HM Government

Serious and Organised Crime Strategy

Cm 8715

Serious and Organised Crime Strategy

Presented to Parliament
by the Secretary of State for the Home Department
by Command of Her Majesty

October 2013

Cm 8715

£21.25

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ISBN: 9780101871525

Printed in the UK by The Stationery Office Limited
on behalf of the Controller of Her Majesty's Stationery Office

ID 2593608 10/13 33233 19585

Printed on paper containing 75% recycled fibre content minimum.

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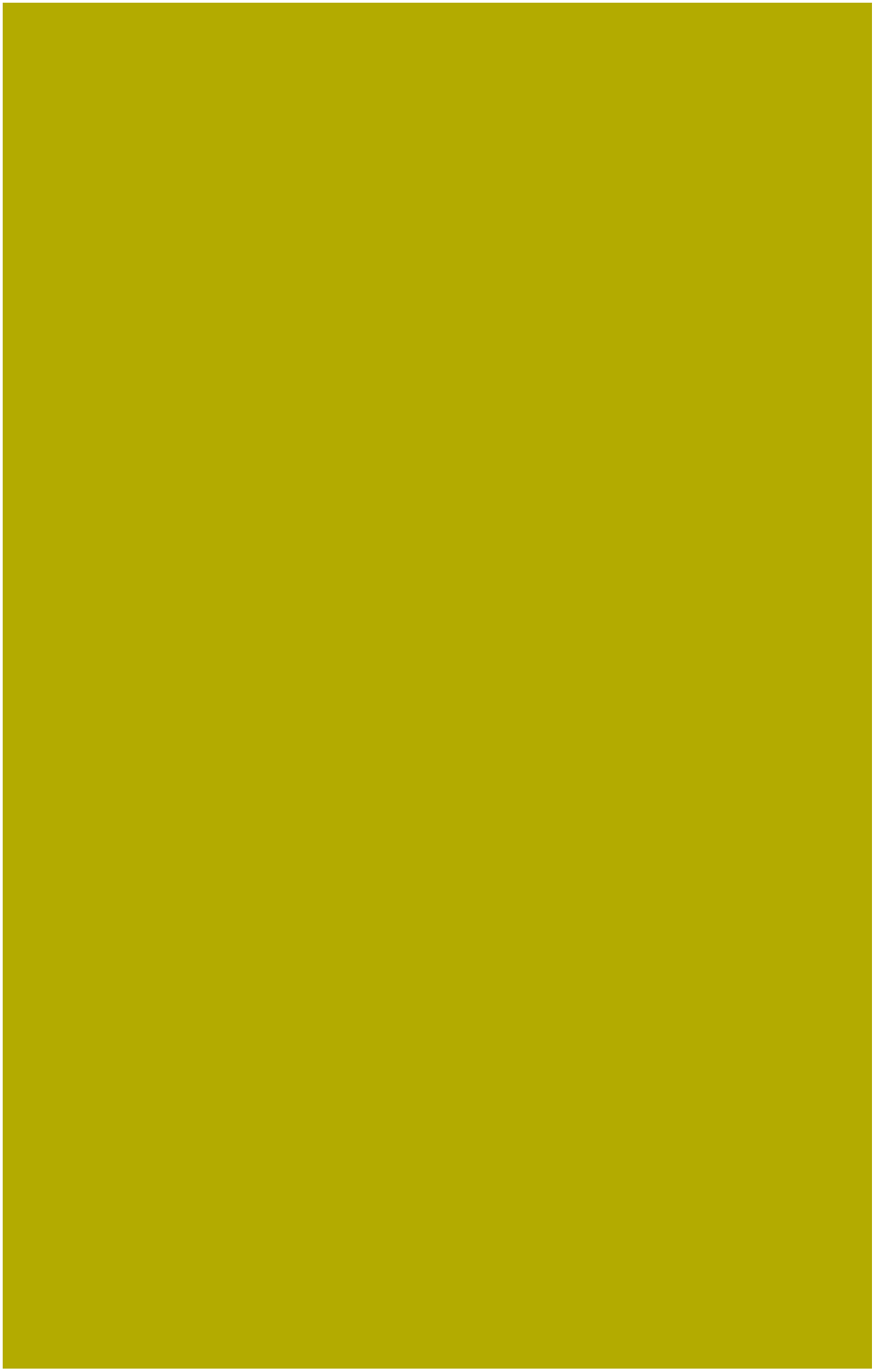


Home Secretary Foreword

The Relentless Disruption of Organised Criminals

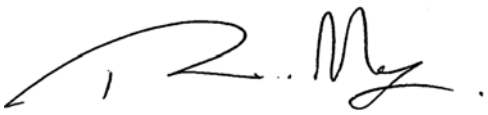
Serious and organised crime is a threat to our national security and costs the UK more than £24 billion a year. But for too long, too many serious and organised criminals have been able to remain one step ahead and out of law enforcement's reach.

A new response is needed. Our new strategy is built on the successful framework we use to counter terrorism. It sets out how we will take action at every opportunity to prevent people getting involved in serious and organised crime; to strengthen our protection against and responses to it; and, most importantly, to pursue the criminals behind it, prosecuting them and disrupting their activities.

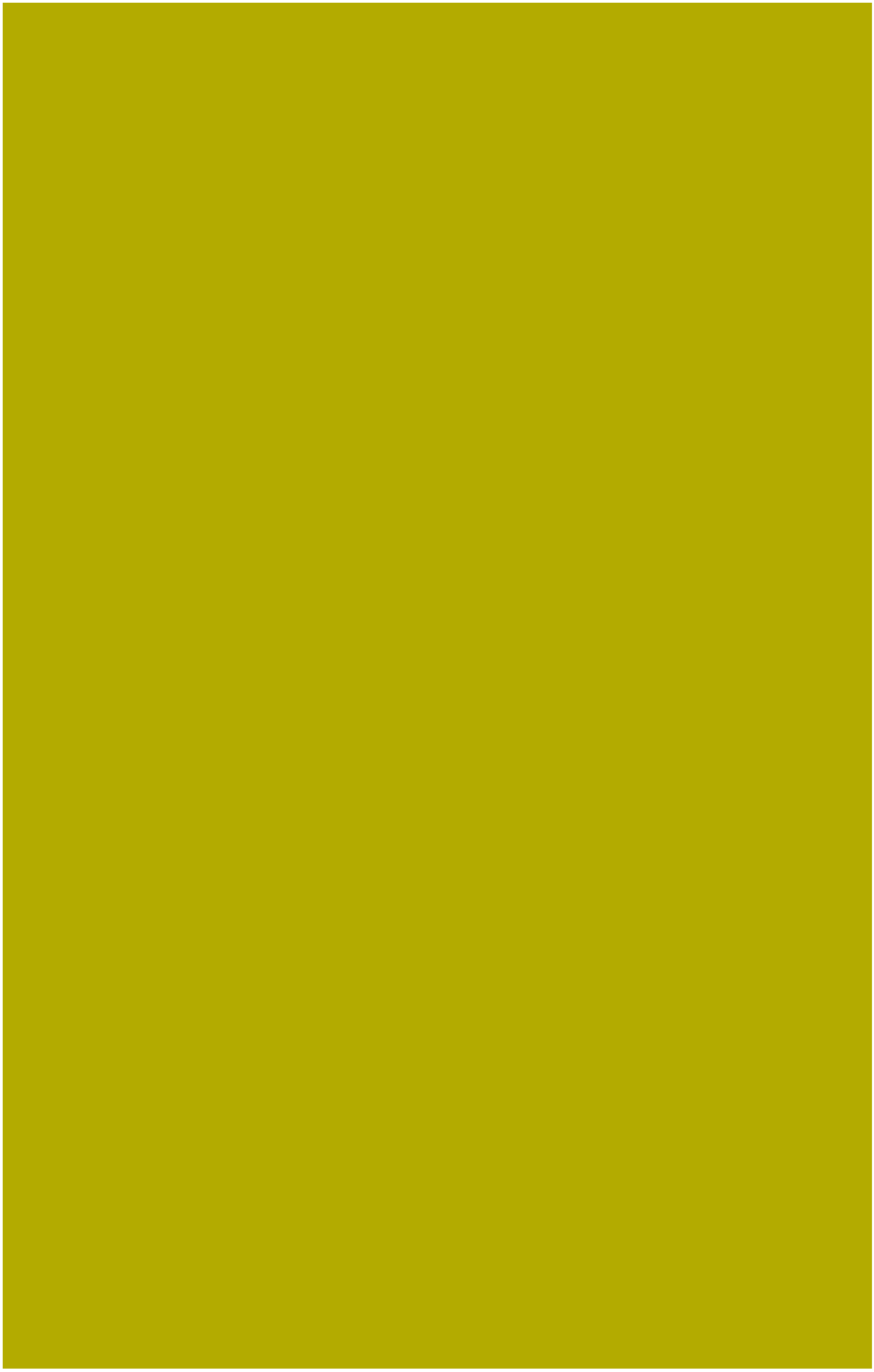
Strong partnerships are at its heart. This is a cross-government strategy, not just a Home Office strategy. Just as we have for counter-terrorism, we will work with our partners in government and law enforcement to turn the full force of the state against those behind the most serious crime.

Our new strategy, together with the creation of the National Crime Agency, will target national and international serious and organised crime. Simultaneously, our reforms to policing – removing targets and increasing accountability through police and crime commissioners – will strengthen the response at a local level.

Anyone involved in any form of organised crime should hear a very clear message from this strategy: we will do everything at our disposal to disrupt and prosecute them.



Theresa May



Executive Summary

1.1 This is a new strategy to deal with the challenges we face from serious and organised crime. It is published to coincide with the launch of the new National Crime Agency (NCA) and reflects changes to the threats we face and the lessons we have learned from our previous work.

1.2 Organised crime includes drug trafficking, human trafficking, and organised illegal immigration, high value fraud and other financial crimes, counterfeiting, organised acquisitive crime and cyber crime. The strategy also deals with serious crime which demands a national coordinated response, notably other fraud and child sexual exploitation.

1.3 Organised crime is a threat to our national security. It costs the United Kingdom at least £24 billion each year, leads to loss of life and can deprive people of their security and prosperity. Crime groups intimidate and corrupt and have a corrosive impact on some communities. Cyber crime undermines confidence in our communications technology and online economy. Organised immigration crime threatens the security of our borders. We regard human trafficking as a pernicious form of modern slavery. Financial crime can undermine the integrity and stability of our financial markets and institutions.

1.4 Overseas, organised crime undermines good governance and the stability of countries of strategic importance to our national security. Organised crime groups overseas can facilitate or engage in terrorism.

Our approach

1.5 The aim of this strategy is to substantially reduce the level of serious and organised crime affecting the UK and its interests. The strategy uses the framework we have developed for our counter-terrorist work and has four components: prosecuting and disrupting people engaged in serious and organised crime (Pursue); preventing people from engaging in this activity (Prevent); increasing protection against serious and organised crime (Protect); and reducing the impact of this criminality where it takes place (Prepare).

1.6 The strategy lists strategic objectives under each of the four areas of work. Tactical operational objectives (e.g. priority crime groups) will be set by the NCA with law enforcement agency counterparts.

1.7 Our immediate priority is the work set out under Pursue to prosecute and relentlessly disrupt organised criminals and reduce the threat they pose.

1.8 Like other threats to our national security, serious and organised crime requires a response across the whole of government, and close collaboration with the public, the private sector and with many other countries.

Serious and Organised Crime Strategy

Pursue

- Establish strong, effective and collaborative organisations
- Develop our capabilities
- Attack criminal finances
- Ensure that effective legal powers are available
- Internationally, improve our own capabilities and our cooperation with others

The NCA will develop an authoritative intelligence picture of organised crime and work with the police and others to lead, coordinate and support our response. New local organised crime partnership boards will provide support to local policing on all aspects of this strategy. New NCA and law enforcement capabilities will be developed to deal with developments in organised crime, notably the move online. We will legislate on aspects of organised crime. We will increase work against foreign national offenders and refocus the NCA's international network to deal with all crime types.

Prosecute and disrupt people engaged in serious and organised criminality

Prevent

- Raise awareness of the reality and consequences
- Intervene to stop people being drawn into different types of serious and organised crime
- Develop techniques to deter people from continuing in serious and organised criminality
- Establish an effective offender management framework to support work on Pursue and Prevent

We will have a new preventative programme including more and better education and communications about organised crime, local coordination with existing work on troubled families and gangs, and wider use of interventions (e.g. Serious Crime Prevention Orders). We want to work more closely with the regulators of professions whose members may, wittingly or not, facilitate organised crime activity. We will promote effective lifetime offender management as a framework for both Pursue and Prevent and involving the NCA, regional police units and police forces.

Prevent people from engaging in serious and organised crime

Reduce threat

Protect

- Protect our borders
- Protect national and local government
- Improve protective security in the private sector
- Protect people at risk of becoming victims
- Improve our anti-corruption systems
- Strengthen systems for establishing identity

We have changed roles and responsibilities at the border and on immigration enforcement. We are building new border capabilities. We will increase work to cut fraud against government and in particular local government procurement. We will share more threat reporting with at risk parts of the private sector notably on fraud and cyber crimes.

We will provide more information to the public on these issues and also on child sexual exploitation. We will work to restrict circulation of illegal child abuse images. We are revising responsibilities for the investigation and reporting of corruption.

Increase protection against serious and organised crime

Reduce vulnerabilty

Prepare

- Ensure major serious and organised crime incidents are brought to a rapid and effective resolution
- Ensure communities, victims and witnesses affected by serious and organised crime have the support which they need

We will continue to develop emergency service interoperability to better deal with terrorism and other crimes. We will establish a new unit to coordinate our national response to major cyber attacks including cyber crime.

A theme in this strategy is to provide support to communities affected by organised crime. This is part of all the four main areas of our work. Specific new initiatives are also planned to support victims and witnesses.

Reduce the impact of this criminality where it takes place

Aim

Reduce level of serious and organised crime

PURSUE

1.9 We are building organisations with new roles and responsibilities to deal with serious and organised crime. They will have new capabilities. We want to see more cross-government collaboration at every level. We are also making changes to our legislation to make our powers more effective. We are reshaping our international work to reflect the changes in the threats we face.

1.10 The NCA will formally begin work in October 2013. It will develop and bring together intelligence on all types of serious and organised crime, prioritise crime groups according to the threats they present and, in conjunction with the police, then lead, coordinate and support our operational response.

1.11 Police forces will continue to conduct most law enforcement work on serious and organised crime. They should be supported by new local organised crime partnership boards, including local authorities and agencies to ensure all available information and powers are used against this threat. We believe that police and crime commissioners should play a leading role in identifying and establishing the appropriate body. These local partnerships will be informed by new serious and organised crime local profiles and should also play an important role in Prevent, Protect and Prepare.

1.12 We will continue to build police Regional Organised Crime Units (ROCUs) in England and Wales. These units also need to be supported by better data sharing between government departments and agencies. We will expand the existing Government Agency Intelligence Network (GAIN) for this purpose.

1.13 Developments in organised crime, notably the emergence of cyber crime, mean that we need to continue to improve NCA and police capabilities. Funding has been made available for this purpose, within England and Wales. We want to see much more sharing of capabilities between the separate police networks which deal with organised crime and terrorism. This will improve our work in both areas.

1.14 We will amend existing legislation to seek to create new powers to seize criminal assets. We will also take measures to better tackle people who support and benefit from participating in serious and organised crime. We will legislate to deal with the challenge of modern slavery.

1.15 We will restructure our overseas crime fighting network to deal with all the crime types which now fall to the NCA, including child sexual exploitation and cyber. Through the extension of the Nexus programme we will increase disruption of the significant amount of organised crime conducted by foreign nationals in this country. We will continue to build the capacity of third countries where organised crime impacts directly on our own security.

PREVENT

1.16 We will create a programme to stop people beginning or continuing to engage in serious and organised crime. This is Prevent. It needs to be coordinated with and draw lessons from our Prevent work on counter-terrorism.

1.17 We will sponsor and create new education and communications programmes to raise awareness of the reality of serious and organised crime, the damage it causes and the consequences for offenders and their families. We will publicise the identities of people convicted of serious and organised crime and our successes in seizing their assets.

1.18 We will use existing programmes (notably programmes for Troubled Families and Ending Gang and Youth Violence) to prevent serious and organised crime.

1.19 We want to see wider use by the NCA and others of Serious Crime Prevention Orders (SCPOs) and Travel Restriction Orders and 'cease and desist' notices to better deter people already engaging in serious and organised crime.

1.20 We will have an effective offender management programme for tracking serious and organised criminals into and beyond prison, ensuring the effective management of the threat they pose. We believe this can have a significant impact on recidivism.

PROTECT

1.21 Evidence shows that improving physical protection against serious and organised crime can very significantly deter and reduce its impact.

1.22 Secure borders are vital to work on organised crime. We have reorganised responsibilities at the border, with the new Border Force and the NCA's Border Policing Command. Major capability programmes are under way.

1.23 There has been success in cutting fraud against the public sector but we need to do more. We want to see more collaboration between law enforcement and local authorities to contain the risk that serious and organised crime might benefit from local authority procurement.

1.24 Containing fraud and cyber attacks against the private sector requires public and private sector collaboration. The new Counter Fraud Checking Service in the Cabinet Office will bring together known fraud data from the public and private sectors to enable better protection against known fraudsters. The NCA will share information with the private sector about developing threats. We are making further changes to procedures for reporting fraud to the Action Fraud service. We have already introduced a Cyber Security Information Sharing Partnership (CISP) to enable public/private sharing of information about cyber threats.

1.25 The NCA will continue a major education programme to protect potential victims from child exploitation. We are now working on new initiatives to reduce the availability of illegal images of child abuse circulating online.

1.26 Bribery and corruption are tools of serious and organised crime. We intend to introduce new systems for reporting corruption and the NCA will lead and coordinate work to investigate corruption in the UK. The Home Office will now coordinate domestic policy in this area.

1.27 Serious and organised crime also depends on identity theft and the use of false identities. We need to do more to protect identities and share data about false identities in the UK and beyond.

PREPARE

1.28 Although we can do much to reduce the threat and our vulnerability, serious and organised crime will happen. We need to ensure that we can deal with it and support people who are most affected.

1.29 Significant improvements have been made in building generic capabilities to respond to civil emergencies and we have a good continuing programme to improve the interoperability of the emergency services. In order to improve the way the UK responds to major cyber attacks, a new national Computer Emergency Response Team (CERT-UK) will be established in 2014.

1.30 Crime creates victims and witnesses. Communities are also affected. Supporting communities is a theme in this strategy and we want to see harm to communities taken

into account in the sentencing of people engaged in serious and organised crime.

1.31 A new Victim's Code will be published in late 2013 which sets out the support to which victims are entitled. We are also developing new arrangements to support witnesses with a new Witness Charter and a new UK Protected Persons Service which will overhaul current witness protection arrangements.

Conclusion

1.32 This strategy is intended to deal with a threat to our national security. It is complex and wide-ranging. Many agencies and departments are involved (roles and responsibilities are set out in Annex B) alongside and in support of the NCA and the police. We intend to track implementation of this strategy very closely: we will publish an annual report on our progress.

Introduction

2.1 The 2010 National Security Strategy[1] identified organised crime and, in particular, large scale cyber crime as serious risks to our national security. The Strategic Defence and Security Review (published alongside the National Security Strategy) stated that dealing with the most harmful organised crime groups affecting the UK is a national security requirement[2]. The Home Secretary's Strategic Policing Requirement[3] lists organised crime and cyber crime as national threats which chief constables and police and crime commissioners are required to address.

2.2 This strategy for dealing with serious and organised crime is issued to coincide with the creation of the NCA. It reflects significant changes in organised crime, the lessons we have learned from work to date (and our recent experience of counter-terrorism) and the new capabilities, and roles and responsibilities of organisations working on this threat. This strategy also sets out our response to serious crime, which may not always be 'organised' but requires a national response, notably many aspects of fraud and child sexual exploitation. Our aim is to substantially reduce the level of serious and organised crime affecting the UK and its interests.

2.3 Whilst national security is a reserved matter, crime and policing matters are devolved and the responsibility of the Scottish Parliament and Northern Ireland Assembly. We intend to continue collaborating closely with all the devolved administrations against organised crime. We believe that implementation of this strategy is consistent with the approach to organised crime in Scotland and Northern Ireland[4]. With regard to the legislative competence of the National Assembly for Wales, organised crime and policing are non-devolved subjects. However, health, education and local government in Wales are subjects devolved to the National Assembly. We will ensure close cooperation with the Welsh Government in implementing aspects of the strategy where there are interdependencies between devolved and non-devolved elements.

2.4 This strategy is the product of extensive consultation with law enforcement, the intelligence agencies, local authorities, the private sector and academia.

1 HM Government (2010) A Strong Britain in an Age of Uncertainty: The National Security Strategy https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/61936/national-security-strategy.pdf

2 HM Government (2010) *Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review* https://www.gov.uk/government/publications/the-strategic-defence-and-security-review-securing-britain-in-an-age-of-uncertainty

3 HM Government (2012) Strategic Policing Requirement https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/117445/strategic-policing-requirement.pdf. The Strategic Policing Requirement empowers and enables police and crime commissioners to hold their chief constable to account for the totality of their policing – both local and national

4 Scottish Government (2009) – *Letting Our Communities Flourish* http://www.scotland.gov.uk/Resource/Doc/274127/0081989.pdf; Northern Ireland – Organised Crime Task Force (2011) *Northern Ireland Organised Crime Strategy January 2012* http://www.dojni.gov.uk/index/media-centre/northern-ireland-organised-crime-strategy-.pdf

Characteristics of serious and organised crime

2.5 There is no legal definition of organised crime in England and Wales. For the purposes of this strategy, organised crime is serious crime planned, coordinated and conducted by people working together on a continuing basis. Their motivation is often, but not always, financial gain.

2.6 Organised crime is characterised by violence or the threat of violence and by the use of bribery and corruption: organised criminals very often depend on the assistance of corrupt, complicit or negligent professionals, notably lawyers, accountants and bankers. Organised crime also uses sophisticated technology to conduct operations, maintain security and evade justice.

2.7 We make a distinction between organised crime groups and urban street gangs (which are the subject of a related government report[5]). The differences are primarily about the level of criminality, organisation, planning and control. But there are connections between gangs and organised crime: urban gang members may engage in street drug dealing on behalf of organised criminals and some gangs aspire to and may become organised crime groups in their own right. Areas of high gang activity in the UK tend to be areas where organised criminals are most active.

2.8 Organised crime in this and other countries recognises neither national borders nor national interests. Many organised crime groups in this country maintain links to counterparts overseas to conduct their operations. A significant proportion of serious and organised crime involves the movement of people, goods and money across the UK's border. But overseas groups (e.g. from Latin America, the Balkans, Turkey and China) are also resident and operating in this country. Through sophisticated use of the internet, cyber criminals can commit crimes against UK businesses, citizens and government from anywhere in the world.

2.9 Organised crime groups will continue to exploit areas of global instability and conflict. They will be able to operate globally in ungoverned and poorly-regulated spaces, often exploiting the distinctions between jurisdictions and the corruption within them. They will undermine fragile states, societies, and governments.

2.10 All these aspects of serious and organised crime inform our response and are reflected in the programme outlined here.

The scale and impact of serious and organised crime

2.11 Law enforcement agencies estimate that there are around 5,500 active organised crime groups operating against the UK, comprising about 37,000 people[6]. Their criminal activity is concentrated in, but not confined to, London and the South East, the North West and the West Midlands.

2.12 Organised crime groups are responsible for: the trafficking of drugs, people and firearms, organised illegal immigration, large-scale and high-volume fraud and other financial crimes, counterfeit goods (including medicines), organised acquisitive crime and cyber crime.

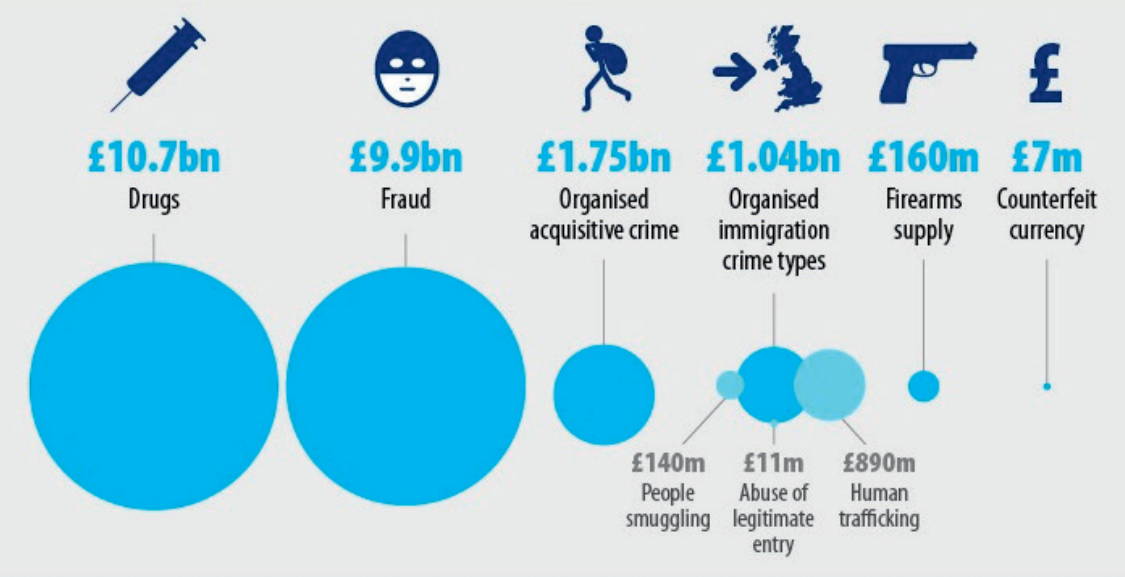
2.13 A Home Office study, published to coincide with this strategy, estimates that the social and economic costs of organised crime in this country are at least £24 billion a year[7]. There were just under 1,500 drug

5 Home Office (2011) *Ending Gang and Youth Violence* https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/97861/gang-violence-summary.pdf

6 Derived from a law enforcement-led process known as Organised Crime Group Mapping

7 Home Office (2013) *Understanding Organised Crime: Estimating the scale and the social and economic costs* *https://www.gov.uk/government/publications/understanding-organised-crime-estimating-the-scale-and-the-social-and-economic-costs*

Cost of Organised Crime



This illustration shows the estimated social and economic costs of different types of organised crime. While costs do vary across the different crime types, differences in how the various estimates were calculated means they are not directly comparable.

related deaths in England and Wales alone in 2012[8].

2.14 Crime groups can intimidate and corrupt and deprive some people of their security, prosperity and even identity. They can also have a corrosive impact on the fabric and cohesion of communities. The abuse and exploitation of children can have a lifelong and devastating impact on victims.

2.15 Cyber crime can undermine confidence in the integrity of our communications technology and in the sensitive systems which are essential to governance and our economy. Organised immigration crime challenges the security of our border, and human trafficking is in effect a form of modern slavery. Financial crime can jeopardise the integrity of our financial markets and institutions. Organised criminal attacks on the UK's tax and duty systems are estimated to cost the Exchequer £5 billion a year.

2.16 The United Nations Office for Drugs and Crime (UNODC) estimates that the annual turnover of transnational organised crime groups and networks is $870 billion[9]. The most significant and sophisticated of these networks now operate in the manner which was previously the preserve of nation states or large corporations. They have access to vast illicit wealth, recruit specialist personnel and seek to wield state-like commercial and political power.

2.17 Serious and organised crime can have a destabilising impact on the governance of countries of strategic importance to our national security including our Overseas Territories. Drugs and weapons trafficking undermine the rule of law. Bribery and corruption compromise effective decision-

8 Office for National Statistics (2013) *Deaths related to drug poisoning in England and Wales,* www.ons.gov.uk/ons/dcp171778_320841.pdf

9 UN Office on Drugs and Crime (UNODC) (2011) *Estimating Illicit Financial Flows Resulting from Drug Trafficking and other Transnational Organised Crimes* www.unodc.org/documents/data-and-analysis/Studies/Illicit_financial_flows_2011_web.pdf

making. Global cyber crime can undermine and disrupt online systems which are essential to the UK's economy and prosperity.

2.18 In some cases organised crime engages in or indirectly facilitates terrorist activity: about 50% of the international drug trafficking groups of interest to the US Department of Justice are associated with terrorist organisations[10].

2.19 Like the UK, other countries (such as the United States and Australia[11]) judge that organised crime poses a risk to their national security.

Organised crime types in the UK

2.20 This section of our strategy provides a short introductory overview of the main organised criminal activities in the UK and identifies its costs and consequences: from the consultation which preceded this strategy it was clear that the scope of organised crime is not always understood.

2.21 Over half of the organised crime groups operating against the UK are involved in drug-related crime; a significant proportion are also involved in violent crime[12]. Although illegal drug use is falling[13] the UK's illegal drugs market, which is controlled by organised crime, is still worth about £3.7 billion a year[14] and led to over 2000 drug-related deaths in 2012[15]. The social and economic costs of organised illegal drugs supply in the UK are estimated to be £10.7 billion per year[16].

Illegal drugs

2.22 Illegal drugs cause serious damage to UK communities through drug-related violence, anti-social behaviour, acquisitive crime and knife and firearms offences. Between a third and a half of all acquisitive crime is drug-related.

2.23 We estimate that between 18 tonnes and 23 tonnes of heroin and 25 tonnes and 30 tonnes of cocaine are imported annually into the UK[17].

2.24 95% of the heroin on UK streets originates from Afghanistan. UK-based organised crime groups involved in heroin

10 US Government (2011) *Strategy to Combat Transnational Organized Crime* http://www.whitehouse.gov/sites/default/files/Strategy_to_Combat_Transnational_Organized_Crime_July_2011.pdf

11 Australian Government (2013) *National Security Strategy;* lists serious organised crime as one of seven key national security risks http://www.dpmc.gov.au/national_security/docs/national_security_strategy.pdf

12 Organised Crime Group Mapping data

13 Home Office (2013) *Drug Misuse: Findings from the 2012/13 Crime Survey for England and Wales* www.gov.uk/government/publications/drug-misuse-findings-from-the-2012-to-2013-csew

14 Home Office (2013) *Understanding Organised Crime: Estimating the scale and the social and economic costs* *https://www.gov.uk/government/publications/understanding-organised-crime-estimating-the-scale-and-the-social-and-economic-costs*

15 Detailed Breakdown: England and Wales – 1,469 deaths: Office for National Statistics (2013) *Deaths related to drug poisoning in England and Wales, 2012* http://www.ons.gov.uk/ons/dcp171778_320841.pdf, Scotland – 581 deaths: National Records of Scotland (2013) *Drug-related deaths in Scotland in 2012* http://www.gro-scotland.gov.uk/files2/stats/drug-related-deaths/2012/drugs-related-deaths-2012.pdf, Northern Ireland – 75 deaths: Northern Ireland Statistics and Research Agency (2013) *Alcohol and Drug Deaths* http://www.nisra.gov.uk/demography/default.asp30.htm

16 Home Office (2013) *Understanding Organised Crime: Estimating the scale and the social and economic costs.* This includes costs associated with drug-related acquisitive offending as well as health care. https://www.gov.uk/government/publications/understanding-organised-crime-estimating-the-scale-and-the-social-and-economic-costs

17 SOCA – www.soca.gov.uk/threats/drugs

trafficking, and distribution within the UK, often have strong ethnic and familial associations with South Asia. Turkish groups have always been important; Balkan organised crime networks are now much more prominent.

2.25 Cocaine consumed in the UK comes from Peru, Colombia and Bolivia. Most crosses the Atlantic in containerised freight, although some is concealed in general cargo, yachts and fishing vessels. West Africa has become a significant transit region for cocaine destined for the European and UK markets along with the Caribbean, the Netherlands, Belgium and the Iberian Peninsula. British organised criminals dominate the supply and distribution of cocaine within the UK.

2.26 Cannabis is still the most widely used illegal drug in the UK and is a large lucrative market for organised criminals. While most cannabis in the UK is imported, over 90 tonnes of 'skunk' cannabis is produced domestically in the UK each year. Criminals use income generated from cannabis trafficking to fund a range of other criminal activities, including the purchase of heroin and cocaine.

2.27 The UK drugs market is diversifying with an increase in the number of new psychoactive substances (NPS) primarily imported from China and India. The most common is mephedrone.

2.28 Like other crime types, illegal drugs supply is moving online to websites intended to evade law enforcement action. At present, use of the internet to purchase drugs seems low, but responding to the likely future challenge of drugs online is a feature of this strategy.

Illegal firearms

2.29 Offences involving the use of a firearm make up a small proportion (around 0.2%) of all police recorded crime in England and Wales and there has been a decline in the number of recorded crimes involving firearms for eight consecutive years[18]. Data from Scotland is comparable[19]. Firearms-related homicides are comparatively low compared with similar countries[20].

2.30 The majority of criminally-linked shooting incidents in the UK are conducted by urban street gangs, often in connection with armed robberies and drug distribution. But organised crime groups in the UK have ready access to illegal firearms, when required. Intelligence and ballistic information indicates that trading in and hiring of illegal weapons is common and individual firearms have been used by different criminal groups, in different parts of the country.

2.31 Most of the illegal firearms used by UK-based criminals are original lethal-purpose handguns imported illegally from the USA and Europe. Firearms, their components

[18] Office for National Statistics (2013) *Focus on Violent Crime and Sexual Offences 2011/12* http://www.ons.gov.uk/ons/rel/crime-stats/crime-statistics/focus-on-violent-crime/stb-focus-on--violent-crime-and-sexual-offences-2011-12.html

[19] Recorded crime offences involving firearms, Scotland, 2011-12 – December 2012 data

[20] Based on Home Office comparisons of murder rates, where England and Wales has a rate of 1 per 100,000 and the USA has 6 per 100,000

and ammunition are also acquired from a variety of legitimate sources within the UK, including the military, firearm/antique fairs and registered firearms dealers.

2.32 Reactivated and converted firearms are common. Some are converted overseas before being trafficked to the UK (such as Baikal handguns converted in Lithuania). Others are converted here.

2.33 Weapons, their parts and ammunition can now be bought online, like drugs.

Fraud and financial crime

2.34 Fraud is estimated to cost the UK £50 billion each year and at least £8.9 billion of this is due to organised crime[21]. Fraud is conducted against individuals, the public and private sectors, and the state. To date we have identified almost 1,400 organised crime groups who commit economic crime; many are involved in other serious and organised crime.

2.35 Organised criminals conduct insurance and mortgage fraud and fraud against the global banking system. They are engaged in intellectual property crime, including the supply of counterfeit medicines and electrical goods. We believe that a small number of organised crime groups are also involved in market abuse in this country.

2.36 Organised crime also aims to defraud the public directly. Ticketing and mass-marketing fraud are common; there is a growing threat from pension liberation frauds where people are deceived into cashing in their pensions early, sometimes into a false trading fund.

2.37 Fraud is increasingly conducted online. Of the frauds reported to Action Fraud[22] in 2012, 40% were committed online, with criminals taking advantage of the vulnerabilities of online services and the people who use them. Cyber-enabled crime allows crime on a significant scale: a single 'phishing' email (an email where the sender purports to be a trustworthy entity to secure financial or other details) can be used to target very large numbers of people, often by criminals either based overseas or making use of overseas IT infrastructure.

2.38 Fraud against the public sector costs about £20 billion each year of which the majority is against the tax system. The latest estimates are that about £5 billion of the annual UK 'tax gap' (the gap between tax owed and tax collected) is due to organised

[21] National Fraud Authority (2013) *Annual Fraud Indicator* www.gov.uk/government/uploads/system/uploads/attachment_data/file/206552/nfa-annual-fraud-indicator-2013.pdf

[22] Action Fraud is the UK's national fraud and internet crime reporting centre; it provides a central point of contact for information about fraud and financially motivated internet crime. www.actionfraud.police.uk/

crime[23]. VAT fraud associated with tobacco and alcohol has become more sophisticated and multinational and frequently cyber-enabled. VAT missing-trader intra-community fraud (MTIC) involves complex trading in a range of goods to evade VAT or make fraudulent repayment claims. Some MTIC fraudsters start dealing in small but high value goods (such as electronics), and then move into 'non-tangible' commodities, including carbon credits.

Money laundering

2.39 Most organised crime aims to make money which then needs to be moved and laundered to hide its origins. Because it is covert, and often complex, it is difficult to assess the scale of money laundered in and through this country. But the Serious Organised Crime Agency (SOCA) estimated that in excess of £1 billion a year is laundered through money service businesses (MSBs) and informal value transfer systems[24] alone.

2.40 Illicit profits are often laundered through cash-rich overt businesses, which very often operate on the high street and typically include nail bars, food and licensed premises, companies offering security services, taxi firms and car washes. These outlets may be run by crime groups from this country or overseas. Money is sometimes physically transferred outside the UK using not only MSBs but also front companies and offshore services.

2.41 Complicit, negligent or unwitting professionals in the financial, accountancy and legal professions in the UK facilitate money laundering on behalf of organised criminals. UK organised crime groups also use specialist money launderers, some overseas, who manage laundering for multiple criminal enterprises active across various illicit activities.

Child sexual exploitation

2.42 In 2012/13 almost 800 children were safeguarded or protected as result of activity by the Child Exploitation and Online Protection Centre[25] (CEOP); the Office of the Children's Commissioner identified 2,409 victims of child sexual exploitation by gangs and groups[26]. Research by the NSPCC indicated that about 5% of children in the UK suffer contact sexual abuse at some point during their childhood[27]. But most areas of child sexual exploitation and abuse suffer from under-reporting by victims and often inconsistent reporting in the criminal justice process: it is difficult to accurately identify the size of the UK offending and victim populations.

23 HM Revenue and Customs (2012) Delivering our Vision: Business Plan 2012-15 www.hmrc.gov.uk/about/2012-business-plan.pdf

24 Informal value transfer systems are based on a global network of often unregistered and 'informal' bankers, typically serving ethnic or expatriate communities and businesses. An example is 'hawala'. They exist for legitimate and cultural remittance purposes but can be exploited by organised criminals to facilitate money laundering.

25 Radford, L., Corral, S., Bradley, C., Fisher, H., Bassett, C., Howat, N. and Collishaw, S. (2011) Child abuse and neglect in the UK today. www.nspcc.org.uk/Inform/research/findings/child_abuse_neglect_research_PDF_wdf84181.pdf

26 CEOP Annual Review 2012-2013 & Centre Plan 2013-2014 http://www.ceop.police.uk/Documents/ceopdocs/AnnualReviewCentrePlan2013.pdf

27 The Office of the Children's Commissioner's Inquiry into Child Sexual Exploitation in Gangs and Groups. Berlowitz, S., Firmin, C., Edwards, G., Gulyurtlu, S. (2012) *I thought I was the only one. The only one in the world*: Interim Report www.childrenscommissioner.gov.uk/content/publications/content_636

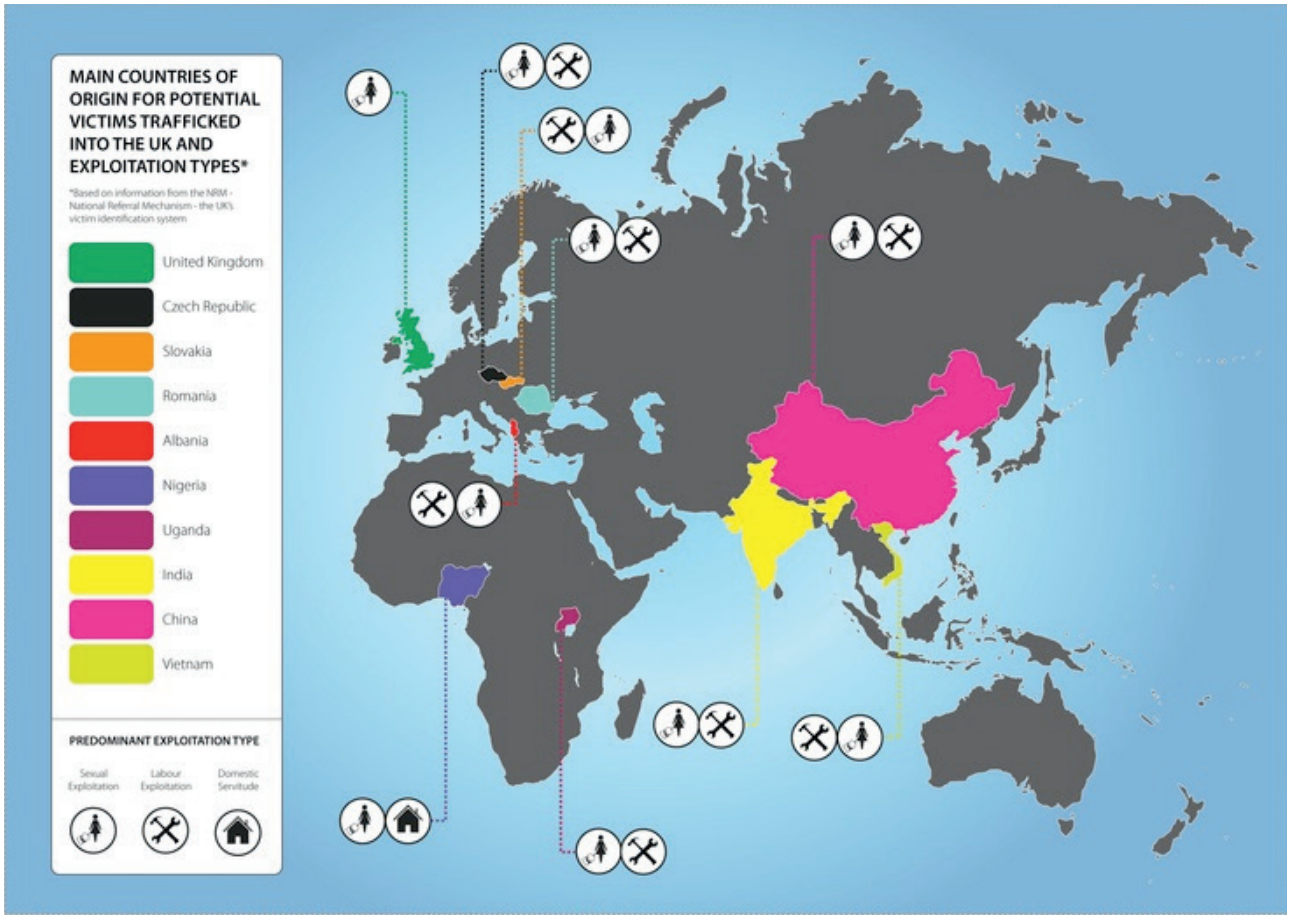
2.43 Child sexual abuse and exploitation remains a largely solitary crime and, where group offending occurs, it shares few of the characteristics traditionally associated with organised crime. The offending is, however, often extremely serious and complex. The majority of child sexual exploitation and abuse offenders are motivated by sexual gratification with a much smaller number motivated by financial or other gain.

2.44 Child abuse is very often an online and multinational activity using sophisticated technology and techniques to evade law enforcement attention. The internet (including the so-called 'hidden internet' which facilitates a sense of a 'safe' community of offenders) facilitates the proliferation of indecent images of children. Work to tackle this between government, law enforcement and industry is an important part of this strategy.

Organised immigration crime and human trafficking

2.45 Organised crime groups are involved in the smuggling of people into this country, in the abuse of legal means of entry (e.g. marriage), and in human trafficking (the movement of people for profit, including sexual exploitation, forced labour, criminal exploitation and domestic servitude). The majority of illegal migrants will rely on the services of organised crime groups at some point in their journey or during their time in the UK.

2.46 The true scale of human trafficking is unknown. It is a crime which is largely hidden from the public eye. In 2012, 1,186 potential



victims of human trafficking were referred to the National Referral Mechanism (NRM)[28], an increase of 25% on 2011. The most common source countries for potential victims referred to 2012 in the NRM were Nigeria, Vietnam, Albania, Romania and China. Current reporting indicates Nigeria and Albania are key threat areas for sexual exploitation; Poland, Romania and other central/eastern European countries for labour exploitation and Vietnam for child trafficking. A number of cases have been identified involving child victims from Vietnam working in cannabis factories.

2.47 People are often deceived or tricked into a trafficking situation through false promises of a better life or the offer of work. Others are sold to their traffickers, sometimes by family members. Debt bondage is a tactic used by organised crime groups to maintain control over a trafficking victim.

2.48 We estimate the social and economic costs associated with *known* organised immigration crime and human trafficking at just over £1 billion[29]. The actual total costs are likely to be much higher.

2.49 Some criminals involved in immigration crime act alone while others form extensive global networks. The most sophisticated criminal groups offer complete facilitation packages including accommodation, transportation and false documentation. Cooperation between immigration crime groups is common.

Organised acquisitive crime

2.50 Market forces shape organised crime; groups shift their focus from one commodity to another in response to supply and demand. UK-based organised crime groups have become involved in metal theft (as the price of some metals has risen) and in the theft, transportation and distribution of high-value goods and antiquities such as Chinese jade and rhino horn. Organised criminals are increasingly targeting smartphones.

2.51 Vehicle crime offences in the UK have fallen in recent years, but the value of vehicles stolen by organised criminals is still estimated to be at least £330 million a year. We believe the social and economic costs of this criminality to the UK are at least £920 million a year[30].

2.52 Recent Home Office research indicates that the scale and social and economic costs associated with the theft of construction and agricultural equipment and distraction burglary (where vulnerable people are usually targeted) are now considerably greater than the theft of cash and valuables in transit[31], traditional types of organised crime.

Cyber crime

2.53 In the past few years there has been a rapid expansion in the development and adoption of new communications technologies which continue to transform government, business and the ways in which we interact with each other. Some 80% of homes in the UK now have internet access; 40% of adults have a smartphone; and online retail spending accounts for around 10% of all retail spend each month in Great Britain[32].

28 The NRM is part of the UK Human Trafficking Centre (UKHTC) and identifies and facilitates support for victims of human trafficking

29 Home Office (2013) *Understanding Organised Crime: Estimating the scale and the social and economic costs* https://www.gov.uk/government/publications/understanding-organised-crime-estimating-the-scale-and-the-social-and-economic-costs

30 Home Office (2013) *Understanding Organised Crime: Estimating the scale and the social and economic costs* https://www.gov.uk/government/publications/understanding-organised-crime-estimating-the-scale-and-the-social-and-economic-costs

31 Home Office (2013) *Understanding Organised Crime: Estimating the scale and the social and economic costs* https://www.gov.uk/government/publications/understanding-organised-crime-estimating-the-scale-and-the-social-and-economic-costs

32 Office for National Statistics (July 2013), Online Retail Sales www.ons.gov.uk/ons/rel/rsi/retail-sales/july-2013/stb-rsi-july-2013.html#tab-Internet-Sales

2.54 Cyber crime describes two distinct, but closely related, criminal activities: cyber-dependent crimes, and cyber-enabled crimes. In this strategy, we use 'cyber crime' when we are referring to both types: otherwise we distinguish between them.

- Cyber-dependent crimes can only be committed using computers, computer networks or other forms of information communication technology (ICT). They include the creation and spread of malware for financial gain, hacking to steal important personal or industry data and denial of service attacks to cause reputational damage.
- Cyber-enabled crimes (such as fraud, the purchasing of illegal drugs and child sexual exploitation) can be conducted on or offline, but online may take place at unprecedented scale and speed.

2.55 People who commit cyber crime against UK business and the public often operate from overseas, taking advantage of the UK's high use of the internet and online payment systems, as well as weak legislation and law enforcement action in some other jurisdictions.

2.56 Many cyber criminals do not operate as part of a traditional, hierarchical organised crime group but through a global marketplace where they buy and sell the technical tools and services created for, or products derived from, cyber crime attacks[33].

2.57 We know that almost a third (31%) of adult internet users reported experiencing a computer virus to the 2011/12 Crime Survey for England and Wales[34]. This is a useful indicator of the extent of online malware but it is not an indicator of the level of cyber-dependent crime. It does not take account of whether the victim was specifically targeted or whether the virus had an effect on their computer or was blocked by anti-virus software. The proportion of adult internet users that reported unauthorised access to or use of personal data (hacking) increased from 2% in 2006-7 to 7% in 2011-12. The Commercial Victimisation Survey found there were 180,000 incidents of online crime against four major business sectors in 2012; 75% of these were virus-related[35].

2.58 On cyber-enabled crimes, 3% of adult internet users reported having 'lost money' online in the 2011/12 Crime Survey for England and Wales. The banking and payments industry, which collates data on fraud losses, reported an estimated cost of cyber-enabled card-not-present fraud to the banks of £140.2 million in 2012; in the same year cyber-enabled banking fraud was estimated at £39.6 million[36]. Other sources also report an increase in the number of phishing attacks, i.e. emails that attempt to get users to relinquish personal information for fraudulent purposes. The Oxford Internet Institute found that there had been a steady increase in reported phishing attacks among internet users, from 12% in 2005 to 22%

33 Holt, T. J. (2012) Exploring the Social Organization and Structure of Stolen Data Markets, *Proceedings of the 4th Annual Illicit Networks Workshop*

34 Crime Survey for England and Wales 2011/12

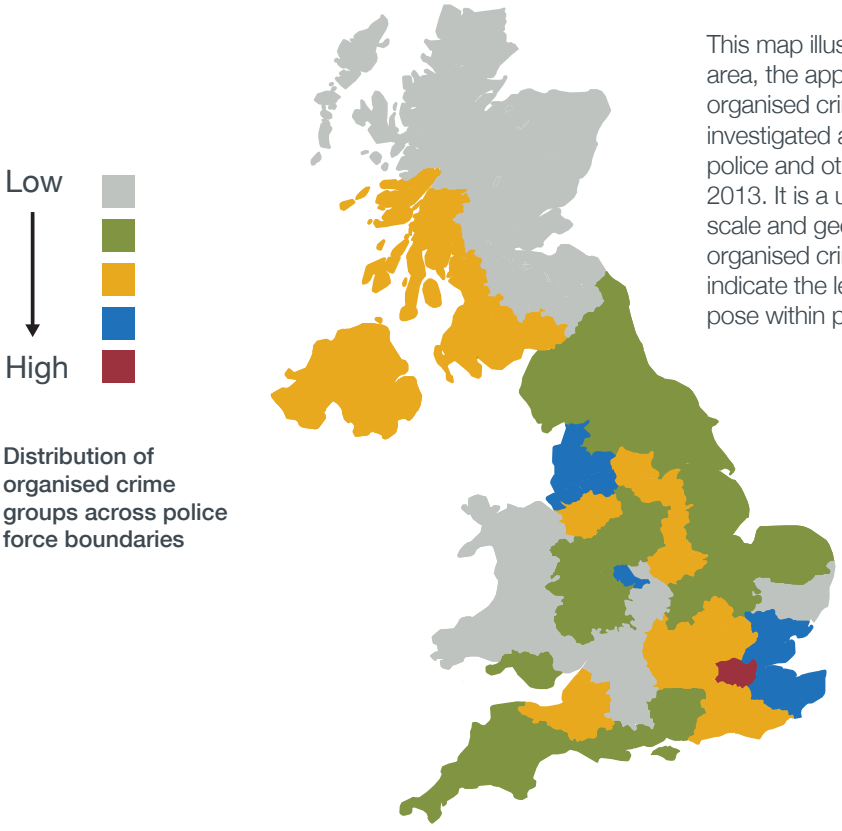
35 ONS (2012) *Commercial Victimisation Survey*" https://www.gov.uk/government/publications/crime-against-businesses-headline-findings-from-the-2012-commercial-victimisation-survey--2

36 Financial Fraud Action website (2013) http://www.financialfraudaction.org.uk/

in 2011[37]. The Office for National Statistics (2010) reported that 3% of adult internet users in the UK had experienced financial loss from the disclosure of personal data to fake websites or fraudulent messages.

2.59 As the UK Cyber Security Strategy[38] noted, an accurate estimate of the scale and cost of cyber crime will probably never be established, but it is clear that both the costs and the threat are substantial. Based on the limited evidence available the costs of cyber crime in the UK are likely to be at least several billions of pounds each year. A new external working group is being set up by the Home Office to improve the data quality; the data which we have is published alongside this strategy[39].

Distribution of organised crime groups across the UK (June 2013)*



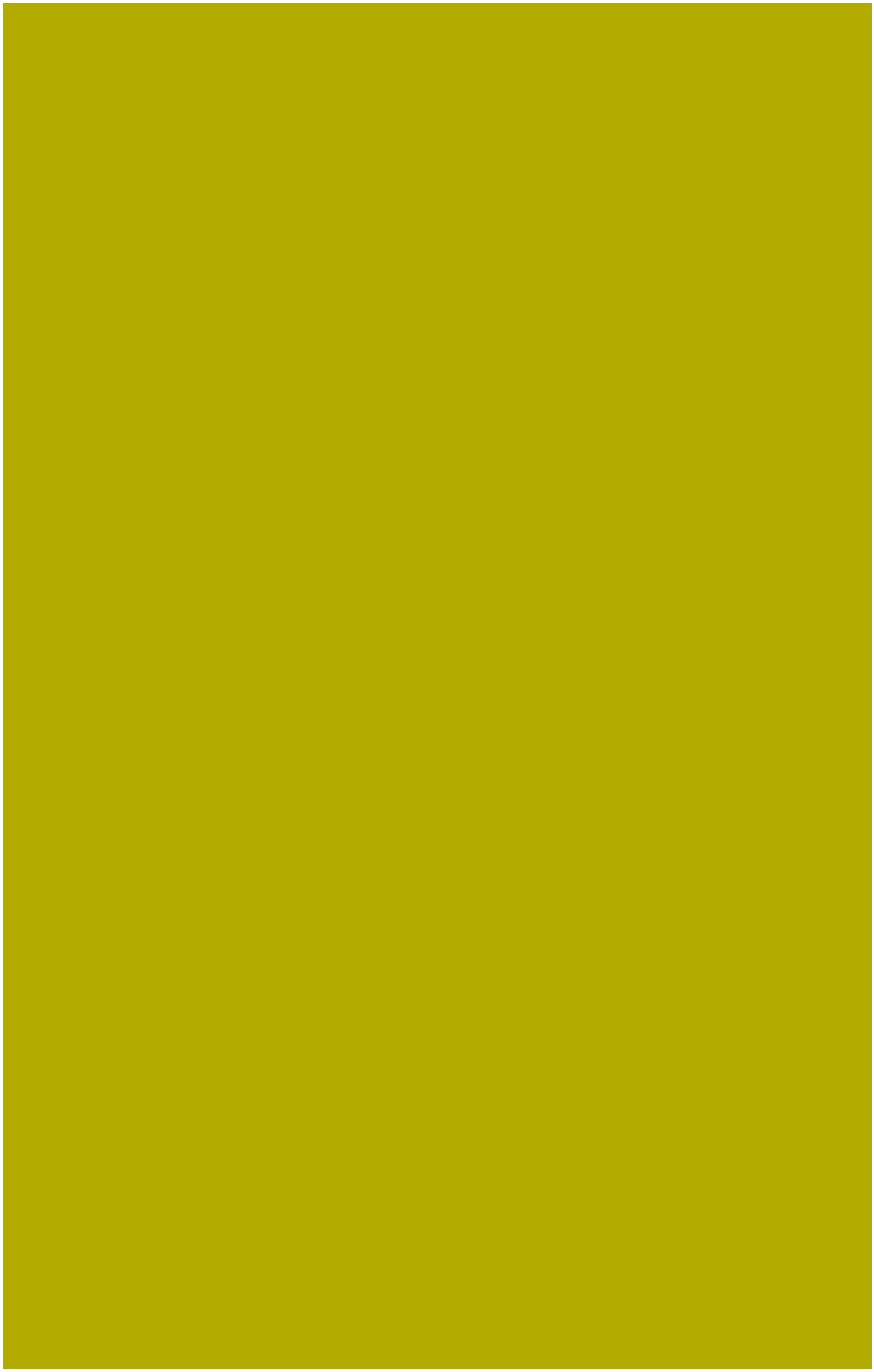
This map illustrates, by local police force area, the approximate distribution of organised crime groups being investigated and/or disrupted by the police and other agencies as of June 2013. It is a useful illustration of the scale and geographic spread of organised crime groups but it does not indicate the level of threat that groups pose within police force areas.

* Information provided by UK police and law enforcement agencies, collated by the NCA. Policing in Scotland and Northern Ireland is devolved. Information provided by Police Scotland shows a higher distribution of organised crime groups in the west of the country reflected in the map above.

37 Dutton, W.H. and Blank, G. (2011) Oxford Internet Survey

38 HM Government (2011) *The UK Cyber Security Strategy* (November 2011): www.gov.uk/government/publications/cyber-security-strategy

39 Home Office (2013) *Cyber Crime: A Review of the Evidence: https://www.gov.uk/government/publications/cyber-crime-a-review-of-the-evidence*

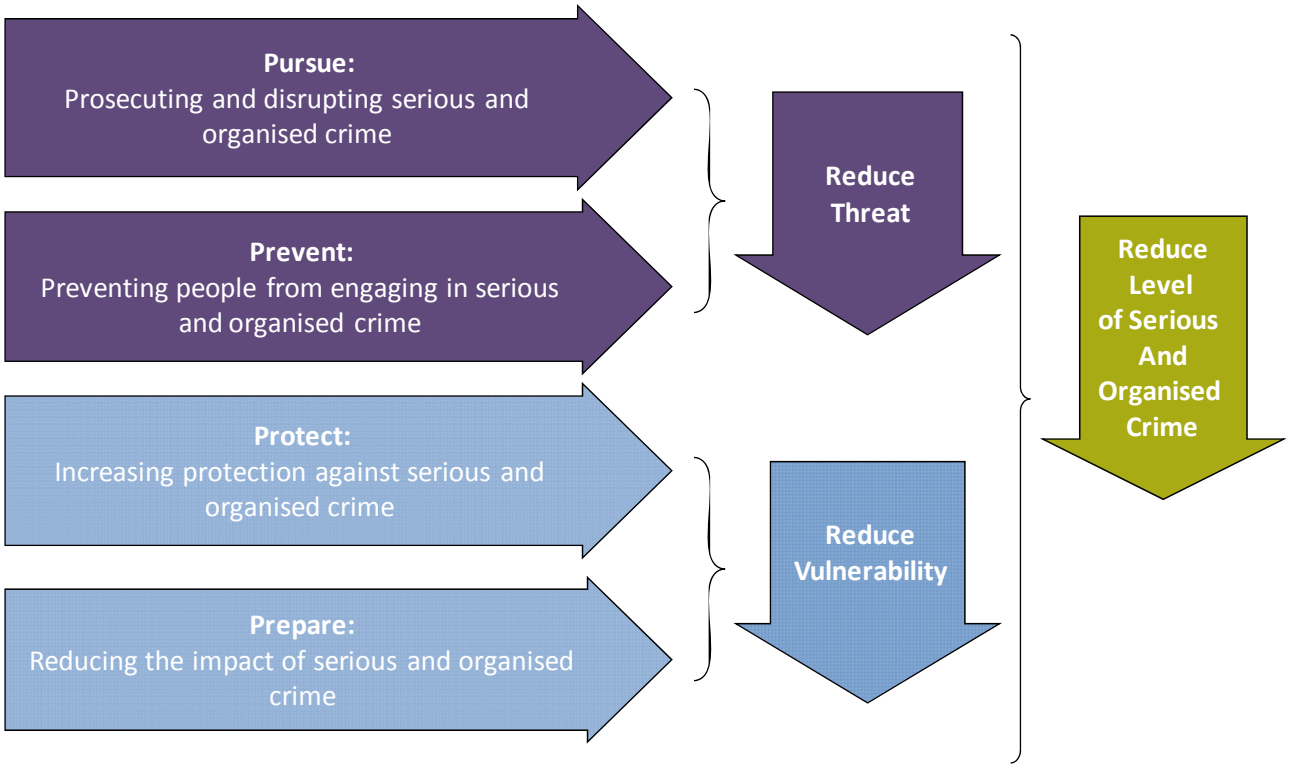


Our Strategic Response

3.1 The aim of this strategy is to substantially reduce the level of organised crime in this country and the level of serious crime that requires a national response (notably fraud and child sexual exploitation). The strategy develops themes from its predecessor, Local to Global (2011), but takes account of changes in organised crime and the new roles and responsibilities for organisations which are responsible for dealing with it.

3.2 Organised crime requires a response across the whole of government and beyond. It is not just a matter for the police and NCA. Many other departments need to be involved, with local authorities, the private sector and communities. Organised crime also requires an international response with close allies and multilateral organisations.

3.3 This strategy uses a framework which was first developed for our counter-terrorism strategy, CONTEST. It has four main areas of activity: prosecuting and disrupting people engaged in serious and organised criminality (Pursue); preventing people from engaging in this activity (Prevent); increasing protection against organised crime (Protect); and reducing the impact of serious and organised crime where it takes place (Prepare).



3.4 Actions we take under Pursue and Prevent are intended to reduce the hostile threats we face. Actions taken under Protect and Prepare are intended to reduce our vulnerability. Together these actions will cut serious and organised crime and reduce the risks we face from it.

3.5 We believe the CONTEST model will enable us to develop a more comprehensive approach to serious and organised crime than ever before. Separating prevention (intended to deal with potential or actual offenders) from protection (intended to reduce the vulnerability of the state, private sector and people in the UK) will give more coherence to both areas of work. Having an area of work devoted to preparation or contingency planning (planning for organised crime which does take place) will enable us to provide better support to victims and to communities affected by persistent organised criminality. It will also help ensure we have in place measures to deal with cyber attacks by criminal groups.

3.6 The application of this comprehensive framework to serious and organised crime will in some areas differ significantly from its application to terrorism. These are different threats. Preventing terrorism, for example, requires different techniques and resources from preventing organised crime. Protecting against a terrorist attack is a different challenge from protecting against an organised crime. But applied in different ways, the common framework will also enable us to much better identify common features to our work against organised crime and counter-terrorism and develop closer coordination between the two.

3.7 This strategy sets out strategic objectives for each of the four main areas of work and provides details on supporting programmes. Tactical operational objectives (e.g. priority crime groups) will be determined through the NCA and police and are not covered in this strategy.

3.8 Our immediate priorities are the strategic objectives set out under Pursue. We need to reduce the threat from organised crime, by more prosecution of offenders and the relentless disruption of their criminal activity. That will mean organisations dealing with serious and organised crime working in a different way with different capabilities and new powers.

3.9 In common with CONTEST we will publish an annual report on the progress of this work.

3.10 Annex A explains the governance of the strategy and Annex B explains the roles and responsibilities of the departments and agencies concerned.

PURSUE: Prosecuting and disrupting serious and organised crime

Success in PURSUE will mean that:

- At home, relentless disruption of serious and organised crime and the prosecution of those responsible reduces the threats we face
- Overseas, better international collaboration drawing on wider resources more effectively disrupts global organised crime

Our objectives will be to:

i. Establish strong organisations and effective collaboration to lead work against serious and organised crime

ii. Develop our capabilities to detect, investigate, prosecute and disrupt serious and organised crime

iii. Attack criminal finances by making it harder to move, hide and use the proceeds of crime

iv. Ensure that effective legal powers are available and are used to deal with the threat from serious and organised crime

v. Internationally, improve our own capabilities and our cooperation with others to better tackle organised crime networks

i. Establish strong organisations and effective collaboration to lead work against serious and organised crime

4.1 Ensuring that effective organisations are in place at national, regional and local levels, and at the UK border, is the first step in transforming our overall response to serious and organised crime. This section sets out the new organisations which have been established, their roles and responsibilities, and how they will collaborate with the police and other departments.

National

4.2 The new National Crime Agency (NCA), established by the Crime and Courts Act 2013[40], will lead our work against serious and organised crime. It will develop a single authoritative intelligence picture of serious and organised crime in the UK, assuming for

[40] HM Government (2013) *Crime and Courts Act* http://www.legislation.gov.uk/ukpga/2013/22/contents/enacted

these issues the role that the Joint Terrorism Analysis Centre (JTAC) has successfully performed for the terrorist threat. It will then coordinate the law enforcement response, ensuring that action against criminals and organised criminal groups is prioritised according to the threat they present. The NCA will lead some operations and support others. It will coordinate the relentless disruption of major organised crime groups and their arrest and prosecution.

4.3 The success of the NCA depends on the closest collaboration with the police and other law enforcement agencies, notably the major metropolitan police forces in England and Wales (Metropolitan Police Service, West Midlands Police, Greater Manchester Police, Merseyside Police and West Yorkshire Police), Police Scotland and the Police Service of Northern Ireland (PSNI), and with the security and intelligence agencies. The basis of these relationships must be the sharing of intelligence and operational capabilities to pursue common and agreed priorities. We regard coordination on counter-terrorism as a model in this respect.

4.4 The NCA will comprise four operational commands responsible for organised crime, economic crime, borders and international work, and child exploitation and online protection. It will have a new National Cyber Crime Unit. The NCA will also have a unit to coordinate investigations into the most serious corruption cases in the UK. At the core of the NCA will be a new multi-agency intelligence hub which will draw intelligence together on all these issues, and inform tasking and the allocation of operational resources.

4.5 The new NCA Economic Crime Command (ECC) will work on financial crime with the City of London Police (which will remain the lead police force for fraud). The City of London Police will assume responsibility for creating a stronger end to end system between the Action Fraud reporting system and the National Fraud Intelligence Bureau (see 6.20).

4.6 The ECC will also work with the Financial Conduct Authority (FCA), which now protects and regulates the UK financial services industry and alongside HM Revenue and Customs (HMRC), which will remain the lead agency for tackling fiscal fraud.

4.7 The National Cyber Crime Unit (NCCU) of the NCA will lead on the law enforcement investigation of cyber crime as we have defined it in the introduction to this strategy (see 2.54). It will aim to identify and prosecute people engaged in cyber attacks in this country. It will also support investigations into cyber-enabled crimes, providing technical support where that is necessary.

4.8 The NCA has a UK-wide remit to fight serious and organised crime. But policing is devolved in Scotland and Northern Ireland. In Northern Ireland the activities of the NCA are restricted to reserved and excepted matters[41].

4.9 The NCA Director General will be directly accountable to the Home Secretary who will determine the strategic priorities for the Agency. The Director General has full control over the NCA's operational activities. The Agency will publish an annual plan and a report on its performance.

[41] The Northern Ireland Executive did not take forward legislative consent for the NCA in Northern Ireland. As a result, Part 1 of the Crime and Courts Act 2013, which creates the NCA, is subject to Schedule 24 to the Act, which sets out those sections which do not apply to Northern Ireland. Ibid.

Regional

4.10 We are making further changes to the regional response to serious and organised crime in England and Wales.

4.11 There are currently nine police Regional Organised Crime Units (ROCUs) in England and Wales which provide capability to investigate serious and organised crime across police force boundaries. Chief constables, supported by police and crime commissioners, are leading a programme to increase ROCU capabilities, specifically in the areas of intelligence collection and analysis, asset recovery, fraud, cyber crime, prison intelligence and the provision of witness protection. The Home Office is investing additional funding in these capabilities and we expect significant change by the end of 2014. ROCUs will work alongside 18 regional NCA offices. Wherever possible, we expect them to be co-located.

4.12 The ROCUs also have an important leadership role in facilitating information-sharing across agencies and departments about serious and organised crime. Each ROCU will have a Government Agency Intelligence Network (GAIN) coordinator at both a strategic and tactical level. The core membership of the GAIN includes the police, national law enforcement agencies and other agencies such as Trading Standards and the Environment Agency. Central government departments will ensure that representatives from agencies they are responsible for and which have an investigative remit will take an active part in the network.

Local

4.13 Most of the work against serious and organised criminals in this country will continue to be conducted by police forces. Police teams responsible for organised crime, police intelligence assets and other specialist police units will continue to be vital and, in numerical terms, police resources will continue to outnumber significantly those of the NCA and ROCUs. The NCA will inform, coordinate, lead and support but the relationship with police forces must at all times be close and collaborative.

4.14 Chief constables and police and crime commissioners will need to assure themselves that sufficient capabilities are available at regional and force level to respond to the threat, risk and harm posed by serious and organised crime in their force areas, in accordance with the terms of the Strategic Policing Requirement[42].

4.15 Arrangements for dealing with serious and organised crime across police forces vary. But there are many good examples of local police force units, supported by specialist force assets and, prior to the NCA, by SOCA, having the lead responsibility for ownership of the response to specific local organised crime groups. Some police forces are ensuring that all organised crime groups resident in, or having an impact on their force area, will have a named local responsible officer. Wherever possible, we believe, this should be standard practice.

[42] Home Office (2012) *Strategic Policing Requirement* https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/117445/strategic-policing-requirement.pdf

Operation Cobweb (Merseyside): this operation demonstrates how a local police unit can target an organised crime group for which it is responsible. A Neighbourhood Inspector regularly deployed Police Community Support Officers (PCSOs) to addresses linked to local organised crime to gather intelligence about individuals and vehicles. While patrolling one address, a PCSO submitted intelligence about a vehicle which was later stopped and found to contain illegal drugs and money. The subsequent arrest of a principal crime group member led to a multi-million pound international money laundering investigation and ultimately to the disruption of a violent and established organised crime group that had operated untouched for years.

4.16 Local action against serious and organised crime must draw on the information and powers of many agencies and departments. There are already innovative and productive local partnerships providing police forces with support to deal with organised crime (e.g. Operation Challenger in Manchester which was established following the murder of two police officers in 2012). These partnerships are essential to the success of this strategy and should become standard practice. They will be supported by and coordinated with the NCA. Local partnerships should also play a further important role in Prevent, Protect and Prepare.

4.17 The precise structure for local multi-agency partnerships to deal with serious and organised crime will vary across the country. In some areas it may be best to adapt an existing group for this purpose (e.g. Community Safety Partnerships or Gang Management Units). We believe that police and crime commissioners should play a leading role in identifying and establishing the appropriate body; it should have representatives from the police, local authorities, education, health and social care, and immigration enforcement. The effect must be to bring the full range of powers to bear locally against serious and organised crime.

4.18 Partnerships will need a common understanding of the threat. Reflecting learning from counter-terrorism (notably the development of what are known as Counter Terrorism Local Profiles), we want police forces and the NCA to develop and share local profiles of serious and organised crime. They should describe local serious and organised criminal activity and criminal

markets, associated front companies and related community issues.

The UK border

4.19 A significant proportion of serious and organised crime involves the movement of people, goods and money across the UK's border. Criminals look continuously to exploit potential vulnerabilities in our border security arrangements. The border also provides an opportunity for law enforcement to intervene against and disrupt serious and organised crime.

4.20 The Border Policing Command (BPC) of the NCA will lead work against serious and organised crime at the border, including organised immigration crime and human trafficking. The NCA will be responsible for compiling a new classified Border Risk Assessment (covering all threats) and control strategy which for the first time will inform and coordinate all joint law enforcement operational activity.

4.21 The NCA will work closely with the Border Force which is responsible for detecting threats and seizing illicit goods, checking immigration status, searching baggage, vehicles and cargo for illicit goods or illegal immigrants, patrolling the UK coastline and searching vessels. Border Force has an important intelligence gathering function. The BPC will also be able to task police counter-terrorist assets at the border on crime work when resources and priorities permit.

4.22 Home Office Immigration Enforcement delivers the national investigative response to those who break immigration laws. It prosecutes organised immigration crime and uses immigration powers against foreign nationals who commit crime. This is a key capability which we wish to develop further (see 4.67-4.71).

4.23 We are streamlining tasking at the border as well as improving how intelligence is collected and shared across the agencies. We will create Joint Border Intelligence Units (comprising NCA, Border Force and Special Branch) for this purpose.

ii. Develop our capabilities to detect, investigate, prosecute and disrupt serious and organised crime

4.24 Building capabilities is essential if we are to make an impact on serious and organised crime: organisational change and new roles and responsibilities will not on their own be enough. Most of the capabilities we need will be in the NCA and policing. In some areas, such as cyber crime, economic crime and child sexual exploitation, specific capabilities are needed if we are to keep pace with constantly-evolving threats.

4.25 The NCA has over 40 operational capabilities across a range of areas. The Home Secretary's strategic priorities for the NCA specifically include developing technical and human capabilities to enable a step change in our impact on serious and organised crime.

4.26 The Strategic Policing Requirement, issued by the Home Secretary, sets out

details of what the police need to be capable of doing to tackle national threats – which include organised crime and dealing with a large-scale cyber incident. Police and crime commissioners must hold chief constables to account for having, or having access to, a range of capabilities identified as essential for tackling these national threats.

4.27 Not all the capabilities which will be needed can be considered here. Investigating financial crime and operating internationally are dealt with in more detail elsewhere (see 4.45 and 4.61 respectively).

4.28 Police forces in England and Wales and all national law enforcement agencies will determine how best to deploy their capabilities against serious and organised crime, led by intelligence and prioritised to best reduce the threat. For the first time, this will involve the consistent application of the National Intelligence Model[43] to inform priorities and deployment.

Intelligence and investigation

4.29 Many of the new capabilities required by the NCA and policing (and indeed by other agencies) relate to the ability to collect intelligence about and investigate crimes planned or committed online and, in particular, cyber crime.

4.30 The NCA will need to develop capabilities to better collect, analyse and exploit internet-based communications. This will require new technology, infrastructure, significant new skills and business change.

4.31 Some aspects of cyber crime, notably child sexual exploitation, require specific new capabilities. A new national database of child abuse images will enable the rapid identification of online images of sexual exploitation to support evidence-gathering and improve the capability to identify and safeguard victims.

4.32 Cyber crime investigations involve the examination of new criminal online tools (e.g. malware) and require continuously improving digital forensic analysis techniques, for example to deal with the increased use of encryption and anonymisation to hide real-world identities. The government has committed £860 million over five years through the National Cyber Security Programme, which includes building up these capabilities in law enforcement. Further funding in 2013/14 will be used to develop new intelligence and operational capabilities for the National Cyber Crime Unit, establish cyber crime hubs in all ROCUs and deliver cyber crime training to 5,000 police officers by 2015.

Data analysis

4.33 The collection and analysis of bulk data are essential to the investigation and disruption of serious and organised crime. Much of this data is derived from government departments but some comes from the private sector. The NCA will put in place bulk data processing capabilities which can fuse data obtained lawfully from multiple sources on multiple themes, including economic crime, cyber crime and child sexual exploitation.

Firearms

4.34 Firearms are a feature of organised crime. We have some good existing capabilities to track and identify their use[44]. We want to develop more capability to disrupt illegal importation and online procurement and identify other sources of supply. We need to develop counter-measures for the imminent risk that 3D printing will facilitate the manufacture of weapons or parts of weapons. We can see a further role for the

[43] The National Intelligence Model (NIM) is an intelligence led process to inform deployment decisions at a local, regional and national level.

[44] http://www.nabis.police.uk/home.asp

EU in setting standards for deactivation of weapons so they are rendered permanently harmless.

Disruption

4.35 Relentless disruption of organised crime and organised criminals by all available means – not just prosecution – is a key theme in this strategy. Successful disruption depends on local police ownership of crime groups and better local coordination.

4.36 But disruption capabilities are not always obvious. The NCA will develop a new national disruptions manual providing guidance, based on the best collective knowledge of law enforcement and other partners, on tools and tactics to disrupt serious and organised crime.

4.37 Particular crime types call for some particular responses. For example, we will develop further our early warning systems to identify new psychoactive substances and when necessary, ban them quickly.

Coordination and communications

4.38 The NCA will put in place a new system to manage all investigations, operations and projects throughout their life cycle. It will cover all NCA-led and supported operations and will mean that activity is better planned, authorised, prioritised and tracked. The NCA will develop a tool to provide live management information on the status of officer availability, workloads, skills and duties.

4.39 This work will be supported by a new national secure communications infrastructure which will connect the police, ROCUs, NCA and other national law enforcement agencies and enable the real-time flow of intelligence, information and operational briefing. The NCA and ROCUs are building additional capability to receive and share intelligence from sensitive sources through a network of accredited confidential units.

People skills

4.40 NCA officers will have the ability to conduct investigations across all its responsibilities. Compared to precursor agencies, a greater proportion of NCA officers will be 'triple warranted', holding the powers of a police constable, immigration officer and customs officer to arrest, search, seize, require information and recover criminal assets. The NCA will develop rewarding career paths for officers in emerging specialist fields such as cyber forensics and digital analysis. It will second its officers to partner agencies to ensure that they have the broadest range of skills and experience possible and partner agency officers will be seconded into the NCA.

4.41 The Agency will recruit volunteer officers known as 'NCA Specials'. They will bring a range of specialist skills not

traditionally found in law enforcement agencies. Some may be financial and technology experts. Subject to suitability tests, NCA Specials may be designated with the powers of a police constable in England and Wales.

4.42 Border organisations will develop a shared accredited training and continuous professional development programme for intelligence officers.

Convergence: counter-terrorism and organised crime

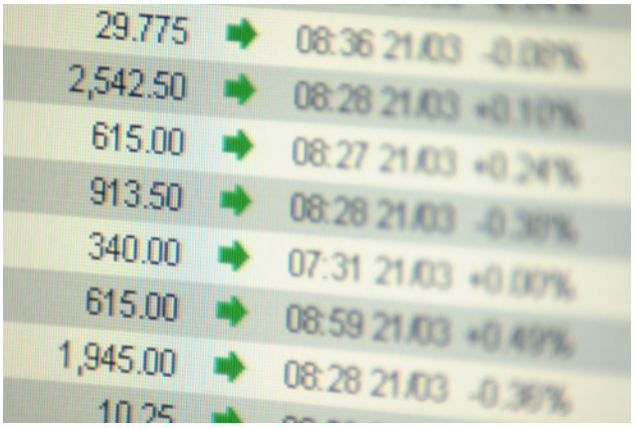
4.43 Over the next few years we need to develop closer collaboration and sharing of capabilities between the police and agency networks that work on counter-terrorism and organised crime[45]. Having a common strategic framework will help. Many capability requirements are similar. In some areas targets do overlap (i.e. people connected with organised crime are facilitating terrorism). There are particular areas where greater collaboration is needed, including at the border (where much has been achieved), in prisons, and on technical issues, protective security, financial crime and money laundering.

4.44 We also want to see the co-location of regional police units which deal with organised crime and counter-terrorism wherever possible, and their co-location with NCA regional offices.

iii. Attack criminal finances by making it harder to move, hide and use the proceeds of crime

Recovering the proceeds of crime

4.45 We are currently using powers under the Proceeds of Crime Act 2002 (POCA)[46] to recover over £150 million of criminal profits each year and to deny criminals access to even larger amounts (£500 million in 2012/13). But these sums are still small when compared to the scale and cost of serious and organised crime to the UK economy.



4.46 POCA is under sustained legal challenge from criminals who are constantly seeking new ways to avoid its reach and frustrate asset recovery. We need to continue to improve the asset recovery system by:

- amending our powers;
- ensuring enforcement of court orders;
- better recovery of assets hidden overseas; and
- implementation of new money laundering regulations.

45 HM Government (2010) *Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review* https://www.gov.uk/government/publications/the-strategic-defence-and-security-review-securing-britain-in-an-age-of-uncertainty

46 HM Government (2002), *The Proceeds of Crime Act 2002 (POCA)* POCA enables law enforcement agencies to seize cash, to confiscate profits through the criminal courts following a conviction, to use the civil courts to recover assets even where there has been no conviction, and to use tax powers to pursue criminal proceeds http://www.legislation.gov.uk/ukpga/2002/29/contents

Effective powers

4.47 Criminals are exploiting POCA proceedings to delay the asset recovery process, for example by not attending court for the confiscation hearing after the conviction; third party claims are also used to reduce the amount of money that is available for recovery. POCA allows for a default prison sentence where criminals refuse to pay a confiscation order, but criminals may serve the sentence and still refuse to pay, knowing that the option of prison can only be used once.

4.48 The Home Office will legislate to close these and other loopholes as soon as Parliamentary time allows by ensuring courts have the powers they need to compel attendance at confiscation hearings; ensuring that criminal assets cannot be hidden with spouses, associates or other third parties; and by substantially strengthening the prison sentences for failing to pay confiscation orders so as to prevent offenders from choosing to serve prison sentences rather than pay confiscation orders.

4.49 We will aim to strengthen other areas of POCA by:

- enabling assets to be frozen more quickly and earlier in investigations;
- simplifying the process for low-value confiscation orders so that these cases can be heard more quickly and cheaply in the Magistrates' Courts rather than the Crown Court;
- significantly reducing the time that the courts can give offenders to pay confiscation orders, including rapid confiscation of cash held in bank accounts;
- extending the investigative powers in POCA so that they are available to trace assets once the confiscation order is made (at the moment those powers fall away once the order is made);
- removing the requirement for criminals to sign a consent form before assets can be realised so as to reduce delays to the proceedings; and
- reducing the opportunities for criminals to avoid confiscation orders by introducing travel restrictions and tightening bail restrictions.

4.50 HMRC has used tax interventions (and other powers) to attack the finances of and prosecute criminals involved in drugs, human trafficking and a range of other crime types. HMRC will double the size of its Criminal Taxes Unit by 2015.

Enforcement of court orders

4.51 Robust powers are only as effective as their enforcement. Under this government, there has been a renewed focus on enforcement and record levels of financial penalties are being collected, but there remains a significant gap between the confiscation orders that are made and those that are collected, which varies between £80m and £170m each year. There is a range of reasons for this, including where the individual has died, been deported or where criminals have gone to extraordinary lengths to hide the proceeds of their crimes by transferring funds abroad or disguising them with friends and family. Cracking down on those who do not pay is an absolute priority.

4.52 To close this gap:

- HM Courts and Tribunal Service, the CPS and NCA will use their powers in concentrated enforcement activity against outstanding confiscation orders; these agencies will work together to maximise the assets removed from serious and organised criminals. Those who do not pay can go to prison;
- the Home Office and Ministry of Justice will explore how private sector forensic accountancy skills can be brought into

the end-to-end asset recovery process so that the maximum profits are identified, pursued and recovered; and

- the Home Office and Ministry of Justice will draw on the success of the Fraud, Error and Debt Taskforce to apply to confiscation orders the successful techniques used to reduce benefit and tax fraud. This includes the use of behavioural insight techniques on targeted communication to late payers[47] and advanced data mining to cross-check information from across different government departments.

Recovery of hidden assets overseas

4.53 Criminal assets moved overseas can be hard to reach. We depend on mutual legal assistance from other countries to enforce orders on our behalf, and these orders may not be given priority. Some countries are witting or unwitting safe havens for criminal assets.

4.54 Agreement has been reached with Spain to facilitate the recovery of assets and make Spain a more hostile place for UK criminals. The Home Office has negotiated asset-sharing agreements with other countries, including China and the United Arab Emirates, to encourage them to enforce our orders. Levels of assets recovered from overseas against confiscation orders are low but improving. The Home Office will work with the Foreign and Commonwealth Office (FCO) and Crown Prosecution Service (CPS) to sign further asset-sharing agreements with other key countries including Romania, South Africa and Ghana.

Anti-money laundering (AML) regulations

4.55 International standards, agreed by the 36 member states of the Financial Action Task Force (FATF), are intended to ensure controls and procedures are in place to counter the risk of money laundering and terrorist financing across a number of sectors. EU and UK legislation reflect these standards by placing anti-money laundering (AML) obligations on businesses to prevent misuse of the financial system.

4.56 In October 2012, following a government review, amendments to the AML regulations came into force to reduce the regulatory burden and make the overall supervisory regime more robust, effective and proportionate. HMRC, for example, was given powers regarding the regulation of money service businesses (MSBs) which have already been used to good effect. The amendments added an information sharing gateway for all AML supervisors, allowing them to share information among themselves in the context of their AML duties, which means information and intelligence on specific threats and details of those involved in or supporting money laundering can be shared across sectors.

4.57 AML regulations have been tested by the development of new payment products and methods such as pre-paid cards and virtual currencies (such as Bitcoin) which can be used to launder proceeds of crime, fund illegal activities and where there is no obligation to report transactions to regulators. The Home Office and HM Treasury will review how current arrangements can be strengthened to address new payment products and methods. We will also consider if new developments in currency transfer should be brought within the remit of regulators, how to identify when such transactions enter and leave the regulated sector, and how to bring new products and virtual currencies more easily within the reach of POCA. This will be supported by HM Treasury and the Home Office work with law enforcement and the public and

[47] One pilot by HMRC using targeted text messages to previous late payers of tax produced a 5% improvement in payment of tax.

private sectors to produce a National Risk Assessment (NRA) on money laundering which will identify threats and vulnerabilities and share information to help tackle risks.

iv. Ensure that effective legal powers are available and are used to deal with the threat from serious and organised crime

4.58 The law makes available a broad set of powers to prosecute and punish individuals for committing any of the criminal offences that could be considered as serious or organised crime. In the light of experience and the evolving nature of the threat, we believe that, beyond changes to POCA (see 4.47-4.49) there are further legislative gaps which need to be filled.

4.59 We have already taken action to:

- create new powers[48] to break down barriers to information sharing between law enforcement agencies;
- support a Private Members' Bill, now enacted, to tackle social housing fraud by creating new criminal offences of unlawful sub-letting and new powers to recover the profits[49]; and
- increase to life imprisonment the maximum sentence for the illegal importation of firearms and introduce a new offence of possession of illegal firearms for sale or transfer (also subject to a maximum penalty of life imprisonment)[50].

4.60 We will bring forward proposals to:

- better tackle people who actively support, and benefit from, participating in organised crime, learning from legislation that is already being used elsewhere in the world[51];
- improve our response to human trafficking. We will publish a draft Modern Slavery Bill later this year for pre-legislative scrutiny and will consider measures to: strengthen the law enforcement response to increase investigations, prosecutions and convictions; increase the penalities for those who are convicted of a trafficking offence; and restrict the activities of those who are convicted of a human trafficking offence to prevent them from participating in further trafficking related activity;
- ensure that the police and the CEOP Command within the NCA, have the powers they need to tackle indecent images of children on the internet;

48 Crime and Courts Act 2013 http://www.legislation.gov.uk/ukpga/2013/22/contents/enacted

49 Prevention of Social Housing Fraud Act 2013 http://www.legislation.gov.uk/ukpga/2013/3/contents/enacted

50 HM Government (2013) *Anti-social Behaviour, Crime and Policing Bill* http://www.publications.parliament.uk/pa/bills/cbill/2013-2014/0093/cbill_2013-20140093_en_1.htm

51 UNODC (2004) *Legislative Guide for the United Nations Convention against Transnational Organized Crime and the Protocols thereto* http://www.unodc.org/unodc/en/treaties/CTOC/legislative-guide.html , para 48

- create new powers to seize and detain chemical substances suspected of being used as cutting agents for illegal drugs, to drive up the cost and risk for organised criminals;
- amend the Computer Misuse Act 1990 to update existing offences to cover importing tools for cyber crime (such as data or programmes designed for unlawfully accessing a computer system); and
- deliver the UK's G8 commitment to improve the transparency of the ownership and control of companies, making it harder to conceal criminal activity, including organised crime, behind company structures[52]. The UK committed to require companies to obtain and hold accurate and current information on their beneficial ownership and to a central registry of information of companies' beneficial ownership, maintained by Companies House[53].

v. Internationally, improve our own capabilities and our cooperation with others to better tackle organised crime networks

4.61 Organised crime is international. Crime groups in this country make connections overseas to facilitate criminal activity. Groups based overseas very often operate here. Cyber criminals can target victims in this country from anywhere around the world.

4.62 But the links between organised crime here and countries overseas are changing. This is partly a function of evolving crime types. Cyber criminals, drugs trafficking networks, people engaged in child sexual exploitation and crime groups responsible for human trafficking operations all have a different international profile. International work on organised crime is becoming more complex: we need to deal with more crime types in more countries, some of which have immature law enforcement capabilities and legislation. Capacity building, across government and in coordination with other states, is essential.

4.63 On organised crime, in common with counter-terrorism, as we share intelligence, conduct joint operations and build capacity in other states we must uphold human rights at all times. Like SOCA, the NCA will follow the Overseas Security and Justice Assistance (Human Rights) guidance published by the government in 2011. This provides officials and law enforcement officers with clear guidance to help identify and mitigate potential human rights risks.

Effective international representation

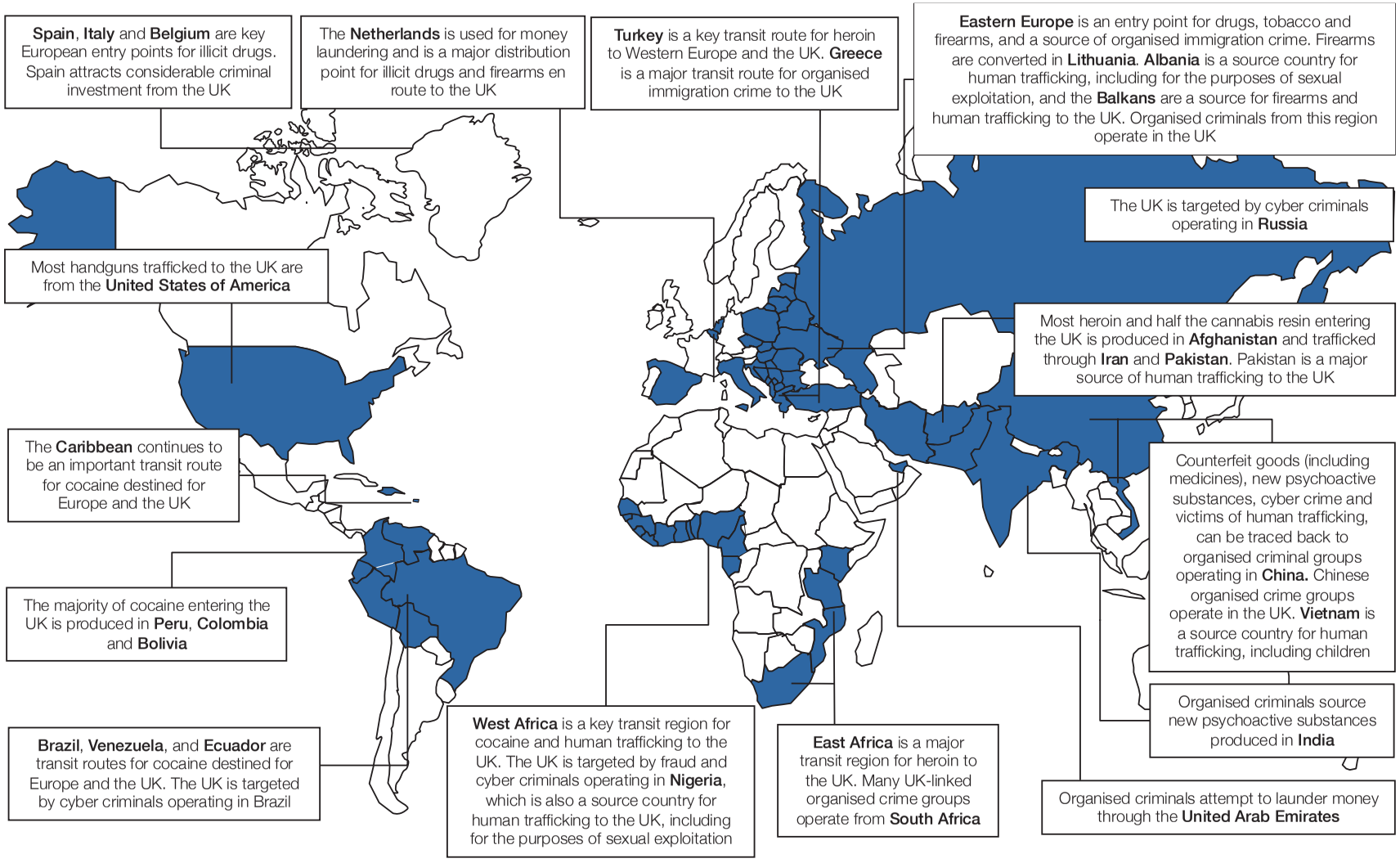
4.64 To date, our international organised crime response has been led by the SOCA liaison officer network. The network has had considerable success and in 2012/13 it facilitated the seizure of over 60 tonnes of cocaine and nearly 5 tonnes of heroin and the arrest of 1,500 people. The SOCA network will become part of the NCA Border Policing Command (see 4.20).

4.65 The NCA liaison officer network will deal with all the crime types for which the NCA is responsible. We will develop a revised list of priority countries. Choices need to be informed by evidence and tested against assessments of the threats we face made not only in the NCA but also in the Joint Intelligence Committee. Burden-sharing

[52] G8 (2013); G8 Action Plan Principles to Prevent the Misuse of Companies and Legal Arrangements www.gov.uk/government/publications/common-principles-on-misuse-of-companies-and-legal-arrangements

[53] G8 (2013); G8 Action Plan Principles to Prevent the Misuse of Companies and Legal Arrangements www.gov.uk/government/publications/common-principles-on-misuse-of-companies-and-legal-arrangements

Serious and Organised Crime Overseas



with close allies will be essential to avoid duplication.

4.66 We also need to better coordinate UK resources deployed overseas on crime issues. We will pilot a single platform approach where law enforcement officers from a range of agencies will work as a single virtual team, improving coordination and reducing duplication.

Foreign nationals and organised crime in the UK

4.67 Our own research and organised crime group mapping suggest that between 13% and 22% of organised criminals in the UK are foreign nationals. In London the Metropolitan Police assesses that foreign nationals comprise at least 25% of high-harm offenders (including organised crime group members and predatory sex offenders).

4.68 We need to be able to accurately and quickly identify foreign nationals who commit serious and organised crime whilst in the UK, ensure that their full offending history is quickly established and either prosecute or immediately remove them from this country. But we also want to ensure that all available information and legal powers are used to prevent the entry to this country of people with a history of serious offending or who we believe may become involved in serious and organised crime once they arrive here.

4.69 Since October 2012, the Metropolitan Police and Home Office Immigration Enforcement have run a joint operation known as Nexus, sharing intelligence to identify foreign national offenders at the point of arrest. The police and Immigration Enforcement have worked closely on Nexus with the UK Central Authority for the Exchange of Criminal Records (UKCA-ECR) and other international policing agencies (Europol and Interpol) to access international criminal records. Identifying foreign nationals who have self-declared an incorrect nationality or a false identity remains challenging. But many more foreign national offenders have been identified in police custody suites and, where they have been found to be in breach of immigration law and are not being prosecuted, they have been removed from the UK and prevented from returning for at least 10 years.

4.70 We need to accelerate Nexus by automating and improving access for Immigration Enforcement and the police to each others' biometric databases. We need to make more use of existing immigration powers, including curtailment or refusal of leave to remain or entry to the UK, deportation, exclusion and refusal of naturalisation. Nexus has already been extended to the West Midlands. Planning is underway to extend it further to other police forces. This is a high priority.

4.71 The roll-out of Nexus is essential in dealing with foreign national offenders already in the UK. We also need wherever possible to stop foreign national offenders coming here in the first place. International sharing of data on serious and organised criminals is vital for this purpose. The second generation Schengen Information System (SISII) will be useful but we will want to establish further data sharing agreements where required[54].

UK criminals overseas

4.72 Many serious and organised criminals with British nationality operate against this country from overseas. Some are fugitives. In Spain, the Netherlands and Cyprus collaborative work by SOCA (including their liaison officers stationed in those countries) and the FCO, supported by publicity provided

[54] SIS II is an EU-wide Law Enforcement system which contains data on people including international fugitives and missing people and lost or stolen objects/property. The data is circulated to all member states in the form of "alerts". These alerts will be made available to UK law enforcement officers via the Police National Computer (PNC).

by Crimestoppers, helped to locate the most wanted criminals believed to be abroad. This will continue in the NCA. We want to extend this collaborative approach to other countries. SISII will again facilitate this work.

Capacity and capability building in third countries

4.73 Over the past few years SOCA has helped to build the capacity and the capability of law enforcement agencies overseas, in countries of particular importance to our work on organised crime here. This capacity-building will continue, coordinated by the NCA's overseas network in conjunction with the FCO, Department for International Development (DFID) and the CPS. The CPS has a network of Criminal Justice Advisers tasked to develop criminal justice capacity overseas. UK military assets can also help to build capacity in priority countries. DFID work to develop good governance and the rule of law is vital to the work against serious and organised crime. It can deal with the root causes of criminality and address the preconditions for a successful response.

4.74 We will need to continue capacity-building in future. In key countries (such as Afghanistan) it will need to be coordinated with international counterparts to ensure effective burden-sharing and avoid duplication.

4.75 We expect that the scope of capacity-building will increase. Most countries are now trying urgently to improve their legislative and enforcement response to cyber threats and online crime. The FCO Capacity Building Fund will support cyber skills development in priority countries. In common with counter-terrorism, we intend to coordinate capacity building much more closely with our UK security industry which has developed many of the capabilities which third countries now require. Coordination with the security industry on opportunities overseas connected to work against serious and organised crime will continue to be handled by the Home Office, the FCO and UK Trade and Investment.

Organised crime work, the EU and wider collaboration

4.76 Many of our most important allies against organised crime are in Europe. European institutions, notably Europol, are also vital for our organised crime work.

4.77 The EU has a legislative framework for cooperation between its member states on serious and organised crime. Under the terms of the Lisbon Treaty, the Government is required to decide by 2014 whether we opt out of, or remain bound by, all of those EU police and criminal justice measures adopted prior to the entry into the Treaty. In July, the Prime Minister informed the EU Council of Ministers that the Government has decided to opt out of all pre-Lisbon police and criminal justice measures (more than 130 in total). The opt-out will take effect on 1 December 2014. This does not affect those measures we have joined since the Lisbon Treaty entered into force on 1 December 2009. The Home Secretary has announced that the UK will seek to rejoin a set of 35 pre-Lisbon measures which we regard as important for our cooperation on policing and criminal justice.

4.78 We intend to continue to use the European Arrest Warrant (EAW) which allows the UK to extradite people involved in organised crime and bring them to justice in the UK. But we want to improve how the EAW works in practice, by introducing a proportionality bar in legislation. We want to use SISII (to which we are due to connect at the end of 2014) and the European Investigation Order (EIO) which will streamline the current Mutual Legal Assistance framework for gathering and transferring

criminal evidence between participating EU member states.

4.79 We also want to continue to support and work with Europol (in the last 12 months, UK law enforcement agencies have been involved in more than 300 major Europol operations against serious and organised crime). In particular, we will work closely with the European Cyber Crime Centre and with Interpol to encourage the development of effective protocols to manage global investigations to tackle cyber crime, including through national 24/7 Network contact points. We will continue to promote the use of Joint Investigation Teams under the auspices of Eurojust, which we believe are an effective means of coordinating and subsidising international operations in Europe and should become much more of a standard tool for law enforcement across England and Wales.

4.80 We will continue to keep serious and organised crime on the EU political agenda. We want to influence EU resources and spending, improving transparency and wherever possible making use of the European External Action Service (EEAS) to support UK organised crime (and counter-terrorism) priorities.

4.81 We also depend on the quality of our international engagement with our close allies, including the United States, other '5-Eyes' partners[55], European States and multilateral organisations. We will encourage multilateral bodies, including the G8 and the UNODC to promote effective donor coordination and capacity and capability building.

55 The "5 Eyes" are allied partners comprising the UK, the US, Canada, Australia and New Zealand.

Tackling Human Trafficking

Since 2010, we have made progress in tackling human trafficking. Nevertheless, operational arrangements remain deficient: the intelligence picture is still incomplete; awareness of the problem and how to address it is low; and the means for leading and coordinating a comprehensive law enforcement response is lacking.

We will address this by improving our understanding of traffickers, the routes and methods they use and the organised crime groups involved. We will prosecute more of those responsible and support those providing evidence (see 7.16). We will work to prevent people from becoming victims.

Assessment of human trafficking will become a responsibility of the NCA's intelligence hub. The hub will improve understanding of the threat through its access to new intelligence feeds. Border Force will also use its international network of risk and liaison officers to provide advice on the risk profile of potential victims before they enter the UK.

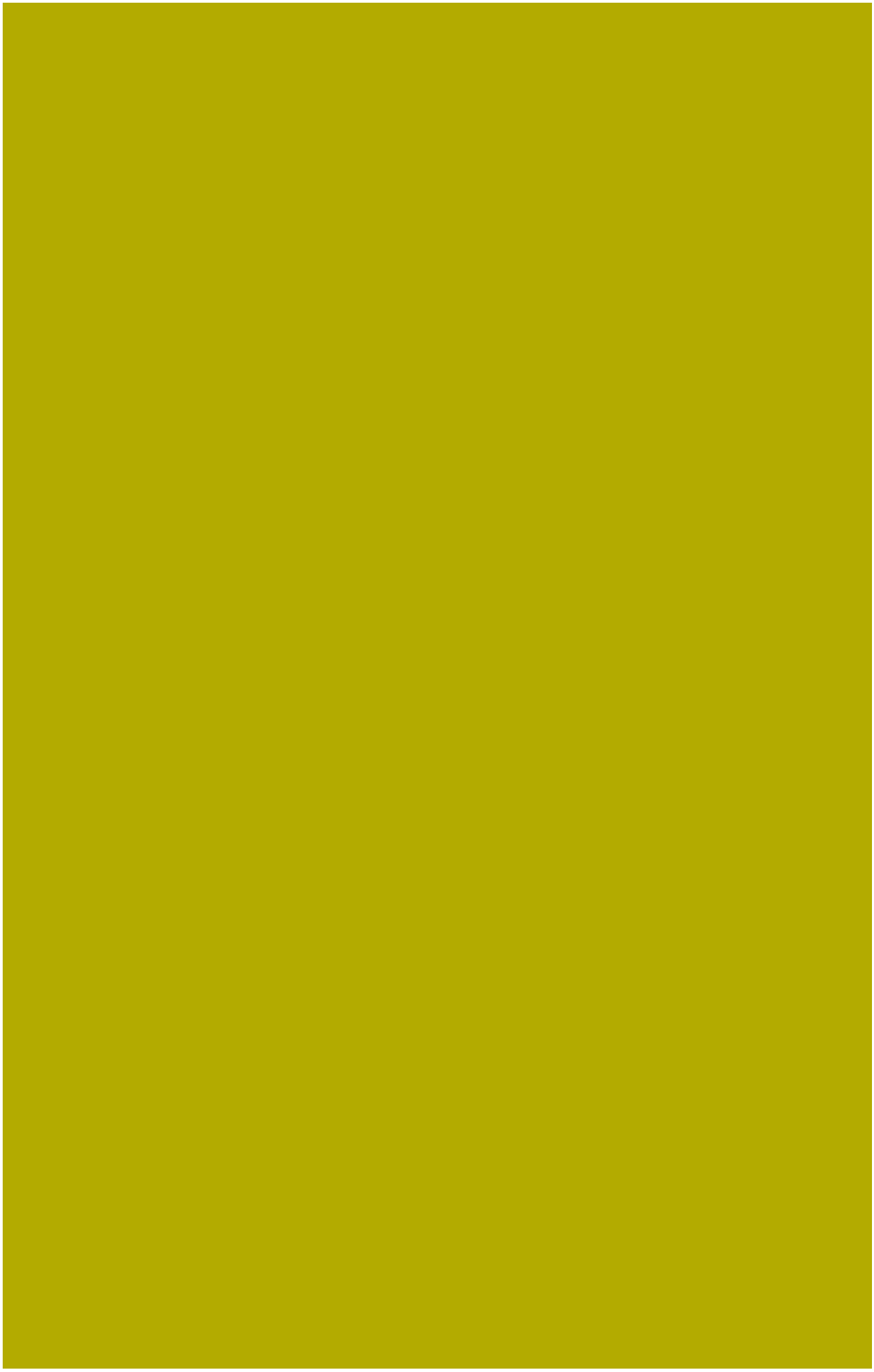
The UK Human Trafficking Centre (UKHTC) will become part of the NCA and will provide expert advice to policing on the disruption and prosecution of offenders. It will develop and share new approaches to tackle human trafficking and will conduct targeted operations. The NCA will work collaboratively with ROCUs to tackle trafficking (see 4.11-4.12).

To ensure police officers can identify offenders and victims, the College of Policing will deliver public protection training to all frontline officers. Border Force will also ensure all staff are trained to spot the signs of trafficking and know how to respond accordingly.

Through the NCA's overseas network, we will tackle human trafficking in source countries notably Vietnam, China, Albania, Nigeria, Romania and Poland. DFID programmes will tackle the factors which put people at risk of becoming victims (building on current anti-trafficking projects in India, Bangladesh and West Africa). The FCO will work with Governments to raise the profile of human trafficking and to lobby for changes in countries' laws and practices

We also want the private sector to play their part. Companies must be confident that they do not do business with suppliers involved in trafficking. The Home Office will work with businesses to ensure they take steps to protect their workforce, particularly through their supply chains. Travel operators also have a role to play in identifying and reporting suspicious travel activities that may be linked to the movement of people for trafficking. We will widen the Home Office training scheme to help airline staff, including check-in and cabin crew, to recognise possible signs of human trafficking amongst airline passengers. A confidential reporting number means airlines can advise Border Force before the plane lands in the UK.

We will provide new leadership to tackle trafficking at a national, regional and local level. We will introduce a dedicated senior role to do this.



PREVENT: Preventing people from engaging in serious and organised crime

Success in PREVENT will mean that:

- Fewer people engage in serious and organised criminal activity
- We reduce reoffending by people convicted for serious and organised crime

Our objectives will be to:

i. Deter people from becoming involved in serious and organised crime by raising awareness of the reality and consequences

ii. Use interventions to stop people being drawn into different types of serious and organised crime

iii. Develop techniques to deter people from continuing in serious and organised criminality

iv. Establish an effective offender management framework to support work on Pursue and Prevent

5.1 We will not be able to tackle the threats from serious and organised crime only by disruption and prosecution. Just as we need to prevent people being drawn into extremism and terrorism so we need to stop people becoming involved in serious and organised crime. This strategy introduces for the first time Prevent programmes for serious and organised crime, in England and Wales.

Pathways into Organised Crime

5.2 Recent research from Lancaster University for the Home Office[53], published alongside this strategy, provides an insight into the criminal backgrounds of people who have become involved in organised crime in this country. With information held by law enforcement and other academic research it informs the approach we have taken here.

5.3 Amongst its findings, the research established that 90% of organised crime offenders had received a criminal sanction[54] before their first identified organised crime offence, and on average they had been sanctioned on nine occasions. A high proportion of the organised crime offenders (57%) had received their first criminal sanction under the age of 18. The average age of people sanctioned for an organised crime

[53] Home Office (2013) *Understanding Criminal Careers in Organised Crime* https://www.gov.uk/government/publications/understanding-criminal-careers-in-organised-crime

[54] A sanction is a court conviction or a caution/warning/reprimand recorded on the PNC database

offence was 32, and the majority of organised crime offences were drug-related.

5.4 Serious and organised crime offenders showed little evidence of 'specialising' in particular types of offence; their criminal histories covered a range of crime types.

5.5 We know from organised crime group mapping that in some local areas, law enforcement intelligence indicates overlaps between street gangs and organised crime groups. Organised criminals may use street gang members as part of their supply chain, including street-level drug dealing or transporting drugs around the country. Street gangs may try to engage in organised criminal activity.

5.6 Research[55] has identified other factors that put people at greater risk of being drawn into organised crime. Having family or social links to organised crime and incurring a prison sentence (and proximity to organised criminals) are both important.

5.7 This research highlights challenges and opportunities for preventing organised crime. There is no obvious single pathway into organised criminality just as there is no single pathway into other crimes or terrorism. But significant numbers of organised crime have a history of offending before their 'career' in organised crime begins. The connection with involvement in gangs is important. So are families and prisons – as they are in our work on Prevent and countering terrorism.

5.8 This strategy also covers aspects of serious crime which may not be organised but which require a national response. In the context of Prevent a key issue is child sexual exploitation and in particular cyber criminality. These crime types have their own pathways which we also deal with below.

[55] e.g. Kleemans and de Poot (2008) *Criminal Careers in Organized Crime and Social Opportunity Structure*

Prevent delivery

5.9 Like Prevent work in countering terrorism, we believe that most Prevent work on serious and organised crime should be delivered locally. We have suggested (see 4.16) that work on Pursue-related activity should in part be coordinated through a local organised crime partnership (either a new body or a new agenda for a body which exists already). We believe that preventing serious and organised crime must also be part of their agenda.

5.10 Organised crime Prevent work should also be coordinated with work on preventing terrorism. It may be possible in some areas for the same local team to take responsibility for both issues. In many regions these programmes will be operating in the same geographical area: there is considerable overlap between the priority places for both these agendas.

5.11 Local delivery will be supported by a Home Office Organised Crime Prevent Unit, which will coordinate national Prevent support in local areas, and by the NCA. The Home Office will establish a Prevent fund that local partnerships can draw on to support Prevent work and projects.

i. Deter people from becoming involved in serious and organised crime by raising awareness of the reality and consequences

5.12 Education and communications programmes can deter people from getting involved in organised crime; challenge attitudes to organised crime and the illicit and counterfeit commodities which it provides; and encourage communities to report organised crime and support law enforcement work against it.

Education

5.13 A previous Home Office evidence review[56] identified a wide range of factors which can encourage the involvement of young people in criminality. Communication and education programmes can influence five of these factors: lack of knowledge – young people do not recognise criminality or its consequences; expectations – people may be accustomed to crime and have grown to expect it; negative peer influences and the absence of positive role models; risky impulsive behaviour coupled with the need for instant material reward and an absence of other ways to obtain it; and a lack of perceived alternatives.

5.14 The Home Office will work alongside the police and NCA with local groups, such as local authorities, schools, youth workers and youth offending teams, to develop educational resources which will explain what organised crime looks like and help young people to understand the consequences of involvement in it. Some of the projects developed to raise awareness of radicalisation may provide a template, notably the WRAP (Workshop to Raise Awareness of Prevent) DVD-based project which has reached some 44,000 people.

5.15 We also want to work with charitable and civil society organisations, such as Crimestoppers, Victim Support and NACRO, to identify credible role models, including people who have left organised crime. Work conducted in partnership with the Prince's Trust (as part of the Home Office's *'It Doesn't Have to Happen'* knife crime campaign) found that using positive role models can be a powerful tool for demonstrating alternatives to young people at risk of offending.

Reducing demand and improving reporting

5.16 The Home Office is already committed to supporting communication projects which reduce the demand for the commodities provided by organised crime. The national drugs advice service, *'Talk to FRANK'*, reflects a commitment in the government's Drug Strategy[57] and has become a trusted source of balanced and credible advice to young people. The Crimestoppers *'Fakes Fund Crime'* campaign[58], effectively drew attention to organised crime and counterfeit goods.

5.17 Research[59] has also shown that, when people are helped to recognise organised crime and the serious harm it causes, they are more likely to report it. A recent Home Office-funded Crimestoppers campaign to raise awareness of the role of organised crime and cannabis cultivation led to a 25% increase in public reporting and directly to arrests and seizures of drugs and plants.

5.18 The Home Office will work with government departments, law enforcement agencies, local authorities and voluntary and public sector partners to coordinate organised crime communications.

Publicity about offenders and their crimes

5.19 The impact of serious and organised crime and the consequences for those engaged in it can both be understated. We need to correct this. We will publicise more widely the identity and photographs of people convicted of offences related to organised crime and the assets which have been removed from them. We believe that

56 Ed Comms (2009) *Drivers of Crime and Anti-Social Behaviour Among Young People.* Evidence review (unpublished)

57 Home Office (2010) *Reducing Demand, Restricting Supply, Building Recovery Supporting people to live a drug free Life* https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/98026/drug-strategy-2010.pdf

58 Crimestoppers (2013) *Anti-Counterfeiting Campaign Evaluation*

59 Crimestoppers (2013) *Commercial Cannabis Cultivation Campaign Evaluation*

Operation Challenger[60] in Manchester offers best practice in this area and we know that other police forces are engaged in similar work.

Informing and alerting professionals

5.20 Organised crime cannot function without the legitimate economy. Criminals will seek to launder money through the financial sector, or use the services of lawyers or accountants to invest in property or set up front businesses. A small number of complicit or negligent professional enablers, such as bankers, lawyers and accountants can act as gatekeepers between organised criminals and the legitimate economy.

5.21 We are not yet satisfied that prevention work with the regulators of the many professions involved is sufficiently well informed about contemporary organised crime or as rigorous as we would like. We will work with the many organisations involved, notably the Anti-Money Laundering Supervisors Forum (which brings together the supervisors of the regulated sector[61]) and the Money Laundering Advisory Committee, chaired by the Home Office and HM Treasury.

5.22 The Government is also introducing compulsory licensing of private investigators (PIs). Licences will be issued by the Security

60 www.youtube.com/watch?v=3JVAip8eUPE and twitter.com/search?q=%23GMPpayback&src=typd

61 Supervisors of the regulated sector include: Law Societies of England and Wales, Scotland and Northern Ireland, Financial Conduct Authority, HMRC, Solicitors Regulation Authority, General Council of the Bar (England and Wales), General Council of the Bar (Northern Ireland), Faculty of Advocates (Scottish bar association), Association of Chartered Certified Accountants, Institute of Chartered Accountants, Chartered Institute of Management Accountants, Chartered Institute of Public Finance and Accountancy, Chartered Institute of Taxation, Gambling Commission, Insolvency Service and Institute of Chartered Surveyors.

Industry Authority (SIA) who will ensure that people with a criminal history which indicates that they are unsuitable for this work do not enter the profession. The SIA will also ensure that licensed PIs receive appropriate training and understand the relevant legal framework for example, their responsibilities under data protection legislation. It will be a criminal offence to operate without a licence. The new regime will begin to roll out from Autumn 2014.

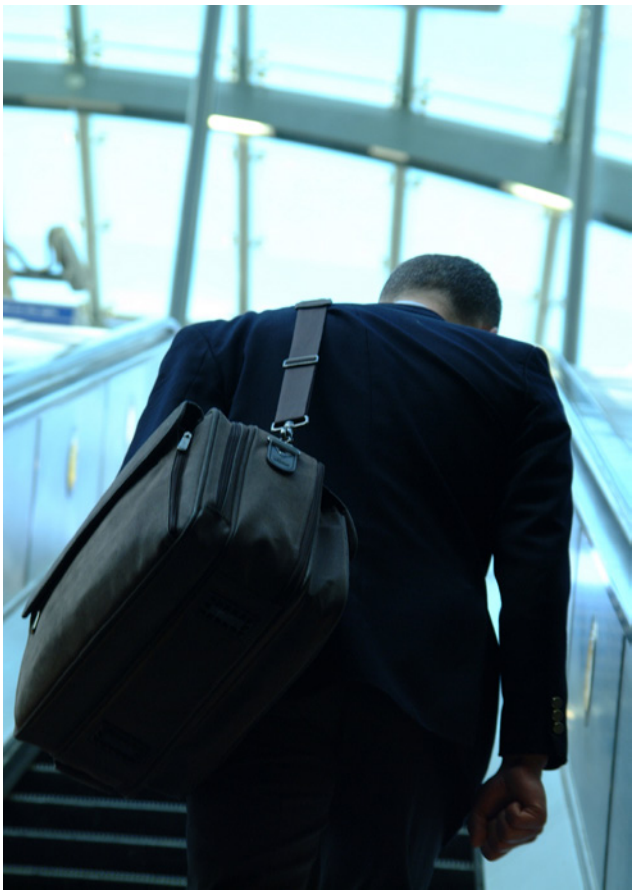
5.23 Public sector employees are also at risk of becoming involved in fraud and corruption. In 2012 the National Fraud Authority developed an effective training package on how to counter fraud and corruption across national government, and guidance which advises local government on how to prevent fraud was distributed to local authorities. The Cabinet Office will work with public sector training providers to determine how counter-fraud and counter-corruption training could be delivered to all parts of the public sector.

ii. Use interventions to stop people being drawn into different types of serious and organised crime

5.24 Work to prevent serious and organised crime needs to make better use of existing government interventions and develop further projects to address specific groups at particular risk. The Troubled Families Programme and Ending Gang and Youth Violence Programme are important.

The Troubled Families Programme

5.25 This programme, launched in 2011, is focused on families that have multiple problems, disrupt the community around them and put high costs on the public sector. The programme, which is primarily delivered



by 152 upper-tier local authorities and their partners, is committed to helping 120,000 troubled families in England turn their lives around by 2015.

5.26 Over 80% of the 30 local authority areas with the highest number of troubled families are also in the police forces with the highest levels of organised crime. We believe that the programme can deal with some of the people who are at risk of turning to organised crime and relevant families can be referred where appropriate.

5.27 The Home Office will work with the Troubled Families Team to develop evidence of the nature and extent of the troubled families/organised crime connection; monitor the referral mechanism; collaborate on appropriate interventions; and monitor outcomes. But in this, as in other areas of Prevent, we expect local authorities with

local expertise to take a leading role and we believe that managing referrals into and from the Troubled Families Programme can be a role for serious and organised crime partnerships (see 4.16).

The Ending Gang and Youth Violence Programme

5.28 Preventing young people from becoming involved in street gangs will reduce the risk that they become involved in organised crime.

5.29 Since 2012 the Ending Gang and Youth Violence Programme has worked in 33 priority local areas, supported by a network of around 70 advisers with experience of dealing with gangs and youth violence. The programme involves local teachers, Jobcentre Plus staff, health service and safeguarding professionals, as well as the police, youth offending teams and community groups. The programme also addresses the sexual exploitation of girls and young women by street gangs. An assessment of the programme will be published later this year.

5.30 The Home Office will add people with experience of tackling serious and organised crime to the network of advisers on this programme, to provide first hand advice on how to identify and work with individual young people at risk of being drawn into serious or organised crime. This gang programme should also be on the agenda for local organised crime partnerships (see 4.16).

Preventing Child Sexual Exploitation

5.31 Child sexual abuse and exploitation can take many different forms and are not exclusive to any single culture or community. The police are working with other agencies to identify not only those at risk of exploitation and abuse but also people, convicted or not, who may pose a risk to children and vulnerable people.

5.32 We will continue to work with community leaders to support messages to offenders and potential offenders that child abuse and exploitation are not tolerated in any culture, faith or belief. The Sexual Violence Against Children and Vulnerable People (SVACV) National Group[62] will ensure that case studies and lessons learned from police operations and court cases are made available to law enforcement agencies so that they have the most current understanding of offending patterns.

5.33 The Prime Minister's speech of 22 July 2013 on child abuse online called on the main internet search engines (Google and Microsoft) to do more to tackle the accessibility of child abuse images through the internet, building on the important work they already do to identify and remove indecent images of children. Much of this is aimed at making it harder for paedophiles to gain access to such images and delivering

[62] A panel of experts and policy makers brought together by the Home Office to deliver more effective support for victims of sexual exploitation established in April 2013 https://www.gov.uk/government/speeches/national-group-on-sexual-violence-against-children-and-vulnerable-people

deterrence messages to them when they try (see 5.38-5.39). But it also includes steps to deal with speculative offenders that could be drawn into child sexual exploitation.

5.34 The CEOP Command of the NCA is working with the internet industry and non-governmental organisations to deter individuals from seeking to locate and view indecent images of children online. The aim of this work is also to signpost potential offenders to sources of support and counselling to prevent further offending behaviour.

iii. Develop techniques to deter people from continuing in serious and organised criminality

5.35 Wherever we can, we will prosecute those involved in serious and organised crime. But where we cannot, we will look to deter and disrupt engagement in organised crime with a wide range of interventions that complement and, where appropriate, offer an effective alternative to criminal investigations. These interventions are relevant to both the Pursue part of this strategy (because they disrupt organised crime) and to the Prevent programme (because they should also dissuade people from re-engaging in criminality).

5.36 A range of interventions are already in use including: Financial Reporting Orders; Serious Crime Prevention Orders; Travel Restriction Orders; Director Disqualification Orders; and Sexual Offences Prevention Orders. Licence conditions are an important part of this toolkit: they require offenders leaving prison following the custodial part of a sentence to follow certain requirements based on a case by case assessment of risk.

5.37 The use of these interventions has increased in recent years, but law enforcement can make more use of them. The Home Office will work with the NCA, law enforcement leadership and the College of Policing to support law enforcement officers in more routinely seeking injunctions and ancillary orders to disrupt serious and organised crime.

5.38 New forms of economic and cyber crime will require new forms of deterrence. Influencing activity, such as warning letters from law enforcement to individuals whose behaviour indicates they might be getting involved in criminal activity, can be effective. The City of London Police's Tradebridge project brought together law enforcement and industry to target criminal groups engaged in digital piracy. The City of London Police sent 'cease and desist' notices to people attempting to use illegal websites that infringe music copyright. We want to see more initiatives of this kind. The NCA's National Cyber Crime Unit will issue warning emails to people who have registered an interest in criminal websites (e.g. websites where stolen credit card details are bought and sold).

5.39 There are already arrangements through the Internet Watch Foundation (IWF) for sites containing illegal images to be either removed or blocked; 'splash pages' (warning messages that appear in place of blocked web pages) are now in place to deliver strong deterrence messages to anyone who tries to gain access to one of these pages. The IWF's role is being expanded so that as well as receiving reports of child abuse images, they will also be able to proactively seek out these images.

iv. Establish an effective offender management framework to support work on Pursue and Prevent

5.40 Lifetime management is a system for continually assessing the threat from a person who has been engaged in serious and organised crime, both before and after any conviction. Effective lifetime management identifies interventions which are appropriate for specific people and will have the greatest impact in cutting crime and reducing their reoffending. It includes, but goes much further than, other systems which manage an offender only after conviction for the duration of their licence conditions[63]; lifetime management can be used pre- and post-conviction and for as long as an individual is considered to be a threat. Lifetime management is therefore a framework for Pursue and Prevent.

5.41 Lifetime management is the responsibility of the local police force, ROCU, or NCA Command which is taking the operational lead for the person concerned. In all cases the NCA will assist in assessing the risk that individuals or groups pose. The overall approach will be coordinated through the NCA's Prisons and Lifetime Management Threat Group, at which all key partners will be represented. Success will depend upon improving information-sharing between law enforcement and their wider partners.

5.42 It will be particularly important to manage the movement of serious and organised criminals through the criminal justice system. The Police and the NCA will share with the National Offender Management Service (NOMS) more details of people convicted of offences connected to serious and organised crime and the risk they pose in prison and on probation and will work with NOMS to actively manage the ongoing risk. Based on previous scoring and intelligence, law enforcement will identify priority targets for continued monitoring. Released offenders will be subject to risk-scoring and prioritisation to ensure a managed return to the community, with the police and the NCA working closely with the providers of probation services and local Integrated Offender Management[64] arrangements, where appropriate.

63 Multi-Agency Public Protection Arrangements (MAPPA) and Integrated Offender Management (IOM) require local criminal justice agencies and other bodies dealing with offenders to work together in partnership to manage offenders. For more information see http://www.justice.gov.uk/downloads/offenders/mappa/mappa-guidance-2012-part1.pdf

64 Integrated Offender Management (IOM) is a partnership based, crime reduction approach that aims to achieve maximum impact by tackling offenders who commit the most crimes in a local area, or whose offending causes most damage to the local community.

PROTECT: Increasing protection against serious and organised crime

Success in PROTECT will mean that:

- We reduce our vulnerability to serious and organised crime, across government and the private sectors and among the public.

Our objectives will be to:

i. Protect our borders from serious and organised crime

ii. Protect national and local government from serious and organised crime

iii. Improve protective security in the private sector by sharing intelligence on threats from serious and organised crime

iv. Protect people at risk of becoming the victims of serious and organised crime

v. Improve our anti-corruption systems

vi. Strengthen systems for establishing identity so that serious and organised criminals are denied opportunities to exploit false or stolen personal data

6.1 The purpose of the Pursue and Prevent components of this strategy is to reduce the threats we face from serious and organised crime. The purpose of Protect and Prepare is to reduce our vulnerability. This requires a related but quite different set of programmes, many of which build on work that has been done by SOCA, the police and other organisations.

6.2 Reducing vulnerability means increasing protective security across the public estate. But it also means providing as much advice as we can to the private sector who are targeted by serious and organised crime, notably through cyber-enabled fraud and, increasingly, through cyber crime. The financial sector is particularly important. We must also provide effective advice to the public. This matters when cyber tools and techniques (notably in connection with attempted fraud) enable organised criminals to reach a much larger number of people far more quickly than ever before.

6.3 Corruption is a tool of organised crime. The UK has a good record of dealing with this challenge. But we cannot afford to be complacent and we have set out an explicit line of work to deal with corruption in this strategy (see 6.34-6.44).

6.4 According to a survey carried out for the Annual Fraud Indicator (AFI) 2013 9% of UK adults were a victim of identity theft in 2012[65]; organised crime in particular makes

65 National Fraud Authority (2013) *Annual Fraud Indicator* www.gov.uk/government/uploads/system/uploads/attachment_data/file/206552/nfa-annual-fraud-indicator-2013.pdf

use of stolen identities. Better protecting identity reduces our vulnerability and makes crime harder.

i. Protect our borders from serious and organised crime

6.5 Border operations are complex, high-profile and high risk: over 100 million people arrive in the UK each year through 139 entry points; and in 2011 Border Force staff seized 4 tonnes of class A drugs, 455 million cigarettes and thousands of offensive weapons. Each year over £570 billion of international trade across the border generates £34 billion of customs and excise duties and VAT revenue.

6.6 We have set out elsewhere in this strategy (see 4.19-4.23) how structures and responsibilities at the border have changed, with the formation of the Border Policing Command in the NCA, and the Border Force and Immigration Enforcement directorate in the Home Office.

6.7 Effective border security relies heavily on passenger and freight data. We need to improve both our data acquisition and our analytical capability to effectively identify passengers and goods of possible concern. Border Force will work with carriers and other commercial partners to increase coverage, timeliness and accuracy of information about passengers and goods. Border Force will be upgrading and then replacing the Warnings Index System, the central database which contains details of organised criminals who we do not want in this country. Procedures for front-line Border Force staff taking action on the Warnings Index are also being improved. The Government's commitment to introducing exit checks will further increase our ability to stop criminals crossing the border.

6.8 Organised crime groups attempt to smuggle illicit and dangerous goods such as drugs and firearms into the country via large shipments of freight, fast parcel services and through passengers, their vehicles and luggage. The NCA and Border Force will improve intelligence-sharing with the fast parcel industry, seek opportunities for upstream action against parcels before they reach the border, and carry out more targeted intelligence-led operations against parcels entering the border.

6.9 We have said previously[66] that we need to develop closer collaboration between law enforcement agencies dealing with counter-terrorism and organised crime. This is particularly important at the border where they are often dealing with common issues. Progress has already been made in sharing capabilities and assessments.

ii. Protect national and local government from serious and organised crime

6.10 Some of the most attractive targets for fraud against government include our most complex tax and benefit systems, particularly Universal Credit, which will consolidate

66 HM Government (2010) *Securing Britain in an Age of Uncertainty: The Strategic Defence and Security Review* https://www.gov.uk/government/publications/the-strategic-defence-and-security-review-securing-britain-in-an-age-of-uncertainty

multiple benefits into a single monthly payment into the claimant's bank account, based on an online application process. Fraudsters also attempt to hijack or buy claimant identities or create fake businesses to make fraudulent repayment claims for Income Tax or other taxes.

6.11 HMRC has established dedicated cyber security and cyber crime units. The Department for Business, Innovation and Skills (BIS) and the Government Communications Headquarters (GCHQ) are working to agree new organisational standards for government for cyber security products and services.

6.12 The Government's Fraud, Error and Debt Taskforce was set up in 2011 to provide strategic direction and oversight of cross-government initiatives to save taxpayers' money through tackling fraud and error and improving debt recovery. Significant losses have already been prevented in HMRC and the Department for Work and Pensions (DWP). The Taskforce will shortly assume responsibility for the Counter Fraud Checking Service, which will bring together data about known fraud from public and private sector organisations (including government departments such as DWP and HMRC and major insurers and banks). Public and private sector participants will use this database to check new applicants for benefits and services.

6.13 The Audit Commission's National Fraud Initiative has been responsible for identifying over £1 billion of fraud and error since it began in 1996 by matching data sets within and between over 1,300 public and private sector bodies. The Fraud, Error and Debt taskforce within the Cabinet Office will assume responsibility for the operation of the National Fraud Initiative at a suitable point once the legislation abolishing the Audit Commission is in place.

6.14 Public procurement is also vulnerable because of the multiple opportunities for fraud (price fixing, bid rigging, double invoicing, diverted payments and delivery of inferior products). The AFI 2013 estimated £2.3 billion of fraud is perpetrated against public sector procurement out of an annual total of £227 billion. We are particularly concerned about organised criminals tendering for public sector contracts, including through the use of front companies. We will implement the modernised EU public procurement directive through separate secondary legislation to ensure that there are the appropriate checks and controls in the public sector procurement process to exclude companies involved in organised crime.

6.15 We want to ensure that relevant bodies work together to increase the scrutiny on 'at risk' sectors and that a prompt and effective process exists for the sharing of intelligence between public authorities, the NCA and policing. We believe this may be another important role for new local organised crime partnership boards, which we have discussed under Pursue and Prevent (see 4.17).

iii. Improve protective security in the private sector by sharing intelligence and analysis on threats from serious and organised crime

6.16 In the consultation process which has informed this strategy, private sector representatives have made very clear the importance of government agencies sharing intelligence and analysis with them about serious and organised crime threats. This is most important in connection with fraud, cyber-enabled fraud and cyber crime. Progress has been made but we understand that the private sector needs complete clarity about what they can expect and from where.

6.17 Using intelligence from a range of sources, the NCA will identify organised groups committing economic crime and, where appropriate, share information with the private sector to allow them to take action. The NCA will work directly with the private sector to advise how they should protect their systems and processes from cyber-crime and fraud. Specific data on known fraudsters will be shared with the private sector through the Counter Fraud Checking Service.

6.18 In September 2013 the City of London Police established a new unit to tackle online piracy and other forms of intellectual property crime, supported by the Intellectual Property Office. This unit will also work with the private sector. Similar units are already in place for cheque and credit card fraud (the Dedicated Cheque and Plastic Crime Unit[67], consisting of officers from the Metropolitan and City of London Police, funded fully by the banking industry), and insurance fraud (the Insurance Fraud Enforcement Unit, consisting of City of London Police offices, funded by members of the Association of British Insurers).

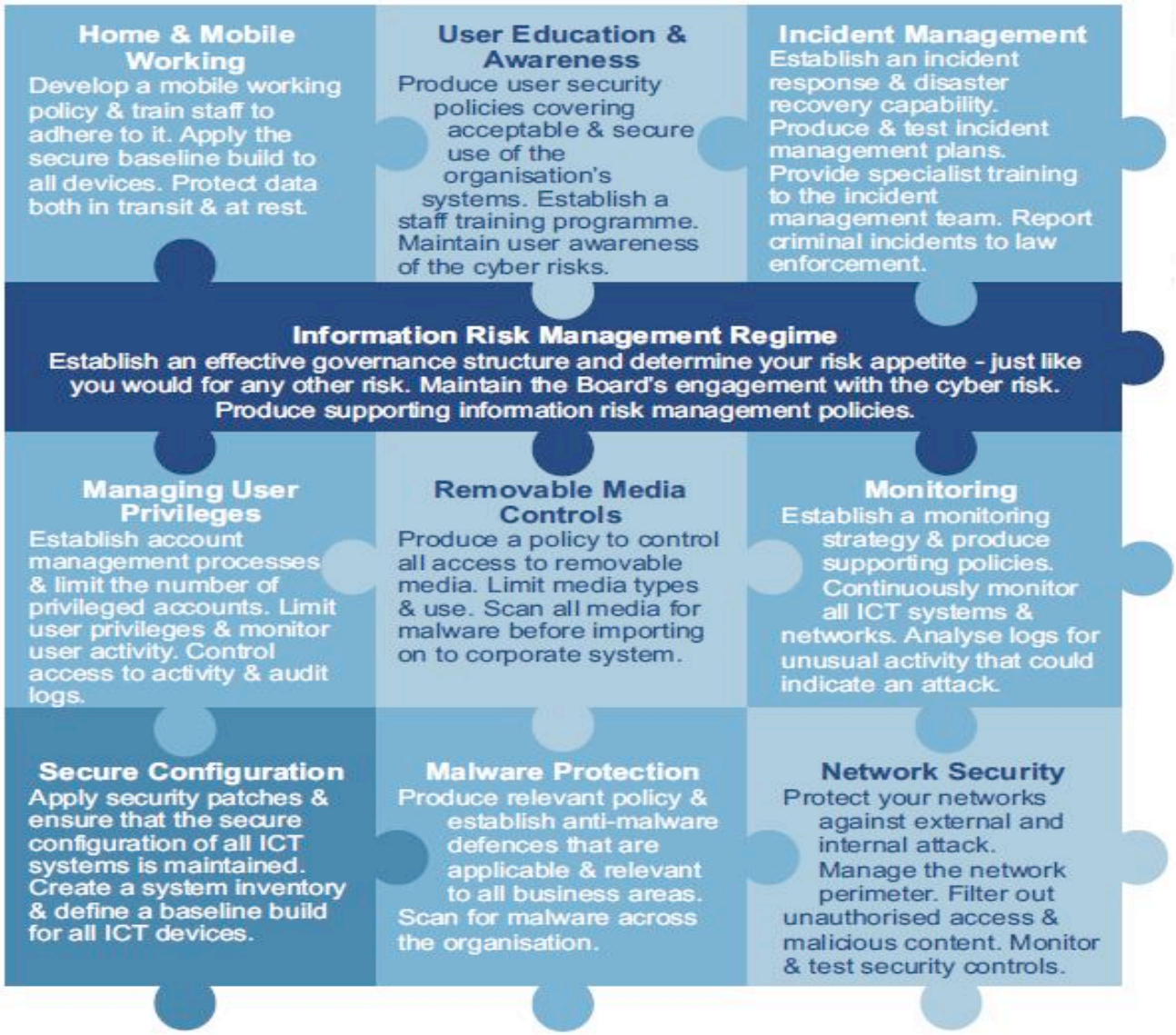
6.19 Since 2009 the National Fraud Authority has developed Action Fraud as the single route for the private sector and the public to report cyber and financial crime. Action Fraud passes the reports to the National Fraud Intelligence Bureau (NFIB) for analysis and distribution to police forces or the NCA as actionable intelligence. NFIB is managed by the City of London Police.

6.20 Action Fraud and NFIB need to improve the integration of their ability to receive and analyse reported cyber and financial crime, including offering more feedback to the private sector. A programme is in hand to deal with this. Where the fraud or cyber crime which is reported shows evidence of organised crime the NCA will also be involved.

6.21 Under the AML regulations, the regulated sector is required to make reports of suspicious financial transactions to SOCA for possible investigation – some 200,000 such reports are made each year. They represent a rich source of intelligence for law enforcement agencies and for the wider regulated sector. The NCA will improve the analysis of these reports so that more targeted and sector-specific intelligence is provided to the private sector and other law enforcement agencies.

6.22 Most cyber crime can be prevented by good security and information assurance measures, but protective measures against

[67] The Dedicated Cheque and Plastic Crime Unit (DCPCU) estimates its work has prevented £65m in fraudulent losses during its two year pilot. http://www.financialfraudaction.org.uk/Police-The-dcpcu.asp



cyber crime need to be strengthened in all sectors and among the general public. This also depends on intelligence sharing about cyber threats, easily accessible advice on what protective steps to take and close collaboration between government, the internet service providers, business and the public.

6.23 In September 2012 BIS, the Centre for the Protection of National Infrastructure and GCHQ published the Cyber Security Guidance Booklet for Business[68] ('the Ten Steps'), which provides risk management and technical guidance to larger businesses. In April 2013, drawing on the Ten Steps, BIS published the Small Business Cyber Security Guidance[69], followed in July 2013 by the launch of a Cyber Governance Health

[68] Department for Business, Innovation and Skills (2012) *www.gov.uk/government/publications/cyber-risk-management-a-board-level-responsibility*.

[69] Department for Business, Innovation and Skills (2013) *Small Business Cyber Security Guidance* www.gov.uk/government/publications/cyber-security-what-small-businesses-need-to-know

Check, which draws support from the audit community to help FTSE350 companies to identify and assess vulnerability.

6.24 The new Cyber Security Information Sharing Partnership (CISP), launched in March 2013, will be the main forum through which the government will facilitate the sharing of intelligence in real time with the private sector on cyber threats and vulnerabilities. CISP is managed by the Cabinet Office and will become part of the new UK Computer Emergency Response Team (CERT-UK) in 2014 (see 7.5). It also houses a Fusion Cell including analysts from industry, law enforcement and intelligence communities.

6.25 GCHQ is working with industry, academia and other government organisations on further related projects:

- the Commercial Product Assurance (CPA) scheme has been launched to certify commercially-available cyber security products for use in the public and private sectors. The first post-pilot products are expected to complete certification in Autumn 2013 and more will follow in 2014[70];
- GCHQ is expanding its Service Assurance capability to cover a broad range of security/ICT services and tailored cyber services. A number of commercial cyber incident response providers are being certified to provide clean-up services to private and public sector organisations that have fallen victim to cyber attack. Further expansion is anticipated in 2014 to include certification of cyber security monitoring services[71]; and
- the CESG Certified Professional scheme (CCP) is on track to certify over 800 cyber security professionals working within the public sector and its supply chain by early 2014. Access to the scheme is now being extended to any UK-resident cyber security professional for the benefit of the wider UK economy. Certification of cyber security training and higher education courses will start in 2014 as part of the long-term drive to build the UK cyber security profession[72].

iv. Protect people at risk of becoming the victims of serious and organised crime

6.26 The public are most likely to be direct victims of serious and organised crime through fraud (whether online or offline), cyber crime and encountering illegal or offensive content online.

6.27 Fraud against the public is believed to cost about £9 billion a year, with the main estimated losses being mass-marketing fraud (£3.5 billion), identity fraud (£3.3 billion), online ticket fraud (£1.5 billion) and private rental property fraud (£755 million)[73].

6.28 Like the private sector, the general public depend on Action Fraud and NFIB to report fraud and online financial crime, and to provide information on how an investigation is progressing and which police force is leading. A plan is in hand for Action Fraud (see 6.19) to improve this service. Action Fraud and NFIB will provide more information on their websites on trends in fraud and known

70 http://www.cesg.gov.uk/servicecatalogue/CPA/Pages/CPA.aspx

71 http://www.cesg.gov.uk/ServiceCatalogue/cir/Pages/Cyber-Incident-Response.aspx

72 For information about the CESG Certified Professional scheme, see http://www.cesg.gov.uk/News/Pages/New-IA-Certification-pages.aspx

73 National Fraud Authority (2013) *Annual Fraud Indicator* www.gov.uk/government/uploads/system/uploads/attachment_data/file/206552/nfa-annual-fraud-indicator-2013.pdf

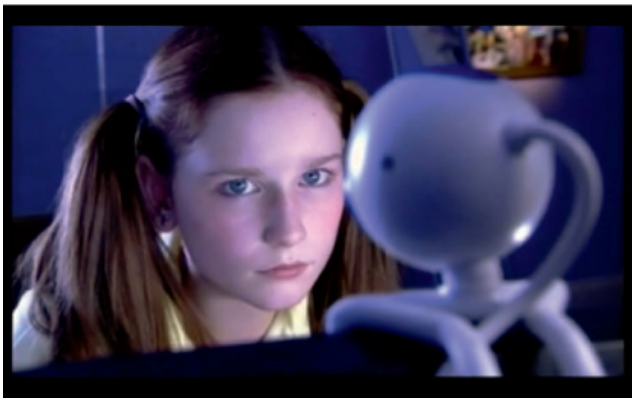
fraudsters[74]; the FCA[75] already publishes details of firms that are not authorised by them to offer financial services.

6.29 The Home Office has conducted two important public awareness campaigns, *'Get Safe Online'* and *'The Devil's in Your Details'*[76], intended to provide advice on the protection of personal and corporate data. The Home Office will launch a major new campaign in 2013/14 to increase awareness and understanding of online threats, improve security, help to reduce economic loss from cyber crime and increase confidence in online business.

6.30 In connection with cyber threats, internet service providers (ISPs) are currently working with government to agree what information will be provided to customers about cyber threats. This will include briefing materials and advice on security solutions, a means of reporting attacks, effective risk mitigation and a notification procedure when they become aware of potential compromise to a customer's computer or account.

Protecting children and blocking child abuse images

6.31 CEOP has educated children and young people about their online behaviour, the 'digital footprint' they leave, and the risks they face online. CEOP has developed a specific educational programme – called *'ThinkuKnow'* – to tackle these issues, which includes educational films and cartoons, teachers' packs and other online resources for use with children aged 4-18. In 2012/13, over 2.6 million children saw the *'ThinkuKnow'* products and over 800 professionals in the education, child protection and law enforcement professions were trained by CEOP to educate children about online safety. We want to develop the *'ThinkuKnow'* programme which we regard as a model of its kind.



6.32 Later this year the NCA's CEOP Command will launch a new educational film '*Exploited*' which educates young people about exploitative relationships and will relaunch the '*ThinkuKnow*' website for teenagers. The Command will continue to educate professionals through the '*ThinkuKnow Ambassador*' programme and is developing training for professionals who work in the investigation of online sexual abuse.

6.33 The Government will continue to work with the SVACV (see 5.32) to promote their '*Say something if you see something*' campaign which provides campaign materials such as posters and leaflets to raise awareness of child sexual exploitation within particular sectors (for example, the hotel sector) amongst the public and practitioners.

v. Improve our anti-corruption systems

6.34 Serious and organised crime uses bribery and corruption to evade arrest and prosecution, conduct crime and, in particular, to launder the financial proceeds. Law enforcement estimates that a significant

74 http://www.cityoflondon.police.uk/CityPolice/Departments/ECD/NFIB/

75 http://www.fca.org.uk/

76 Conducted by the National Fraud Authority

percentage of organised crime groups in the UK are engaged in bribery and corruption.

6.35 Threat assessments show that organised criminals and groups will seek to develop corrupt relationships in areas where they see greatest risk or opportunity. Targets include law enforcement agencies, government and local authorities, and the private sector. Organised criminals target law enforcement and border agencies and seeks to develop corrupt relationships in government and local authorities to gain access to data, facilitate claims for benefits and procure public contracts. The private sector, particularly the regulated financial sector, is targeted for the purposes of fraud, and to launder the proceeds of crime.

6.36 The Bribery Act 2010 made major reforms to the law in this area, creating offences for offering, promising or giving a bribe, and requesting, agreeing to receive or accepting a bribe. It also included two offences on commercial bribery: bribery of a foreign public official to obtain or retain business for commercial advantage, and corporate liability for failing to prevent bribery on behalf of a commercial organisation.

6.37 Recent research suggests that one in twenty people from the UK have paid a bribe in the last twelve months[77]. This is a higher recorded rate than before. The current response to bribery and corruption needs to be improved at both the policy and operational level.

6.38 Policy on bribery and corruption is currently split across Whitehall and, while good areas of work exist, there is no single Department that is responsible. The Home Office will now take a new lead role in coordinating all domestic bribery and corruption policy, working with the Cabinet Office and DFID to align this with work on corruption overseas. This allocation of responsibilities is consistent with Home Office work on tackling corruption in the police in conjunction with the College of Policing, Her Majesty's Inspectorate of Constabulary and the Independent Police Complaints Commission (IPCC).

6.39 Blockages in routine intelligence sharing between agencies, fragmentation of the operational response and the lack of an effective reporting mechanism for suspicions of bribery and corruption have all hampered the fight against corruption.

6.40 The NCA will lead on the assessment of bribery and corruption by organised crime and produce regular reporting on this theme. The NCA will also support investigations into corruption affecting law enforcement agencies and others, for example prisons, where staff are at higher risk of corruption given their proximity to criminals. They will do this through intelligence, threat assessments and, where required, operational support.

6.41 The Economic Crime Command (ECC) in the NCA will oversee the law enforcement response to bribery and corruption more broadly. Where organised criminals are involved, the NCA may either take action itself or coordinate other agencies to ensure that a proportionate operational response is in place. The NCA will work closely with other law enforcement partners including:

- the Serious Fraud Office, which remains the lead agency for investigating large and complex cases of corporate bribery and corruption, and enforcing the Bribery Act in respect of overseas corruption by British businesses;
- the City of London Police, which investigates cases of domestic bribery and corruption and its Anti-Corruption Unit, funded by DFID, which investigates UK citizens and companies involved in

77 Transparency International (2013) *The Global Corruption Barometer 2013* http://www.transparency.org/gcb2013

bribery or corruption in DFID-funded developing countries; and

- the Proceeds of Corruption Unit in the Metropolitan Police Service, which investigates corrupt politically-exposed persons (individuals who have been entrusted with a prominent public position or are a close relative of such a person) who have laundered proceeds of corruption into the UK.

6.42 On 12 February 2013, the Home Secretary announced a range of measures to improve standards of professional behaviour in policing, including that the IPCC will be equipped to deal with all serious and sensitive allegations against the police, and that the College of Policing will publish a new Integrity Code of Practice and establish a stronger system of vetting for police officers to be used in decisions on recruitment and promotion.

6.43 The procedures for reporting bribery and corruption also need to be made easier and much more widely known. Polling suggests that over 92% of people living in the UK would report corruption if they were aware of it but only 30% know how to do so[78]. We believe that there are strong benefits in creating a new single reporting mechanism and will examine the best way to do this and agree a way forward.

6.44 We need to not only target serious and organised criminals but also support those who seek to help us identify and disrupt serious and organised criminality. In July, we announced a review of the support that is available to those who report suspected illegal activity. BIS, the Ministry of Justice and the Home Office will consider the case for incentivising whistle blowing, including the provision of financial incentives to support whistle blowing in cases of fraud, bribery and corruption. As part of this work we will examine what lessons can be drawn from the successful 'Qui Tam'[79] provisions in the US where individuals who whistle-blow and work with prosecutors and law enforcement can receive a share of financial penalties levied against a company guilty of fraud against the government.

78 Transparency International (2013) *Corruption In The UK: Part One – National Opinion Survey* www.transparency.org.uk/our-work/publications/91-corruption-in-the-uk--part-one---national-opinion-survey

79 Qui Tam is the common description for the US False Claims Act which is regarded by the US Government as a vital tool for combating fraud against the federal government. The False Claims Act contains 'qui tam' provisions that allow private citizens to sue, on the government's behalf, companies and individuals that were defrauding the government.

Metropolitan Police Project Amberhill was set up to collate and analyse data on forged, counterfeit and fraudulently obtained genuine identity documents recovered through police operations. This information, which includes a database of some 80,000 false identities and documents, has been shared with government departments and other organisations to help them detect and stop crime. It is estimated to have prevented £3m of fraud in 2012[81].

SOCA issued a series of **alerts to government departments** and other organisations containing the details of 466 fraudulently obtained genuine passports. These passports were being used by criminals and illegal migrants to secure employment, gain access to financial products and services, obtain benefits, travel and commit a variety of criminal offences. Through this initiative many businesses throughout the UK were able to use the information to protect themselves from attack.

SOCA also successfully applied for new terms to be added to **Serious Crime Prevention Orders** to prohibit serious and organised criminals from using or owning equipment capable of manufacturing or altering identity documents. They were also able to prohibit them from possessing or controlling third party identity documents.

vi. Strengthen systems for establishing identity so that serious and organised criminals are denied opportunities to exploit false or stolen personal data

6.45 Identity crime is the creation of a false identity or the use of someone else's identity in order to commit a criminal offence. It involves the unauthorised use of a variety of personal documents or data including passports, driving licences, national insurance numbers, birth certificates and bank accounts. Analysis of 2012 fraud trends by CIFAS, an organisation which allows participating members to share details on suspected fraud, found that out of almost 250,000 confirmed frauds, identity fraud accounted for almost 50%[80].

6.46 Identity crime is primarily an enabler of other crimes and is rarely committed for its own sake, although it can be used to hide criminal or suspicious activities committed under another name or identity.

6.47 We want to do more in this area. We will strengthen systems to make it harder

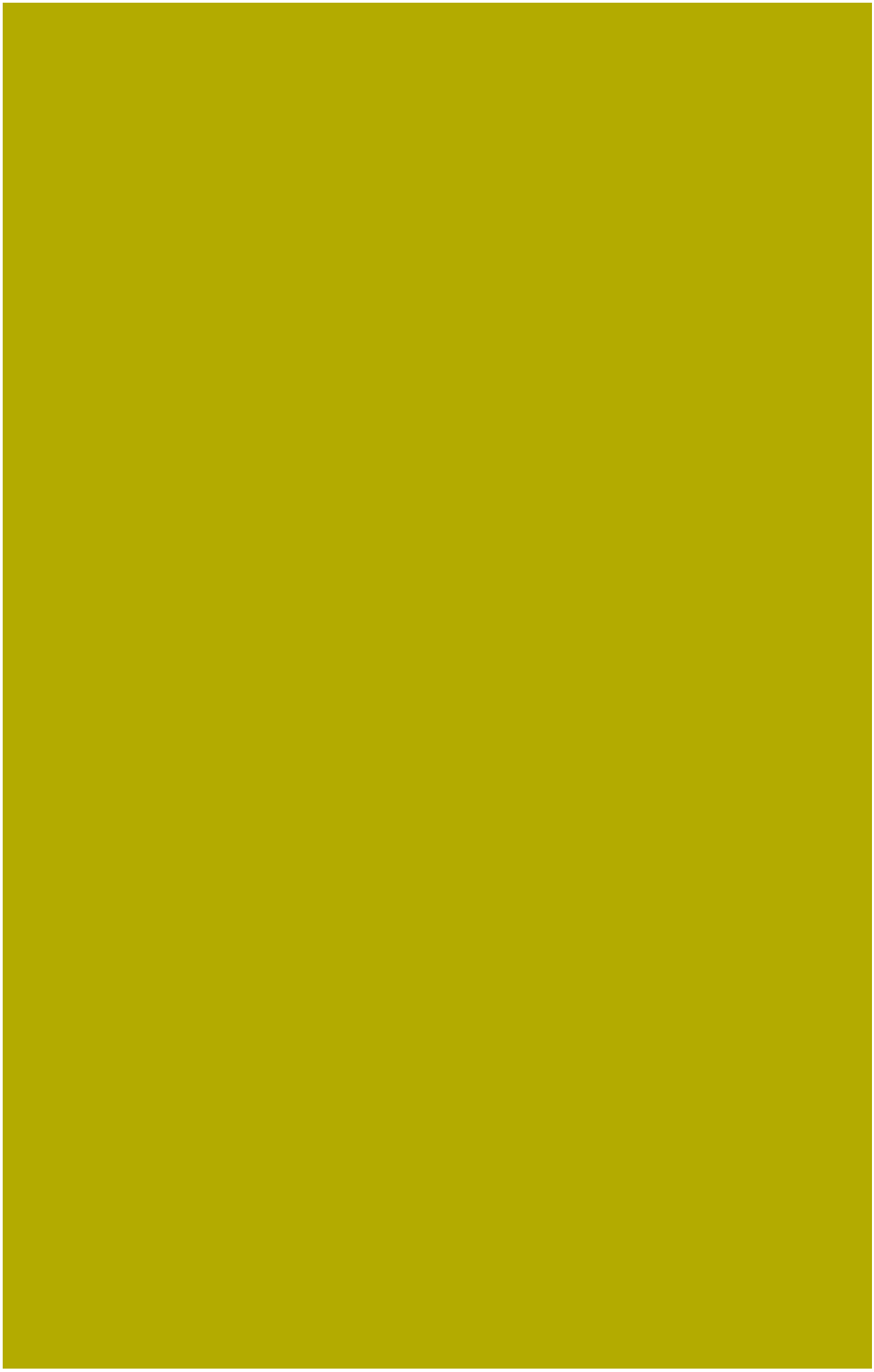
[80] National Fraud Authority (2013) *Annual Fraud Indicator* www.gov.uk/government/uploads/system/uploads/attachment_data/file/206552/nfa-annual-fraud-indicator-2013.pdf

[81] Metropolitan Police Quarterly Report on Amberhill Feb 2013 (unpublished)

to hide a criminal past through a change of name, and change procedures for issuing replacement documents (e.g. passports or driving licences). We will disrupt the manufacture of false identities and share more widely information about false identities and alleged multiple losses of documents.

6.48 The Anti Social Behaviour Crime and Policing Bill (presented to Parliament in May 2013) includes powers allowing immigration, customs and police officers to search for, examine and seize invalid travel documents. These new powers will complement the existing powers to search for and seize travel documents.

6.49 We want to disrupt the ability of criminals to purchase specialist printing equipment and materials in order to produce false identity and other documents e.g. credit cards. Guidance has been provided on how the private sector can conduct simple checks to ensure that they are not inadvertently supplying equipment for criminal use.



PREPARE: Reducing the impact of serious and organised crime

Success in PREPARE will mean that:

- Major serious and organised crime incidents are brought to a rapid and effective resolution
- Communities, victims and witnesses affected by serious and organised crime have the support which they need

Our objectives will be to:

i. Ensure that we have the necessary capabilities to respond to major serious and organised crime incidents

ii. Provide the communities, victims and witnesses affected by serious and organised crime with effective criminal justice and other support

7.1 We have not previously had a Prepare programme for serious and organised crime. But the police and other agencies have been engaged in work in this area and this strategy builds on the progress they have made. Prepare reflects the reality that however improved our response, serious and organised crimes will continue to occur. So there will be victims of crime and some communities will continue to be affected by crime.

7.2 We need to ensure that we are prepared in the event of major serious or organised crime incidents which have national implications and, for example, are a threat to national systems and infrastructure. The rapid emergence of a significant organised crime cyber threat makes this imperative. We also need to address the corrosive impact of serious and organised crime on communities and ensure that our transformation of the criminal justice system supports people who are witnesses or victims.

i. Ensure that we have the necessary capabilities to respond to major serious and organised crime incidents

7.3 Significant improvements have been made in building generic capabilities to respond to, and recover from, a wide range of civil emergencies[82]. Work is also under way to improve the 'interoperability' of the emergency services: this began by looking at the response to terrorist incidents but now has a wider scope. Over and above this, we believe that a stronger emphasis is needed to

[82] Through the Cabinet Office National Resilience Capabilities Programme, www.gov.uk/preparation-and-planning-for-emergencies-the-capabilities-programme

address the particular challenges posed by major serious and organised crime incidents.

7.4 Serious and organised crime usually comprises multiple criminal incidents rather than a single very high impact attack (as is the case with terrorism). But there are some criminal threats which may require a national response, including significant denial of service attacks or cyber-enabled frauds; incidents involving illegal firearms; the entry of potentially lethal or adulterated drugs into the UK market; and criminal attacks threatening the food, energy and water security of the UK.

7.5 We place a particular emphasis on preparing effectively for a significant cyber crime-related incident. This means ensuring that our law enforcement agencies have the right capabilities, powers and connections to the private sector to respond effectively, and that effective national mechanisms are in place to respond rapidly to a major incident. Our priorities are to:

- build a new Computer Emergency Response Team (CERT-UK) to improve the way in which the UK responds to major cyber attacks. CERT-UK will help industry respond effectively to cyber incidents and restore critical services. It will work with similar organisations in other countries to enable better international information sharing and response to incidents. The development of CERT-UK is being led by the Cabinet Office and it will be launched in early 2014; and
- ensure that law enforcement has effective capabilities to respond through the NCA's National Cyber Crime Unit, which will lead the national operational response to the most serious cyber crimes, and through investment in wider policing capabilities.

National Testing and Exercise Programme

7.6 In the consultation for this strategy, we found strong support in policing for the introduction of a new programme to exercise and test the preparedness of the police, law enforcement agencies and other partners. This reflects the fact that serious and organised crime threats continue to evolve, and that the policing landscape has changed with the advent of the NCA (with its mandate to task and coordinate the national law enforcement response to serious and organised crime), the introduction of police and crime commissioners and the establishment of a National Police Coordination Centre (NPoCC)[83].

7.7 The objective of the new programme will be to test our ability to respond jointly to a range of scenarios and ensure that lessons are learned. It needs to test capabilities and relationships between partner agencies. Exercises should be based on planning assumptions derived from the most up-to-date intelligence picture held by the NCA about the threat to the UK from serious and organised crime. The programme will involve, where appropriate, representatives from the private and voluntary sectors. Planning for this programme will be coordinated between the Home Office, the NCA and police forces and must reflect force requirements. CERT-UK will lead exercising and testing of revised incident management arrangements for a major cyber incident.

[83] The functions of NPoCC are to assess national policing capacity and capability in relation to the Strategic and National Policing Requirements; coordinate a continuous testing and exercise regime to ensure effective mobilisation of national assets in a crisis; and brokering mutual aid between police forces in the event of a crisis. For more information see http://www.acpo.police.uk/NationalPolicing/NPoCC/home.aspx

ii. Provide the communities, victims and witnesses affected by serious and organised crime with effective criminal justice and other support

7.8 Organised crime groups have a corrosive local impact, particularly in some of our most deprived communities and also among communities which are new to this country. In some local areas organised criminals may be regarded as role models. Organised crime groups (sometimes in conjunction with urban street gangs) may intimidate people into silence. Organised crime becomes an accepted feature of the environment and can more easily continue without disruption. This is a feature of organised crime activity in many other countries.

7.9 We need to disrupt efforts by organised crime groups to develop a hold over very local communities. This strategy and the activities of operational agencies in support of it need community support. Communities need to have the confidence to be part of our response.

7.10 There are a number of actions in this strategy which are intended to address this, including the relentless (and visible) disruption of serious and organised criminals by the police and other agencies; more aggressive and visible action to recover criminal assets; local organised crime partnerships (which should deal with the impact of organised crime on local communities); our Prevent approach; and a programme of work to better support victims and witnesses (see 7.12–7.20).

7.11 Trust and confidence in the police is vital. Neighbourhood policing teams have an important part to play in cutting crime (including serious and organised crime) through building trusted relationships, gathering community intelligence and resolving community concerns. The Home Office and the College of Policing will ensure that organised crime is properly taken into account in developing best practice around police community engagement and neighbourhood policing. In addition:

- we will expect the police and the NCA to ensure that community engagement and communication plans are included in planning for law enforcement operations against serious and organised criminals to keep the public informed before, during and after operational activity takes place;
- we will also expect the police and the NCA to promote the use of community impact statements which will allow the

courts, when considering sentencing, to take into account the impact (including fear and intimidation) which particular crimes have had on communities; and

- the Home Office will establish a new Voluntary, Community and Social Enterprise (VCSE) sector group which will include representatives from the Association of Police and Crime Commissioners, the Ministry of Justice, the NCA, charities and other non-governmental organisations. The group will coordinate the VCSE sector role in the response to serious and organised crime. It will provide organisations working with communities, victims and witnesses with a conduit for two-way communication about serious and organised crime issues. It will seek opportunities for joint communications campaigns and partnership working, and provide a forum for providing feedback on the impact of this strategy at a local level.

Victims and witnesses

7.12 Victims of and witnesses to all types of crime have a personal stake in the outcomes of the criminal justice system (CJS). And the system itself depends on the cooperation of victims and witnesses if offenders are to be brought to justice.

7.13 The Government announced in December 2012 that witnesses and other vulnerable people whose lives could be at risk will receive enhanced UK-wide protection and support from a new UK Protected Persons Service, to better support those who help bring criminals to justice. This will be coordinated by the NCA, working with ROCUs. Protected person status has been used across a range of crimes including victims and witnesses of the Morecambe Bay disaster, witnesses to the murder of Rhys Jones and also to gun and gang crime[84].

7.14 Progress has already been made in making the CJS more responsive and easier to navigate[85]. There are particular issues we need to address regarding very vulnerable victims (for example, in the context of human trafficking and child sexual exploitation) and witnesses to serious and organised crime.

Victims

7.15 We have already taken steps to improve the support given to victims of crime. A new Victims' Commissioner (Baroness Newlove) has been appointed and a mixed model of national and local commissioning for victim support services is being introduced to ensure that they better reflect what matters locally. The Ministry of Justice will shortly publish a new statutory Victims' Code which describes the kind of support victims of crime are entitled to receive. This will include: a clear explanation of what to expect from the CJS when people report a crime, including how and when they are informed of progress of the investigation; enhanced entitlements for

84 Ministry of Justice, launched December 2013, www.gov.uk/government/news/uk-wide-protection-for-witnesses-as-new-national-scheme-launched

85 Ministry of Justice (2012) White Paper *Swift and Sure Justice* https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/217328/swift-and-sure-justice.pdf ; and consultation *Getting it Right for Victims and Witnesses* https://consult.justice.gov.uk/digital-communications/victims-witnesses. Ministry of Justice (2013) *Transforming the CJS* https://www.gov.uk/government/publications/transforming-the-criminal-justice-system

victims of the most serious crimes (including sexual offences, human trafficking and violent crimes), persistently targeted victims and vulnerable or intimidated victims; and clarity on the service that businesses of all sizes will be entitled to receive. The Code, which will be available publicly, will set out various duties on the police, CPS and other agencies within England and Wales; the NCA will adopt its principles and develop appropriate guidance and standards.

7.16 We have made additional provisions to protect human trafficking victims participating in court proceedings in England and Wales, in line with measures available to victims of sexual offences[86]. Victims may give evidence by video link or through pre-recorded testimony, from behind a screen or with the public removed from the court.

7.17 We will implement measures outlined by the SVACV National Group[87]. We are already planning to accelerate the introduction of enhanced special measures such as the pre-recorded cross-examination of evidence. We will also review ways to reduce distress from cross-examination for victims and witnesses during criminal trials, particularly those involving multiple defendants. And we will explore a range of measures to improve the availability and access to wider support services for child victims.

Witnesses

7.18 Witnesses to crimes committed by serious and organised criminals may be subject to actual or threatened acts of violence. Witness intimidation greatly inhibits the effective investigation of serious and organised crime and has a significant adverse impact on public confidence in the CJS. We know that organised criminals have tried to subvert justice by attempting to influence juries.

7.19 The Government has introduced a new Witness Charter[88] and a Witness Service which works closely with Witness Care Units to provide minimum standards of treatment, provision of information, and support before and at court. Improvements have been made to ensure the protection of vulnerable and specialist witnesses giving evidence in court including the new UK Protected Persons Service. This will link to the overarching work the Ministry of Justice is taking forward to improve services for victims and witnesses.

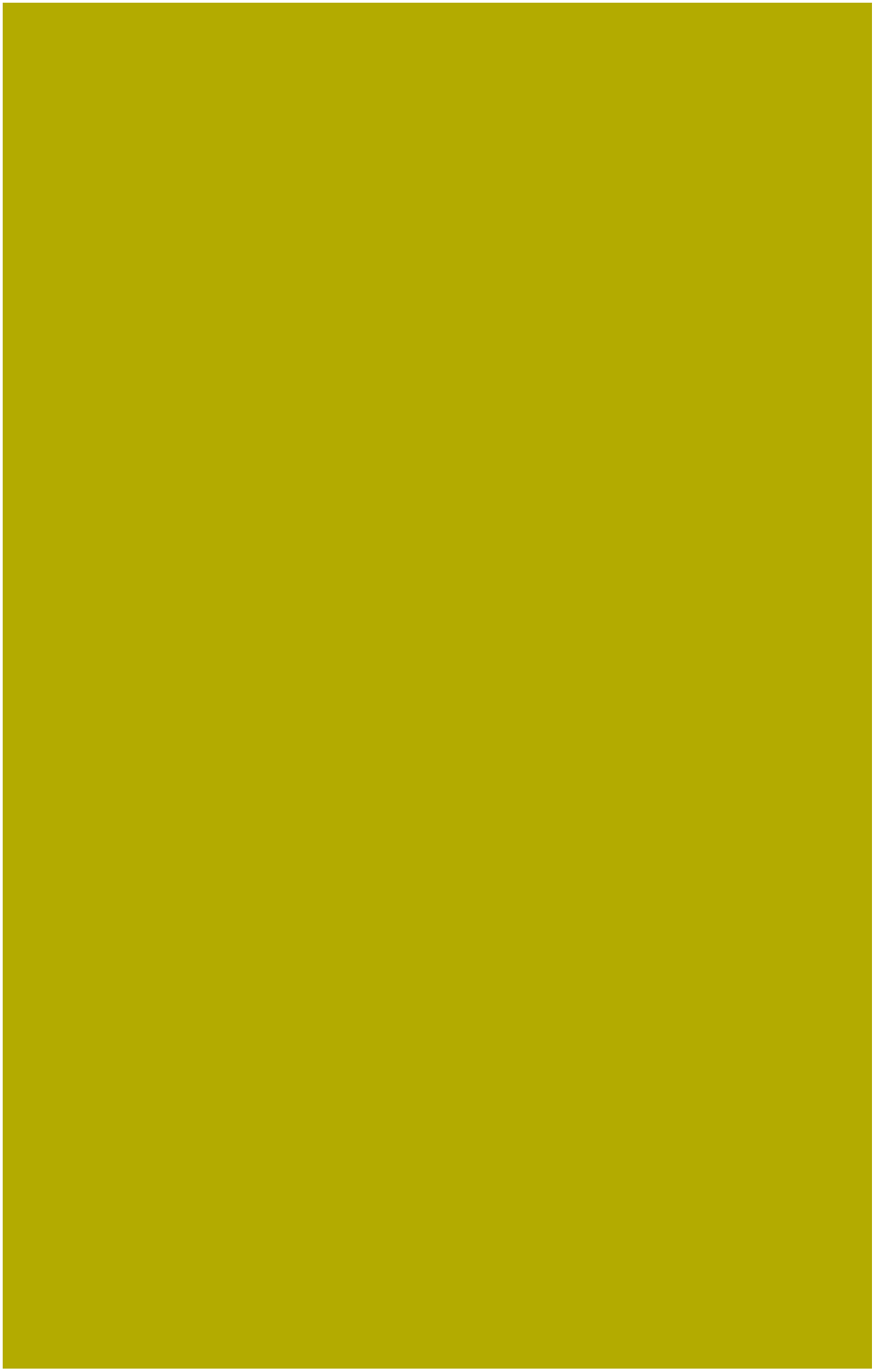
7.20 In 2011, the Ministry of Justice issued national guidance[89] to help the police identify vulnerable and intimidated witnesses and understand some of the key measures that can be offered to support such witnesses. It explains actions which can be taken before a crime has been reported, during the investigation and after the trial. Implementation of the guidance has, to date, been inconsistent. Alongside the new measures set out here, the College of Policing will develop a new national approach for managing and supporting all vulnerable and intimidated victims and witnesses.

86 The Trafficking People for Exploitation Regulations 2013 http://www.legislation.gov.uk/uksi/2013/554/body/made

87 Home Office (2013) *Sexual Violence Against Children and Vulnerable People National Group Progress Report and Action Plan* https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/230443/Sexual_Violence_against_Children_and_Vulnerable_People.pdf

88 Ministry of Justice (2012) *Getting it right for victims and witnesses: the Government response* https://consult.justice.gov.uk/digital-communications/victims-witnesses

89 Ministry of Justice (2011) *Vulnerable and Intimidated Witnesses: A Police Service Guide* http://www.justice.gov.uk/downloads/victims-and-witnesses/vulnerable-witnesses/vulnerable-intimidated-witnesses.pdf



Annex A

Accountability, governance and funding

I. This annex sets out accountability for this strategy, governance, performance management and funding.

Accountability and governance

II. The National Security Council (NSC), chaired by the Prime Minister, will have oversight of this strategy and will take reports on its progress.

III. The Home Secretary has direct oversight of the National Crime Agency (NCA). The Home Secretary will continue to chair a regular Ministerial Serious and Organised Crime meeting. The Office for Security and Counter-Terrorism (OSCT) in the Home Office has overall responsibility for coordinating implementation of the strategy and developing an effective performance framework.

IV. Performance assessment will be based on a set of indicators including (but not only) prosecutions, other disruption activity, assets and goods seized, recidivism and removal of foreign national offenders.

V. The Director General of the NCA will have Strategic Governance Groups on the principal crime types that are the subject of this strategy. The purpose of these Groups is to monitor and coordinate operational delivery. Implementation requires the collective effort of government departments and their agencies, law enforcement agencies and the wider public and private sector.

VI. Chief constables of police force areas in England and Wales are accountable to their elected police and crime commissioners. The Home Secretary is required to issue a Strategic Policing Requirement (SPR) – to which chief constables and police and crime commissioners must have regard – which sets out the national threats the police must address and the capabilities required to deal with them. These national threats include organised crime and a large scale cyber incident[90]. We would expect police and crime commissioners to scrutinise force performance on organised crime and also support provided to policing by the local authority.

Funding

VII. The Spending Review 2013 set the budget for each government department. The resources allocated to departments reflected the priorities in the Strategic Defence and Security Review.

VIII. The NCA is a Non-Ministerial Department and will receive its funding directly from HM Treasury. The budget for the NCA will be approximately £450 million per annum for the next two years. This includes some additional funding for the NCA's capital

[90] HM Government (2011) Police Reform and Social Responsibility Act http://www.legislation.gov.uk/ukpga/2011/13/contents/enacted; and the Strategic Policing Requirement www.gov.uk/government/uploads/system/uploads/attachment_data/file/117445/strategic-policing-requirement.pdf

programme to support IT and technological capabilities. Its allocation for future years will be determined along with other central government departments in the usual way.

IX. The Government provided £650 million, over four years, through the National Cyber Security Programme (NCSP) to support the National Cyber Security Strategy, published in November 2011. NCSP funding is being spent to increase national, regional and local police capacity on cyber, including developing cyber skills in mainstream policing. A further £210 million funding for the NCSP for the 2015/16 financial year was announced in the Spending Round in June 2013.

X. The Government also provides funding to the police to tackle serious and organised crime. In addition to the more than £8 billion per annum provided by central government to support policing in England and Wales, the Home Office provides specific funding to improve key capabilities within the police Regional Organised Crime Units. For 2013-2014, the Home Office is investing £26 million to further develop these units, an uplift of £10 million on the investment in 2012-2013. This additional funding has been allocated from within the Home Office's share of the receipts gained from the seizure of criminal assets.

Annex B

Departmental roles and responsibilities for tackling serious and organised crime

This annex outlines the roles and responsibilities of departments and agencies on or in connection with serious and organised crime in England and Wales.

Action Fraud: the single point of reporting for fraud and financially-motivated internet crime.

Cabinet Office (CO): includes the Office of Cyber Security and Information Assurance (OCSIA) which is responsible for delivery of the National Cyber Security Strategy, coordinates the National Cyber Security Programme and is responsible for the UK's new Computer Emergency Response Team (CERT). The Cabinet Office also includes the Fraud, Error and Debt taskforce which will assume responsibility for the Counter Fraud Checking Service and the National Fraud Initiative.

Centre for the Protection of National Infrastructure (CPNI): protects UK national security by providing protective security advice to organisations, including on cyber security.

Crown Prosecution Service (CPS): prosecutes serious and organised crime cases in England and Wales; also has lead responsibility for the Fraud Prosecution Service, which will work closely with the NCA's Economic Crime Command.

Department for Business, Innovation & Skills (BIS): includes the Office of Fair Trading which is responsible for ensuring that consumers and industry are protected from serious and organised crime, and for promoting contingency planning in sectors at risk from fraud, cyber attacks or corruption. UK Trade and Industry (UKTI) in BIS advises UK businesses overseas on ways to protect themselves from corruption and protects incoming investment from bribery and corruption.

Department for Communities and Local Government (DCLG): coordinates work with local authorities and others to help troubled families in England relevant to Prevent work in this strategy.

Department for Culture, Media and Sport (DCMS): the sponsoring department for the Gambling Commission, an executive non-departmental public body which regulates gambling, betting and the lottery and is responsible for flagging suspicious activity to law enforcement.

Department for Education (DfE): has an interest in activity to deter young people from becoming involved in serious and organised crime, either as a victim or potential offender.

Department of Energy and Climate Change (DECC): responsible for combating

fraud in energy markets, protecting the Government's energy incentive schemes, encouraging energy companies to report suspicious activity and protecting the UK's energy infrastructure from attacks by serious and organised criminals.

Department for Environment, Food and Rural Affairs (DEFRA): its responsibilities include the Environment Agency and the Gangmasters Licensing Authority, and it contributes funding to support the National Wildlife Crime Unit.

Department of Health (DH): responsible for policy relating to recovery from drug dependence and for planning the strategic response to some future challenges from organised crime (e.g. new and novel drugs).

Department for International Development (DFID): overseas programmes can contribute to the delivery of this strategy by reducing poverty and addressing underlying social and economic issues (including corruption), and supporting good governance and security, economic stability and employment services and access to basic services.

Department for Transport (DfT): the security regulator for the transport sector, across the different modes of aviation, maritime, rail and (the transportation of) dangerous goods. DfT's security regulations are intended to protect the travelling public, transport facilities and those employed in the transport industry. Security measures taken by DfT can serve to disrupt serious and organise crime.

Department for Work and Pensions (DWP): leads on investigating serious and organised crime involving the benefits system and protecting the welfare system from fraud.

Devolved Administrations: responsible in Northern Ireland, Scotland and Wales for the functions which have been devolved to them according to their different devolution settlements. Policing and justice are devolved in Scotland and Northern Ireland.

Financial Conduct Authority (FCA): regulates the financial sector and financial advisers, will pursue criminal prosecutions, including for insider dealing and market manipulation. On organised crime, the FCA will work closely with the NCA.

Foreign and Commonwealth Office (FCO): responsible for delivering diplomatic support to our serious and organised crime priorities overseas.

Government Agency Intelligence Networks (GAIN): facilitate information sharing about regional organised crime threats between government, law enforcement and in some instances the private sector.

Government Communications Headquarters (GCHQ): provides intelligence support and information assurance advice to law enforcement.

HM Revenue and Customs (HMRC): the UK's tax and customs authority, responsible for tackling fiscal fraud, with civil and criminal powers to investigate organised criminals. Has an international network of Fiscal Crime Liaison Officers (FCLO).

HM Treasury (HMT): responsible for regulating the financial and banking sectors and for ensuring that appropriate sanctions are in place, including asset freezing.

Home Office (HO): within the Home Office the Office for Security and Counter-Terrorism (OSCT) is responsible for devising and

coordinating delivery of this strategy and oversight of the NCA. OSCT also houses the security industry engagement team which supports work on both counter-terrorism and organised crime. Border Force, UK Visas & Immigration and Immigration Enforcement, alongside Her Majesty's Passport Office, form the Home Office's operational pillar. They will continue to conduct operations against serious and organised crime.

Intellectual Property Office (IPO): the national coordinator on intellectual property crime (counterfeiting and piracy). Its Intelligence Hub coordinates and exchanges criminal intelligence between intellectual property enforcement agencies and the private sector in the UK and overseas.

Ministry of Defence (MOD): supports this strategy through the Defence Engagement Strategy[91] by building capacity in priority countries and, where appropriate and available, using interdiction capabilities to ensure the threats cannot reach the UK. The Defence Science and Technology Laboratory, a trading fund of the MOD but operating across HMG, also supports Government work on cyber security.

Ministry of Justice (MOJ): works to protect the public and reduce reoffending, and to provide a more effective, transparent and responsive criminal justice system for victims and the public. Also responsible for ensuring that prison and probation services disrupt the activities of serious and organised criminals as part of a lifetime management approach. MOJ published guidance to help companies protect themselves from corruption and bribery in 2012.

National Crime Agency (NCA): will develop and bring together intelligence on all types of organised crime, prioritise crime groups according to the threats they present and, in conjunction with the police, then lead, coordinate and support our operational response (see 4.2-4.9).

Police: most of the operational work against serious and organised crime in this country will continue to be conducted by police forces at local level and by police Regional Organised Crime Units. There are police lead officers at chief constable rank for crime, and serious and organised crime matters, who provide national strategic leadership and support to forces in England and Wales.

Serious Fraud Office (SFO): responsible for reducing the threat from fraud and corruption and promoting the rule of law to protect confidence in the UK's financial systems and business sector. It is the lead agency for investigating corruption and is responsible for action to disrupt economic crime through Deferred Prosecution Agreements.

Secret Intelligence Service (SIS): collects intelligence overseas to promote and defend the national security and economic well-being of the UK.

Security Service (MI5): is responsible for protecting UK national security against threats including terrorism and serious crime.

UK Human Trafficking Centre (UKHTC): is a multi-agency centre, led by the NCA, that provides a central point for the development of expertise and cooperation in relation to the trafficking of human beings.

91 Ministry of Defence (2013) International Defence Engagement Strategy www.gov.uk/government/publications/international-defence-engagement-strategy

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ISBN 978-0-10-187152-5