

## **Insurance Club Event - February 22<sup>nd</sup> 2006**

Subject: “What can we do to reduce the levels of Serious Fraud in our industry?”

Speaker: Robert Wardle, Director Serious Fraud Office (SFO)

As usual this event was conducted under “Chatham House” rules.

Robert Wardle delivered an open and informative presentation on the work of the SFO and the key issues he and his team face.

We were given an insight into the investigation process and the some times lengthy court cases. Robert made it clear that the role of the SFO is to prosecute the perpetrators of serious fraud. That is frauds with a value of over £1 million, where there are international implications and where there is a threat to the security/standing of the UK financial services image. They will also become involved if there is serious public concern over the nature of the fraud.

He went on to discuss the inherent shortcomings of the Jury system in cases of a complex financial nature and admitted that a number of high profile cases had collapsed because of juror’s illness or even death during cases running into years. He explained the potential merits of introducing a Judge and paid advisors courts in the future. He also provided a clear view of the level of resources available to the various police forces across the UK to tackle fraud.

There are a number of new proposals going through at the moment that he believes will help strengthen the SFO and the fight against fraud. However his strong message was that the companies within our industry need to take it upon themselves to fight fraud at source.

Following the presentation there were questions and subsequent discussion around the need to be vigilant and move our systems and security in line with the higher levels of sophistication of the fraudsters. One of our attendees provided us with his views on a £300 million plus fraud he had been involved in India a few years ago.

In summary, this session gave us a good insight into the huge task the SFO face and the relative shortcomings with the current system of prosecution.