



Home Office

The Home Office response to the Independent Chief Inspector's report:

An inspection of how Border Force deals with seized drugs, tobacco, alcohol and other materials.

June 2014

The Home Office thanks the Independent Chief Inspector (ICI) for his report.

The Queen's Warehouses (QWs), as the report highlights, have a vital role in the transport, storage and disposal of seized goods held pending investigations by Her Majesty's Revenue and Customs (HMRC) and the National Crime Agency (NCA). Border Force welcomes the ICI's view that goods deposited at the Queen's Warehouses are stored safely and securely and effective stock controls are in place.

Border Force accepts three of the Chief Inspector's recommendations, partially accepts two and rejects one as the operational responsibility for this action does not sit with the Home Office.

A core finding of the ICI is that Border Force should not be estimating very large finds at ports. Border Force does not accept this finding. When finds are made – and they can consist of several million cigarettes or hundreds of litres of alcohol – it is simply not operationally practical to do a full forensic count at the port. It is safer and better for the integrity of the criminal justice system to provide an initial estimate (which will rarely if ever exactly match the final count) and then, once the goods are in the secure warehouse, conduct a full count.

The Home Office response to the recommendations:

1. Improve the accuracy of record-keeping to reduce the risks of theft and loss

1.1 Partially accepted

- 1.2 The Home Office fully accepts that improving the quality and consistency of operational record keeping is a key priority. A project already underway is designed to tackle this across key Border Force operational areas by the end of **March 2015**. In addition specific activity led by the QW team with partners in HMRC and the NCA, whose officers use the QWs, will focus on ensuring records of goods seized are as accurate and comprehensive as possible without impacting operational delivery or destroying evidence. This will reduce errors in recording by end of **December 2014**.
- 1.3 The report refers to discrepancies with seals on goods arriving at the QWs. Robust procedures are in place should a seal on a vehicle transporting such goods be found to be damaged or is suspected of having been compromised or in circumstances in which the vehicle arrives without a seal. The vehicle is isolated in a secure, quarantined area for examination by BF and/or HMRC officers followed by an investigation or further enquiries as required.
- 1.4 There are no current cases involving the QWs either in the Home Office or HMRC where officer corruption is assessed to have been at play. Rather these are straightforward administrative errors, reflecting the often difficult operational circumstances in which seizures of contraband take place. Border Force works closely with the National Crime Agency on any allegations of corruption, ensuring that they are independently investigated. In addition, Border Force has established its own Integrity Team in 2013 to work with Home Office Corporate Security to progress a number of projects designed to

reduce misconduct risks within Border Force. The processes operating within the QWs and the associated assurance frameworks will be reviewed by this team.

1.5 However it is important to recognise that there are operational circumstances in which significant seizures of excise goods make it impractical and/ or insecure to off-load and undertake a full tally of those goods immediately at the point of seizure. HMRC will often seize excise goods in hostile or unsafe inland environments (such as the roadside) and Border Force officers may be faced with millions of cigarettes concealed in a way that requires specialist equipment to access them. In these circumstances it is quicker and safer for the frontline staff, and for the preservation of vital evidence, for the officers seizing the goods to provide an estimate of the amount involved and for the final tally to be reconciled once at the QWs. This means that there will often be a good reason for the difference between the original record made at the frontline and the final tally. Border Force does not intend to alter its guidance or operational practice in this regard.

2. Ensures that QW staff understand and follow the principles of the Criminal Procedures and Investigations Act 1996 in safeguarding evidence that might be required for prosecution purposes

2.1 Accepted

2.2 Officers working in the QWs have a key but limited role to play in the prosecution process. As part of work to improve the professionalism of Border Force customs work Border Force will review and update the training to staff in the QWs by the end of **March 2015**. This will address the specific notebook issue raised in the report.

3. Improve management oversight of the Queen's Warehouse operation

3.1 Accepted

3.2 This recommendation was made in the context of limitations of the IT systems used by the QWs. These systems are owned by HMRC. Border Force and HMRC acknowledge the systems' inherent limitations in respect of the provision of management information. To mitigate the current risks, new assurance checks have been introduced (as part of the wider Border Force Standards and Schemes of Control). These are now providing additional management oversight of the QW processes.

3.3 In the longer term the Home Office and HMRC are considering options for enhancements to, or replacements of, current systems. A feasibility study, measuring potential costs and operational impacts, will be prepared by **July 2015**.

4. Ensures that the destruction of seized material takes place promptly

4.1 Partially accepted

4.2 QW managers recognise the importance of a proactive approach to following up case outcomes with investigation officers from HMRC and NCA. New joint processes with these organisations will be agreed and the QW role within them will be reinforced in the training referenced under recommendation (2) above to be delivered by **end March 2015**. Ensuring the integrity of evidence for prosecutions is, however, a key concern and, in circumstances where case officers are unable to confirm destruction can take place QW staff must continue to store that material.

5. Undertakes a full risk assessment for the destruction of seized goods at remote locations

5.1 Accepted

5.2 Border Force works closely with Home Office Corporate Security to ensure the physical security of goods seized. This includes testing the robustness of current and planned processes. As part of this arrangement a further joint review of the risk assessment processes in relation to the transportation and disposal of goods will be conducted by the end of **March 2015**.

6. Ensures that cash is transferred to Interest Bearing Accounts where appropriate

6.1 Rejected

6.2 The Home Office recognises the importance of seized cash held in QWs being placed into interest bearing accounts as soon as possible. However this is not the operational responsibility of the Home Office and therefore it has been necessary to reject this recommendation. Responsibility for banking cash in compliance with section 296 of the Proceeds of Crime Act 2002 rests with HMRC and NCA case officers. Current HMRC Enforcement Handbook guidance and Home Office instructions clearly set out that it is these case officers who are responsible for making the necessary arrangements for the counting and banking of cash and current HMRC instructions to staff state that seized or detained cash should be banked as quickly as possible, and certainly within five days of the completion of post seizure/detention action. QW staff do not have access to interest bearing accounts and there is no operational reason for such access to be granted. QW staff will however, continue to work with NCA and HMRC case officers to ensure that, where it does not negatively impact the progress of a prosecution, they are aware of the need to make arrangements to bank cash as soon as possible in line with current Home Office and HMRC instructions for investigation staff.