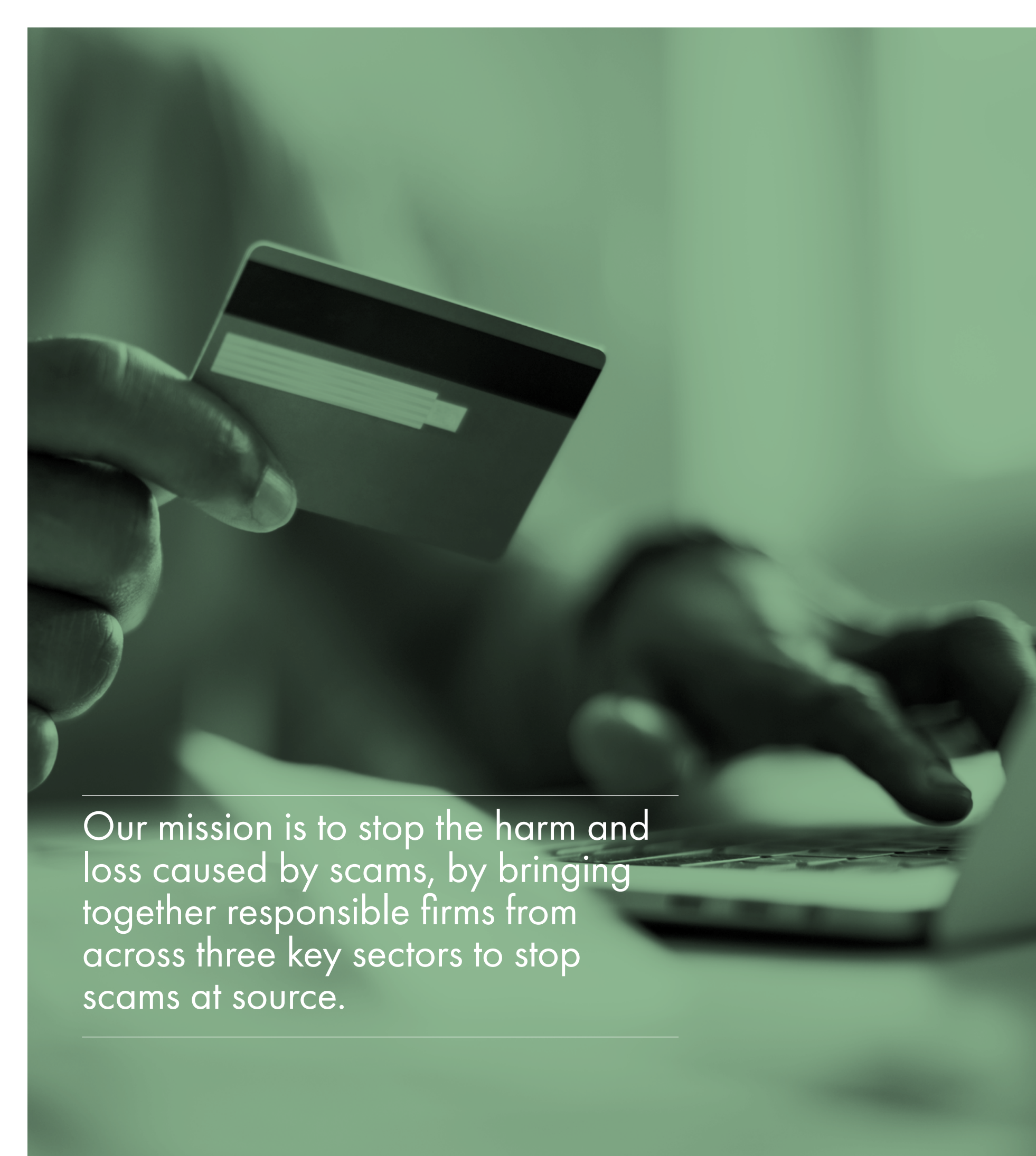


2021:

# DELIVERING IMPACT, STOPPING SCAMS





Our mission is to stop the harm and loss caused by scams, by bringing together responsible firms from across three key sectors to stop scams at source.

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## An introduction from the Chair - Ruth Evans



Scams have become the scourge of our time. In lives that are increasingly digitised, we are subject to a bombardment of communication, emails, texts, messages and phone calls from criminals seeking to defraud us. These scams take new and ingenious forms, targeting our work, social and love lives and taking cruel advantage of global events, including both Covid and the conflict in Ukraine.

In just the first six months of 2021, reported Authorised Pushed Payment fraud was estimated at £355m, a figure 60% higher than for the same period the year before. These are extraordinary and worrying numbers. Scams have become not only the cause of growing financial loss to consumers and businesses but of untold emotional distress. Ultimately, if scams are not addressed, they have the potential to pose a systemic threat to the UK economy.

When the founder members of Stop Scams UK first met in March 2020, we knew it would not be an easy task to establish a collaboration of responsible businesses from across three key industry sectors for the purpose of stopping scams at source, particularly in a pandemic. Two years on, we have built a dynamic organisation of 17 members from across the banking, technology and telecoms sectors, a committed and agile team, and the active involvement of regulators and government departments. Today we are confident that this unique collaboration has already made a difference in tackling scams, demonstrating the value of industry-led collaboration and highlighting how our plans for growth and development will have a major impact on the scale and volume of scams perpetrated in the UK.

Together with our members, we have delivered tangible results. At the end of September 2021, we successfully launched our **159** pilot – an unprecedented collaboration delivered through our telecoms and banking partners. It is a simple, easily memorable, short code phone service that enables users to contact their bank safely and securely if they receive an unexpected call about a financial matter.

Although it is still a pilot and not yet advertised to consumers, over 75,000 calls have been made to the service. It has won the support of consumers, media and policymakers. This kind of initiative – a genuine collaboration between the telecoms and banking sectors – would not have happened without the hard work and support of our members, recognising their shared responsibility and commitment to tackling a real social and economic harm.

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Our growth in membership gives us not just new and significant reach but new capability and scope, particularly in relation to key vectors.

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With the support and leadership of the Alliance Partnership (a group of telecoms companies and banks) led by BT, and the participation of many others, Stop Scams UK has helped facilitate data flows which, since March 2021, have enabled over 33,000 damaging URLs to be blocked swiftly. This has prevented many thousands of people from falling victim to phishing scams and being lured on to spoofed banking websites and having their data stolen. It is to enable exactly this level of cross-sector collaboration, to provide the trusted space, resource and leadership for industry to develop meaningful solutions to the challenges of tackling scams, that Stop Scams UK was established.

It is the dedication and hard work of our members, and the team at Stop Scams UK, that has delivered these results. They have helped to attract new members from across both the banking and technology sectors, including the Co-operative Bank, HSBC and Starling Bank as well as Google, Meta and Microsoft.

The growth in our membership gives us not just new and significant reach but new capability and scope, particularly in relation to key vectors. Jointly our members now cover: over 95% of all UK online searches, over 90% of the UK home email market, approximately 80% of online advertising and over 70% of online messaging services used in the UK, as well as significant mobile and fixed broadband connectivity. This growth is critical to the effectiveness of our mission, enabling us to understand more scam journeys across a growing number of platforms and services, and disrupting and stopping them before they cause harm.

However, there are always headwinds and challenges: scammers are increasingly industrialised and well-resourced and there is much more to do. Our strategy for 2022 sets out clear ambitions for the contribution Stop Scams UK can make in the fight against scams. As Chair, I want to ensure that we not only take forward this work but accelerate it in partnership with other agencies dedicated to tackling economic harm, so that together we can protect consumers and businesses from the hardship and losses caused by scams.



# Stop Scams UK

This report looks at Stop Scams UK's first full year of operation up to the end of 2021. It sets out the results that Stop Scams UK has delivered through its work, its vision for future growth, and also its priorities for this year, 2022.

## Scams are a growing problem for UK business and consumers.

Scams are increasing at an exponential rate. They cause real and lasting harm to consumers and business. According to figures published by UK Finance, in the first six months of 2021 reported Authorised Push Payment Fraud – a type of scam where victims are manipulated by criminals, often through social engineering, into making payments to scammers – was 60% above the equivalent level for 2020, with the losses incurred by consumers and businesses 71% higher.

To put this in cash terms, in the first six months of 2021 alone criminal gangs stole over £355m from individuals and small businesses by pretending to be a bank or other service provider, and encouraging them to make a payment or transfer money.<sup>1</sup> Although these numbers are alarming, they do not tell the complete story: we know that the distress caused to scam victims can be enormous.

Scams have become increasingly sophisticated. They affect sectors and businesses in different and complex ways. Typically, a scam will combine websites, text messages, and phone calls as well as complicated social engineering scripts. To stop scams at source, to effectively disrupt and kill the scam, will require interventions across the scam journey and, by extension, across each of these sectors.

## Stop Scams UK – who we are and why we exist.

Stop Scams UK exists to prevent the harm and loss caused by scams. We are a membership organisation made up of responsible businesses from across the banking, technology and telecoms sectors who have come together to help stop scams at source. We are a not-for-profit, industry-led collaboration, that is sector-neutral and independent of government, although we work in partnership with both government and regulators.

At the time of writing, Stop Scams UK has 17 members across our three core sectors. These are: Barclays, BT, the Co-operative Bank, Gamma, Google, HSBC, KCOM, Lloyds Banking Group, Meta, Microsoft, Nationwide, NatWest, Santander, Starling, TalkTalk, Three, and TSB.

We exist to facilitate cross-sector collaboration. We know that for scams to be successful, they will touch on at least two, if not each of the banking, technology and telecoms sectors. We believe that it will only be through enabling, leading and delivering collaboration across these sectors that systemic solutions to scams will be realised.

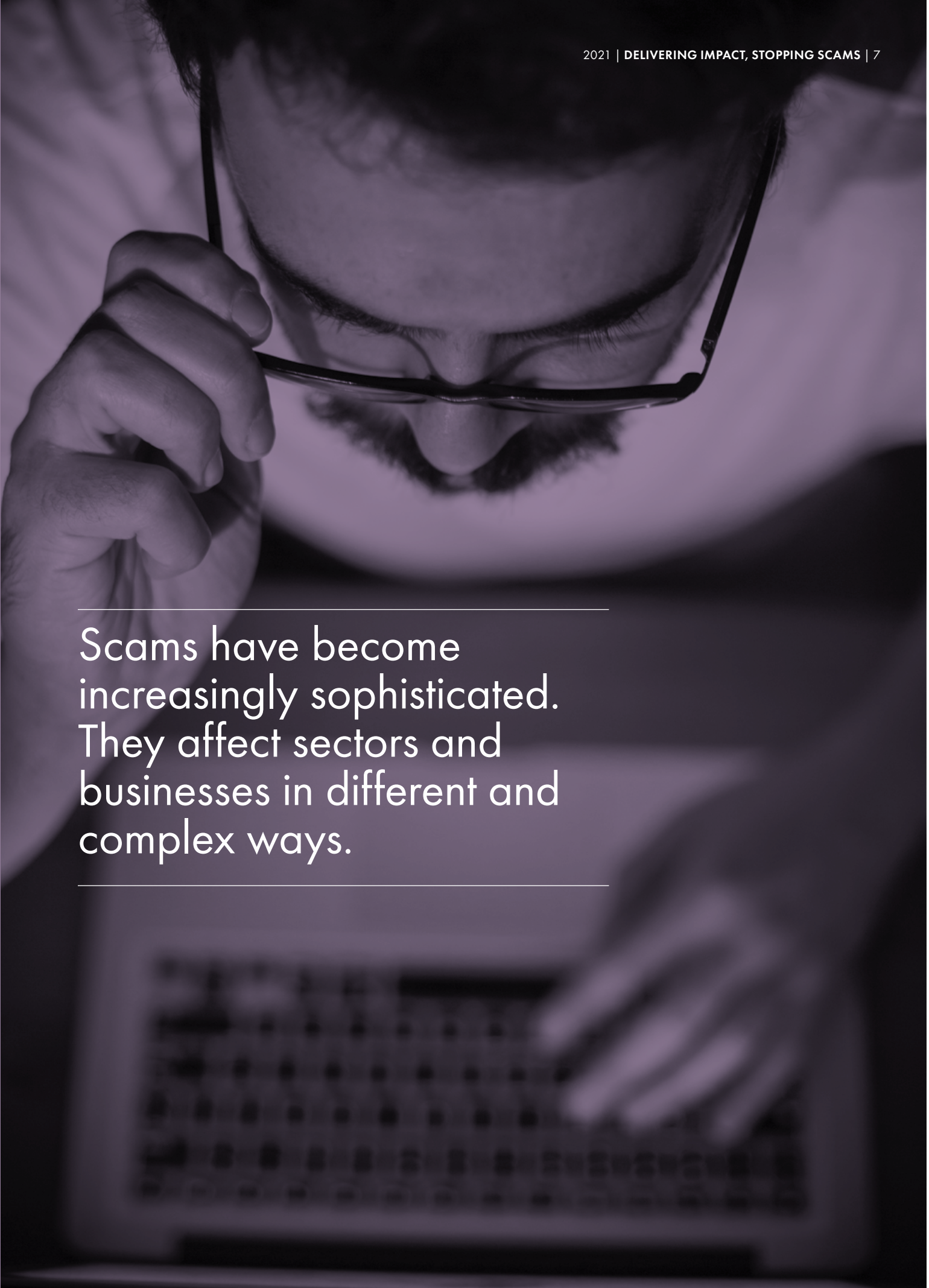
But we know that many businesses can find collaboration difficult. Regulation and legal considerations have rightly incentivised competition within sectors. We know as well that the financial costs of fraud and scams do not affect relevant

Stop Scams UK exists specifically to provide the resource, leadership and trusted space for our members to share problems, identity opportunities, overcome blockers, drive projects forward and deliver impact for our members.

industry sectors equally. Privacy and data security considerations can also raise challenges for collaboration across sectors.

Stop Scams UK exists specifically to provide the resource, leadership and trusted space for our members to share problems, identity opportunities, overcome blockers, drive projects forward and deliver impact for our members. Our members fund our work so that we can deliver more than the sum of our parts.

As we are not a trade body, we do not have to take whole sectors or industries with us. Instead, our work programme is shaped, informed and driven by our members - businesses who want to do more and to move fast. This means that we are able to deliver at pace, realising projects quickly, effectively, at scale and on a cross-sector basis. Through our membership and reach we are able to deliver results and real value - solutions that reduce both the prevalence and number of scams.



Scams have become increasingly sophisticated. They affect sectors and businesses in different and complex ways.

1. Stats from UK Finance Half Year Fraud Update

# 2021: Results

At the start of 2021, we set out a number of objectives for our organisation including demonstrating and proving the value of industry-led, cross-sector collaboration in stopping scams. Key to this ambition was the delivery of our first flagship initiative, **159**, as well as a number of potentially scalable quick wins through our technical collaborations programme. Together, these projects have helped not only bring new members to Stop Scams UK but have grown our capability as an organisation. They have also helped build a firm foundation for future collaboration.

Key results and initiatives delivered by Stop Scams UK in the last year are:

## 159

In September 2021 Stop Scams UK launched **159**, our first major public-facing initiative. **159** is an easily memorable short code number that connects the users of 70% of the UK's retail bank current accounts directly, safely and securely with their bank. We believe that more scam victims will be protected if they are provided with a simple, memorable service that enables them to contact their bank, each and every time they receive unexpected communication about a financial matter.

In this way, we can break the scam journey at that critical moment when the consumer is at most risk of being socially engineered and making a payment. So even if scammers are able to make contact with potential victims, that link will be broken before any information is shared or any payment is made.

Stop Scams UK has launched **159** as a pilot to prove the value of the concept, as well as to test the engineering behind the service, the product and the commercial arrangements that underpin it. We are delighted to have launched a service that is accessible on almost all UK phone lines,

and available to over 70% of primary current account customers.

Over 75,000 calls have now been made to **159** and we are well on track to exceed our target of 100,000 calls in the service's first year of operation. It is estimated that the average bank impersonation scam costs the consumer in excess of £4,500,<sup>2</sup> which means **159** has potentially already saved UK consumers a considerable sum of money and prevented untold distress. This has all been achieved without any consumer facing advertising, a decision made to enable the value and the mechanics of the service to be tested without putting existing customer service systems under additional pressure.

The early use of **159** suggests that the service has the potential to become a powerful consumer facing tool; a reflex response to suspicious or unexpected calls about financial matters. In 2022, we plan to develop the product significantly using insight from the pilot to demonstrate the overwhelming public interest necessary to ask Ofcom to consult on making **159** a mandatory "Type A" number like 999, 101, or 111.

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2. Stats from Fraud The Facts 2021



### Alliance Partners URL Blocking

Through Stop Scams UK, BT and TalkTalk have implemented a proof of concept to test an additional layer of protection to prevent customers from inadvertently accessing phishing domains, particularly fake banking websites.

## Collaborative pilots and learning:

### 1. Alliance Partners URL Blocking proof of concept

**Overview:** Through Stop Scams UK, BT and TalkTalk have implemented a proof of concept to test an additional layer of protection to prevent customers from inadvertently accessing phishing domains, particularly fake banking websites. Alliance partners, led by BT and working with Stop Scams UK, share malicious domain data feeds which are then blocked by network operators at the DNS domain level, protecting customers across both mobile networks and fixed broadband lines.

The proof of concept is unique, enabling partners to block harmful domains in a matter of minutes, and offering a speed and agility that is not matched by other blocking initiatives.

**Results:** As of February 2022, over 33,000 phishing domains had been blocked by BT's Trust and Safety Centre as a consequence of this work.

### 2. Intelligence Gathering Accounts

**Overview:** Stop Scams UK members working with TalkTalk have set up intelligence gathering accounts - 1,000 calling lines - linked to banking accounts managed by trained analysts. These accounts are used to obtain scam intelligence. Where possible they are used to block live scam connections, as well as to investigate and respond to changing scammer behaviours.

**Results:** The pilot has delivered valuable insight, including that many scam attempts were more about enabling opportunities for social engineering rather than technical in nature (ie malware scams). The pilot has now been expanded to include Microsoft and other Stop Scams UK members.

### 3. Scam Call Tracing Pilot

**Overview:** This pilot has been led by Stop Scams UK members Gamma and Microsoft who jointly developed an approach for identifying scam calls on the Gamma network and then identified the details necessary for calls to be traced back. Using anonymised datasets, Gamma were able to run scripts to identify suspicious calls to the scammer's area code.

**Results:** The results of the pilot have led to the development of a methodology that has enabled both the identification of scam calls, and also an ability to trace their origin using repeatable scripts. The next stage for the project is the launch of a further phase with a new, improved dataset to establish a repeatable, scalable, and automated methodology for tracing scam calls. This could help limit the ability of scammers to use voice calls to contact victims.

# Our strategy for 2022

Our strategy for this year focuses on the delivery of a number of products and services to help stop scams at source, and how these can be scaled up and delivered at pace. It is built around three pillars:

- 1) Delivery of products and services which tangibly reduce the harm and cost of scams.
- 2) R&D: understanding scams and finding more ways to stop them at source.
- 3) Communications to engage with prospective members and stakeholders by demonstrating the value and impact of Stop Scams UK's work. This in turn will add to our reach and capability.

Underpinning these pillars are a number of clear, measurable targets, including stopping 30,000 scams with a value of over £100m and handling 100,000 calls with the **159** pilot service.

## Our strategy

### 1) Delivery

The delivery pillar has two core workstreams: 1) further development of **159**; and 2) accelerating our URL blocking work through the Alliance partnership.

### Developing 159

Our first priority is the upgrade of the technology to enable the service to grow and the number of participating banks to be increased to more than nine. A key element of this development work will be to provide the evidence base to enable the communications regulator, Ofcom, to consult on whether **159** should be made a mandatory number similar to 999 or 111. Placing the service on a sustainable commercial and legal footing will also include delivering robust governance as the service grows beyond the initial pilot.

We hope that the development of **159** will also open up new opportunities for data capture and data sharing, and also an enhanced ability to route and triage calls to offer a better service to consumers. An enhanced capability to capture data could deliver new insight on emerging threats and scam journeys. Stop Scams UK will explore how any data generated through **159** could be shared with regulators and others, such as the

NCSC, so it contributes to wider work to combat scams and keep UK consumers and citizens safe.

### URL blocking

Stop Scams UK will also broaden and accelerate its work on URL blocking with the Alliance Partnership led by BT. We recognise the high-quality blocking and takedown services which already exist, but they can involve multiple partners and can sometimes take up to 5 days for a malicious domain to be blocked once identified. Alliance partners have established a process that can reduce this to as little as 15 minutes.

Stop Scams UK will work to formalise and expand the governance around this process and extend it to other members, enabling much larger numbers of malicious domains to be taken down at pace. This work is being complemented by the production and publication of legal advice and guidance which we have commissioned from decoded. legal on how parties can work together to block malicious domains in a way that is consistent with the legislative and regulatory framework.

### 2) Research & Development

Our R&D work develops collaborative solutions which build our members' ability to stop scams. Our members, regulators and government have all identified that

improved data sharing will be critical to combatting all forms of scams. They have also recognised that sharing data is not straightforward, and that more needs to be done to identify practical, lawful and effective solutions.

We will help Stop Scams UK members share data with one another for the purpose of stopping scams. This will include sharing insight, intelligence and scam signals. This work will focus on establishing:

- 1) What forms of data sharing will be most useful in stopping scams;
- 2) Whether that data exists in usable, shareable forms;
- 3) How that data could be shared, looking at both immediate quick wins as well as long-term solutions; and
- 4) Regulatory and legal considerations.

We envisage that this work will lead not just to the development of data sharing pilots but also the production of guidance, advice, governance and process design, emphasising practical real-world solutions.

We are confident that there is considerable scope for Stop Scams UK to complement the work on data sharing that is being taken forward by other organisations and agencies.







## Strategy for 2022

<b>Vision</b>	We want to prevent the harm and loss caused by scams					
<b>Mission</b>	To do this we're bringing together responsible businesses to stop scams at source					
<b>Strategic workstream</b>	<b>1. Delivery: Tangibly stop scams</b>		<b>2. Research and development: Build insight and pipeline, collaborate, influence</b>		<b>3. Communication and engagement: Grow membership, build reputation</b>	
	Own, develop and drive 159	URL blocking: Accelerate and broaden existing initiatives	Technical collaborations: foster collaboration, build delivery pipeline	Collaborative scam journey insight	Build reputation through events and comms	Grow membership
<b>Goals</b>	Prevent 30,000 scams and £100m of harm					
	100k calls to 159	Policy report on blocking	Scam Signal & Data sharing: Deliver collaborative initiatives in pilot	Agree recommended approach to Crypto for SSUK	Strong relationships and perception among senior government and industry stakeholders	New Members from FS and tech sectors Long-term, sustainable fee and funding model delivered
<b>21/22 initiatives</b>	Transition from pilot to ongoing	Agree blocking roadmap and actions for SSUK	Data sharing: workshops to understand opportunities and scope pilots		Senior Stakeholder and roundtable events	
	Introduce IVR upgrade	Scope integration of other data sources including 7726 to provide greater visibility of the SMShing threat landscape	Data sharing: policy and regulatory review	Policy papers with research partners to understand scam landscape and areas for collaboration		
	Bring in new participants	Map URL blocking landscape. Define and deliver a SSUK URL blocking position vs other operators	Insight-gathering on scam kill chains		Build profile through regular comms and media outreach	
	Agree future operating model		Horizon scanning of emerging threats and technical solutions		Horizon scanning: legislative & regulatory roadmap	
<b>Measures</b>	Ofcom consultation	Attempted visits to scam sites successfully blocked Expansion of Alliance pilot No regulatory or legal issues	New scam signals shared and scams disrupted	Horizon scanning: shared understanding of key problems and solutions	Positive media coverage for SSUK	New members from FS and Tech sectors
	No tech or regulatory issues		Demonstrable disruption of volume and value of scams		No significant negative coverage	

It is our members who enable us collectively to resource and realise our work in helping stop scams. Together, we are more than the sum of our parts.

Other projects include:

<p><b>Scam Signal and Data Sharing</b></p>		<p><b>Description</b> Development of pilots and data flows between members to help stop scams, including the identification of both quick wins and longer-term solutions.</p>	<p><b>Outcomes</b></p> <ol style="list-style-type: none"> <li>1. Insight and intelligence sharing.</li> <li>2. Kill chains and disruption of relevant scams.</li> <li>3. Scam signal and data sharing.</li> <li>4. Cross-sector best practices.</li> </ol>
<p><b>Enabling access to smishing data</b></p>		<p><b>Description</b> Work to enable greater sharing of data on smishing and also its integration with other SSUK initiatives eg 159 and URL Blocking to generate new insight and intelligence into scam methodologies.</p>	<p><b>Outcomes</b></p> <ol style="list-style-type: none"> <li>1. Better industry-wide fraud prevention and reduced scam attempts.</li> </ol>
<p><b>Scam call tracing</b></p>		<p><b>Description</b> Enable the development of a methodology for scam call tracing based on the successful Gamma/Microsoft pilot.</p>	<p><b>Outcomes</b></p> <ol style="list-style-type: none"> <li>1. Replicable, scalable scam call tracing methodology to assist investigations.</li> </ol>
<p><b>Intelligence Gathering Accounts</b></p>		<p><b>Description</b> Expand our intelligence gathering accounts pilot to other SSUK members, enabling greater sharing of detailed information about scam modes.</p>	<p><b>Outcomes</b></p> <ol style="list-style-type: none"> <li>1. Better scam intelligence.</li> <li>2. A methodology to block and investigate scam calls.</li> </ol>

**Communications and engagement**

There are a number of core elements to our communications work. These are intended to help create a virtuous cycle of delivery and growth: delivering impact, communicating results, and attracting new members. This growth will allow us in turn to build new and ever-greater capability.

**Our impact and growth model**



**Membership**

Our members are at the heart of everything that we do. It is through our members that we are able to develop and deliver our work. They provide not only insight and expertise, but their products and services deliver considerable reach with consumers and businesses. It is our members who enable us collectively to resource and realise our work in helping stop scams. Together, we are more than the sum of our parts.

We are delighted to have grown our membership significantly over the last year. We welcomed HSBC and Starling

Bank to Stop Scams UK early in 2021 and Microsoft and Google later in the year. Nationwide, the Co-operative Bank and most recently Meta have also joined. We have now become the truly cross-sector collaboration originally envisaged, and through our members we have grown our firepower and capability substantially. Our plans for 2022 reflect this transformed capability.

We are expanding our membership further and are in advanced discussions about membership with a number of other companies across sectors. For those firms who do not operate in one of our core sectors, but who would like to work with us and our members on a regular and formal basis, we are developing an associate membership package in 2022.

# Stopping scams: Looking to the future

## Re-structuring for success

As Stop Scams UK transitions from its start-up phase, we will adopt a new governance structure to enable the organisation to better focus on delivering initiatives faster, and to serve a growing membership. The Board has appointed a Senior Independent Director, Jonathan Quin – co-founder of WorldFirst – who brings highly relevant experience of growing and scaling up organisations.

### New Board Structure

#### Chair

Ruth Evans

#### Senior Independent Director

Jonathan Quin

#### Industry Directors

from SSUK member firms

#### Chief Executive

Mark Tierney

## Looking to future growth

Over the course of 2021 we brought together a growing number of responsible businesses to help stop scams at source and delivered tangible results, proving the value of industry-led, cross-sector collaboration. In 2022 we want to prevent 30,000 scams and £100m of harm.

Our priorities will be the development of **159** and the scaling up of our work on URL blocking with Alliance Partners, researching how together with our members we can deliver data sharing solutions, and building awareness of our work through events and outreach. Looking further ahead, we will explore how we can best harness the collective firepower and resource of our members to scale up and accelerate our work, looking systemically at comprehensive, end-to-end solutions to the harm caused by scams.

We believe this programme of work will help place Stop Scams UK uniquely at the heart of efforts to stop scams. We will achieve this by continuing to bring together the right people across the right sectors to make a real difference to help keep people safe.

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As we look to the future, we are exploring how best we can scale up and accelerate our work, looking at how we harness the collective firepower and resource of our members to tackle the harm caused by scams.

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In the last year we have brought together a growing number of responsible businesses to help stop scams at source, and have delivered tangible results, proving the value of industry-led, cross sector collaboration.







[stopscamsuk.org.uk](https://stopscamsuk.org.uk)