

CRIME SURVEY

2023 REPORT



TOPLINE RESULTS

Top issues - violence and abuse; and customer theft



867

violent or abusive incidents every day



8M

incidents of customer theft a year



ONLY 7%

incidents of violence or abuse prosecuted



40%

of retailers report increased cyber-attacks with 50% saying they remained at the same



56%

of retailers responding rate police response as fair



OVER 90%

of retailers view phishing and ransomware as high or medium risk



£151M

spent on cyber-crime prevention



cost of crime prevention was

£722M



online losses to fraud

£30M



losses from customer theft were

£953M



316,000

violence and abuse incidents a year



£1.76BN

overall cost of retail crime, including prevention



total financial cost of crime was

£1.04BN

CONTENTS

05	The BRC And Retail	18	Violence And Abuse- The Number One Issue
06	Introduction	26	The Cost Of Retail Crime
07	Foreword	34	The Police Response
08	Executive Summary	61	Ahead -The Most Significant Threats To Retail
09	Headlines	61	Cyber Security – A Growing Issue to Retail
12	BRC Response	61	Glossary
14	Government Action In Response		

THE BRC AND RETAIL



The BRC's purpose is to make a positive difference to the retail industry and the customers it serves, today and in the future.

Retail is an exciting, dynamic and diverse industry. It is a driving force in our economy, a hotbed of innovation and the UK's largest private sector employer. Retailers touch the lives of millions of people every day, supporting the vibrancy of the communities in which they operate.

The industry today is going through a period of profound change. Technology is transforming how people shop; costs are increasing; and growth in consumer spending is slow.

Retailing will continue to evolve and advance. Online retail will continue to grow as retailers invest in new emerging technologies. There will be fewer stores and those stores remaining will offer new experiences; there will be fewer, but better, jobs; and a career in retail in the future will be very different from today.

We are committed to ensuring the industry thrives through this period of transformation.

We tell the story of retail, work with our members to drive positive change and use our expertise and influence to create an economic and policy environment that enables retail businesses to thrive and consumers to benefit.

We do this in a way that delivers value back to our members, justifying their investment in the BRC. We represent retailers across the UK, large and small, across all product categories and channels, and by value members account for over 50% of retail sales in the country.

INTRODUCTION

The BRC Crime Survey 2023 once again provides clear evidence of the impact of violence and abuse on the welfare of retail workers. It also shows the cost of crime and crime prevention, both online and in store, to retail businesses and, indirectly, the customers they serve. We look at the response of the justice and police systems; the growing importance of cyber-crime and security; and the anticipated threats to retail in the coming years.

Whether businesses are online, offline, or omnichannel; in town or out of town; small stores or larger stores – all are susceptible to the effects of crime.

This crime survey, published in 2023, covers the period from 1 April 2021 to 31 March 2022. During this time all retail businesses had reopened – though there were various periods of Covid-19 social restrictions which may have influenced some of the figures.

The survey represents the single largest and most reliable barometer of the state of play of crime in retail and is based on a sample from retailers representing over 1.3 million employees and nearly £190 billion market turnover.

Given the pandemic restrictions that closed parts of retail during the previous year's survey, we have made efforts to make our data as comparable as possible, however in some cases pre-pandemic comparisons provide more relevant context.



The BRC Crime Survey 2023 once again provides clear evidence of the impact of violence and abuse on the welfare of retail workers.

”

FOREWORD

The Covid-19 pandemic put people working in retail on the front line, keeping people fed and ensuring we had everything we needed to get through lockdowns.

Sadly, it also put them in the front line of a huge spike in violence and abuse, as many bore the brunt of the public's frustrations. As pandemic restrictions have eased our 2023 Crime Survey shows that a shocking level of violence and abuse persists.

Over 850 retail colleagues were subjected to violence or abuse every day in 2021/22, almost double the rate prior to the pandemic. The response from Government and police has not met the scale or severity of the problem.

This is not just a question of numbers – each incident is a person enduring physical or mental trauma. Each incident is friends, families and co-workers affected by the violence aimed at those they care about. We must never allow ourselves think that retail crime is simply 'part of the job.' Everyone should have the right to go work and not fear for their safety.

Crime also brings significant financial cost - £1.76 billion in 2021-22 alone. This adds to the wider costs pressures retailers face, pushing up the price of food and other essentials and limiting funds for business investment.

Colleagues deserve a system that protects them. Yet, as our survey shows, confidence in the police response is too low, in part due to the low rate of successful prosecutions. We need a dramatic shift in the commitment from the police so that our retail colleagues can feel confident that reporting incidents to the police will lead to action.

Ultimately, we know there is no easy answer to preventing retail crime, but there are clear actions, laid out in this survey, that both the government and police can take to make a start on reversing the awful trends we have seen.

Although government action fell short of our recommendation for a stand-alone offence, the amendment to the Police, Crime, Sentencing and Courts Act was a step in the right direction. However, it is vital we have data to see if it is leading to more prosecutions.

Police support is vital. The retail industry will continue to work with Police and Crime Commissioners across the country to advocate for retail crime to have a higher priority and more resourcing in local policing strategies.

We want to ensure no one goes to work feeling unsafe. We hope the insights in our survey help start the journey on creating a safer tomorrow for the colleagues and customers of retail.

Crime also brings significant financial cost - £1.76 billion in 2021-22 alone.

”

EXECUTIVE SUMMARY

The BRC Crime Survey 2023 shows an increasing pattern of violence and abuse in the UK, almost double that of pre-pandemic levels, including significant rises in violence and shop theft.

Over 300,000 colleagues suffered some sort of violence or abuse in the course of the year – these are not victimless crimes and can have a long term and dramatic effect on each person affected.

Prosecutions remain low (albeit growing) due to an inadequate police response, lack of evidence, or insufficient reporting by retailers, in part thanks to inconsistent reporting systems and low understanding of how they work. Despite this, for many retailers overall satisfaction with the police response has improved to the extent that for the first time in many years it is in positive territory, while acknowledging for a high number it is still ranked poor or very poor.

Customer theft has grown to eight million incidents a year – at a cost of nearly £1 billion. Taken together with crime prevention, the cost of retail crime is fast approaching £2 billion per year. This increases the operating costs for retailers and ultimately pushes up prices for customers.

Customer theft has grown to eight million incidents a year – at a cost of nearly £1 billion.



THE HEADLINES



VIOLENCE AND ABUSE

- **Incidents of violence and abuse** stood at 867 incidents a day (316,000 in total) in 2021-22. While this was down from 1,301 the previous year at the height of the pandemic, it was nearly double the pre-pandemic figure of 455 in 2019-20.
- The reduction from last year was mainly accounted for by a fall in abuse from 1,176 incidents a day to 722, meanwhile incidents of violence increased.
- **Incidents of violence with injury** stood at 29 incidents a day, up from 21 incidents during the pandemic (when social distancing was in place), but similar to levels seen prior to the pandemic. However, **incidents of violence without injury** rose to a new high of 116 incidents per day (up from 84 in 2019-2020).
- The figures suggest that over 10% of the workforce suffered some form of harassment.



MONETARY CRIME

- **The overall monetary cost of crime**, taking into account both actual losses and crime prevention costs, stood at just under £1.8 billion.
 - This included nearly £722 million for crime prevention and £1.04bn loss to crime itself.
 - This includes £953 million lost to customer theft, with just under eight million incidents.
- The total cost was slightly down on 2019-20, though customer theft increased slightly.
- **Crime prevention costs of £722 million** remained almost the same as the previous year.
- Of this cyber security costs at £151 million were in line with pre-pandemic levels.
- **£30 million was lost to online fraud**, as online shopping continued to grow during the pandemic and retailers introduced or expanded their online offering.



POLICE AND JUSTICE

- There was a significant fall (explained later) in the percentage of incidents of violence and abuse reported to police from 57% to 32%.
- This means around 100,000 incidents were reported, down from around 270,000 the previous year.
- The most common reason for not reporting, given by 64% of retailers, was a belief that nothing would happen as a result or that the reporting system was too difficult.
- However, actual numbers of prosecutions rose to 22,000, up from 19,000 the previous year. Nevertheless, only 7% of incidents of violence and abuse resulted in a prosecution.
 - Only 1% were dealt with as aggravated offences.
- As explored later, 56% of retailers by number regarded the police response to retail crime overall as positive – this is the first time the figure has been above 50% since 2014-15. But many larger retailers in particular rate it as poor or very poor.



CYBER CRIME

- Nearly 40% of retailers (plus 12% for data theft) regard cyber-crime as a top three issue, though this is well behind violence and customer theft.
- The top concerns are phishing, ransomware and malware, each recording 90% as a high or medium risk.
- Over 40% reported an increase in cyber incidents last year, the lowest level since 2016. Since 2017 nobody had reported a decrease until the current year.
- Expenditure on cyber-crime prevention accounted for £151 million, over 20% of the total allocated to crime prevention, a larger percentage than previous years.



LOOKING AHEAD

- Looking ahead, violence and abuse against staff continued to lead the way as the single most important issue for retailers with almost everyone placing it in their top three threats. Close behind was customer theft at 77%.
- With fraud at 46% and cyber attacks at 38%.

The top concerns are phishing, ransomware and malware, each recording 90% as a high or medium risk.



BRC RESPONSE

Key BRC actions included:

1

Co-chaired the National Retail Crime Steering Group (NRCSG) with the Home Office to produce action focused proposals on issues, especially violence and abuse, such as reporting crime; supporting victims; sharing data; and understanding the underlying social factors. We also supported the #Shopkind campaign.

2

Promoted a BRC animation for shop workers prepared with the Suzy Lamplugh Trust on how to de-escalate a potentially violent situation.

3

Promoted a BRC cyber security toolkit, prepared with input from the NCSC, targeted to non-experts with overall responsibility for cyber resilience.

4

Continued to work with the Home Office on the Joint Fraud Taskforce.

We called for:

More prosecutions of crimes of violence and abuse against shopworkers, with a rise in prosecutions and offences treated as aggravated.

A better understanding that abuse can be frightening and upsetting and should not be dismissed as one of the problems of the job.

A more appropriate response from the authorities to the use of shoplifting by organised crime and drug and alcohol addicts.

Police and Crime Commissioners to elevate the importance of retail crime in their strategies leading to an improved Police response.

Clear ICO guidelines on data sharing about criminal activity and consideration of any necessary changes to the Data Protection rules.

Greater recognition by the police of shop theft as a crime rather than one of the costs of retailing.

Improved statistics collection with retail crime to be recorded as such and not lost in the overall statistics – and particularly effective records of use of the new offences. This cannot be left to retailers to try to follow a case through centrally.

Extension of digital age verification and estimation to sales of alcohol – to reduce the aggravation experienced by retail staff carrying out legally required age checks.

Improved Sentencing Council Guidelines making it crystal clear that violence and abuse against shopworkers can be treated as aggravated offences.

A separate offence for a crime of violence or abuse against a shopworker.

A single online reporting tool.

GOVERNMENT ACTION IN RESPONSE

The UK Government continued to rely on the NRCSG throughout 2021-2022 to develop responses to crimes of retail violence and abuse, many of which were identified in the Call for Evidence.



The UK Government continued to rely on the NRCSG throughout 2021-2022 to develop responses to crimes of retail violence and abuse, many of which were identified in the Call for Evidence.

- The NRCSG Task and Finish Groups reported on key issues such as information sharing; substance abuse as a factor; supporting victims; and better communication.



The Home Affairs Select Committee conducted an Inquiry and called for Government action in over a dozen recommendations.



The Scottish Government and Parliament responded to the BRC campaign and enacted and implemented a standalone offence for violence and abuse towards shopworkers, aggravated when a worker was conducting an age verification.



In 2022, also in response to strong pressure, the UK Government amended the Police, Crime, Sentencing and Courts Bill to make provision for England and Wales to the effect that certain offences **MUST** be treated as aggravated with the potential for tougher sentences when committed against someone involved in providing a public service, including shopworkers. Previously this had been up to the courts to decide.



Both the Scottish and the UK approaches will require improved retailer reporting and prosecution levels to be fully effective.

THE SURVEY IN DETAIL

Over 10% of shopworkers
suffered some form of violence
or abuse.

”

VIOLENCE AND ABUSE— THE NUMBER ONE ISSUE

HEADLINES



Nearly all

retailers see violence as a top three threat



Over half

see violence as the number one threat



867

incidents of violence and abuse a day



145

violent incidents a day



722

incidents of abuse a day



101,000

incidents reported to police (32%)



Police response to retail crime – 56% of retailers responding positive

Violence remains the top threat with 96% of retailers reporting it as a top three threat.



The survey findings

For every 1000 workers there were 105 incidents of violence or abuse in 2021-22, up from 54 in 2019-20, the last pre-pandemic year, maintaining an upward trend, while down from 2020-21 at the height of pandemic restrictions. Over 10% of shopworkers suffered some form of violence or abuse.

Looking at the total number of incidents

- Between 2019-20 and 2020-21, incidents of violence **and** abuse rose dramatically from 455 incidents a day to over 1300. As expected, in 2021-22 there was a reduction to 867 incidents a day – but this was still almost double the 2019-20 figure.
- However, violent incidents continued to rise even compared with the previous year – they went up to 145 a day from 125 a day the year before.
 - This included violence with injury which stood at 29 incidents a day; and violence without injury at 116 incidents a day.
- Abuse is at 722 incidents a day, up from 341 a day pre-pandemic (down from 1,176 a day in the pandemic year).
- Cumulatively that makes over 316,000 incidents a year.
- Significantly, incidents continued to increase in all retail environments – inner city and town centre; retail parks and out of town; and shopping centres.
- The highest reports of increases continued to be in retail parks and out of town with over 70% of retailers reporting an increase - followed by inner city and town centres at 57% and shopping centres at 48%. This could be due to increased footfall.
- There was a considerable decrease in the percentage of incidents reported to police from 57% to 32% at 101,000, down from 270,000 the previous year, largely due to lack of confidence in any police response.
- The number of prosecutions rose from under 10,000 in 2019-20 and 19,000 in 2020-21 to 22,000, around 7% of incidents, with just 1% prosecuted as an aggravated offence.



Violence remains the top threat with 96% of retailers reporting it as a top three threat.

Well ahead of the other main top three issues - customer theft at 77% and fraud at 46%.



Nearly 55% see violence as the number one issue.

This is way ahead of cyber at 15% and customer theft at around 19% as the number one issue.

How many incidents of the following were recorded against your staff?									
	2013 - 2014	2014 - 2015	2015 - 2016	2016 - 2017	2017 - 2018	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022
Violence with injury per 1000 workers	3.1	2.0	3.4	5.9	3.5	2.7	3.6	2.5	3.6
Violence without injury per 1000 workers	18	20	20	9	10	9	10	12	14
Abusive behaviour per 1000 workers	17	14	28	26	32	38	40	140	88
Total	38	37	51	41	45	50	54	155	105

Of the incidents from Question 9, how many involved the use of a weapon?			
	2019-20	2020-21	2021-22
Used a weapon per 1000 workers	5.3	4.9	2.0

Of the incidents recorded in Question 8, what percentage do you estimate was:			
	2019-20	2020-21	2021-22
Reported to Police	54%	57%	32%
Resulted in Prosecution	6%	4%	7%
Prosecuted as Aggravated Offence	3%	3%	1%

For the following locations, have instances of Violence & Abuse increased, decreased or stayed the same?		
Inner City / Town Centre	2020-21	2021-22
Increased	71%	57%
Decreased	18%	13%
Static	12%	30%
Shopping Centre	2020-21	2021-22
Increased	59%	48%
Decreased	12%	17%
Static	24%	35%
Retail Park / Out of Town	2020-21	2021-22
Increased	82%	70%
Decreased	6%	13%
Static	12%	17%

Commentary

Violence and abuse against shopworkers have been a major concern for the BRC and its members for several years – a concern shared with other retail organisations and USDAW, which have also noted a serious increase.

This is clearly reflected in nearly all retailers placing violence in their top three threats for the next two years – with nearly 55% placing it as number one, ahead of customer theft and fraud.

The continuing long-term rise in incidents of violence and abuse to over 315,000 incidents a year (or 867 a day) – be it a trend or a snapshot of a particular year – must be a cause for alarm. As the survey indicates, retailers noted an increase in incidents across all retail locations suggesting it was not triggered solely by changes in shopping habits.

The vast majority of incidents were abuse or violence without injury. However, the impact of a violent incident – with or without injury – affects not only retail workers who are attacked, but also their families, their colleagues, and those who witness the attacks. A push or shove may not injure a person physically, but it can have still an emotional effect.

Moreover, abuse is not victimless. It can take many forms – ranging from racial or sexual abuse to an aggressive or abusive altercation. As with violence, it is simply unacceptable.

Separate research by a number of retailers shows that even an apparently mild argument can have a significant emotional impact on staff. Nobody should expect to go to work fearing they will be attacked or abused.

Shopworkers are often in a vulnerable situation, facing intimidation from someone potentially carrying a weapon and possibly under the effects of alcohol or drugs. Unlike a street incident, a retail worker has to return to the scene day after day to do their job, always wondering whether the incident may be repeated, even by the same person, leading to stress and anxiety.

Too often retail workers have come to see this as part of their job – one of the reasons it is under-reported.

Respondents to the survey noted a range of issues of concern regarding violence and abuse: shoplifters have become more violent and do not care if they injure colleagues; the lack of consequences for offenders; the impact of the cost of living crisis which some report has changed the nature of shoplifting from a few items to many; increases in threats to attack staff outside the store; and increases in anti-social behaviour.

Two common triggers for such attacks are asking for ID for age verification (where failure to carry out the check is a criminal offence for the employee) and stopping someone who is believed to be stealing goods (which as the survey shows is a large cost for retailers), with many retailers advising against this because of its potential as a flashpoint. Official statistics indicate police recorded nearly 230,000 cases of customer theft in the year to March 2021 in England and Wales. Some police bodies estimate this could be only 10% of the actual incidents which may be recorded under other headings – our survey shows that this is an underestimate, with respondents to our survey recording 8 million incidents in 2021-22.

For many years retailers' view of the police response has been largely negative. This year 56% of retailers who responded rated the response as fair, the highest rate in six years.

While on the surface that is an encouraging outcome, this year we have delved further into the responses and found the picture is complicated. A considerable number of retailers, particularly larger retailers, continued to rate the response as poor or very poor so that weighted for the number of employees, 55% continued to rate the response negatively. For many a negative assessment was accompanied by a view that there was no point in reporting violence and abuse due to a lack of response from the police. Interestingly, this compared with many who rated the response as fair but blamed low reporting on difficulty with the reporting system.

The increase in actual numbers of prosecutions to 22,000 is also to be welcomed but with 53,000 incidents of violence a year, (quite apart from abuse) there is still room for improvement. This lack of action is cited by 64% of retailers as a reason for not reporting incidents which now stands at a disappointing 32%.

We believe that it is important that retailers report all incidents. Clearly retailers need to take steps to ensure improved rates of reporting. At the same time, it is very clear that an improved police response and prosecution rate would encourage them to do so.

Lack of reporting of incidents, lack of police response, lack of prosecutions, a perception that low level crime often accompanied by violence or threats of violence will not attract police attention or a commensurate sentence, lack of police resources, a greater willingness by gangs and addicts to engage in shop crime, an upswing in anti-social behaviour in and near stores are all background issues featuring in the rise of violence and abuse.

BRC Approach

While we welcome the increase in total prosecution numbers, with just 7% of incidents of violence and abuse prosecuted, the current system is clearly not working as well as it should.

For some years the BRC, along with USDAW and others, has called for a standalone offence of violence and abuse towards retail workers in the course of their employment, along the lines of the Emergency Workers Offence.

We commend the Scottish Government and Parliament for legislation, supported by every single MSP, to achieve that end with a new offence of violence or abuse towards a retail worker, aggravated when directed to a worker enforcing the law through an age check. We understand from Police Scotland that in the first six months 1655 incidents were reported under this legislation, with 958 (58%) sent on to Procurators Fiscal for action (5 serious assault; 382 common assault; 571 threats and abuse).

Positive action has also been taken in 2022 since the period covered by this survey by the UK Government acting for England and Wales in the Police, Crime, Sentencing and Courts Bill, to require the courts to treat certain existing offences against people serving the public as aggravated - where currently the aggravated status is something that is included in the Sentencing Council Guidelines but is not mandatory. The industry believes the amendment represents an important step forward in recognising the problem. The focus now needs to shift to improving reporting by retailers; to ensuring an effective law enforcement response; and to implementing a plan to ensure there is a record of prosecutions so that the effectiveness of the new aggravating requirement can be judged.

The action that has been taken in both cases is very welcome. It is essential that all concerned monitor closely the impact of these approaches on incidents of violence or abuse.

Increased levels of reporting and prosecution will be important metrics to consider in years to come. Unfortunately, we are told that no statistics are kept of the use of aggravated sentences or the employment of victims – both of which are essential. Police representatives say it is possible to keep such records with an adjustment to the system. We would ask the UK Government to ensure that in the case of the offences newly mandated to be treated as aggravated, statistics should be kept of the number of prosecutions for violence and abuse against retail workers and their outcome, noting whether the offences are for violence, violence without injury or abuse. Likewise, the Scottish Government should compile an easily accessible record of actual prosecutions under the separate offence and their outcome.

Success also requires the Government to stress to all the actors in the justice system in England and Wales that such crimes should be prosecuted and the courts must treat them as aggravated and sentence accordingly.

While pointing to greater police action as the key to better reporting and prosecution – and the key to a reduction in attacks through a greater certainty of being caught, prosecuted and sentenced – we also recognise that retailers themselves need to improve the level of reporting of these and other crimes so that police resources can be better targeted and the courts can recognise the seriousness of the situation. A simplified reporting mechanism common to all forces could help. As noted above, the survey recorded a range of reasons for failure to report including lack of police response; pressures on staff time; and lack of clarity on how best to report.

The BRC also supports improvements in CCTV and exchanges of information among retailers, while respecting the rules on data protection and privacy. In response to requests for further advice, the ICO placed some guidance on its website to assist retailers in ensuring they keep within the law – but also to indicate what is possible within the law. It is important this is clearly understood by retailers. It is also important that any need for amendments to the Data Protection laws that are necessary to improve exchanges of information and ensure total clarity, while respecting the rights of data subjects, should be considered by the DCMS in its upcoming Bill.

Many incidents of violence and abuse are linked to the legal requirement for retail employees to enforce the age restricted sales law by asking for ID – and to be subject to criminal prosecution if they fail to do so. We continue to propose that Government should permit the use of digital age verification and estimation for age checks in relation to alcohol (the largest single age sale category) on the same basis as they are allowed for other age sales. We note the success of a limited experiment and call on the Home Office to finally take action.

The BRC worked with the Suzy Lamplugh Trust to produce an animation for use by any retailer that wishes to show retail workers how to defuse a potentially violent situation.

While we welcome the increase in total prosecution numbers, with just 7% of incidents of violence and abuse prosecuted, the current system is clearly not working as well as it should.

The BRC co-chairs the National Retail Crime Steering Group with the Home Office. This has focused on responding to retail violence through better reporting, removing data barriers, communicating better with the public, supporting victims, assessing substance misuse as a factor; assessing organised crime links; and examining the effectiveness of out of court settlements. We support the NRCSG funded #Shopkind campaign.

Other policies that could potentially assist include:

- Ensuring retail crime is treated as a strategic priority
- Use of the College of Policing to improve the understanding of retail crime
- A Report on innovative solutions for tackling violence in the retail sector with the possibility of roll-out funding for any identified as particularly successful
- A single online reporting tool common to all forces
- Better recording of retail crimes of violence in the statistics
- Increased penalties as applied by the courts



Our Asks

1. Ensure courts and police act on new offences

2. More reporting by retailers – with better police follow up

3. Improved statistics for offences and prosecutions - especially new offences

4. Improved prosecution rate

5. Improved police response

THE COST OF RETAIL CRIME

HEADLINES



The Survey Findings

The overall cost of crime – taking the losses from actual incidents and the cost of crime prevention into account – was almost £1.8 billion, down from £2.5 billion the last year before the pandemic.

The loss to retail from criminal incidents overall was £1.04 billion.

£953 million was lost to customer theft in the latest year, confirming a long-term rising trend, with the losses nearly doubling since 2016-17. There were nearly 8 million incidents.

- This was over 90% of total losses (which also included employee theft, robbery, burglary and damage).
- Online fraud came in at £30.3 million, down from £76 million the previous year when online sales increased dramatically and new players entered the market with little experience or preparation to service customers in the lockdown.
- Crime prevention spending amounted to £722 million – about three quarters of the long-term trend.
- Of the total spent on crime prevention, £151 million was for cyber security, slightly down on the long-term trend but above the previous year. It now presents a higher proportion of total crime prevention spending than in previous years.

Of the total spent on crime prevention, £151 million was for cyber security, slightly down on the long-term trend but above the previous year.



What was the total cost of crime?						
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Value	701,994,189	895,695,073	977,754,310	1,278,245,381	785,989,162	1,040,305,435
% Change from previous year		28%	9%	31%	-39%	32%

How much was spent on crime prevention?						
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Value	995,045,749	1,024,316,054	1,217,403,034	1,188,020,812	714,650,015	721,837,721
% Change from previous year		3%	19%	-2%	-40%	1%
How much of this was on cyber?						
Value	138,928,689.52	162,169,585.23	187,035,724	160,361,984	67,993,553	151,013,338
% Change from previous year		17%	15%	-14%	-58%	122%
Spend on all other crime prevention measures?						
Value	856,117,060	862,146,468	1,030,367,310	1,027,658,828	646,656,463	570,824,383
% Change from previous year		1%	20%	0%	-37%	-12%



The loss to retail from criminal incidents overall was £1.04 billion.

”

Please provide details of the total recorded theft and damage from 1 April 2021 to 31 March 2022.						
Financial Cost						
Customer Theft	502,783,340	663,249,000	770,747,327	935,462,796	663,361,878	953,056,503
Employee Theft	17,444,013	35,429,393	154,309,351	284,396,073	41,414,819	39,393,256
Others Theft	3,688,206	481,072	11,440,274	28,109,947	38,939,505	2,276,821
Robbery	5,499,729	14,651,690	4,569,915	7,573,143	4,963,442	6,601,824
Burglary	13,530,635	15,045,612	29,591,427	17,778,586	16,838,298	29,084,142
Damage	3,234,165	3,388,642	7,096,021	4,389,284	20,471,220	9,892,889
Number of Incidents						
Customer Theft	2,916,710	3,864,916	3,936,103	7,691,057	8,551,508	7,906,767
Employee Theft	11,864	27,171	30,029	35,471	25,088	18,432
Others Theft	26,396	192	5,477	264,115	2,301	9,811
Robbery	1,156	7,006	2,257	3,604	1,104	1,367
Burglary	4,356	10,293	6,330	8,231	4,473	6,864
Damage	10,086	20,630	7,268	16,641	6,901	7,274

Commentary

It is not only retailers who suffer from the effects of retail crime but also consumers and employees.

Unfortunately, official reports do not always distinguish between retail crime and other crime so the BRC survey is the most reliable indicator of retail crime and crime reporting.

Retailers operate on low margins so losses to crime and expenditure on crime prevention reduce the capacity to bear down further on prices, make it more difficult to improve terms and conditions for staff further, and to improve the overall customer experience in store and online.

With customer theft the highest area for loss at over £950 million, retailers have to take the issue particularly seriously. Retailers recorded 7,906,000 incidents of customer theft. Interestingly, police representatives believe the official statistics may in fact only record 10% of retail crime in part because records do not necessarily distinguish the retail element.

Retailers are reluctant to undermine the overall customer experience by over-policing their premises, but they cannot turn a blind eye to customer theft.

Theft is also linked to violence and abuse in store – which, as noted above, continue to increase. One of the key instigators of violence and abuse is challenging customers believed to be committing theft – which in itself also impinges on the willingness of staff to challenge potential shoplifters.

The contributors to total losses to customer theft are not totally clear – but could include walk-offs from self-service tills either intentionally or unintentionally.

Retailers have taken steps to improve detection with improvements to CCTV; a better understanding of the data that can be exchanged and shared with other retailers and the police; and tagging of goods of a lower value including food items.

However, it is significant that this year only 32% of incidents of abuse and violence were reported to police. If these incidents are not reported, it would seem reasonable to conclude that incidents of theft are also not fully reported. The reasons for not doing so are noted earlier.

There remains a perception among some retailers that some police forces do not regard shop theft as a ‘real’ crime, particularly if it is under £200 in value (often perceived as the lower limit before action is taken).

A perception that nothing will happen is probably held not just among retail staff but among repeat offenders, who are a significant proportion of the total, and who are willing to take the risk. There is a strong belief among some of them – supported by ad hoc reports – that even if they appear in court multiple times, the sentence will be so light it will hardly make a difference. The lack of prosecutions for even the most serious offences of violence and abuse would support such a perception of a lack of action overall.

BRC approach

The BRC continues to support initiatives to reduce retail crime and the cost of crime.

Some retailers take an unnecessarily limited view of the ability to share data under the GDPR rules, no doubt being concerned by the very heavy penalties that can apply to offences. However, it is important to understand the potential for legally shared information and use of CCTV to assist in crime prevention and detection.

We are keen to promote a good understanding of what is possible while respecting the rights of data subjects and have supported discussions with the ICO directly and via the Home Office. The ICO has signposted how data can and should be shared and how CCTV can be used legally and effectively on its website. It is important this is totally clear and understood. Should any changes be required to Data Protection laws to assist in legitimate exchanges of data and clarity on the legal possibilities, while respecting the rights of data subjects, these should be considered in the current context of the upcoming Data Protection Bill.

We support the police when they encourage retailers to report all crime – but note there has been quite a decline in reporting of incidents of violence and abuse to 32% mainly due to a perception that nothing will happen or a lack of understanding of the reporting system. A standard simplified reporting system could help.

One reason we support the police in encouraging retailers to make reports is because this can help provide a better picture of retail crime. This enables the police to target their resources better and develop a better strategy for combatting crime particularly in badly affected areas.

Police and Crime Commissioners have a role to play by including retail crime specifically in their strategies – and we note the improvement in that regard. For maximum effectiveness, and greater accuracy, it is important that retail crime is recorded as such rather than merely as part of the overall theft or violence and abuse statistics.

While we are encouraged that police forces do not actually subscribe to a policy of non-prosecution for retail theft below £200, it is important this is followed in word and deed and made abundantly clear to offenders who are tempted to commit multiple offences just under the limit.

The role of organised gangs in retail crime including shoplifting needs to be understood and county lines should never be a barrier to action.

Linked to the police response is the response of the courts. Sentencing is an issue when those involved in theft are repeatedly given light sentences. We regret that the review of the Sentencing Council Guidelines did not lead to a separate section in the Guidelines on dealing with retail related crime.

The effectiveness, targeting and scope of all sentences should be kept under constant review to ensure they are appropriate and dissuasive.

Finally, dealing with retail crime is not just a policing issue but a community issue. The underlying causes of such crime need to be addressed, from alcohol and drug addiction to the grooming of underage children to undertake the theft and links to organised crime. The work of the Task and Finish Groups of the NRCSG to audit and map out various local approaches to targeting substance misuse in the hope of identifying best practice is clearly a positive contribution. However, it is essential that Government dedicates sufficient resources to effectively tackle these underlying causes.



Our Asks

1. Improved police response

5. Simple standard reporting

2. More prosecutions

6. Priority issue for PCC strategies

3. Better statistics

7. Better understanding of underlying causes

4. Dissuasive sentences

8. Better data sharing

THE POLICE RESPONSE

HEADLINES



Over 50%

of retailers by number rated the police response as fair



This is the first time in 6 years

the majority have provided a positive view.



2014-15

was last time over 50% said response good or fair



A majority of larger retailers

still found police response negative

56% of retailers by number of retailers large and small rated the police response as fair.



The Survey Results

We asked retailers to rate how good a job they felt the police do to tackle and respond to the retail crime of all types they experience.

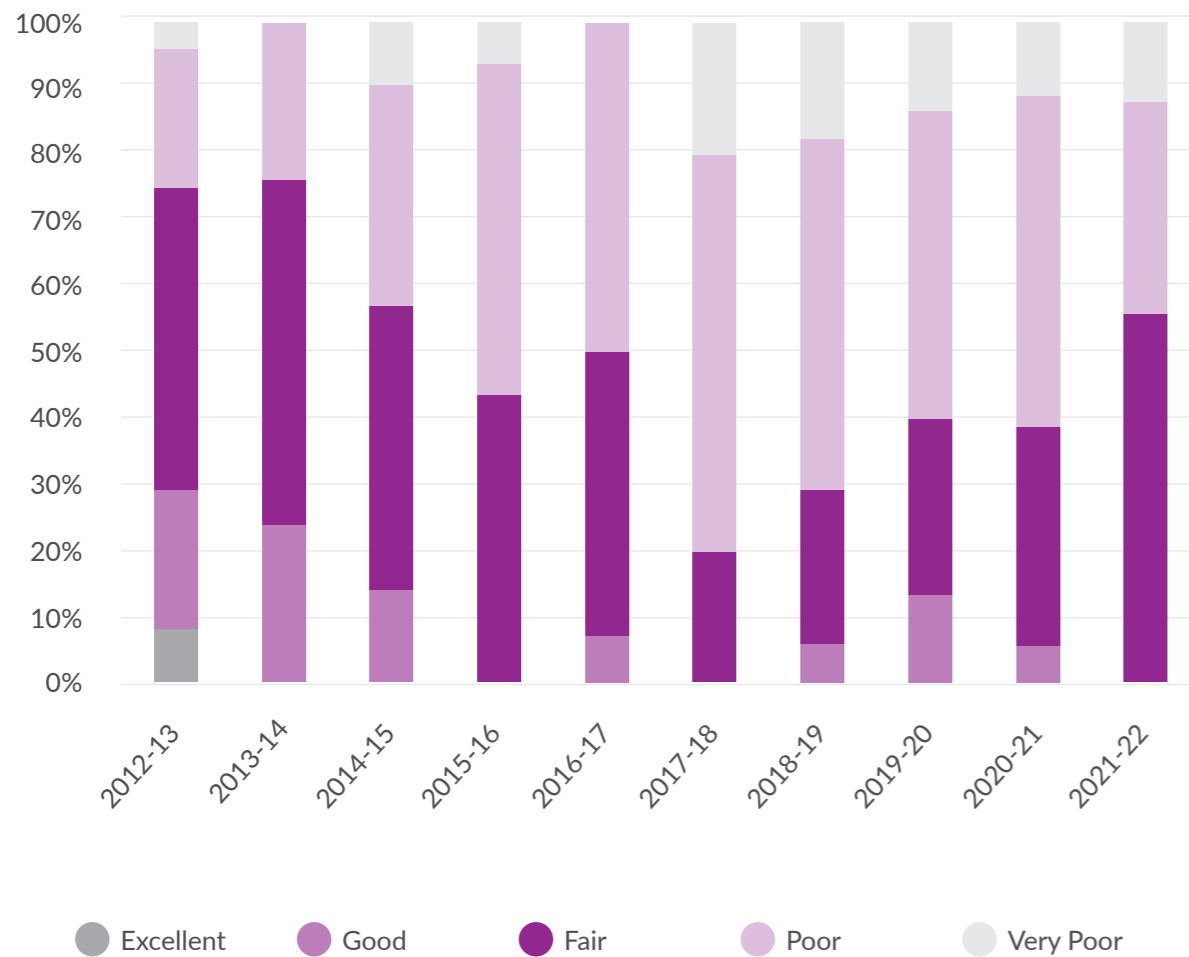
56% of all retailers rated the police response as fair – i.e. positive. The last time over half of retailers ranked the response as good or fair was in 2014-15 when a high of 57% ranked it as good or fair.

The last time anyone rated the response as excellent was in 2012-13 when 8% said it was excellent.

While 56% positive is an encouraging outcome, this year we have delved further into the responses and found the picture is complicated. A considerable number of retailers, particularly larger retailers, continued to rate the response as poor or very poor so that weighted for the number of employees, 55% continued to rate the response negatively. For many a negative assessment was accompanied by a view that there was no point in reporting violence and abuse due to a lack of response from the police. Interestingly, this compared with many who rated the response as fair but nevertheless blamed low reporting on difficulties with the reporting system.



How good a job do you think the police do to tackle and respond to the retail crime which you experience?



What are the biggest obstacles to reporting retail crime to the police?	
Lack of staff time	9%
Lack of clarity on how best to report	5%
No belief anything will come of reporting	64%
Difficulties using/accessing the reporting system	18%
Concerned an increase in reporting would trigger a licensing review	5%

Commentary

Confidence in a good police response to retail crime is important because:

- It encourages more comprehensive reporting by retailers, which has gone down even in the case of crimes of violence and abuse.
- It enables accurate statistics of overall retail crime to be maintained and hot spots to be identified.
- It enables police forces to prioritise their activities and resources more in line with the needs of communities.
- It is essential for effective prosecutions.
- It will be important to enable the mandatory aggravated offences to be assessed as to whether they are effective as a deterrent.
- It is an effective deterrent in itself if potential criminals know there is a high chance they will be caught and prosecuted.

It is likely that perceptions of the police response reflect the low level of prosecutions of issues that retailers see as key concerns – violence and abuse and customer theft.

Despite the increase in actual numbers, a rate of only 7% of prosecutions of crimes of violence and abuse is too low, not least when nearly 17% of such incidents involve an element of violence.

It is possible this lack of satisfaction reflects a reduction in police resources or, even worse, a perception that retail crime – particularly low value theft or abuse - is not particularly important for policing and is seen as part of the cost of doing business or part of the job.

Indeed, it seems theft of low value items is often regarded as an issue for retailers themselves to respond to rather than the police themselves – but without police follow up nobody can know the underlying causes such as the extent to which the incidents are related to gang activity.

While fraud, cyber security and online theft are also all issues of concern, they require specialist responses. It is customer theft and physical or verbal assaults that most retailers particularly associate with a good or poor police response.

While we welcome the increase in total prosecution numbers, with just 7% of incidents of violence and abuse prosecuted, the current system is clearly not working as well as it should.



BRC Approach

The BRC strongly believes that retail crime needs to be clearly recognised and addressed as a category in itself in strategic plans and in the statistics if the police response is to improve.

Without an effective police response for all retailers and without the police compiling a full record of all retail-specific incidents, it is likely levels of satisfaction across the board will improve only slowly. Only by ensuring that incidents are clearly recorded as retail-specific rather than general theft or aggressive behaviour, as so many currently are, can a clear picture be obtained.

However, reporting only 32% of retail crime is also not going to lead to an effective response – while the lack of an effective response is one of the reasons that reporting is still low. If only 32% of incidents of violence and abuse are reported, it is likely that even fewer incidents of theft are reported if it is thought that the perpetrator will not be pursued for lack of time, resources or evidence.

It is important that forces are clear, and widely communicate, that there is no policy of not prosecuting low value theft. That should be made widely known and acted upon if criminals are not to ‘work the system’. A simple, single reporting tool would help to ensure crimes are reported.

The BRC continues to co-chair the National Retail Crime Steering Group with the Home Office to emphasise the importance of the police response and to identify and resolve issues that undermine an effective response – and undermine full reporting by retailers themselves.

We welcome Police and Crime Commissioners responding to our call to include retail crime within their strategies – a move that could potentially ensure that the police response is kept under review.



Our Asks

1. More prosecutions

2. PCC plans prioritised and acted upon

3. Better recording and recognition of incidents as retail related

4. More police resources for retail crime

5. Better data sharing

MOST SIGNIFICANT THREATS TO RETAIL

HEADLINES



Violence against staff has solidified its position as the number one issue – with nearly every retailer placing it in the top three issues and seven in ten as THE top issue.



Theft by customers

is second as a top three issue – with 77% of retailers placing it in the top three.



Fraud

comes close behind with 46% placing it in the top three threats.



Cyber-attacks

are a top 3 issue for 38% and number one issue for 15%

Customer theft came in second with 77% believing it is a top three issue – much the same as pre-pandemic.



The Survey Findings

When asked to name **the three most significant threats** to their businesses over the next two years 96% of retailers nominated violence against their staff in the top three issues – up from 90% the previous year.

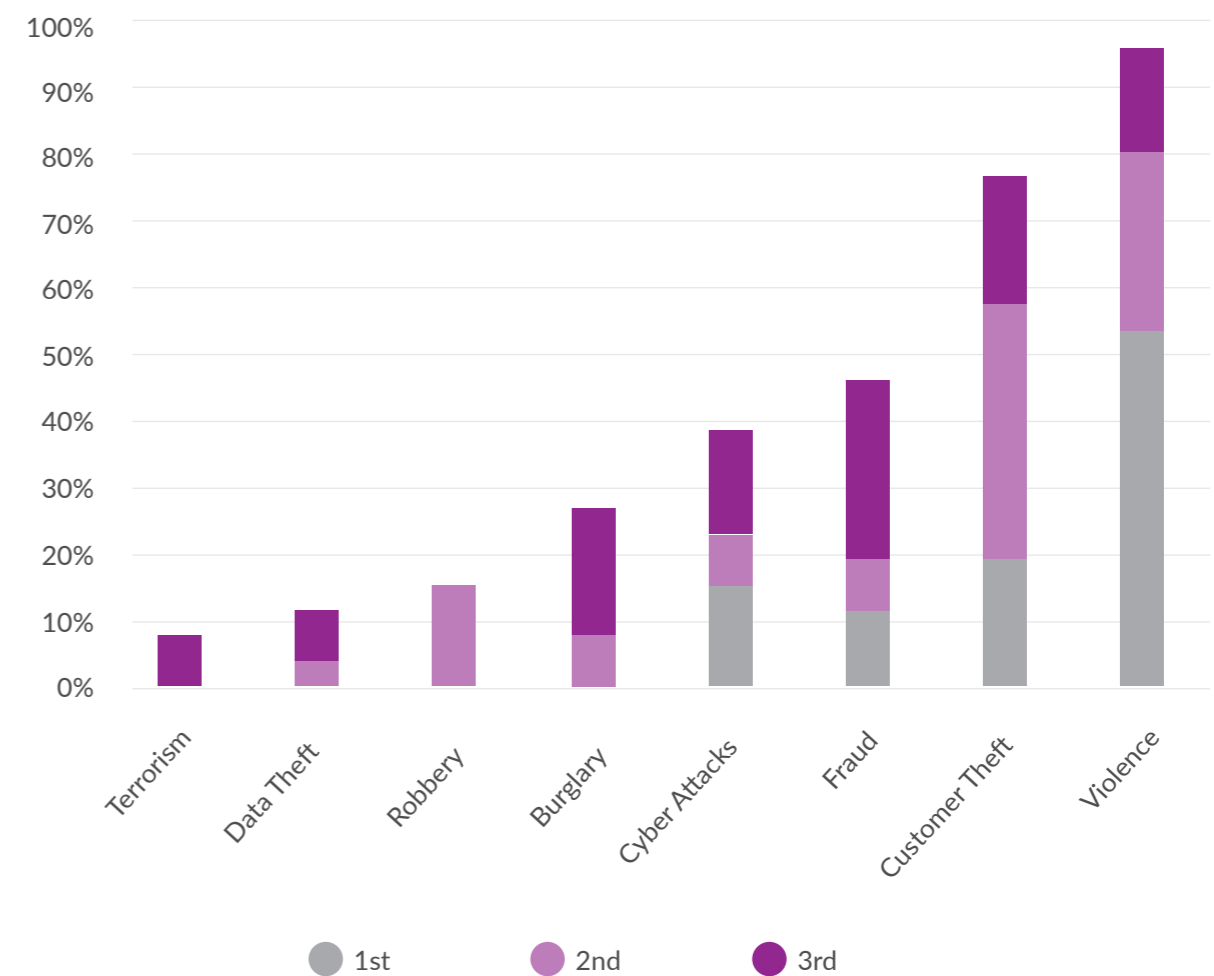
Customer theft came in second with 77% believing it is a top three issue – much the same as pre-pandemic.



Fraud was a top three issue for 46% and the number one issue for 12%

Cyber was as a top three issue for 38%.

Which do you consider will be the 3 most significant threats to your business over the next 2 years?



Commentary

For retailers, employee welfare remains the number one concern – above any monetary considerations – when looking at the anticipated threats over the next two years.

Once again violence and abuse towards retail staff were ranked well ahead of any other significant threat. With 96% of retailers placing it in the top three, it is clearly causing considerable concern across the sector and has been consistently high in previous surveys.

Given the incidence of violent and abusive attacks running at 867 a day – up from 455 in the last pre-pandemic survey – and the low prosecution rate – it is clear retailers consider it essential that meaningful law enforcement action is necessary following the Government's introduction of the requirement that the courts in England and Wales MUST treat many such incidents as aggravated.

Given the cost of customer theft at £953 million is by far the highest loss to crime, it is equally unsurprising that customer theft remains a top 3 serious concern for 77% of retailers, with fraud close behind.

The rise in concern over fraud from 40% pre-pandemic to 46% may reflect the growing use of online sales where fraud is more prevalent.

While 90% of retailers acknowledged that cyber-attacks have increased or remained static, only 38% ranked it in the top 3 concerns, possibly reflecting a difference between those retailers predominantly online and others who are omni-channel though cyber security is not just a matter for online sellers and sales but for all retailers for their own business critical systems and data.

The BRC Approach

As noted elsewhere, the key approach to the threats is to seek a better recognition by Government, police and the courts of violence and abuse as an issue.

Government, the police and the courts need to recognise the impact of violence and abuse on victims and develop policing of retail issues as a strategic priority.

Attention must be given to understanding the facilitators of fraud and how best to combat its growth.

All businesses, small and large, must understand the threat of cyber-attacks and their role in prevention.

Going forward it is vital that retailers report all crimes as the best way to ensure resources are directed to arrest and prosecution.

Attention must be given to understanding the facilitators of fraud and how best to combat its growth.



Our Asks

1. Improved police response

5. Effective implementation of the new rules in England and Wales

2. More reporting by retailers

6. Good use of the standalone offence in Scotland

3. Better understanding of uses of data

7. Ensure the importance of good cyber security is understood by ALL retailers

4. More prosecutions

8. Better understanding of how to overcome online fraud

CYBER SECURITY – A GROWING ISSUE

HEADLINES

 <p>Increased attacks</p> <p>and breaches for 40% of retailers; 50% reported it was the same as last year – the lowest increase for some years</p>	 <p>10% of retailers</p> <p>reported a decrease – the first since 2016</p>	 <p>Cyber security attacks</p> <p>a top three issue for 38% of retailers, up from a third</p>
 <p>Cyber security</p> <p>returned to roughly pre-pandemic levels at £151 million</p>	 <p>Ransomware, malware, phishing</p> <p>are the highest risks – and have been for some years</p>	 <p>Cyber security protection</p> <p>costs grew as a proportion of the crime protection budget</p>

The Survey Results

38% of retailers classified cyber security as one of the top three threats to their business over the next two years, up by 5% - with 15% placing it as the number one threat.

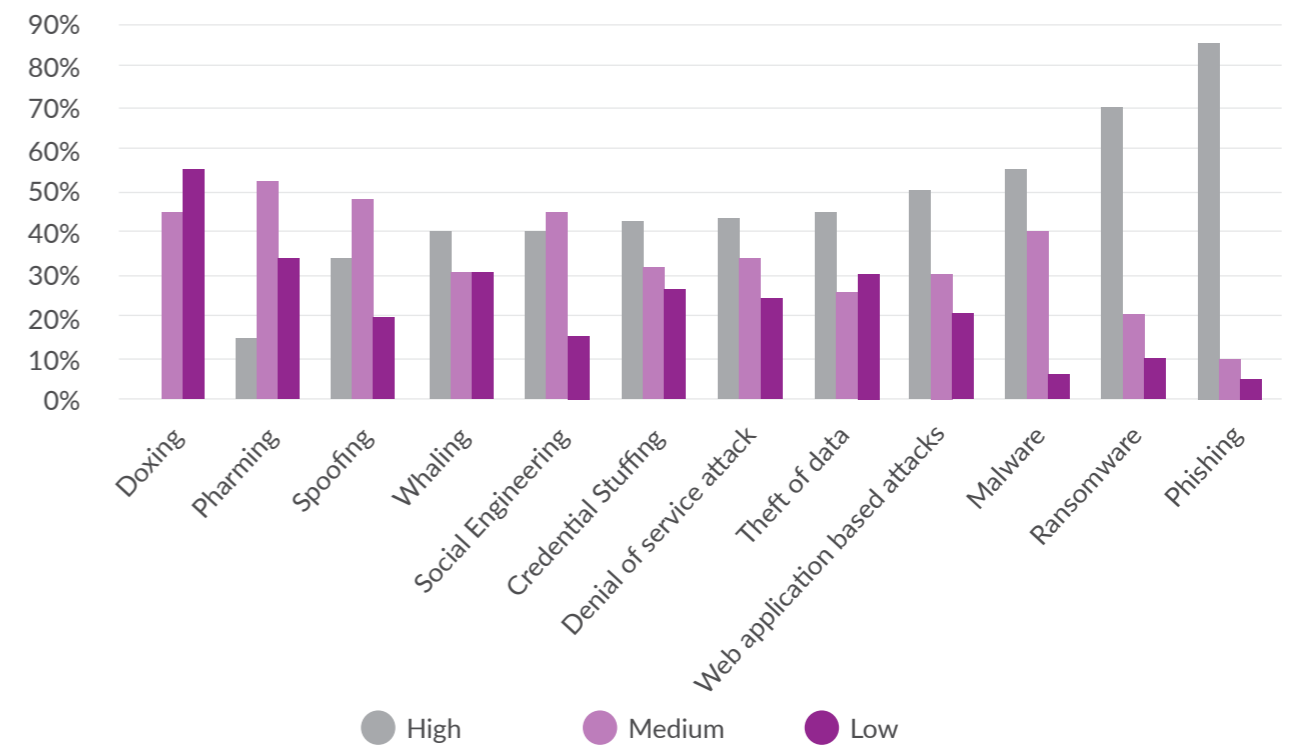
40% of retailers reported an increase in cyber security threats over the previous year with a further 50% reporting the threats stayed the same. In other words, cyber threats remain a key concern.

For the first time since 2016 10% reported a decrease.

When it comes to the type of cyber threats retailers face and their relative likelihood of being affected, phishing is regarded as a high or medium risk by just over 96% of businesses, closely followed by ransomware and malware, each also over 90%.

Against this backdrop, spending on cyber security protection was back up to pre-pandemic levels at £151 million and at 20% of crime protection spending was above the pre-pandemic share of around 15%.

Which of the follow do you consider high, medium or low cyber security risks facing your business?





Overall, would you say that the number of cyber security attacks and breaches suffered by your business has increased, decreased, or remained static?



Commentary

The importance of cyber security for retail, as for other sectors, will only grow as a result of digitisation, cloud storage, remote or hybrid working, online retailing growth, digital marketing and advertising – quite apart from threats by state actors to major systems.

Cyber threats relate not just to personal data that is increasingly stored in the cloud or on internal systems - but also to business systems and data which require a computer network to function and for storage of key data.

The threat applies to both small and large businesses and to the supply chain as a whole, where an unprotected small business can be the entry point to the system of a larger business with which it works.

Online retailing was growing at pace prior to the pandemic – but with lockdowns and the closure of many physical stores it expanded even more. That expansion was even more rapid than anticipated or planned for – and extended to many businesses that had never before engaged in online retailing in a major way.

At the same time many employees were working from home and continue to work in a hybrid fashion. This brought consequent risks to a business where employees connected to business systems but where their cyber protection was minimal or non-existent or compromised by the use of personal equipment being connected at the same time to the same Wi-Fi etc.

It was for these reasons that the NCSC embarked on a major programme to remind businesses of the potential threats of informal arrangements.

The surveys over the past several years have shown that retailers have recognised the importance of the threat, with over 15% this year nominating cyber threats as the top threat to their business, and nearly 40% as a top three threat, the assessment of the priority no doubt reflecting the nature of their business. In addition, and allied to this, data theft was nominated by 16% of businesses as a top three issue.

Cyber threats are still ranked well below violence, customer theft and fraud, perhaps reflecting the continuing prevalence of physical stores not least in terms of the threat of violence.

40% of retailers noted an increase in cyber security attacks and breaches suffered by their businesses – a reduction from previous years. This was the first year since 2016 that anyone (10%) noted an actual decrease.

Against this overall background expenditure on cyber security expenditure returned to pre-pandemic levels at £151 million and at 20% a higher proportion of the prevention budget.

While the specific types of cyber-attacks attracting most concern do change their order from time to time, ransomware, malware and phishing have retained the premier positions.

The BRC Approach

The generally held view is that it is not a question of whether a business will suffer a cyber-attack or breach but when.

The first step to reducing the likelihood or severity of any such attack is acceptance of the potential for an attack right across the business from the top to all levels.

There needs to be an acceptance of responsibility by the Board, or the CEO in a small business, to approve and implement a strategy, to have a plan of action for what to do in the event of an attack or breach and to regularly assess the supply chain to try to ensure that it also is secure.

Every member of staff with access to a computer needs to understand their own personal responsibility not to access unauthorised material or open suspicious emails, for example.

The BRC provides a forum for discussions and exchanges for professionals and those responsible in a more general sense in its IT Community. Through webinars and meetings on specific issues such as cyber insurance or securing the supply chain, the BRC is committed to reaching a wider audience particularly among small and medium businesses.

The BRC works with the National Cyber Security Centre (NCSC) to alert retailers to the potential cost, both monetary and reputational, of a cyber breach and the need for a plan of action - as once an attack has happened it is too late. The NCSC also provides information about emerging threats and trends such as maladvertising.

Our updated cyber security toolkit was prepared with input from the NCSC and continues to provide a ready-made resource on the BRC website.



Our Asks

1. Recognition of threat

5. Collaboration with NCSC on imminent and changing threats

2. Buy in from Board, management and staff

6. Exchanges among professionals

3. Effective preparation

7. BRC cyber-security toolkit

4. Secure by design



GLOSSARY

Crime Threats Terminology

ABUSE: Incidents of non-physical aggressive, intimidating or abusive behaviour

BURGLARY: Entry into a premises without permission with the intent to steal

CRIMINAL DAMAGE: Deliberate damage or destruction of property, including arson

CUSTOMER THEFT: Theft by customers or those purporting to be honest customers

CYBER-CRIME: Crime that committed through use of ICT (e.g. hacking, malware)

CYBER-ENABLED CRIME: Traditional crime increased in scale by the use of computers, networks

Cyber Security Terminology

BLACK HAT HACKER: A computer hacker who breaks into an information system or digital network with the purpose of inflicting malicious intent.

DATA BREACH: The ICO defines a personal data breach as “a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data transmitted, stored or otherwise processed in connection with the provision of a public electronic communications service”.

DENIAL OF SERVICE ATTACK (DOS): A method of taking a website out of action by overloading or ‘flooding’ the server.

DOXING: Discovering and publishing the identity of an internet user, obtained by tracing their digital footprint.

FRAUD: Wrongful or criminal deception intended to result in illegal gain

ICT: Information and Communications Technology

POLICE RESPONSE: Expert opinion of police responses to retail crime

ROBBERY: Force / threat of force used either during / before a theft, or attempt at one

THEFT: Where money, goods, property or services are stolen from the business

VIOLENCE: Assaults and robberies where physical injury may have been sustained

HACTIVIST: A combination of ‘hacker’ and ‘activist’, someone who uses computers and computer networks to promote a political agenda.

LOCKED ACCOUNTS: Where customers are (usually temporarily) unable to log into their accounts as a result of criminal activity on systems such as, for example, DOS attacks.

MALWARE: A program or malicious software that consists of programming, for example code or scripts, designed to disrupt the performance of PCs, laptops, handheld devices, etc.

PHISHING: A method of accessing valuable personal details, such as usernames and passwords, often through bogus communications such as emails, letters, instant messages or text messages.

PORT SCANNING: A technique employed to identify open ports and services on a network, potentially with a view to exploiting weaknesses illegally.

PHARMING: A method of deceiving an individual into ending up at a fake website, even though the correct URL has been entered.

RANSOMWARE: A type of malware that prevents the use of a system, either by locking the system’s screen or by locking the users’ files unless a ransom is paid.

SOCIAL ENGINEERING: In a cyber security context, the general art of manipulating people online so they give up confidential information.

SPEAR PHISHING: As per phishing, except that it is a directed attack against a specific target.

Key Organisations

NCSC: Established in October 2016, the National Cyber Security Centre (NCSC) aims to be the authoritative voice on information security in the UK.

CISP: The Cyber-security Information Sharing Partnership is a joint industry/government initiative designed to facilitate the sharing of cyber threat and vulnerability information to reduce the impact on UK business.

SPOOFING: Masquerading as another individual or entity by falsifying data, thereby gaining an illegitimate advantage.

WEB APPLICATION BASED ATTACKS: For example SQL injection attacks (SQL injection is a code injection technique, used to attack data-driven applications, in which nefarious SQL statements are inserted into an entry field for execution (e.g. to dump the database contents to the attacker)).

THEFT OF DATA: Stealing computer-based information from an unknowing victim with the intent of compromising privacy or obtaining confidential information.

WHALING: A type of spear phishing (i.e. specifically directed) attack, such as an e-mail spoofing attempt, that targets senior members (‘big fish’) of a specific organization, seeking unauthorized access to confidential data.

NCCU: The National Crime Agency’s National Cyber Crime Unit (NCCU) leads the UK law enforcement response to cyber-crime, including by coordinating the national response to the most serious threats.

ICO: The Information Commissioners Office (ICO) is the UK’s independent body set up to uphold information rights. The organisation takes action to change the behaviour of organisations and individuals that collect, use and keep personal information.

THE BRITISH RETAIL CONSORTIUM

The BRC's purpose is to make a positive difference to the retail industry and the customers it serves, today and in the future.

Retail is an exciting, dynamic and diverse industry which is going through a period of profound change. Technology is transforming how people shop; costs are increasing; and growth in consumer spending is slow.

The BRC is committed to ensuring the industry thrives through this period of transformation. We tell the story of retail, work with our members to drive positive change and use our expertise and influence to create an economic and policy environment that enables retail businesses to thrive and consumers to benefit.

Our membership comprises over 5,000 businesses delivering £180bn of retail sales and employing over one and half million employees.



BRITISH RETAIL CONSORTIUM

The Form Rooms, 22 Tower Street, London WC2H 9NS
+44 (0)20 7854 8900 | info@brc.org.uk | brc.org.uk

British Retail Consortium – a company limited by guarantee Registered in England and Wales No. 405720