

BRIEFING NOTE:

THE ROLE OF THE SERIOUS ORGANISED CRIME AGENCY (SOCA) AND ITS RELATIONSHIP WITH THE NORTHERN IRELAND OFFICE

20 September 2007

Introduction

This paper was prepared for the Assembly and Executive Review Committee with the aim of providing information on the role of the Serious Organised Crime Agency (SOCA). It includes information on the background to SOCA, the legislative basis and its functions, including how they pertain to Northern Ireland.

1.0 Background

SOCA was launched by the Prime Minister on Monday 3 April 2006. The Number 10 press release announced SOCA as¹:

A new crime-fighting agency will target the biggest criminals using a "sophisticated 21st century approach", Tony Blair said today.

Soca - the Serious Organised Crime Agency - will focus on the so-called "Mr Bigs" who make fortunes from drugs, human trafficking, major fraud and counterfeiting.

SOCA was formed by amalgamating a number of existing organisations. The organisations that became SOCA were; the National Crime Squad (NCS), the National Criminal Intelligence Service (NCIS), that part of Her Majesty's Revenue and Customs (HMRC) dealing with drug trafficking and associated criminal finance, and a part of UK Immigration dealing with organised immigration crime (UKIS)².

SOCA is led by a Board, the chair of which is appointed by the Home Office. The chair manages SOCA's relationship with Government and Ministers. SOCA was established with a budget of more than £400 million a year and with a complement of 4000³.

In January 2007, it was announced by the Home Office that SOCA would subsume the Assets Recovery Agency (ARA) in Northern Ireland⁴.

¹ <http://www.number10.gov.uk/output/page9274.asp>

² <http://www.soca.gov.uk/aboutUs/index.html>

³ <http://www.number10.gov.uk/output/Page9273.asp>

⁴ Serious Organised Crime Agency Annual Plan 2007/2008, Serious Organised Crime Agency, The Stationary Office

2.0 Legislative Basis

The original legislative basis for SOCA comes from the *Proceeds of Crime Act 2002 (PoCA 2002)*. The *Proceeds of Crime Act 2002 (PoCA 2002)* created a specific offence of money laundering, set up an Assets Recovery Agency whose job is to confiscate the profits of crime, and made it unlawful for anyone working in banks, building societies and bureaux de change not to report suspicious transactions⁵.

The Agency itself was set up under the *Serious Organised Crime and Police Act 2005*, and was given four additional powers regarding:

1. Queen's Evidence,
2. Financial Reporting Orders,
3. Disclosure Notices and
4. the creation of officers with combined powers.

Details of these new powers are in Table 1 (Appended).

3.0 The role and functions of SOCA

SOCA is an Executive Non-Departmental Public Body sponsored by, but operationally independent from, the Home Office. It is intelligence-led and has law enforcement powers and harm reduction responsibilities. Harm in this context is the damage caused to people and communities by serious organised crime.

In its 2006/2007 Annual Report, SOCA revealed that during 2006/07 it had received £442m from the Home Office, HMRC, the Northern Ireland Office and the Scottish Executive and employed 4,400 full-time staff⁶.

The functions of SOCA are detailed in full in the *Serious Organised Crime and Police Act 2005*. However they are paraphrased in the 2007/2008 SOCA Annual Plan⁷.

They are to prevent and detect serious organised crime, to contribute to its reduction in other ways and the mitigation of its consequences, and to gather, store, analyse and disseminate information on crime. In summary, as explained in the 2004 White Paper "One Step Ahead", SOCA has been tasked with making an impact on serious organized crime that affects the UK so that the harm that it causes is reduced.

⁵ <http://news.bbc.co.uk/1/hi/uk/2150798.stm>

⁶ Serious Organised Crime Agency Annual Plan 2007/2008, Serious Organised Crime Agency, The Stationary Office

⁷ Ibid. p.7

Priorities for SOCA

In June 2005, the Home Secretary set out the Government's priorities for SOCA's first three years and explained how its performance would be judged. The main points are that⁸:

- SOCA should devote a higher proportion of its resources and activity to intelligence work than the agencies that it replaced;
- Class A drugs and organized immigration crime, in that order, should be its top priorities;
- effort should continue to be devoted also to the other organised crime threats identified, including fraud against individuals and the private sector, hi-tech crime, counterfeiting, the use of firearms and serious robbery; and
- emphasis should be placed on recovering the proceeds of crime.

The SOCA Board has subsequently created 5 strategic priorities each with a number of related actions, measures and milestones. The 5 priorities are⁹:

1. *To build knowledge and understanding of serious organised crime, the harm it causes, and of the effectiveness of different responses.*
2. *To increase the amount of criminal assets recovered and increase the proportion of cases in which the proceeds of crime are pursued.*
3. *To increase the risk to serious organised criminals operating in the UK, through proven investigation capabilities and in new ways.*
4. *To collaborate with partners in the UK and internationally to maximise efforts to reduce harm.*
5. *To provide agreed levels of high quality support to SOCA's operational partners and, as appropriate, seek their support in return.*

SOCA has also determined that SOCA should aim to apportion its efforts to the main sectors of its operation. They are¹⁰:

- drugs trafficking, primarily Class A - 40%
- organised immigration crime - 25%
- individual & private sector fraud - 10%
- other organised crime - 15%
- supporting law enforcement partners – 10%

⁸ <http://www.soca.gov.uk/downloads/annualPlan.pdf>

⁹ Serious Organised Crime Agency Annual Plan 2007/2008, Serious Organised Crime Agency, The Stationary Office

¹⁰ http://www.soca.gov.uk/assessPublications/downloads/SOCAAnnualPlan2007_8.pdf

SOCA and the Assets Recovery Agency (ARA)

On 16th January 2007, the UK Government introduced the *Serious Crime Bill* to Westminster, setting out Government proposals to merge the operational elements of the Assets Recovery Agency (ARA) with SOCA. Subject to the passing of the necessary legislation, the merger provisions are likely to come into force from April 2008¹¹. Until then ARA will continue to operate as before and use its powers to the full in proceeding to complete existing cases and adopt new cases for future action.

SOCA's 2007/2008 Annual Plan points to the absorption of the ARA¹²:

While the initiative for this came from Ministers, we understand the rationale and believe that in time there will be advantages to asset recovery and work against organised crime more generally from this change. We are determined to maintain and enhance the work that ARA has begun, including the important and distinct effort in Northern Ireland.

To provide an effective and coherent response to organised crime threats, SOCA has agreed to work in partnership with the agencies in Scotland and Northern Ireland¹³.

In this context, SOCA:

- provides intelligence support to law enforcement agencies in Scotland and Northern Ireland;*
- conducts a range of intervention activity, aimed at making life harder for organised criminals throughout the UK, in close co-operation with the relevant authorities where a geographical link outside England and Wales is identified;*
- runs enforcement operations in Scotland or Northern Ireland working with the Scottish Crime and Drug Enforcement Agency (SCDEA), Police Service of Northern Ireland (PSNI) and other existing agencies there and in support of their efforts; and*
- facilitates international law enforcement assistance to agencies in Scotland and Northern Ireland.*

4.0 SOCA's relationship with the Northern Ireland Office

Given that SOCA is an Executive Non-Departmental Public Body, operationally independent from the Home Office, it is also operationally independent from NIO. SOCA plans its own priorities, including how it exercises its functions. SOCA's Annual Plan includes specific reference as to how it will exercise its functions in Northern Ireland.

¹¹ <http://www.assetsrecovery.gov.uk/>

¹² Serious Organised Crime Agency Annual Plan 2007/2008, Serious Organised Crime Agency, The Stationary Office

¹³ Ibid.

In Northern Ireland SOCA and the other law enforcement agencies have come together to form the Organised Crime Taskforce (OCTF) to tackle organized crime. SOCA is not required by the *Serious Organised Crime and Police Act 2005* to be a member of the OCTF, but it has agreed to work in partnership with law enforcement agencies in Northern Ireland. The OCTF concentrates its efforts on those criminal gangs in Northern Ireland that are causing the most harm¹⁴.

The principal threats in Northern Ireland from organised crime during 2007/08 are likely to be armed robbery, drugs, excise and tax frauds (including oils), extortion, immigration, intellectual property crime and money laundering. The work of ARA in Northern Ireland has been particularly important in this context. Accordingly SOCA has agreed to maintain the level and focus of asset recovery work in the Northern Ireland going forward, and to ensure that local circumstances are taken into account in its approach to former ARA work undertaken there.

The Role of SOCA if Policing and Justice matters are devolved

If, in the future, Policing and Justice matters are devolved to the Northern Ireland Assembly, the Northern Ireland Office (NIO) have indicated that SOCA “will consult with Northern Ireland Ministers, where appropriate, instead of the Secretary of State”¹⁵.

The NIO have stated that the situation in Northern Ireland would be similar to the situation in Scotland, if justice matters are devolved. In Scotland the Home Secretary is¹⁶:

obliged to consult with the Scottish Ministers in a range of matters governing SOCA, including the setting of strategic priorities, codes of practice, action plans and specific activities in Scotland. Scottish Ministers also have direct functions in directed arrangements or designation of powers to SOCA staff.

The NIO point out that the Northern Ireland Policing Board will not have oversight of SOCA, but that the Northern Ireland Police Ombudsman will have jurisdiction over SOCA officers¹⁷.

¹⁴ Serious Organised Crime Agency Annual Plan 2007/2008, Serious Organised Crime Agency, The Stationary Office

¹⁵ Devolving Policing and Justice in Northern Ireland: A Discussion Paper, February 2006, Northern Ireland Office

¹⁶ Letter by NIO to Assembly and Executive Review Committee, July 2007

¹⁷ Ibid para 9