an incident due to the lack of confidence in a suitable police response. Reporting of statistics is further exacerbated by the lack of a national performance indicator for crime against businesses with which to record the extent of the problem.

The Home Office only last year published its new crime strategy which announced a renewed focus on working with local partners and a specific outcome to increase community confidence. The results of this survey, however, appear to show that this renewed focus is not extending to the business community. While businesses are concerned about crime in their local area, only a quarter were aware of a Community Safety Partnership or a Crime and Disorder Reduction Partnership operating in their area. As pillars of the local community the majority of businesses polled felt there should be a greater role for the business community in local crime partnerships.

Crime against business, if it continues to be a problem, acts as a significant brake on growth. Local economies rely on the ability of businesses to thrive so that they can provide employment and opportunities for local residents. Businesses who responded to this survey indicated that crime has a negative impact on business location decisions (73%), inward investment (62%), expansion decisions (57%), and recruitment (49%). As a result over 80% of businesses believe that crime against business is a problem in their local area. Communities can only be sustained or revived with the investment and jobs business provides.

¹ Home Office,
The Economic and Social
Costs of Crime, 2000

1.2 RECOMMENDATIONS

The Government needs to take more action to tackle the problem of crime against business. The British Chambers of Commerce recommends that:

- A separate national statistic for crime against business should be collated so that police can properly understand the true nature of crimes committed against businesses.
- Crime against business should become a Key Performance Indicator for police – over 85% of businesses polled stated that this was crucial – so that the problem is prioritised by local police forces.
- Local police forces should have dedicated Police Business Crime Advisers, supported by nearly 90% of respondents, whose priority would be to liaise with the business community. Such a position within local

police forces would go a long way to restoring the business community's faith in their local police forces.

- The business community and Chambers of Commerce should be granted a greater role in local crime and policing partnerships.

The Government has called for greater partnership in tackling crime and the British Chambers of Commerce and its members wholeheartedly believe in this approach. However, partnership must mean just that and include all sections of society. Business must have a greater role in crime reduction partnerships and a greater emphasis on crimes that affect businesses.

It is therefore important that the Government works with the Chambers of Commerce and others in order to set businesses free from crime.

SECTION TWO: INTRODUCTION TO THE RESEARCH

2.1 BACKGROUND TO THE STUDY

Crime against business affects everyone; it deprives communities of much needed shops and amenities, it destroys employment opportunities and it can devastate the lives of managers and staff traumatised by violence and intimidation. Small businesses with few resources are particularly affected by crime which, in severe cases, can lead to their closure.

In order to gain an understanding of the seriousness of crime against business, both locally and nationally, the BCC undertook this Crime against Business Survey. The aim of the survey is to provide a better understanding of the nature, cost and extent of crime against business across the UK to encourage the Home Office and the Police to place the issue higher on their agenda.

Research by Design Ltd was commissioned to undertake this national survey with business members of the Accredited Chamber Network.

2.2 OBJECTIVES OF THE RESEARCH

The objectives of the research were to identify and establish:

- The extent and nature of crimes committed against businesses.
- The extent and nature of computer related crimes and the steps that businesses have taken to prevent these crimes.
- The cost of crime to businesses and its impact.
- The extent to which crime against business is a problem in the locality and business awareness of community safety and crime reduction partnerships.
- The most useful sources of crime reduction advice and the effectiveness of various crime reduction methods.

2.3 METHODOLOGY

The survey was conducted through a web based questionnaire, with business members invited to participate by email.

2.4 SAMPLE AND RESPONSE RATE

In all, 54 Accredited Chambers chose to participate in the study. Fieldwork was undertaken between 21st January and 15th February 2008. In total 3,916 business members responded to the 2008 Business Crime Survey.

Survey	RbD administered		Chamber in-house administered		Total	
Initial invitation	1,823	87%	261	13%	2,084	53%
1st reminder	494	91%	50	9%	544	14%
2nd reminder	909	92%	82	8%	991	25%
Final reminder	30	31%	67	69%	97	2%
Postal	-	-	200	100%	200	5%
Totals	3,256	83%	660	17%	3,916	100%

The majority of participating businesses are smaller sized businesses; 77% have less than 50 UK employees. 12% of businesses have between 50 and 249 employees and 4% have 250 or more employees.

Appendix 1 provides profile details of participating businesses to the survey.

2.5 ANALYSIS AND REPORTING

This report provides the findings given by the total sample (all member businesses). It also provides the findings of sub-groups of the total sample, defined by number of employees, annual turnover, business sector, etc.

By the very nature that surveys typically represent the views of a sample of the population, sampling error must be considered when evaluating the findings. This is measured by the confidence level and confidence interval of the data. Most commonly, market research studies require a 95% confidence level, indicating that we can be 95% confident that we have not arrived at the estimate by chance.

The confidence interval shows the variation that may exist in the findings drawn from a sample. For example, the survey shows that 58% of businesses have experienced business crime in the last 12 months. However, due to intrinsic characteristics of sampling, this will be surrounded by a confidence interval, in this case 31.6%. This indicates that the real figure, (the 'true' figure if the whole population were surveyed) lies somewhere between 56.4% and 59.6%.

The following table gives the confidence intervals for those findings that centre around 10% or 90%, 30% or 70% and 50% given varying sample sizes. (These assume a 95% confidence level using random sampling).

Confidence intervals for given results, based on a 95% confidence level

Size of sample	10% or 90% 3	30% or 70% 3	50% 3
4000	0.9	1.4	1.5
3500	1.0	1.5	1.7
3000	1.1	1.6	1.8
2500	1.2	1.8	2.0
2000	1.3	2.0	2.2
1500	1.5	2.3	2.5
1000	1.9	2.8	3.1

When comparing the results from different groups within a sample, say those with a turnover of less than £250,000 and those with a turnover of £250,000 or more, the difference in results are tested for statistical significance. This way we know whether the differences are 'real' or whether they could have occurred by chance. The test reflects the size of the samples, the percentage giving a certain answer and the degree of confidence chosen. Assuming a 95% confidence level, the differences between the results of two separate groups must be greater than the values given in the table below to be statistically significant.

Percentage difference required before the results may be considered statistically significant

Size of sample	10% or 90% 3	30% or 70% 3	50% 3
1000 versus 1500	2.4	3.8	4.0
1000 versus 1000	2.7	4.1	4.4
1000 versus 500	3.3	5.0	5.4
500 versus 500	3.8	5.7	6.3

Analyses of the findings in this report are based on all respondents less those who chose not to answer specific questions. Additionally, where appropriate, those who stated 'don't know' or 'not applicable' are excluded. The base (sample) size for each question is given in each chart. Where figures are not shown in the charts, these are 3% or less. *% indicates less than 0.5%. Where figures do not sum to 100%, this is due to rounding.

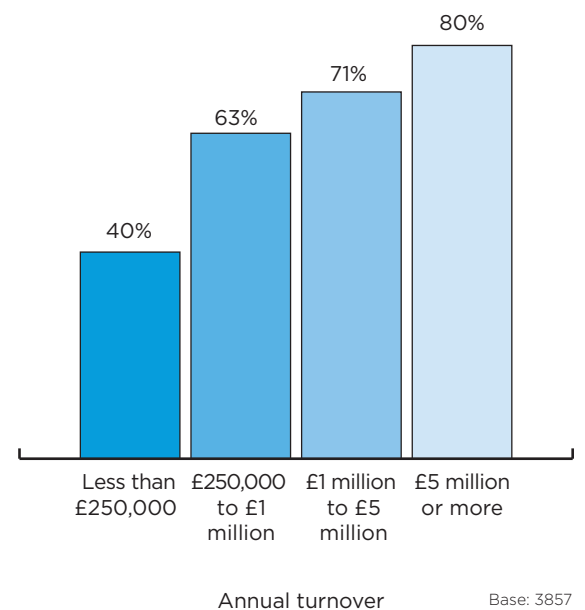
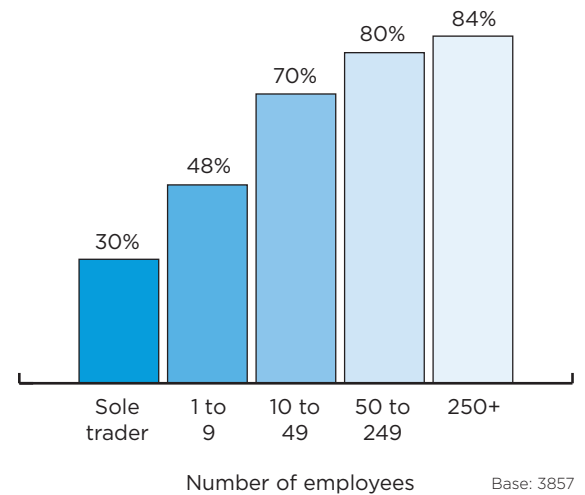
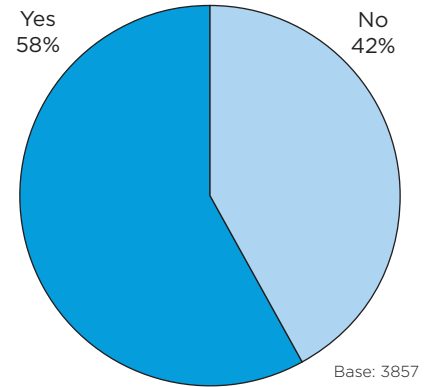
SECTION THREE: EXPERIENCE AND REPORTING OF CRIME

3.1 EXPERIENCE OF CRIME IN THE LAST 12 MONTHS

58% of businesses have experienced at least one incidence of crime in the last 12 months.

- A greater proportion of larger businesses, in terms of their number of employees and annual turnover, have experienced business crime than smaller businesses. Over 80% of businesses with more than 50 staff and over 70% with a turnover of £1 million or more have experienced at least one incidence of crime in the last 12 months. This compares to 48% of companies with one to nine staff, 30% of sole traders and 40% with a turnover below £250,000.
- Greater proportions of businesses based in industrial estates/areas (73%), shopping parades (70%) and out of town/edge of town locations (70%) have experienced business crime in the last 12 months compared to those based elsewhere. Fewer of those working from home (30%) and in office blocks/complexes (47%) have experienced it.
- Proportionally more of those in the hotel and restaurant sector (80%), construction and engineering (73%) and retail/wholesale (72%) have experienced business crime in the last 12 months. By comparison, fewer of those in marketing and media (43%) and professional services (44%) say the same.
- Further, more businesses located in urban areas have experienced crime in the last 12 months compared to those in rural areas; 61% vs. 50%, respectively.

Experienced business crime in the last 12 months



SECTION THREE: EXPERIENCE AND REPORTING OF CRIME

3.2 TYPE OF CRIME EXPERIENCED IN THE LAST 12 MONTHS

Q1. Which of the following, if any, has your business experienced in the last 12 months?

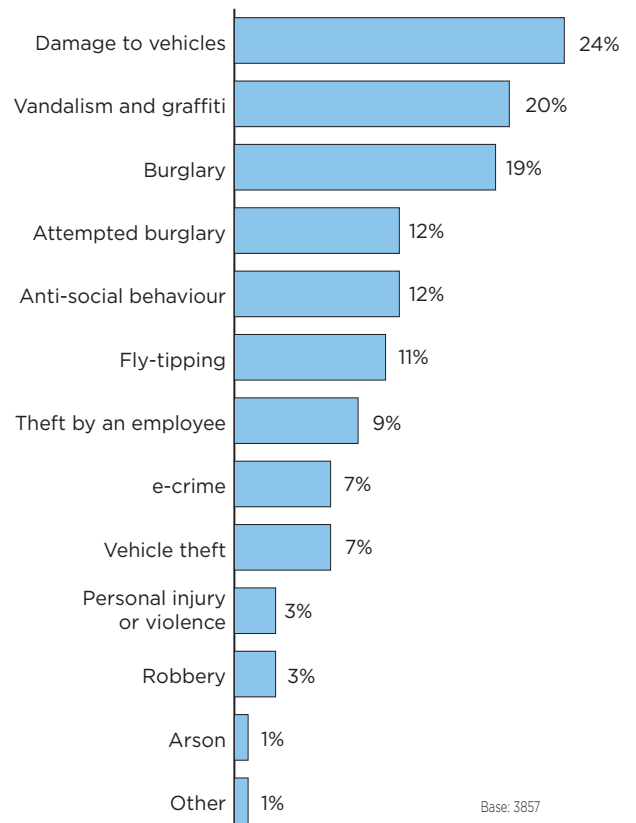
- Damage to vehicles
- Vehicle theft
- Burglary
- Attempted burglary
- Personal injury or violence
- Robbery
- Theft by an employee
- Arson
- Vandalism and graffiti
- Anti-social behaviour
- Fly-tipping
- e-crime
- None of these

Almost a quarter of businesses have experienced damage to vehicles, whilst a fifth have experienced vandalism and graffiti and 19% burglary (defined as an incident in which a person entered business premises as a trespasser with the intention of committing theft, unlawful damage, grievous bodily harm or rape).

Personal injury or violence, robbery and arson are the crimes experienced by the lowest proportion of businesses.

- Damage to vehicles affects a proportionately higher number of those in transport, distribution and storage (39%) and construction and engineering (38%) and fewer of those in marketing and media (17%), professional services (18%) and manufacturing (21%).
- Vandalism and graffiti causes problems for a greater proportion of those based in shopping parades (38%) and those in public or voluntary sector services (33%) whilst the highest instance of burglary (32%), attempted burglary (21%) and fly-tipping (20%) is reported by businesses based in industrial estates/areas. Fly-tipping affects a greater proportion of those in the agriculture, forestry, fishing, mining and utilities sector (29%).
- Anti-social behaviour is greatest amongst businesses based in shopping parades (25%), town centres (22%) and those in the hotel and restaurant sector (39%). Theft by an employee affects proportionally more of those in the hotel and restaurant sector (27%).
- Vehicle theft is highest amongst those in construction and engineering (20%) and transport, distribution and storage (15%).

Experiences of crime in last 12 months



Base: 3857

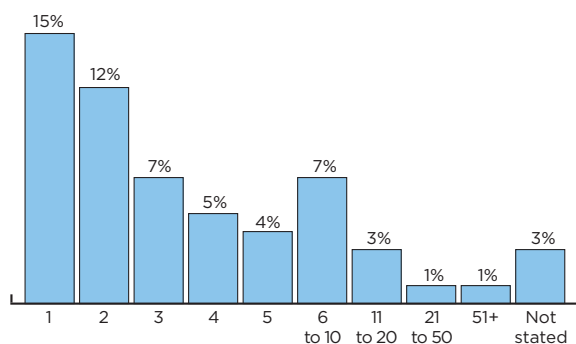
SECTION THREE: EXPERIENCE AND REPORTING OF CRIME

3.3 INSTANCES OF CRIME IN LAST 12 MONTHS

Q2. Approximately how many instances of crime has your business experienced in the last 12 months?

Overall, 15% of businesses have experienced just one instance of crime in the last 12 months, 28% between two and five incidents, 7% between six and ten incidents and 5% eleven incidents or more.

Experiences of crime in last 12 months



Base: 3857

The number of instances of crime experienced in the previous 12 months ranges from none to 1,000, though the mean is 4.6.

The tables below show the mean number of crimes for differing businesses. For example, the mean number experienced in the last 12 months by sole traders is 1.7, rising to 35.1 for companies with 250 or more staff. The average number of crimes also shows a steady rise as turnover increases.

Business characteristic	Mean number of crimes experienced
Sole trader	1.7
1 to 9 staff	1.9
10 to 49 staff	3.8
50 to 249 staff	7.6
250 + staff	35.1
Under £250,000	1.7
£250,000 - £1 million	2.4
£1 million - £5 million	3.6
£5 million or more	10.9
Urban location	5.1
Rural location	3.2

On average, those in the retail/wholesale sector, hotels/restaurant sector and consumer services, and those based in shopping parades or town centres experienced the highest number of crimes in the last 12 months, compared to other business types.

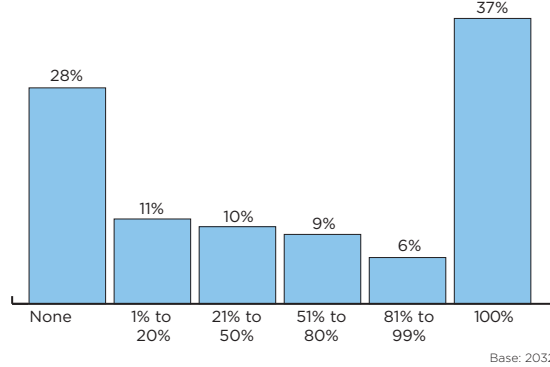
Business characteristic	Mean number of crimes experienced
Agriculture, forestry, fishing, mining, utilities	4.8
Manufacturing	2.9
Construction/engineering	3.3
Retailing/wholesaling	15.6
Hotels/restaurants/visitor attractions	7.3
Transport/distribution/storage	5.4
Marketing/media	1.8
Professional services	1.8
Consumer services	8.1
Public or voluntary sector services	4.0
Other services	5.4
Business Park/Retail Park	4.3
Industrial Estate/area	3.1
Shopping Parade	10.2
Town Centre	8.3
Out of town/edge of town	5.1
Office block/complex	4.2
Residential/mixed use area	3.4
Home	1.6

3.4 REPORTING OF CRIME

Q3. *What proportion of these incidents did you report to the police?*

Of those experiencing crime in the last 12 months, 28% chose not to report the incidents to the police, 21% reported up to half the incidents they experienced and 14% reported most of them. 37% reported every incident.

Proportion of incidents reported to the police



- A greater proportion of sole traders (48%), those with turnover less than £250,000 (42%) and those who work from home (49%) did not report any of the instances of crime they experienced to the police.
- At the other end of the scale, a greater proportion of larger organisations typically report all instances of crime to the police; 46% of those with turnover of £5 million or more.

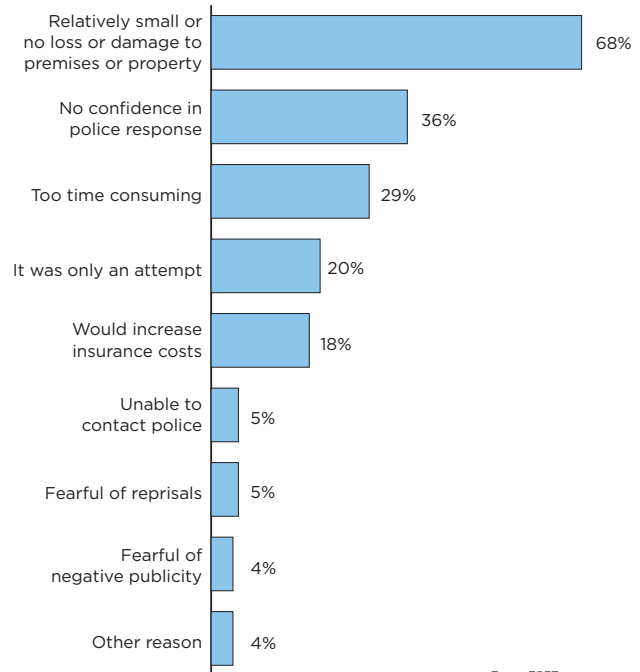
3.5 REASONS FOR NOT REPORTING CRIME

Q4. *For what reasons might you not report a crime?*

The majority of businesses, 68%, suggest that they might not report a crime if there were no or only a relatively small loss or damage to their premises or property. 36% claim they might not report it because of a lack of confidence in any police response and 29% feel the time taken to report such an instance might be too time consuming.

20% suggest they might not report crime if it were just an attempt, whilst 18% would be concerned about increases in their insurance costs.

Reasons for not reporting a crime



- Larger organisations, typically those with more than 50 staff, turnover in excess of £1 million, and those in the hotel and restaurant sector are the least likely to report a crime to the police if there were no loss or relatively small loss or damage to premises or property. Between 74% and 81% claim this.
- A greater proportion of sole traders (25%), businesses with less than 10 staff (21%) and those in the construction and engineering sector (26%) claim they might not report a crime due to concerns about increased insurance costs.
- A greater proportion of those in the agriculture, forestry, fishing, mining and utility sector (40%) and construction and engineering (37%) feel they might not report a crime if it were too time consuming.
- A lack of confidence in police response is greatest for those in the agriculture, forestry, fishing, mining and utility sector (49%) and the transport, distribution and storage sector (51%).

SECTION FOUR: COMPUTER RELATED CRIME AND E-CRIME

4.1 EXPERIENCE OF COMPUTER RELATED INCIDENTS IN THE LAST 12 MONTHS

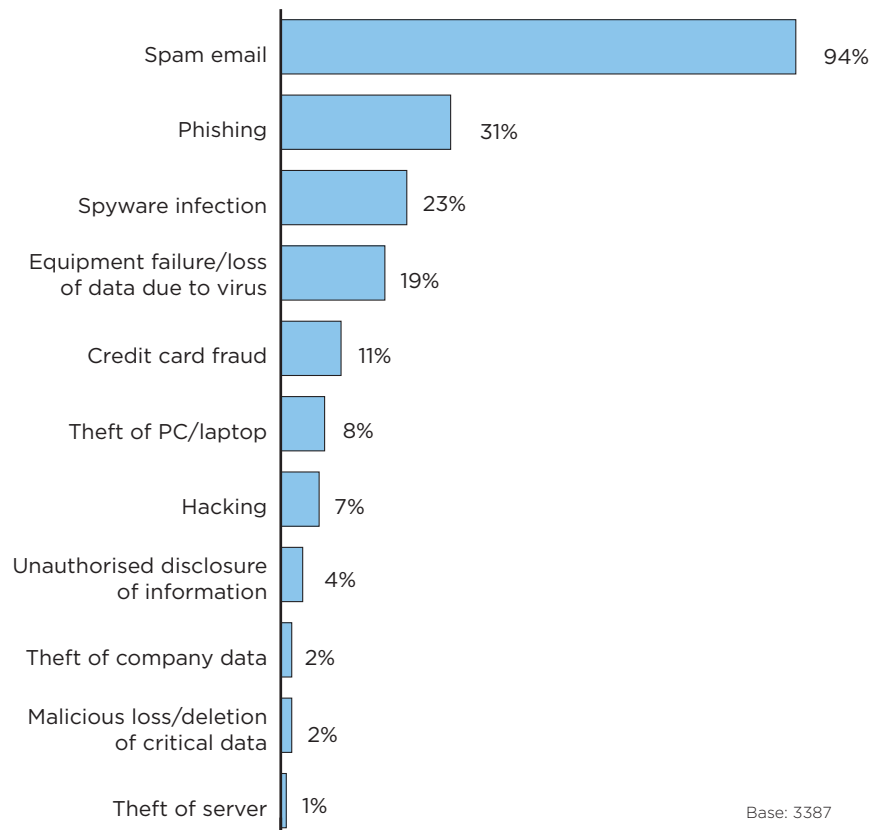
Q5. Which of the following computer related incidents, if any, has your business experienced within the last 12 months?

94% of businesses have suffered from spam email during the past 12 months. Coupled with this, 31% claim to have been the victim of phishing attempts, 23% have suffered from spyware infection and 19% have experienced equipment failure or data loss following virus infection.

11% of businesses have experienced credit card fraud and 8% have had laptop or desktop computers stolen.

- Spyware infection and phishing attempts affect proportionally more businesses with fewer than 50 staff, with a turnover less than £1 million, and those working from home.
- Proportionally more of those in marketing and media (37%) and professional services (36%) have been affected by phishing attempts than other business sectors, possibly because of their greater propensity to use email in the daily course of their work.
- Proportionally more of those in transport, distribution and storage (28%) and manufacturing (26%) have been affected by equipment failure or loss of data following virus infection.
- Theft of PC's and laptops affects a greater proportion of large businesses, those based on business or retail parks, those based in industrial estates/areas, those in the transport, distribution and storage sector and those in the public and voluntary services sector.
- Credit card fraud is a greater problem for those with a turnover of £5 million or more and those in retail and wholesale and the hotel and restaurant sectors.

Experience of computer related and e-crime in last 12 months



Base: 3387

SECTION FOUR: COMPUTER RELATED CRIME AND E-CRIME

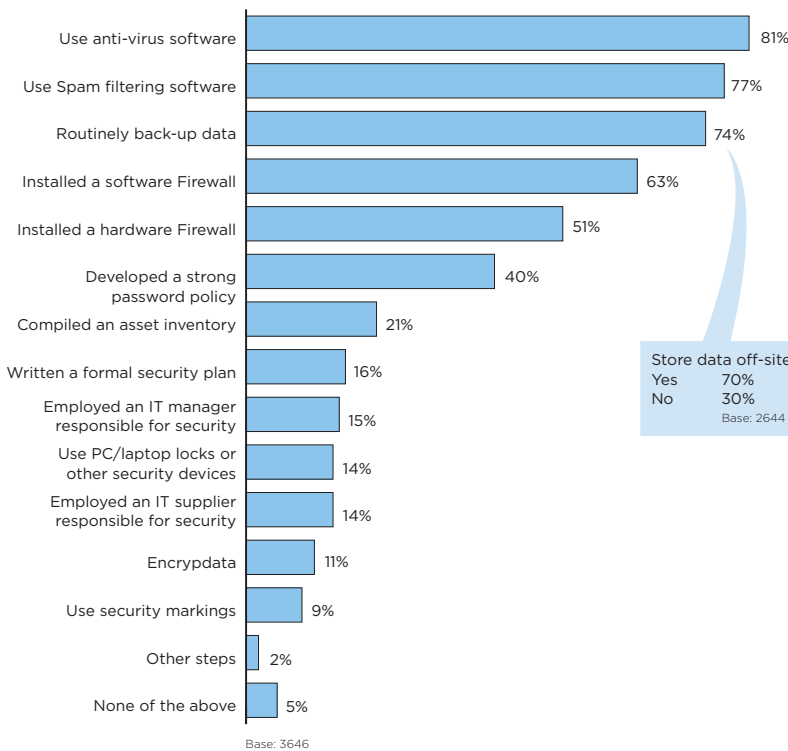
4.2 PREVENTATIVE MEASURES

Q6. What steps have you taken to either prevent or recover from a computer related incident?

Some four-fifths of businesses use anti-virus software to help combat computer related incidents and 77% use SPAM filtering software. 74% routinely back-up their business data; 70% store their data off-site.

63% have installed a software based firewall and 51% a hardware firewall, whilst 40% have developed a strong password policy and 21% have compiled an asset inventory.

Steps taken to prevent/reduce computer related crime



Store data off-site
Yes 70%
No 30%
Base: 2644

- Larger organisations, typically those with 50 or more staff and a turnover of £1 million or more, appear to have greater resources to be able to deal with computer related incidents. Significantly more of these organisations:
 - routinely back-up their data
 - have installed hardware firewalls
 - have developed strong password policies

- have compiled an asset inventory
- have a formal written security plan
- have employed an IT manager or IT supplier responsible for security
- use pc/server/laptop locks and security devices
- encrypt data
- use security markings

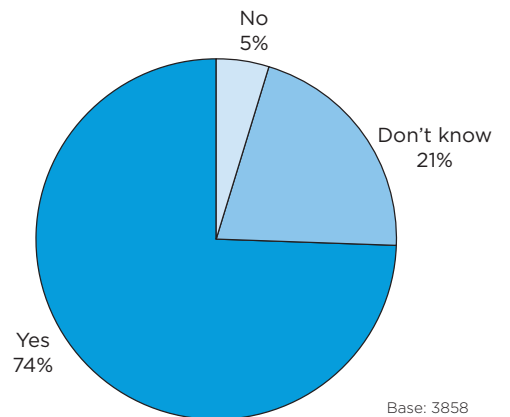
- A significantly greater proportion of those in the public and voluntary services sector have written a formal security plan, have employed an IT manager or IT supplier responsible for security, use security markings and have compiled an asset inventory.
- More of those in professional services use spam filtering software, routinely back-up data and encrypt data.
- More of those in manufacturing have employed an IT manager, have installed a hardware firewall, routinely back-up data and have compiled an asset inventory.

4.3 PROVISION OF A CENTRAL OR NATIONAL E-CRIME BODY

Q7. e-crime is often not location specific which makes it hard to combat. Do you feel there should be a central/national e-crime body to deal with the issue?

Almost three-quarters of businesses feel there should be a central or national body set up to deal with the issue of e-crime. This view is universal.

Whether there should be a central/national body dealing with e-crime



SECTION FIVE: THE COST AND IMPACT OF CRIME

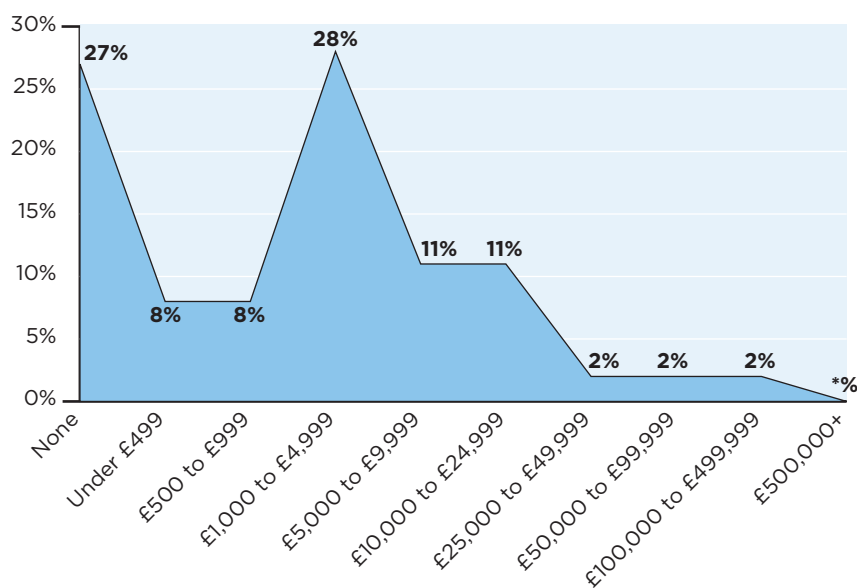
5.1 COST OF CRIME

Q8. What do you estimate to be the cost of crime to your business per annum, including incident and lost opportunity costs?

The UK-wide annual cost of business related crime is £12.6 billion, based on the number of businesses by size reported by the Enterprise Directorate².

73% believe that business crime results in costs to their business. While 16% suggest this cost is under £1,000, 28% indicate that it is between £1,000 and £5,000 and 29% say it is higher. On average, the estimated annual cost to businesses responding to this survey is £12,200.

Estimated cost of crime, including incident and lost opportunity costs



*Less than 0.5%. Base: All those able to estimate the cost (2461)

There are some striking differences when looking across business types, particularly the size of business. For example, in terms of number of employees, the mean cost of crime against business for sole traders is £1,700 per annum, rising to over £100,000 for those with 250 or more employees.

Number of employees	Mean	Base
Sole trader	£1,700	220
1 to 9 staff	£3,900	971
10 to 49 staff	£12,500	725
50 to 249 staff	£21,000	306
250 + staff	£101,600	91

For businesses with a turnover under £250,000 the mean is £2,200 per annum. This rises to over £37,000 for businesses with an annual turnover of £5 million or more.

Annual turnover	Mean	Base
<£250,000	£2,200	714
£250,000 - £1 million	£4,300	507
£1 million - £5 million	£13,500	539
£5 million or more	£37,100	321

Looking at the business sectors, it is those in transport, distribution and storage and consumer services that have the greatest average annual costs.

Sector	Mean	Base
Agriculture, forestry, fishing, etc	£4,700	39
Manufacturing	£14,800	343
Construction/engineering	£16,300	196
Retailing/wholesaling	£14,400	257
Hotels/restaurants	£8,800	135
Transport/distribution/storage	£27,900	132
Marketing/media	£3,200	165
Professional services	£7,200	804
Consumer services	£33,400	135
Public or voluntary sector services	£9,600	108
Other services	£7,000	77

² Source BERR Enterprise Directorate Analytical Unit - 2006 data

SECTION FIVE: THE COST AND IMPACT OF CRIME

Looking around the UK, businesses in the South West and those in Scotland have the greatest mean costs, some £28,300 and £23,500, respectively.

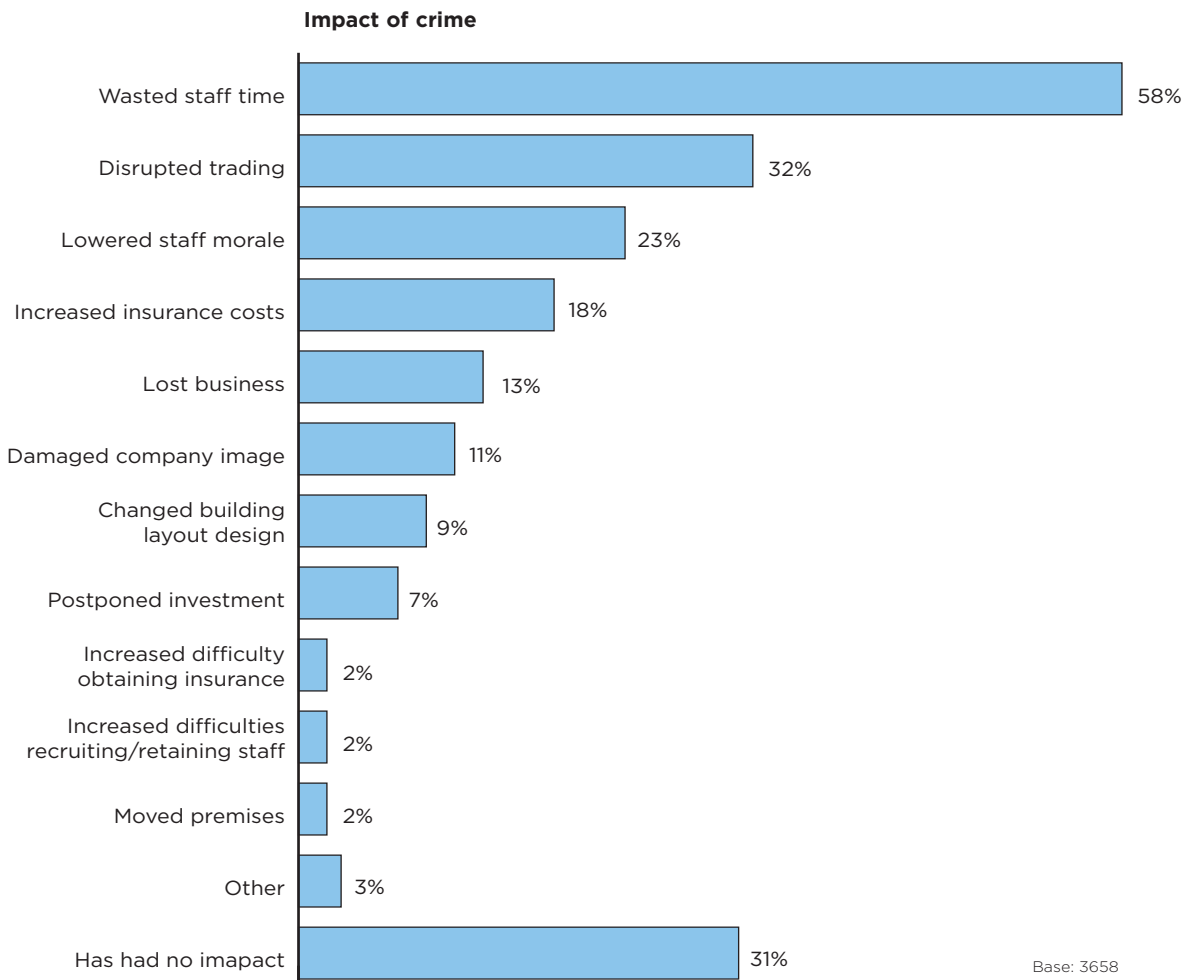
Region	Mean	Base
Scotland	£23,500	158
Wales	£2,700	39
Northern Ireland	£16,900	27
North West	£13,000	349
North East	£6,100	242
Yorkshire & Humber	£17,300	410
East Midlands	£5,800	130
West Midlands	£9,900	432
East of England	£4,200	201
South East	£10,400	326
South West	£28,300	83
London	£14,200	63

5.2 IMPACT OF CRIME

Q9. What impact has crime had on your business?

69% of respondents claim crime has impacted upon their business. 58% claim it has wasted staff time and 32% suggest it has disrupted trading. 23% report that staff morale has suffered and 18% claim that insurance costs have increased.

13% feel they have lost business as a result of business crime, 11% believe their company image has been damaged and 9% have had to make changes to their building layout and design.



SECTION FIVE: THE COST AND IMPACT OF CRIME

- Larger organisations are more likely to be affected by business crime in the ways described above.
- Compared to the average, proportionally more of those based in industrial estates and edge of town areas claim business crime has wasted staff time, lowered staff morale, resulted in changes to their building layout and design and increased insurance costs. Those on industrial estates suggest it has also disrupted trading and postponed investment.
- More of those based in shopping parades have experienced difficulties recruiting and retaining staff and postponed investment, whereas more of those in town centre locations feel their company image has been damaged and staff morale lowered.
- Wasted staff time and lowered staff morale affects proportionally more of those in manufacturing, construction and engineering, retail and wholesale, hotel and restaurant and public and voluntary services sectors.
- Disruption to trading affects more of those in construction and engineering, retail and wholesale and transport, distribution and storage.
- Increases in insurance costs has had a greater impact on those in manufacturing, construction and engineering, retail and wholesale and transport, distribution and storage sectors.
- More of those in hotel and restaurant, transport, distribution and storage, consumer services and public and voluntary services sectors claim crime has damaged their company image.
- Proportionally more of those in retail and wholesale and the hotel and restaurant sectors say they have lost business as a result of crime.
- A greater percentage of sole traders, those with an annual turnover of less than £250,000, those working from home and those working in the professional services sector claim business crime has not affected their business.

SECTION FIVE: THE COST AND IMPACT OF CRIME

5.3 EFFECT OF CRIME

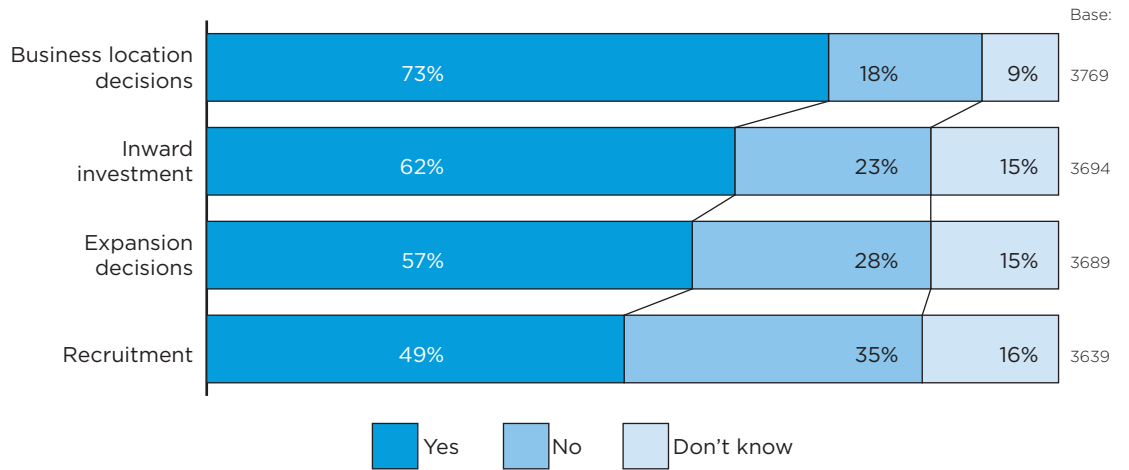
Q10. Do you feel the level of crime in an area has a negative effect on...?

Almost three-quarters of businesses feel that crime levels in an area have a negative effect on business location decisions. 62% also believe an area's crime levels can hamper inward investment whilst 57% believe they can impact decisions on expansion.

Almost half feel crime levels have a negative effect on recruitment.

- Proportionally more of those in the retail and wholesale sector feel that inward investment is negatively affected by area crime levels.
- More of those in the hotel and restaurant sector disagree that crime levels affect business location or expansion decisions, whilst more of those in manufacturing and those in construction and engineering disagree that recruitment is affected.
- A greater proportion of those based in office blocks/complexes feel that recruitment is negatively affected by an area's crime levels and more of those in the transport, distribution and storage sector say the same for expansion decisions.

Whether level of crime has a negative impact on...



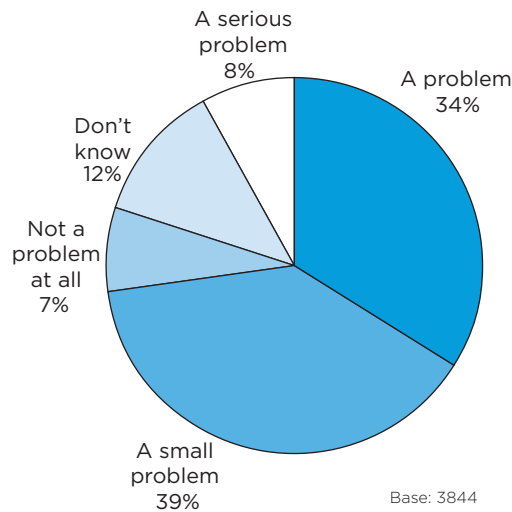
SECTION SIX: LOCAL CRIME AND AWARENESS OF PARTNERSHIPS TO TACKLE IT

6.1 PERCEPTIONS OF LOCAL CRIME

Q11. How much of a problem do you think crime against business is in your local area?

81% feel that crime against business is a problem in their local area. 8% feel it is a serious problem, 34% a problem and 39% a small problem.

Extent of problem of crime against business in local area



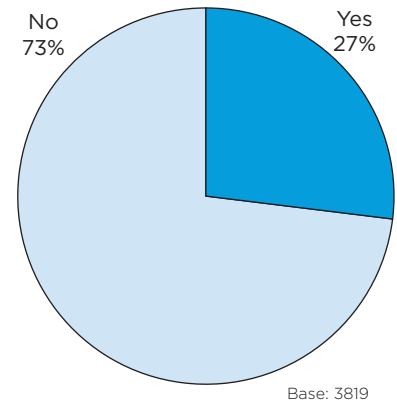
- Compared to the average, more of those in industrial estates/areas (12%) and those working in construction and engineering (13%) and transport, distribution and storage (14%) claim that business crime in their area is a serious problem.
- A greater proportion of sole traders (11%), those who work from home (12%) and those in professional services (9%) suggest that business crime in their area is not a problem at all.

6.2 AWARENESS OF A COMMUNITY SAFETY PARTNERSHIP

Q12. Are you aware of a Community Safety Partnership or a Crime and Disorder Reduction Partnership in your area that brings together local organisations, helping them to work together to tackle crime?

Just 27% of businesses are aware of a Community Safety or Crime and Disorder Reduction Partnership operating in their area.

Whether aware of Community Safety/Crime and Disorder Reduction Partnership in local area



Awareness rises with size of business, as the table below shows.

Business characteristic	% saying yes
Sole trader	21%
1 to 9 staff	24%
10 to 49 staff	28%
50 to 249 staff	30%
250 + staff	43%
Under £250,000	23%
£250,000 - £1 million	26%
£1 million - £5 million	27%
£5 million or more	31%

Statistically significant differences highlighted blue

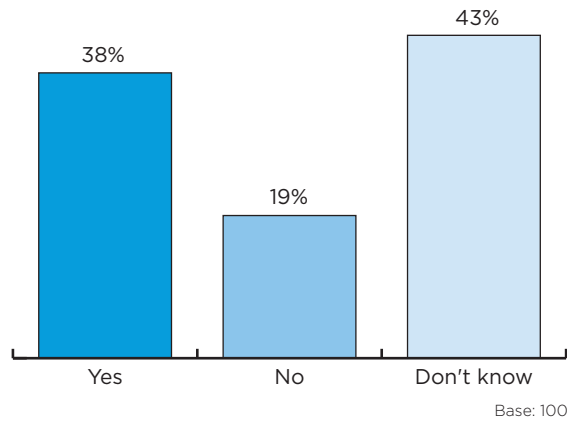
- Proportionally more of those based in shopping parades, those in town centres, those in retail and wholesale, hotel and restaurant and public and voluntary services sectors are aware of a Community Safety or Crime and Disorder Reduction Partnership operating in their area.

SECTION SIX: LOCAL CRIME AND AWARENESS OF PARTNERSHIPS TO TACKLE IT

Q12b. If yes, do you feel that this Community Safety Partnership or a Crime and Disorder Reduction Partnership is effective?

Of those who are aware of a safety or crime reduction partnership, just 38% feel they are effective. 19% feel they are ineffective and 43% are unable to express an opinion either way.

Whether feel these are effective



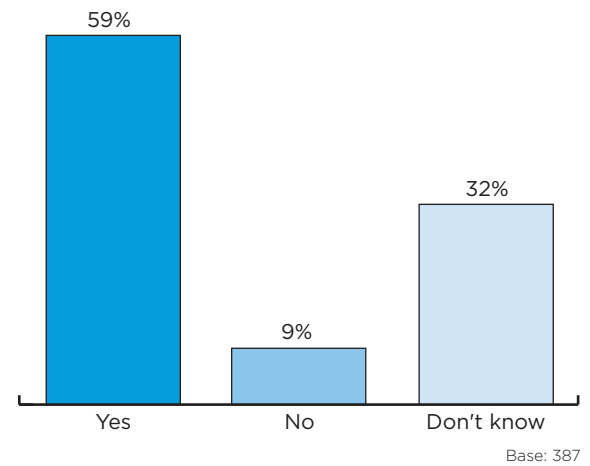
- The larger the business (by number of employees and annual turnover), the more effective they believe these partnerships to be; 27% of sole traders suggest these partnerships are effective, rising to 45% for those with 250 or more staff.
- A greater proportion of sole traders, businesses with turnover less than £250,000, those based at home or in office blocks/complexes feel unable to comment.

6.3 BUSINESS COMMUNITY ROLE

Q13. Do you feel that the business community should be given a greater role in local crime partnerships?

Almost three-fifths of businesses feel that the business community should be given a greater role in local crime partnerships, though 9% disagree and around a third could not comment.

Whether business community should be given greater role in local crimepartnerships



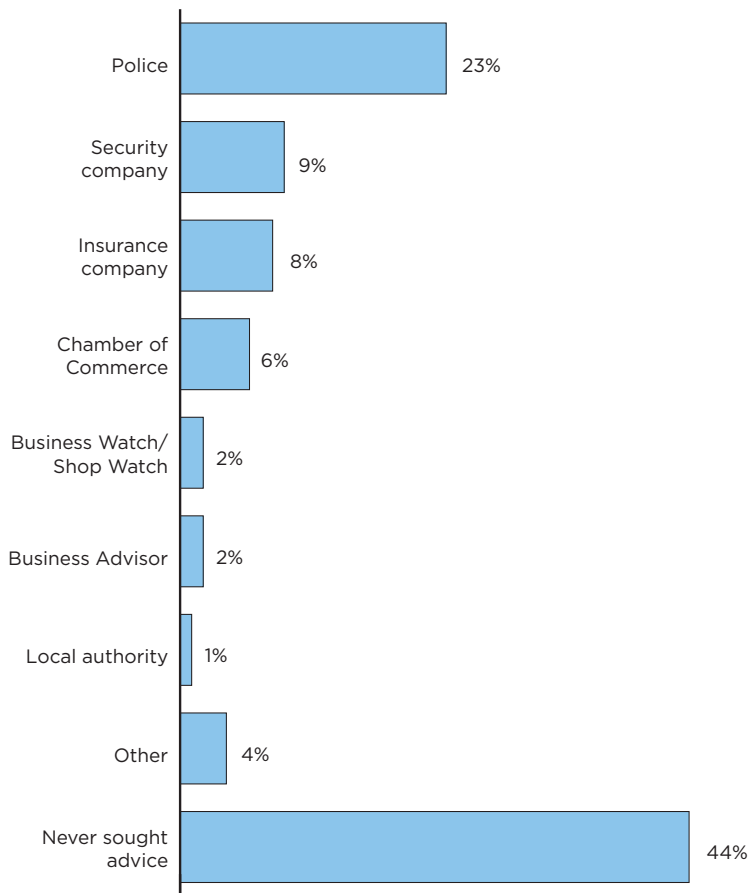
- A greater proportion of businesses with 250 or more staff (66%) and those in consumer services (67%) feel that the business community should be given a greater role in local crime partnerships. Sole traders, especially, could not comment.

7.1 CRIME REDUCTION ADVICE

Q14. From which ONE of the following organisations have you found crime reduction advice most helpful?

56% of businesses have sought advice on crime reduction; 23% indicate that the police are the most helpful in providing this advice. This is followed by security companies, insurance companies and Chambers of Commerce.

Organisation most helpful in providing crime reduction advice



4% of businesses suggest they have used other sources of advice, such as IT companies and IT Consultants, presumably to help combat SPAM email, phishing, spyware and other e-crimes.

- Just 38% of sole traders have sought crime prevention advice. This figure rises to 50% for businesses with 1 to 9 staff, 61% for 10 to 49 staff, 70% for 50 to 249 staff and 82% for those with 250 or more staff.
- Proportionally more businesses with 10 or more staff and those with a turnover of £5 million or more have found the police, a security company or insurance company the most helpful in providing crime prevention advice compared to others.
- More small businesses, those with up to 9 staff and those with a turnover under £250,000, and those in the professional services sector have found advice from Chambers of Commerce most useful.
- A greater percentage of those located in town centres and out of town/on the edge of town, and businesses in the hotel and restaurant, consumer services and public and voluntary services sectors have found crime prevention advice from the police most helpful.
- Advice from a security company has proved most helpful for proportionally more of those based on a business or retail park, those based on an industrial estate/area and those in the transport, distribution and storage sector.
- More of those based on an industrial estate/area, based out of town/on the edge of town and those in the manufacturing and construction/engineering sectors have found crime prevention advice from an insurance company most helpful.
- Unsurprisingly, a greater proportion of businesses in the retail and wholesale sector have found advice from a business watch/shop watch scheme most helpful.

SECTION SEVEN: CRIME REDUCTION

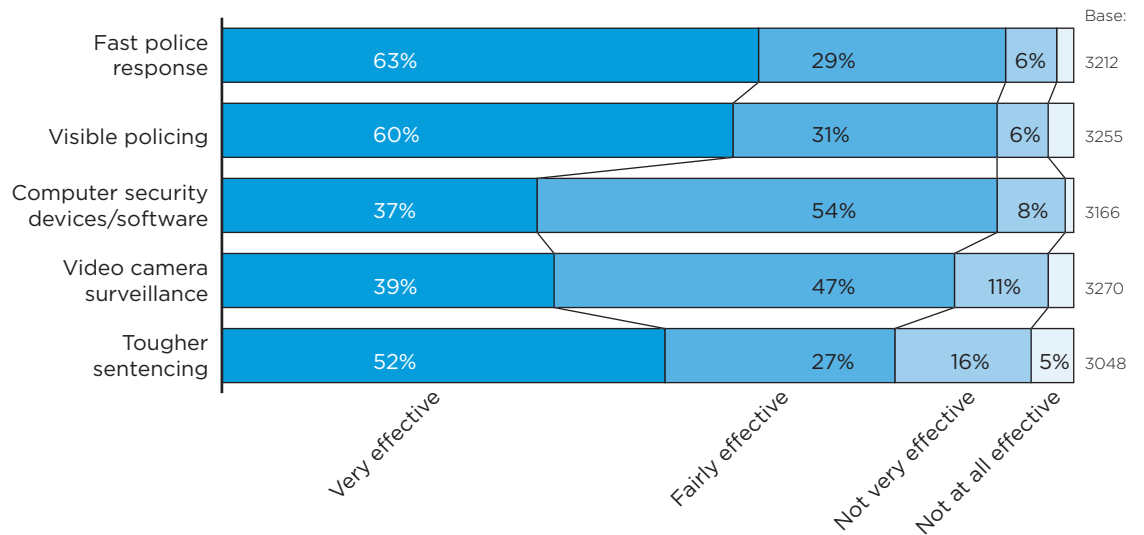
7.2 EFFECTIVENESS OF CRIME REDUCTION MEASURES AND INITIATIVES³

Q15. How effective do you consider each of the following to be in reducing crime against your business?

Nine out of ten companies feel that a fast police response (92%), visible policing (91%) and computer security devices and software (91%) are effective ways of reducing crime against their business. This is followed by video camera surveillance (86%) and tougher sentencing (79%).

- Proportionally more of those businesses located in town centre locations and those operating in the retail and wholesale sector feel video camera surveillance is effective in reducing crime.
- A greater proportion of businesses with a turnover of £1 million or more, those in the hotel and restaurant sector and those in transport, distribution and storage sectors feel tougher sentencing is effective. Fewer in the public and voluntary services sector say the same.

Effectiveness of security measures



³ Those stating 'don't know' have been removed from the analysis to aid comparison across measures.

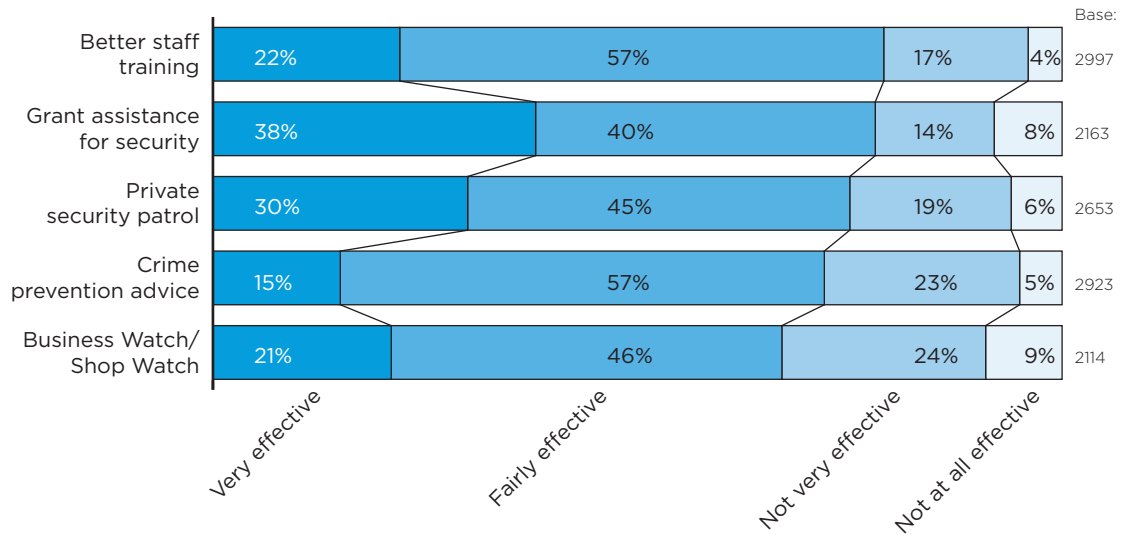
7.3 EFFECTIVENESS OF CRIME REDUCTION MEASURES AND INITIATIVES, continued⁴

Q15. How effective do you consider each of the following to be in reducing crime against your business?

79% of companies feel that better staff training is an effective way to reduce crime against business. 78% believe the same is true for security grant assistance and 75% for private security patrols, 72% for crime prevention advice and 67% for business watch/shop watch schemes.

- Private security patrols are seen as an effective crime reduction measure by more of those with 50 or more staff, those with a turnover of £1 million or more and those based on a business park or retail park. Fewer of those based at home share this view, though more of these businesses feel that crime prevention advice is effective.
- More of those in the public and voluntary services sector feel that crime prevention advice is effective and fewer of those in the transport, distribution and storage sector.
- A greater proportion of sole traders, those with an annual turnover of less than £250,000 and those in town centre locations feel that Business Watch/Shop Watch is an effective crime reduction measure.

Effectiveness of security measures



- More of those with 250 or more staff, those in a town centre, those based at home, those in retail and wholesale, hotel and restaurant or public and voluntary services sectors feel better staff training is an effective crime reduction measure.
- More of those with up to nine staff and those with turnover of up to £1 million feel that grant assistance for security is effective. Those in retail and wholesale and consumer services also feel the same way.

⁴ Those stating 'don't know' have been removed from the analysis to aid comparison across measures. It should be noted that over a third of businesses were unable to comment on grant assistance for security and business watch/shop watch.

7.4 POLICE COMMUNITY SUPPORT OFFICERS (PCSOs)

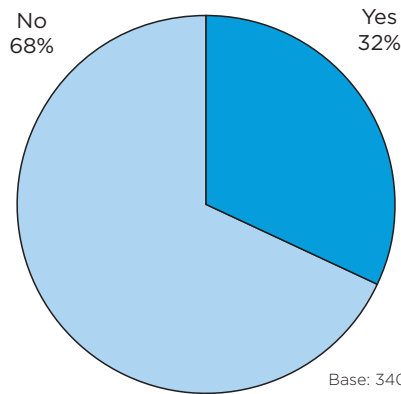
Q16. *Many areas now have Police Community Support Officers (PCSOs). Part of their remit is to introduce themselves to businesses and the local community whilst patrolling the area, thereby developing local knowledge and relationships. Are you aware of PCSOs patrolling your local business area?*

If yes, do you (or someone within your company) know your local PCSOs by sight or by name?

If yes, do you feel your PCSOs have had an impact on crime or perceptions of safety in your area?

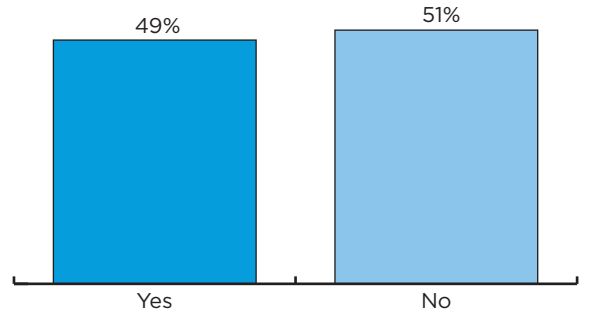
Just under a third of businesses are aware of PCSOs patrolling their local business area.

Aware of PCSOs patrolling local business area

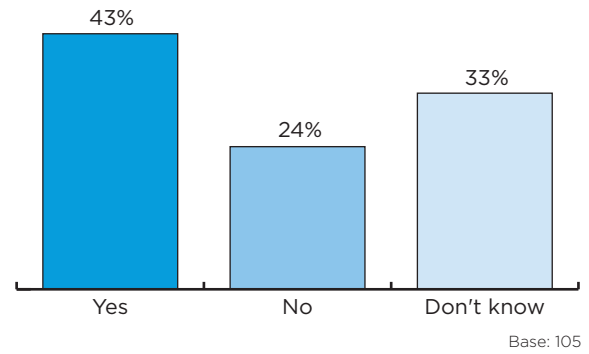


For those who are aware, roughly half know their local PCSOs by name or by sight and 43% feel that PCSOs have had an impact on the perceptions of safety in their area, though 24% disagree and 33% could not comment.

Whether know local PCSOs by sight/name



Whether feel PCSOs have impacted on perceptions of safety in local area



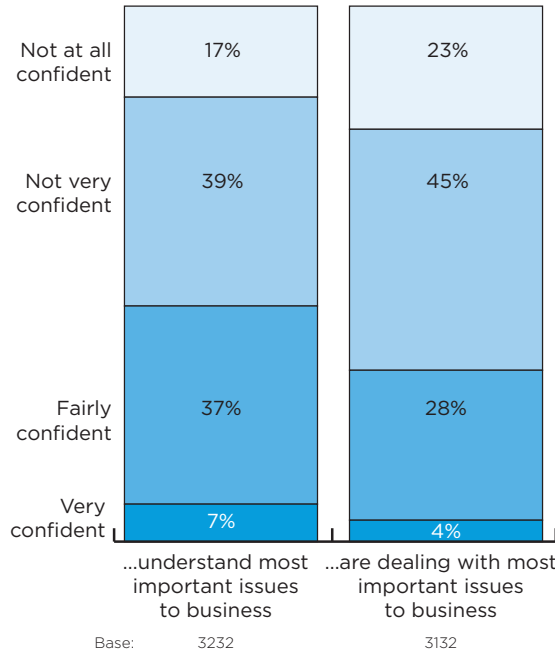
- More of those based in a shopping parade or town centre location, and more in the retail and wholesale, hotel and restaurant, consumer services or public and voluntary service sectors are aware of PCSOs in their local area.
- For all those who are aware of PCSOs, significantly more businesses with 10 or more staff and those in rural locations know their local PCSOs by sight or name.
- Proportionally more of those in the retail and wholesale, hotels and restaurants and public and voluntary service sectors know their local PCSOs by sight or name.
- A greater proportion of businesses with 250 or more staff feel that PCSOs have had an impact on crime perceptions in their area compared to sole traders.

7.5 CONFIDENCE IN THE POLICE

Q17. How confident are you that the police...
... understand the issues most important to your business?
... are dealing with the issues most important to your business?

56% of businesses are not confident that the police understand the issues that are most important to them. Further, 68% do not feel confident that the police are dealing with the issues that are most important to their business.

Confidence that the police...



A greater proportion of businesses with between 1 and 49 staff and those with a turnover of between £250,000 and £1 million lack confidence that the police understand and are dealing with the issues most important to them.

Business characteristic	% not confident (either not very/not at all)	
	understand issue	dealing with issue
Sole trader	52%	61%
1 to 9 staff	60%	70%
10 to 49 staff	56%	68%
50 to 249 staff	50%	64%
250 + staff	43%	61%
Under £250,000	57%	66%
£250,000 - £1 million	62%	73%
£1 million - £5 million	57%	71%
£5 million or more	51%	66%

Statistically significant differences highlighted blue

- More of those based in industrial estates/areas (62%) and fewer of those in town centre locations (51%), the hotel and restaurant (43%) and public and voluntary services (42%) sectors lack confidence that the police understand the most important issues to their business.
- More of those based in industrial estates/areas (75%), in manufacturing (72%) or transport, distribution and storage (75%) and fewer of those in the hotel and restaurant (55%) and public and voluntary services (51%) sectors are not confident that the police are dealing with the most important issues to their business.

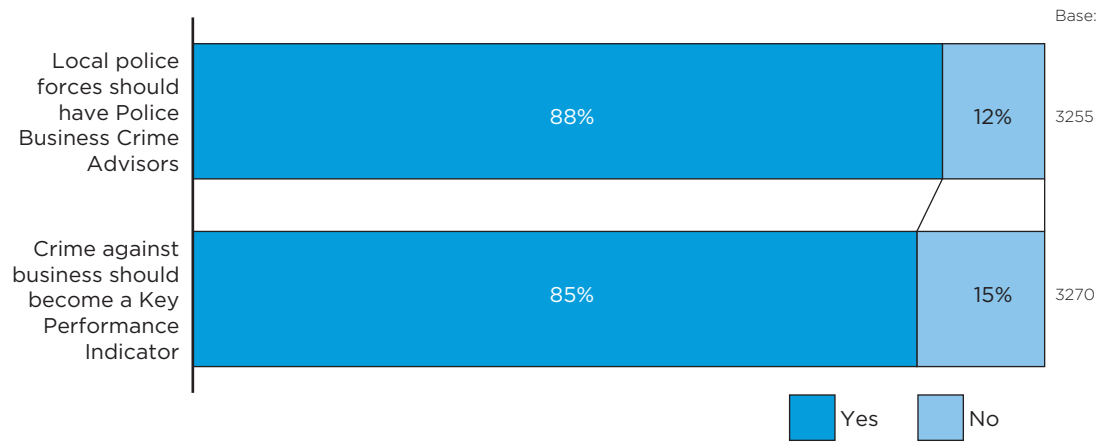
7.6 BUSINESS CRIME ADVISORS AND KEY PERFORMANCE INDICATORS

Q18. *Should local police forces have dedicated Police Business Crime Advisors to help support businesses and raise the profile of crimes against business?*

Q19. *Currently the police are measured against a number of Key Performance Indicators, such as satisfaction with responses to 999 calls and with responses to domestic burglaries. Do you think that crime against business should become a Key Performance Indicator for the police?*

88% of businesses feel that local police forces should support businesses through the use of dedicated Police Business Crime Advisors and 85% feel that business crime should become a Key Performance Indicator.

Views on Business Crime Advisors and KPI



SAMPLE PROFILE

Employee size	
Sole trader	9%
1 to 9	41%
10 to 49	27%
50 to 249	12%
250 or more	4%
Not stated	7%

Trading years	
Under a year	6%
1 to 2 years	9%
3 to 5 years	14%
6 to 10 years	14%
11 years or more	52%
Not stated	5%

Annual turnover	
Under £50,000	11%
£50,000 - £249,999	17%
£250,000 - £499,999	9%
£500,000 - £999,999	10%
£1 million - £4,999,999	20%
£5 million or more	12%
Unknown/Not stated	20%

Business sector	
Agriculture, forestry, fishing, mining, utilities	2%
Manufacturing	14%
Construction/engineering	7%
Retail/wholesale	10%
Hotels/restaurants	5%
Transport/distribution/storage	5%
Marketing/media	7%
Professional services	33%
Consumer services	6%
Public and voluntary sector services	5%
Other services	3%
Not stated	4%

Business setting	
Urban	72%
Rural	23%
Not stated	6%

Business location	
Business park	14%
Industrial estate	21%
Retail park	1%
Enclosed shopping centre	1%
Town centre	18%
Shopping parade	2%
Out of town	13%
Office block/complex	8%
Home	18%
Residential area	2%
Other	2%
Not stated	7%

Region	
Scotland	6%
Wales	2%
Northern Ireland	1%
North West England	14%
North East England	10%
Yorkshire and Humber	17%
East Midlands	5%
West Midlands	17%
East of England	8%
South East England	14%
South West England	3%
London	3%
Not stated	*%

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