

National Fraud
Intelligence Bureau



Phantom Debt Fraud

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Phantom Debt Fraud

The information contained within this alert is based on information gathered by the National Fraud Intelligence Bureau (NFIB). The purpose of sharing this information with law enforcement partners and key stakeholders is to assist in preventing/detecting crime, bringing offenders to justice and increasing awareness of enablers currently being utilised by criminals.

It is important to recognise that there are key differences between the various entities who seek to settle debts or outstanding fees in England and Wales. These differences range from the type of debt they will enforce to the legal powers they possess. To learn more, please take a look at some of the helpful information and links on the Step Change Debt Charity website; <https://www.stepchange.org/debt-info/debt-collection/bailiffs-and-debt-collectors-differences.aspx>

ALERT CONTENT

Action Fraud has recently experienced an increase in the number of calls to members of the public by fraudsters requesting payments for a “phantom” debt.

The fraud involves being cold-called by someone purporting to be a debt collector, bailiff or other type of enforcement agent. The fraudster may claim to be working under instruction of a court, business or other body and suggest they are recovering funds for a non-existent debt.

The fraudsters are requesting payment, sometimes by bank transfer and if refused, they threaten to visit homes or workplaces in order to recover the supposed debt that is owed. In some cases, the victim is also threatened with arrest. From the reports Action Fraud has received, this type of fraud is presently occurring throughout the UK.

PROTECTION / PREVENTION ADVICE

Protect Yourself

- Make vigorous checks if you ever get a cold call. Bailiffs for example, should always be able to provide you with a case number and warrant number, along with their name and the court they are calling from; make a note of all details provided to you.
- If you receive a visit from a bailiff, they must always identify themselves as a Court Bailiff at the earliest possible opportunity. Ask to see sight of their identity card which they must carry to prove who they are, this card shows their photograph and identity number. They will also carry the physical warrant showing the debt and endorsed with a court seal.
- If you work for a business and receive a call or visit, be sure to speak with your manager or business owner first. Never pay the debts yourself on behalf of the business you work for; some fraudsters have suggested employees make payment suggesting they can then be reimbursed by their employer when in reality the debt is non-existent.

- Exercise caution believing someone is genuine because you've found something on the internet; fraudsters could easily create fake online profiles to make you believe them.
- Double check with the court, company or public body they claim to work for to confirm whether the call is legitimate; if you use a landline make sure you hear the dialling tone prior to dialling as the caller could still be on the line and you could potentially speak to the fraudster(s) to confirm the non-existent debt. Also be sure to independently search for a telephone number to call; never use a number provided by the caller without carrying out your own research.
- Do not feel rushed or intimidated to make a decision based on a phone call. **Take five** and listen to your instincts.
- **If you know you have a debt, keep in regular contact with your creditor and be sure to establish the debt type at the earliest opportunity if you are not aware. This will help you to understand who might be in contact with you regarding any repayments or arrears.**

You can report suspicious calls like these to Action Fraud by visiting www.actionfraud.police.uk or by calling 0300 123 2040.

FEEDBACK

The NFIB needs feedback from our readers to evaluate the quality of our products and to inform our priorities. Please would you complete the following NFIB feedback survey through: <https://www.surveymonkey.com/r/FeedbackSDU>. This should take you no more than 2 minutes to complete. If you have other feedback or additional information that you would prefer to provide by email please send to NFIBfeedback@cityoflondon.pnn.police.uk.

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