



UNIVERSITY OF  
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# RETHINKING THE IMPACT OF CRIMES AGAINST BUSINESSES THROUGH THE ANALYSIS OF COMMERCIAL VICTIMISATION SURVEY DATA.

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# OVERVIEW

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1. Why develop work around costs of crime to businesses/ harms of crime?
2. Developing measures of harms
3. Findings
4. What does this tell us?
5. Future research/ summary

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# 1. WHY DEVELOP WORK AROUND COSTS OF CRIME TO BUSINESSES/ HARMS OF CRIME?

- Little development of work looking at harms measures;
- Little development of work looking at costs/ impact across business sectors;
- Current work is largely focused upon:
  - Direct financial costs of crime
  - Some human costs (abuse/ violence)
- Not reflective of true extent of harms?

*Rationale: to develop a more holistic understanding of harms, where [and who] they impact and possible implications for business resilience to crime.*

‘A count of all crimes has no specific meaning unless all crimes are created equal’.

Sherman et al, (2016:171)

## 2. DEVELOPING HARMS MEASURES (THEORETICAL) (HEEKS ET AL, 2018; SHERMAN ET AL, 2016)

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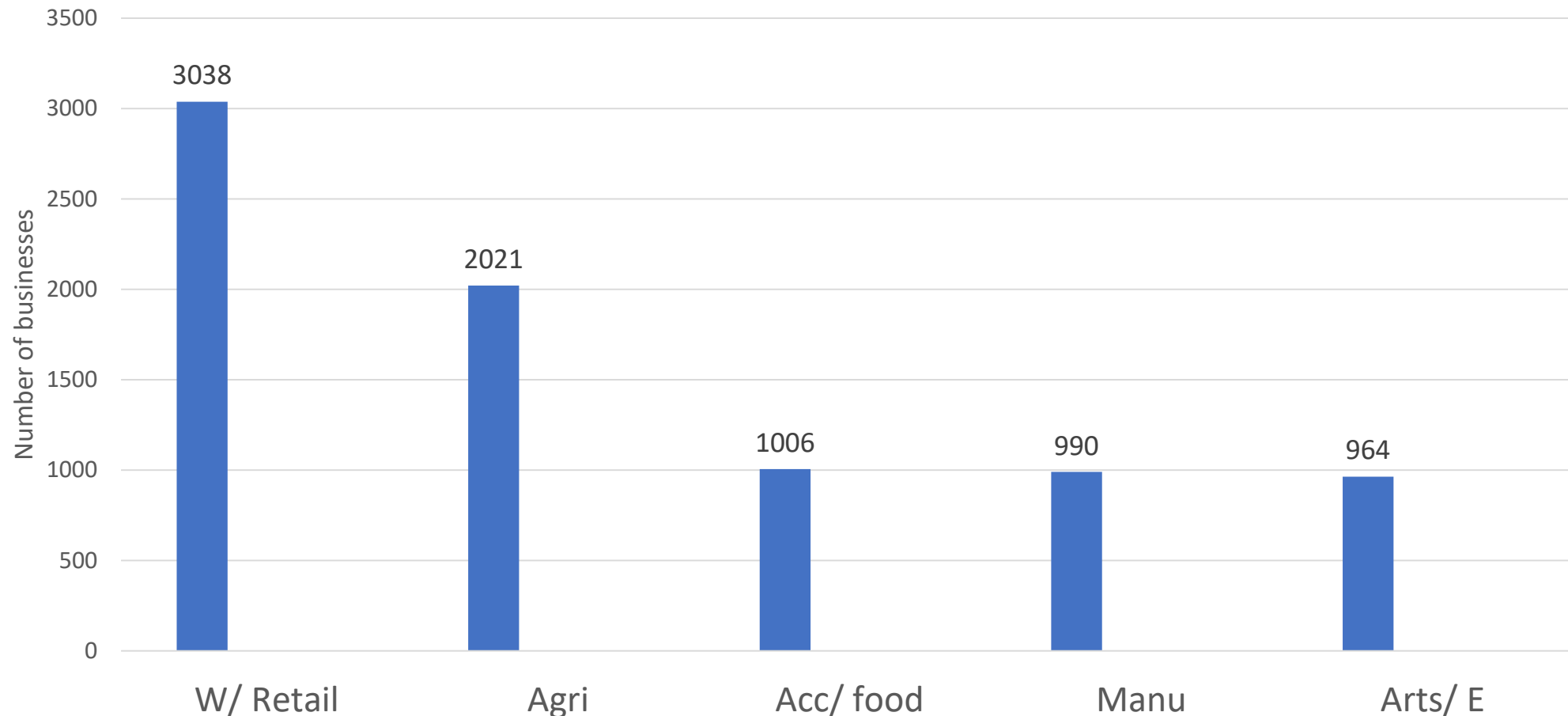
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## 2. DEVELOPING HARMS MEASURES (ACTUAL)

Measure	Data Source
Direct cost of crime	CVS data 2017/2018
Emotional Costs	Likelihood of emotional injury/ reduction in life quality/ duration of injury (Heeks et al, 2018)
Physical Impact	Likelihood of physical injury/ reduction in life quality/ duration of injury (Heeks et al, 2018)
Lost Productivity	Hours off work/ reduced productivity post crime * average hourly wage (Heeks et al, 2018)
Crime events	CVS data 2017/2018

## 2. HARMS MEASURES; COMMERCIAL VICTIMISATION SURVEY (CVS DATA) USED.

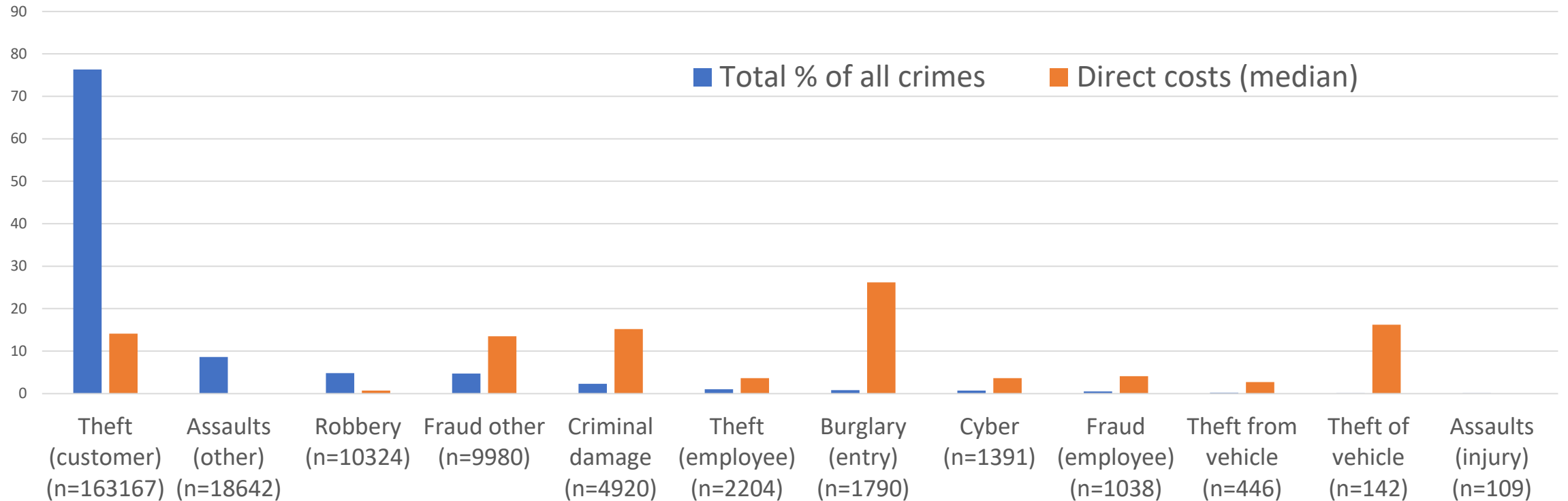
- *Data for 2017/2018 – 8,019 business premises*



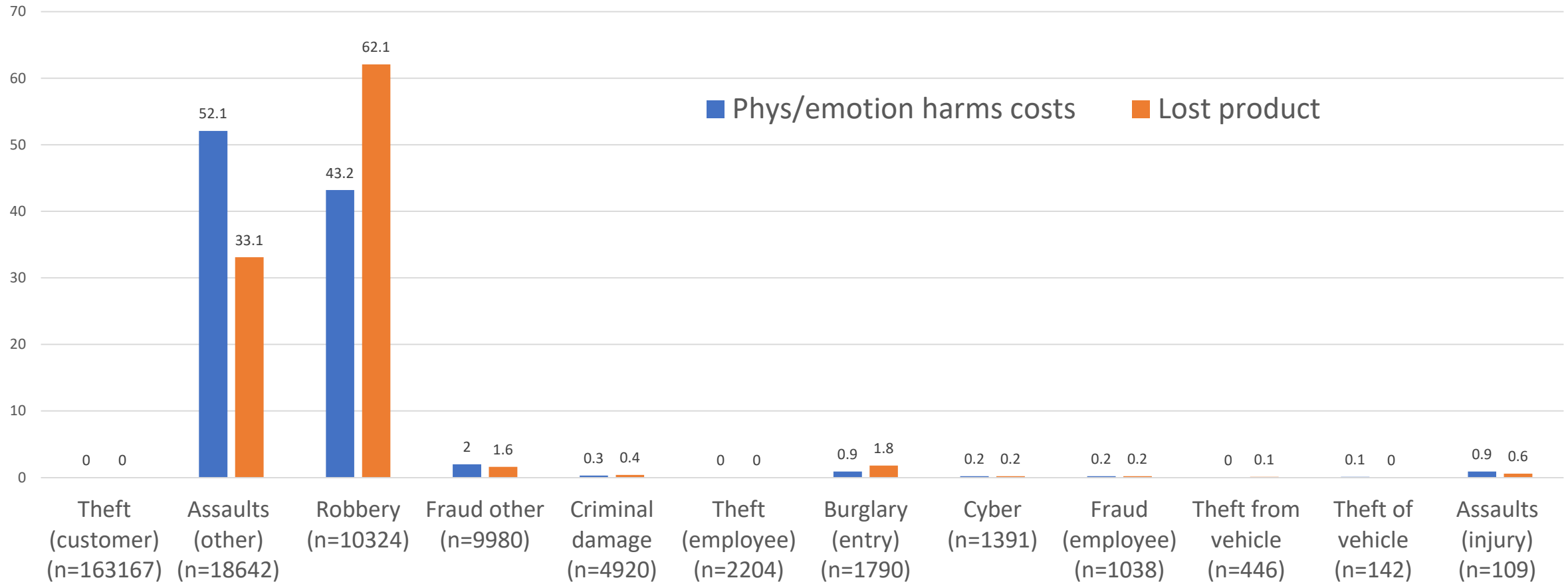
## 2. HARMS MEASURES : BUSINESS CRIME HARMS MEASURES

	Direct costs of loss (median) (£)	Emotional costs (£)	Physical injury costs (£)	Lost productivity to business (£)
Burglary (entry)	500	510		380
Criminal damage	250	60		30
Theft of vehicle	8000	360		190
Theft from vehicle	400	100		80
Robbery	137	4080	90	2250
Assaults (other)	0	2810		670
Assaults (injury)	0	8060	180	2060
Theft by customer	80	0		0
Theft by employee	200	0		0
Fraud by employee	200	200		60
Fraud other	815	200		60
Cyber/online	500	150		50

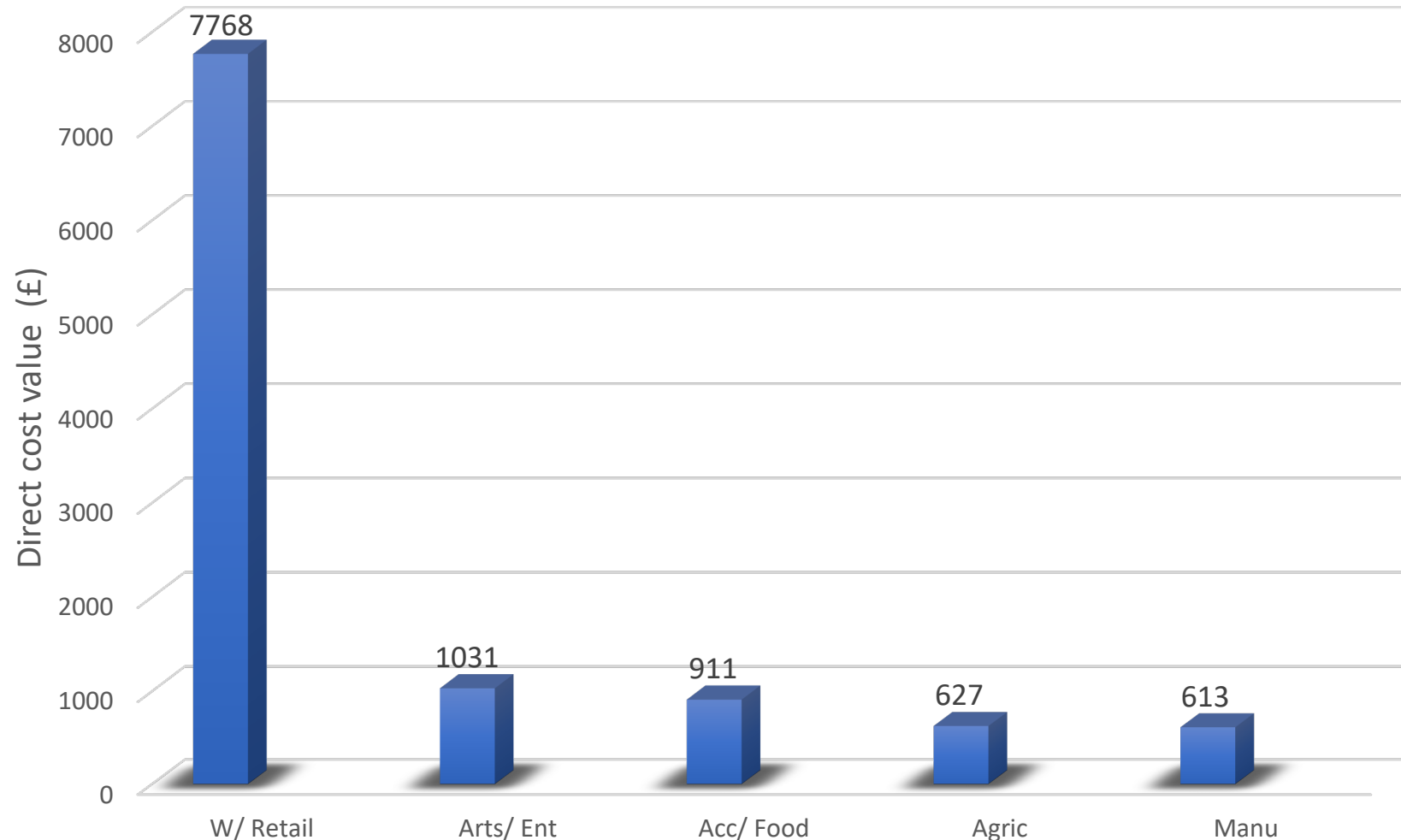
### 3. FINDINGS (1): HARMS CONTRIBUTION BY CRIME TYPE [DIRECT COSTS]



### 3. FINDINGS (2): [PHYSICAL/EMOTIONAL & LOST PRODUCTIVITY]

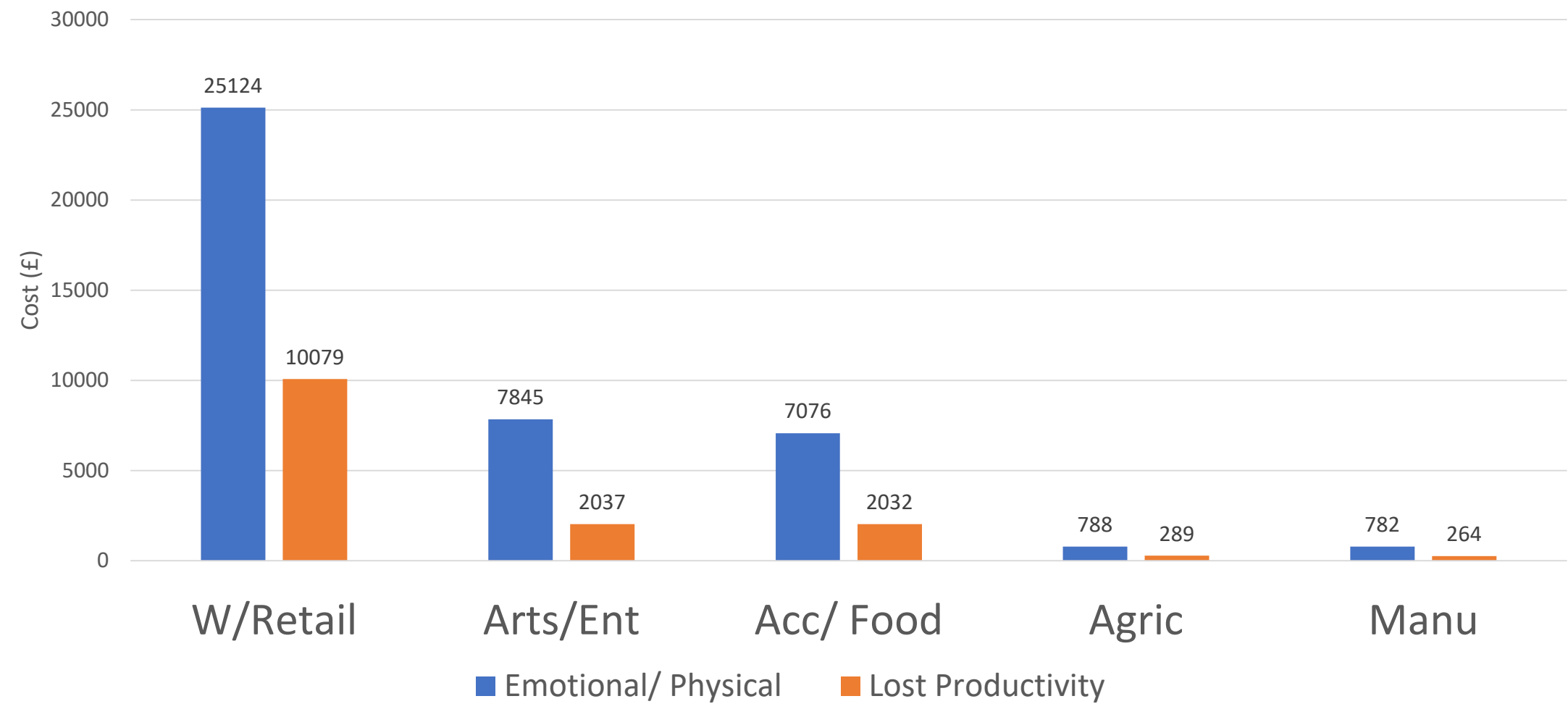


### 3. FINDINGS (3): BUSINESS IMPACT – DIRECT COSTS OF CRIME



- R= Customer Theft (£4229)
- Arts= Fraud other (£293)
- Acc= Fraud Other (£288)
- Ag= Theft of Vehicle (£261)
- Manu= Cyber (£180)

# 3. FINDINGS (4): BUSINESS IMPACT – EMOTIONAL/ PHYSICAL AND LOST PRODUCTIVITY



## 4. WHAT DOES IT TELL US?

- True cost measure
- Where costs are felt
- Where prevention might be better directed
- Where impact is felt?

Sector	Direct crime cost	True Cost
W/R	£7,768	£42,911
Agr	£7,076	£10,019
Acc/food	£788	£1,704
Arts	£7,845	£10,913
Manu	£782	£1,650

## 4. CHARACTERISTICS OF HIGH HARMS BUSINESSES [CVS data 2017/18]

Predictor (explanatory variables)	Regression coefficient	Odds ratio	Statistical significance
Online sales	.362	1.436	.001
Trading less than one year	-.415	.661	.388
Retail unit	1.612	5.014	.000
Has on licence	.659	1.933	.001
Has off licence	.328	1.388	.248
Located in town centre	.375	1.455	.001
Over 25 employees	1.376	3.958	.000
Proximity to OC	2.400	11.018	.000
Located in urban area	.689	1.991	.000
Located in deprived area	.421	1.524	.000
Turnover above £250,000	.581	1.789	.000

*Sample base: 8,109 business. Dependent variable is high harms group = 643 businesses. Block 1 significance = .000: Nagelkerke R Square = .427*

## 4. CHARACTERISTICS OF HIGH **IMPACT** BUSINESSES: POTENTIAL MEASURES OF CRIME IMPACT

- Profitability
- Shrinkage
- Relocation decisions
- Staff leaving
- Crime harms as *proportion of turnover* [n=2,133]

## 4. HIGH IMPACT BUSINESSES.....?

Business that lose over 20% turnover to crime:

- Employ under 25 staff
- Turnover < £250k
- Located in town centres
- Proximity to organised crime

## 5. FUTURE RESEARCH/ SUMMARY

- Sector
- Sub-sectors
- Business Size
- Profitability



# KEY REFERENCES

- Heeks, M., Reed, S., Tafsiri, M. & Prince, S. (2018) *The Social and Economic Costs of Crime; (second edition)*. Research report 99. London: Home Office. <https://www.gov.uk/government/publications/the-economic-and-social-costs-of-crime> [Accessed 12th November 2020]
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