

The cost of living crisis is triggering a wave of workplace crime – here's how

Theft by employees has jumped by 19% amid warnings that the rising cost of living is triggering a wave of workplace crime, new data suggests.

Almost 6,000 people were caught stealing from their employer in 2022 – up from 5,000 the year before.

Incidents range from the petty pilfering of office supplies to theft of data and embezzlement of company funds.

The analysis, carried out by insurer Zurich UK, was based on a Freedom of Information Act sent to all 43 police forces in England and Wales.

London's [Metropolitan Police](#) dealt with the highest number of thefts by employees, with 874 last year.

The biggest increase was seen in Lincolnshire, up to 71 incidents from 40 the year before – a rise of 44%.

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Although numbers remain low, Zurich has seen an increase in commercial crime claims, with firms facing an average loss of £140,000.

Among the recent claims made to the insurer was a £150,000 theft by a ring of employees at a food manufacturer and a £50,000 claim from a double glazing firm defrauded by its finance manager.

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Rose Sutton, a senior claims expert, said: "As cost of living pressures mount, employee theft has significantly increased, suggesting some workers could be turning to desperate measures to make ends meet.

"The consequences of employee theft can be devastating for companies, resulting in reduced profits, lower staff morale, and in extreme cases, even bankruptcy. Consumers also lose out through higher prices.

"No business is immune to theft in the workplace, which can go undetected for years, and occur at all levels. Unless firms have the right protection in place, they have little chance of recovering stolen cash and goods and may face other expenses, such as regulatory fines.

"Insurance provides a vital safety net that can help firms mitigate the impact of financial losses and resume normal operations quicker."

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Zurich has also seen an increase in claims for social engineering, where fraudsters manipulate employees into making payments or handing over bank details and passwords.

This includes cases where criminals have hacked a senior employee's email and sent urgent payment instructions with fraudulent bank details to other staff members and external parties.