



**ORGANISED  
CRIME**  
TASK FORCE

# Annual Report & Threat Assessment

# 2015



Organised Crime  
in Northern Ireland  
[www.octf.gov.uk](http://www.octf.gov.uk)



# INTRODUCTION

Organised crime is a multi-million pound generating industry. It crosses a range of crime types including drugs, fuel laundering, human trafficking and cyber crime and it involves groups located in and outside of Northern Ireland. Confronting organised crime remains a high priority for me, but also for a range of others across government and law enforcement. Tackling it requires a coordinated approach and cooperation. That is the strength of the Organised Crime Task Force (OCTF), a unique partnership established some years ago to provide a coordinated response to the problem. It facilitates information sharing, strategic planning and collaboration to meet the challenges and reduce harm to individuals and the economy while respecting the independence and accountability frameworks of individual partner organisations.



I am pleased to introduce the 14th edition of the OCTF Annual Report and Threat Assessment. This illustrates the combined efforts of the OCTF in the 2014/2015 financial year. Much has been achieved during the period and I congratulate the Task Force on a successful year. The report also sets out our assessment of the threat in the period ahead.

In my view, one of the key successes this year was securing the necessary framework and political agreement for the full roll out of the National Crime Agency (NCA) in Northern Ireland. It took extensive work and commitment to secure important accountability arrangements to reach this conclusion and I would like to thank everyone involved. In May 2015, when the NCA became operational in the devolved arena, law enforcement in Northern Ireland achieved significant access to extensive cyber crime expertise, support for large scale financial investigations, civil recovery expertise and support for cross jurisdictional and international crime tackling. I have no doubt it will make a difference: indeed the early signs are that it is already doing so.

Another significant development was the introduction of a new fuel marker to help in the fight against fuel launderers. Its effect is being monitored, but we are optimistic about the impact it will have – north and south.

The OCTF also developed and published a new Organised Crime Strategy for Northern Ireland. The revised Strategy is more outcome focused than before. It is not time-bound but rolls forward under a system of regular review and refresh so that the OCTF remains focused on the major threats.

There were many operational successes. During the past 12 months over 600,000 litres of illegal fuel was seized and 27 fuel laundering plants were dismantled. The fight against drugs continued with over 5,000 seizure incidents and 2,800 drug related arrests. Importantly, 45 potential victims of human trafficking were recovered in Northern Ireland. Over £2 million was confiscated by the Courts and £1.5 million diverted to projects to raise awareness of crime and reduce the fear of crime.

Despite these excellent results the level of organised crime still poses a serious threat to Northern Ireland as the Annual Threat Assessment at Chapter 2 identifies. This regular horizon scanning of the threats is an important element of the OCTF. By understanding the crime threats and the methodologies of organised crime groups our capacity to respond adapts and improves.

The OCTF continues to champion the fight against organised crime. The OCTF partners will continue to work together to protect Northern Ireland from organised crime threats. The support of the public, however, is essential. Awareness-raising remains an important area of work. We need everyone's vigilance to help to tackle it. We need the public to consider their purchasing actions and to report suspicions of illegal activity to the relevant agencies.

Together we can make a difference and help build a fair, just and safer community.

## DAVID FORD MLA

Minister of Justice and  
Chair of the Organised Crime Task Force

June 2015

# ORGANISED CRIME...

## Don't support it, report it!



### Play your part, help defeat organised crime

#### How to report...

Crimestoppers	0800 555 111
HMRC Hotline	0800 595 000
PSNI Non Emergency Number	101

#### Useful websites...

<b>Border Force</b>	<a href="http://www.gov.uk/government/organisations/border-force">www.gov.uk/government/organisations/border-force</a>
<b>Crimestoppers Northern Ireland</b>	<a href="https://crimestoppers-uk.org/in-your-area/northern-ireland/">https://crimestoppers-uk.org/in-your-area/northern-ireland/</a>
<b>Department of Justice</b>	<a href="http://www.dojni.gov.uk">www.dojni.gov.uk</a>
<b>HM Revenue &amp; Customs</b>	<a href="http://www.hmrc.gov.uk">www.hmrc.gov.uk</a>
<b>Immigration Enforcement</b>	<a href="http://www.gov.uk/government/organisations/immigration-enforcement">www.gov.uk/government/organisations/immigration-enforcement</a>
	<a href="http://www.gov.uk/report-immigration-crime">www.gov.uk/report-immigration-crime</a>
<b>National Crime Agency</b>	<a href="http://www.nationalcrimeagency.gov.uk">www.nationalcrimeagency.gov.uk</a>
<b>Northern Ireland Environmental Agency</b>	<a href="http://www.doeni.gov.uk/niea">www.doeni.gov.uk/niea</a>
<b>Organised Crime Task Force</b>	<a href="http://www.octf.gov.uk">www.octf.gov.uk</a>
<b>PSNI</b>	<a href="http://www.psni.police.uk">www.psni.police.uk</a>
<b>Trading Standards Service</b>	<a href="http://www.detini.gov.uk/deti-consumer-index">http://www.detini.gov.uk/deti-consumer-index</a>
<b>OCTF is on Facebook</b>	<a href="http://www.facebook.com/pages/OCTF/136184833076303">www.facebook.com/pages/OCTF/136184833076303</a>

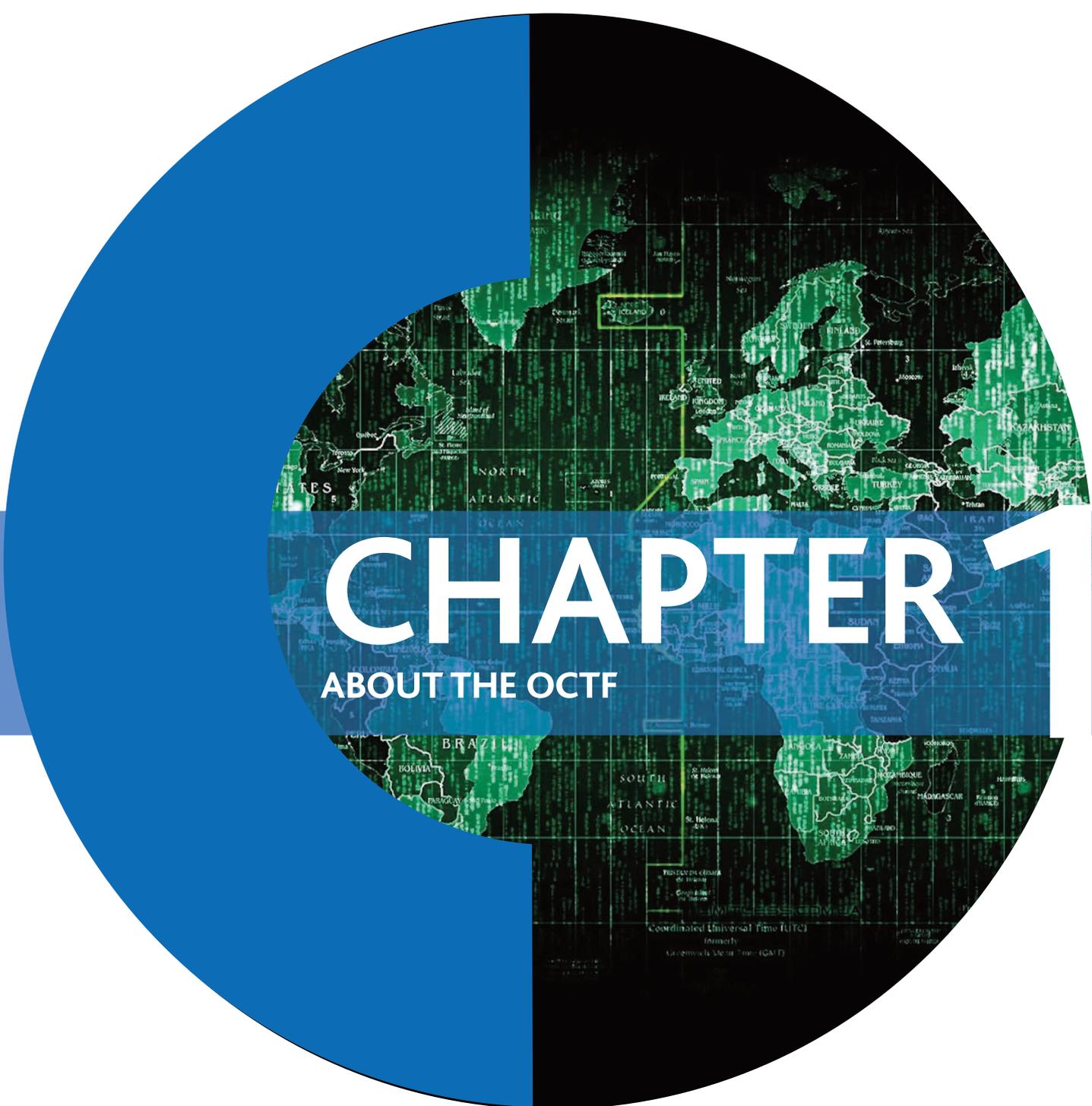


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# CHAPTER 1

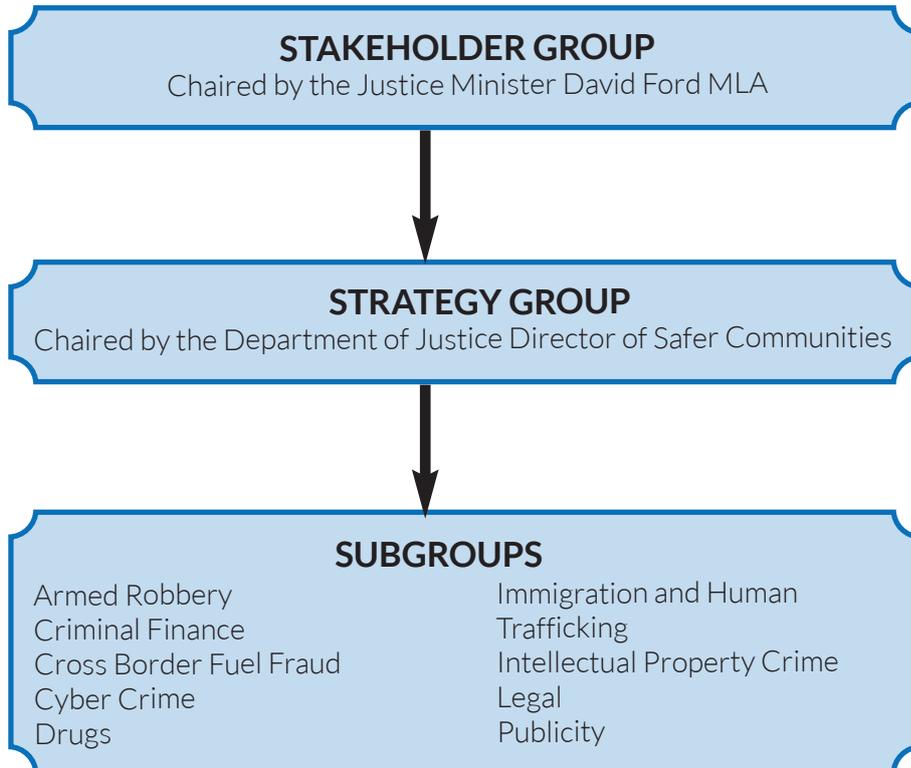
## ABOUT THE OCTF



# ABOUT THE OCTF

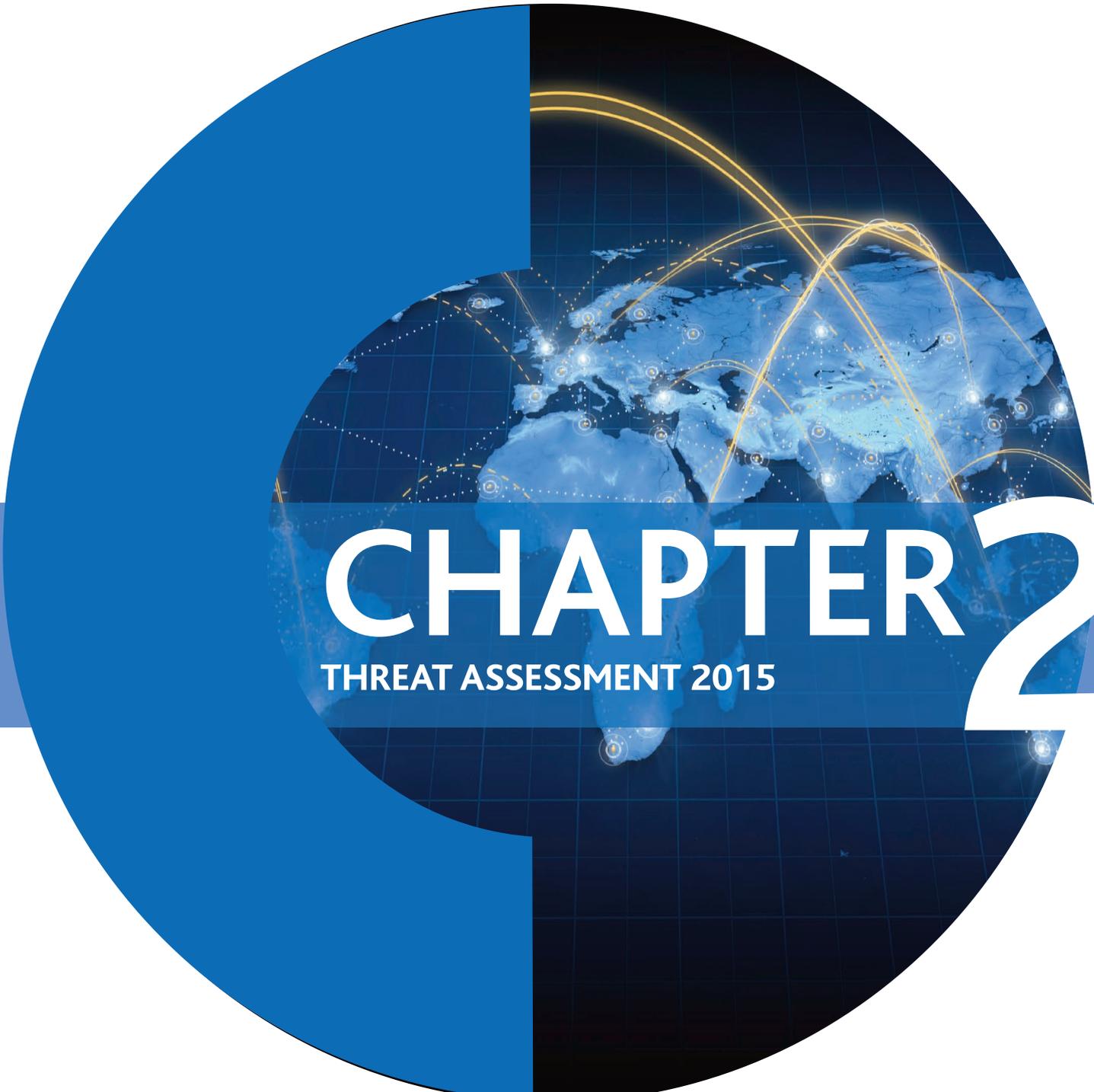
The Organised Crime Task Force (OCTF) was established in 2000. Its mission is to help secure a safe, just and prosperous society in Northern Ireland by confronting organised crime through multi-agency partnership between Northern Ireland Government Departments, law enforcement, the Public Prosecution Service, Policing Board, business community and the community at large.

The OCTF’s structure, set out below, is a model for partnership working. The Stakeholder and Strategy Groups and the underpinning subgroups set priorities, develop strategies and agree actions to confront organised crime in Northern Ireland, from armed robbery to cyber crime and human trafficking to tax evasion. The OCTF undertakes regular threat assessments to identify key and emerging trends and threats and looks at how these may be tackled. The OCTF does not provide an operational response – that remains with individual law enforcement agencies.



As well as striving to support the fight against organised crime at an operational level, the OCTF continues to seek ways to invest in the communities most affected by organised crime, primarily from the proceeds of organised crime that have been confiscated from criminal groups through the Courts. More details of the types of projects supported in 2014/2015 are in Chapter 4.

A list of OCTF partner organisations is at Appendix 1, although contacts are maintained with others too.



# CHAPTER 2

THREAT ASSESSMENT 2015

# ASSESSING THE SCALE AND EXTENT OF ORGANISED CRIME

One of the OCTF's key strengths lies in its ability to bring together a wide range of stakeholders, each with specialised knowledge and expertise. Their input is combined to build up a collective knowledge of how organised crime groups operate and provide a picture of the extent of the problem. This in turn helps in the development of strategies for dealing with the issues by the OCTF subgroups. The Annual Threat Assessment pulls all of this work together, it provides an assessment of the key areas of organised crime in Northern Ireland and it identifies emerging trends and methodologies in Northern Ireland, the wider UK, Ireland, across Europe and globally.

## Drugs

PSNI statistics over the last three years, from the 2012/2013 financial year to 2014/2015 financial year, show a slight upward trend overall in the number of drug seizure incidents and a steady level of arrests. In 2012/2013 and 2013/2014 month to month fluctuations were particularly notable and could be clearly linked to times of high demand for resources in other areas, e.g. flag protests, G8 and the July/August 'marching season'. These periods of reduced seizures and arrests were counteracted with periods of high activity, usually as a result of specific operations such as Operation Torus (the PSNI street level drug dealing operation). This combination led to significant peaks and troughs in figures. In the 2014/2015 year, however, incidents stabilised.

The Northern Ireland heroin market remains limited, however the past five years have shown some growth in the geographic locations affected. Despite this limited market, heroin/morphine<sup>1</sup> remains the illicit drug most commonly mentioned on death certificates in Northern Ireland<sup>2</sup> (91 deaths recorded in the five years between 2009 and 2013). The five year trend is also significantly upward, with almost three times as many deaths in 2013 as there were in 2009 (nine deaths in 2009, 25 in 2013). During the same period in England and Wales the trend had been downwards, until 2013 when there was a

significant increase in deaths (up 32% between 2012 and 2013). It should be noted, however, that the figures are proportionately higher in England and Wales than they are in Northern Ireland (3,611 deaths over the five year period). Analysis carried out by PSNI suggests poly drug use undoubtedly contributes to heroin related deaths, however this is not a new phenomenon and does not account for the increase. Fluctuating purity rates may be a contributory factor in the increase, as may the increased availability of counterfeit prescription drugs and 'mimetics'<sup>3</sup> (which are often abused alongside heroin), however this cannot be definitely determined. The increase in heroin deaths seen over the past five years is largely focussed in the Belfast area.



Nationally a recent report<sup>4</sup> assesses cocaine use to have been on a general downward trend since 2009, however users come from across the social and economic spectrum. This report also highlights the emergence of a market in cheap, low-purity powdered cocaine operating alongside a smaller trade in more expensive, higher purity version of the drug. Seizures made in Northern Ireland support this assertion locally, with a number of recent high purity seizures that appear to have entered the jurisdiction from source countries. There was a significant increase in the quantity of cocaine powder seized in the 2014/2015 financial year, however this was largely due to one significant seizure of 50kg in November 2014. To put this seizure in context, over a

<sup>1</sup>Heroin (diamorphine) breaks down in the body into morphine therefore a combined figure must be given.

<sup>2</sup>All statistics relating to deaths from - NISRA (2014). Drug related deaths and deaths due to drug misuse registered in Northern Ireland, 2003-2013.

<sup>3</sup>Mimetics are substances that mimic the pharmacological effects of a particular substance, notably by acting on the same receptors in the brain. - UNODC (2013). World Drug Report 2013.

<sup>4</sup>Advisory Council on the Misuse of Drugs (ACMD) (2015).

three year period from 2011/2012 to 2013/2014, PSNI seized a total of 49kg of cocaine, with an average of 47g per seizure incident. There were only two seizures of 3kg or more and half of all seizures were of 1g or less.

Amphetamine seizures have seen a reduction this financial year, as is often seen when cocaine seizures increase. Locally the amphetamine market has become more difficult to assess due to the emergence of new psychoactive substances, many of which have a similar appearance and effect to amphetamine.

There remains a market for ecstasy (MDMA), however it is not at the level that it was in the late 1990s/early 2000s. As with amphetamine, the market is likely to have been somewhat displaced by new psychoactive substances. Tablets are also sold as ecstasy when they actually have a different chemical make-up. Of particular concern is the sale of tablets as 'ecstasy' that are either partially or completely made up of para-Methoxyamphetamine/para-Methoxy-N-methylamphetamine (PMA/PMMA). This is a Class A drug that has been associated with a number of deaths throughout Europe.

The Northern Ireland cannabis market remains dominated by herbal cannabis, although cannabis resin is also used. Cannabis cultivation facilities seen in the past year include small-scale production for personal use, through to large-scale sophisticated operations, containing up to 1,000 plants. There remains involvement in sophisticated cultivation facilities by organised crime groups of South East Asian origin, however indigenous organised crime groups are also setting this type of facility up, sometimes working in partnership with other nationalities. More recently there are some indications that organised crime groups traditionally involved in violent crime are becoming involved in cannabis cultivation. This involvement by organised crime groups often associated with more violent activities may pose an increased risk to both law enforcement officers and the general public and also increase the risk of violent feuds.

The new psychoactive substances (NPS) market has seen significant growth over the past few years. Of particular concern to local communities has been the supply of so-called 'legal highs'. Law enforcement have taken some innovative approaches to tackling the issue as development of suitable legislation in this area is extremely complex. Legislative options are, however, being considered at a national level as drugs are a reserved matter. NPS can be purchased over the internet and the user will rarely know exactly what they

are taking. The economic costs to society can include the policing of anti-social behaviour and the cost of healthcare, not to mention the social costs to the individuals concerned and to families whose loved ones are abusing these drugs.

Prescription drugs are cited in over four times as many death certificates as heroin, cocaine, amphetamines and mephedrone combined (124 deaths in 2013), with benzodiazepines accounting for 35% of these. In last year's Threat Assessment, the increase in deaths where tramadol was mentioned on the death certificate was highlighted as being of concern as it had increased from 11 in 2008 to 31 in 2012. In 2013 this figure reduced to 20, however the number of deaths remains an area of concern. The abuse of prescription drugs is a significant issue in Northern Ireland, both due to higher than average prescribing rates and also the growth in poly drug use and increased availability of these drugs online.

### **Intellectual property crime (counterfeiting and piracy)**

The term intellectual property crime (IPC) refers to the counterfeiting or pirating of goods for sale where the consent of the rights holder has not been obtained. Within the European Union in 2013 the most commonly seized goods by Customs were items of clothing, followed by other goods such as insecticides, shoe polish, lamps, glue, batteries, air fresheners, washing powder and medicines. The main source country continues to be China.

A wide variety of counterfeit goods continue to be available in Northern Ireland. Goods are sold both online and at car boot sales and markets. There is a wide level of involvement, ranging from individuals purchasing online for themselves and perhaps friends/family, right through to organised crime groups involved in large-scale supply. Similar to the new psychoactive substances and prescription drugs markets, the growth in internet sales has allowed those who were previously seen as street level criminals to become involved in larger scale supply. Previous PSNI analysis found that those involved in the supply of counterfeit goods are more inclined to get involved as a first offence and may stay involved, seeing it as a 'career choice'. The growth in the cyber enabled aspect has led to increased crossovers with other types of criminality, particularly drugs supply and money laundering. It also increases the variety of goods available and the potential harm, particularly in relation to electrical items and pharmaceuticals.

There is some involvement by foreign national organised crime groups, some of which can have sophisticated

business models. In particular, organised crime groups involving members of Chinese origin have been seen to be involved in specific areas such as counterfeit cigarettes/tobacco and counterfeit CDs and DVDs. This is often higher quality 'pressed discs' that have been produced from a master recording, as opposed to the more easily produced and more widely available 'burned discs' that have been copied and are more prone to damage.



## Organised immigration crime and human exploitation

### Smuggling and facilitation

The term 'people smuggling' refers to the provision of a service or goods that will facilitate illegal migration.<sup>5</sup> Smuggling, unlike human trafficking, does not involve an element of coercion. Smuggling a person into the country involves an illegal immigrant who is complicit and has usually paid a significant amount of money for the 'service'. Facilitators will often assist in arranging illegal entry as well as assisting those already here illegally to remain. Whilst those being smuggled are complicit, they are also often vulnerable. Many will have been living in poverty and may feel that coming to a Western country will provide a better life for them and their families. Facilitators will assist in illegal entry by providing false documents, the arranging of so-called 'sham' marriages (or 'marriages of convenience') and organising transport. Home Office Immigration Enforcement conducts operations against a range of immigration crimes in Northern Ireland, including facilitation, document fraud, marriages of convenience, rogue employers and illegal workers.

In some cases entry will be clandestine. The dangers faced en route can be immense and there have been many fatalities, particularly in relation to sea crossings where migrants are being brought to Europe. The organised criminal groups that facilitate their entry into the country are unscrupulous and are often involved in other types of criminality. In August 2014 35 people from Afghanistan, one of whom had died, were found in a shipping container at Tilbury Docks in England. Three people with addresses in Northern Ireland were subsequently arrested. During follow up searches PSNI discovered a fuel laundering facility.

Home Office Immigration Enforcement, PSNI and Police Scotland work together under Operation Gull to identify and arrest illegal immigrants transiting Northern Ireland ports, having attempted to abuse or facilitate abuse of the land border as a means of entering the UK and Ireland.

### Human trafficking

A full definition of human trafficking is given in the Council of Europe Convention on Action against Trafficking in Human Beings, which the UK ratified in December 2008.<sup>6</sup> Trafficking involves a combination of three main elements – recruitment and movement, control and coercion, and exploitation. In short, a person who has been trafficked has been moved into or through a country for the purposes of exploitation. The control exercised by the trafficker may be physical or psychological.

Prior to the 2014/2015 financial year the majority of potential victims recovered in Northern Ireland were those who had been trafficked for the purposes of sexual exploitation. This included a number of minors who had been trafficked internally within the United Kingdom. Last year's Threat Assessment warned of an emerging issue in relation to forced labour within migrant communities, and in 2014/2015 the number of potential victims of trafficking for labour exploitation saw a significant increase. Not all of those in forced labour situations will have been trafficked, however many are vulnerable.

According to PSNI held data, in the 2014/2015 financial year there were 44 potential victims of human trafficking recovered in Northern Ireland. The majority of these were in relation to labour exploitation (36 victims). Law enforcement continues to work alongside partner agencies within government as well as non-governmental organisations to seek to identify and protect victims of human trafficking.

<sup>5</sup>A fuller definition can be found at <http://www.unodc.org>.

<sup>6</sup>[http://www.coe.int/t/dghl/monitoring/trafficking/Docs/Convtrn/default\\_en.asp](http://www.coe.int/t/dghl/monitoring/trafficking/Docs/Convtrn/default_en.asp).

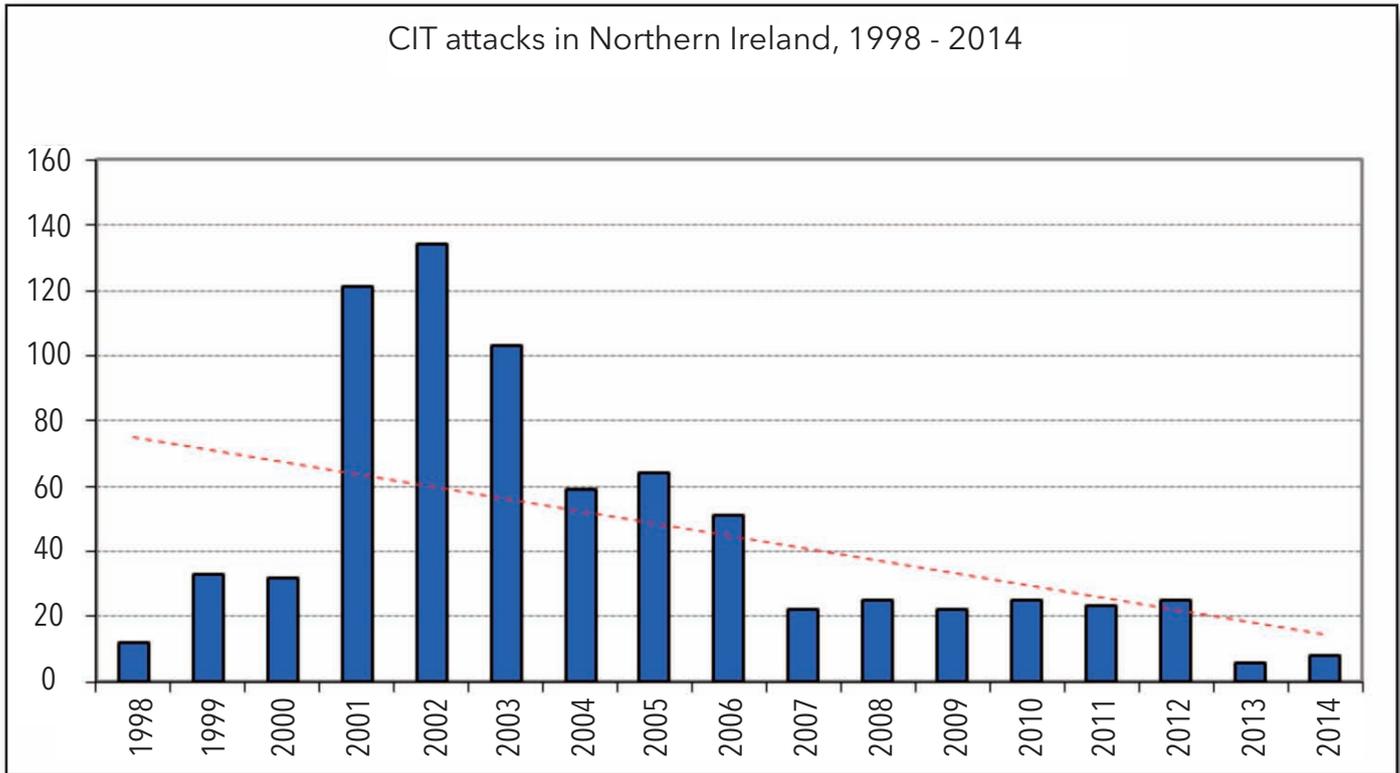


Figure 1: Source PSNI

## Armed robbery

### Cash-in-transit (CIT) attacks

During the 2014 calendar year there were just eight CIT attacks recorded in Northern Ireland. This maintains the low level of incidents seen in recent years. CIT attacks reached their peak in Northern Ireland in 2001 and 2002, when there were 121 and 134 incidents recorded respectively. The number of recorded incidents then reduced gradually over the next four years from 2003 to 2006. Between 2007 and 2012 the annual number of attacks levelled off to between 22 and 25 per year. The reduction to just six and eight attacks in 2013 and 2014 represents an unprecedented low.

There are a number of factors that are likely to have contributed to the reduction. These include successful interventions by law enforcement, largely as a result of increased security measures such as trackers, smoke and dye boxes, Smartwater and CCTV in vehicles. The number of incidents is greatly influenced by prison releases and bail. There remain a small number of 'career' CIT robbers who continue to offend upon release. It should also be noted however that some organised crime groups have moved away from CIT attacks in favour of other areas of criminality that they may perceive to be lower risk, probably partially due to increased security measures established by CIT companies.



### Physical ATM attacks

In the OCTF Annual Report and Threat Assessment 2014, the potential emerging threat from ATM gas attacks was highlighted. Following a series of attacks in Great Britain and other parts of Europe, PSNI put response protocols in place should a similar attack occur locally. ATM gas attacks present a number of serious hazards for first responders, members of the public and to the criminals themselves. The explosion can cause debris to be propelled significant distances. In one of the local incidents debris was found up to 30 meters away on the other side of a road. In other instances the gas fails to ignite and could do so unexpectedly at a later

stage. Many of the attacks have taken place at filling stations, leading to a risk of significant secondary explosions. As predicted, ATM gas attacks did migrate to Northern Ireland in 2014, the first attack took place in Carrickmore in May. The Control Strategy was quickly instigated and, following a second, similar attack in June, two Romanian nationals with addresses in the Dublin area were arrested and charged. There was a further gas attack later in June in Northern Ireland however there have been none since then. Gas attacks remain an issue in other parts of Great Britain and in Ireland and it is possible that further attacks will occur in Northern Ireland, however PSNI have a clear strategy in place to deal with any future incidents.

In addition to gas attacks, there remain sporadic physical ATM attacks using other approaches. These include the use of stolen plant machinery, the use of cutting equipment, burglary type incidents and 'ram raid' style attacks.

In total there were ten physical ATM attacks in the 2014 calendar year, of which four involved the use of plant machinery, three were gas attacks, one involved the use of cutting equipment, and one was a 'ram raid' style attack. Physical ATM attacks remain relatively infrequent and are often unsuccessful, however the damage caused to buildings can have a devastating effect on local businesses that often provide a vital service to the local community.

### Tiger kidnaps

**Tiger kidnap definition** - "A tiger kidnap/situation is the abduction or holding of a hostage (or claim of having done so) with the intention of forcing another person to facilitate the immediate theft of any valuables or concede some other form of ransom from an institution or business organisation."

Similar to CIT attacks, the number of tiger kidnaps in Northern Ireland has seen significant reductions in recent years. The last three years in particular have seen unprecedented low numbers.

Carrying out a substantive tiger kidnap requires preparation and there is always a significant degree of risk to the organised crime group as they will be trying to contain a number of individuals whilst dealing with many external and unknown factors. There are relatively few organised crime groups operating in Northern Ireland who have the levels of expertise required and there have been a number of significant arrests and convictions in recent years. The most effective way of preventing staff members from becoming the victim of a tiger kidnap situation is to regularly examine cash handling procedures, ensuring no individual has access to high levels of cash or valuable commodities. This is true of any business type, be it a small business or a large financial institution.

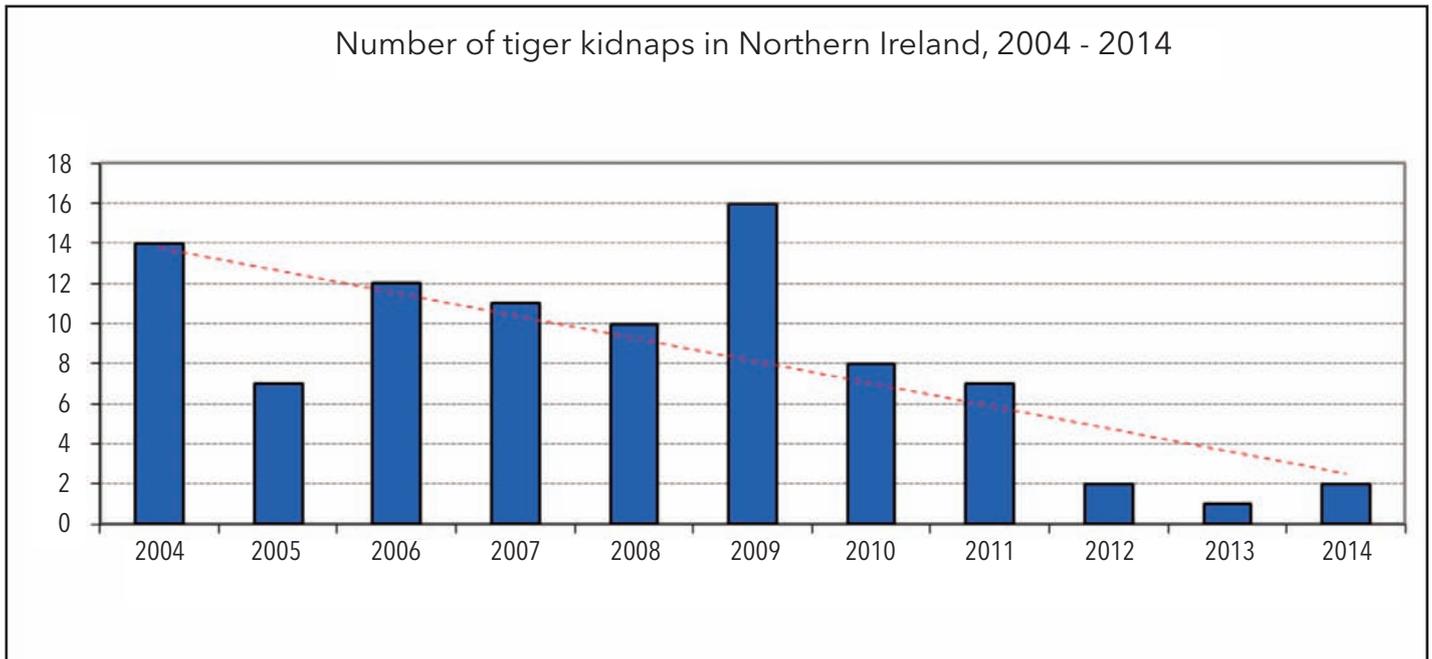


Figure 2: Source PSNI

## Criminal finance

### Fraud

Frauds reported to law enforcement in Northern Ireland can take a wide variety of forms and range from small-scale offences, usually committed by locally based individuals, through to large-scale, complex offences committed by organised crime groups, often based overseas. Examples of the types of large-scale frauds being investigated in Northern Ireland in the past year include:

- **Advance fee fraud ('419 fraud')** – This type of fraud involves '...asking you to help with transferring money out of another country - such as Iraq, South Africa or somewhere in west Africa - in return for a percentage of the money you helped to transfer.'<sup>7</sup> Other derivatives of advance fee fraud seen locally include romance fraud (where the victim is befriended, often via a dating website, and is then convinced over time to send money), foreign lottery and prize draw scams, loan frauds (where the victim pays an upfront fee for a loan that does not materialise) and computer software service fraud (where the victim is asked to pay a fee to fix a 'fault' with their computer). These frauds are often perpetrated by organised crime groups based outside the jurisdiction.
- **Livestock and food fraud** – This type of fraud includes the illegal processing of livestock through an abattoir using false identification and the slaughter of animals in illegal abattoirs. As well as the animal welfare issues, meat that has been processed in unclean environments and/or is of poor quality can then enter the food chain. Livestock fraud can also involve fraudulent claims, for example, in relation to tuberculosis testing.
- **Credit card fraud** – This type of fraud involves the compromise of personal information from credit, debit or store cards. This data can then be used to commit fraud, for example by purchasing goods in the card owner's name or obtaining funds from an account.
- **VAT fraud** – This can include VAT repayment fraud and VAT Missing Trader Intra-Community (MTIC) fraud. MTIC fraud may typically involve businesses

using a UK VAT registration number to purchase goods VAT-free from other EU Member States and vice versa. The goods can then be sold at a VAT-inclusive price without paying the output tax due, with the same goods circulating repeatedly through chains of transactions in and between EU Member States.

- **Insurance fraud** – These incidents include staged (where two vehicles deliberately crash into each other) or induced (where a deliberate action by a motorist forces an innocent driver to crash into them) road traffic collisions.
- **'Vishing' attacks** – A 'vishing' attack occurs when fraudsters obtain personal details of a victim by phone which they then use to commit fraud.

Looking forward there is a risk of the over 55s being targeted in pension related frauds due to a change in regulations.

### Money laundering

Organised crime is almost always financially motivated. The Home Office estimate that the social and economic costs of organised crime to the UK amount to at least £24 billion per year.<sup>8</sup>

Proceeds of crime legislation has made it more difficult for group members to openly display their wealth, however through time and with the use of professional facilitators, organised crime groups are continually coming up with new ways of hiding their financial trail. Despite this, some locally based organised crime groups continue to use the same methods that have been seen for many years, such as layering money through different accounts, laundering money through cash businesses, the use of money service businesses and the physical movement of cash using human 'cash mules' and the postal system. Foreign national organised crime groups often bring new methodologies that have been previously unseen locally. New technologies have also facilitated new money laundering methods, such as the use of digital currencies, electronic transfer systems, cash vouchers and pre-pay cards. These technologies have made the movement of cash easier and quicker for those legitimately moving cash, however they are also being used to the benefit of organised crime groups.

<sup>7</sup>National Fraud Authority - <http://www.attorneygeneral.gov.uk/nfa/actionfraud/OtherFraud/Pages/WestAfricanLetter.aspx>.

<sup>8</sup>Home Office (2013). Understanding organised crime: estimating the scale and the social and economic costs. Research Report 73.

## Cyber crime

### Definitions

'Pure' cyber crime (**or cyber dependent crimes**) – where a criminal act can only be committed through the use of computers or other ICT devices. In these cases the devices are both the tool for committing the crime and target of the crime. For instance, the harvesting of online bank account details using malware, hacking of networks to steal sensitive data or distributed denial of service attacks on websites or infrastructure.<sup>9</sup>

**Cyber enabled crimes** – 'Cyber enabled crimes are traditional crimes [such as fraud, theft, sexual or harassment offences], which can be increased in their scale or reach by use of computers, computer networks or other forms of information communications technology (ICT). Unlike cyber dependent crimes, they can be committed without the use of ICT.'<sup>10</sup>

Cyber enabled crimes have become part of law enforcement's day-to-day business and are committed by individuals (e.g. harassment and sexual offences) and organised crime groups (e.g. large-scale frauds and extortions). In terms of organised crime, cyber enabled crimes have been seen in respect of a number of key crime areas. The use of online criminal marketplaces is allowing organised crime groups to trade in illicit goods such as weapons and controlled drugs. Human exploitation and organised prostitution is being facilitated through online recruitment and advertising. Counterfeit goods are being sold on 'mirrored' websites and are also being advertised and sold using online auction and social media sites.

Cyber dependent crimes are less frequently reported to law enforcement, however increased industry engagement through the OCTF has led to a rise in reports from local businesses in the past year. The types of criminality being investigated by PSNI include:

- **'Man in the middle' attacks** – This type of incident occurs when a criminal group intercepts communications between businesses. The imposter can then choose a key moment to send their own communication, which the targeted business will believe is from the other business. This can allow the criminal entity to send bogus information, for example bank details for the transfer of funds. The legitimate use of encrypted communications by industry can reduce the threat of this type of attack.
- **Denial of service/distributed denial of service attacks (DDoS)** – A DDoS attack is an attack against a website/network with the intention of making it unavailable to its users. These attacks bring the networks down by flooding them with traffic, often through the use of a botnet (a group of compromised, controlled computers which involuntarily send messages simultaneously to a computer or server). DDoS attacks can be used by 'hacktivists' who will perpetrate attacks against networks, often against infrastructure, for protest purposes. They can also be used as part of a blackmail incident, with the targeted business being charged a fee to stop their networks being attacked. In Northern Ireland the servers of a local business were used as a botnet and resulted in spam being sent globally.
- **Online extortion cases** – Locally there have been instances of ICT being used to facilitate the issuing of blackmail demands against both individuals and businesses. The organised crime group may feel this offers them a greater degree of anonymity and it complicates evidence gathering for law enforcement. In addition, large-scale data theft can provide organised criminals with an important commodity with which to blackmail the company responsible for the data. PSNI have been involved in a number of recent international investigations in relation to this type of incident.
- **Network intrusions** – Network intrusion refers to unauthorised access being gained to computer systems. Local investigations have been run in parallel to similar investigations being carried out in other parts of the United Kingdom and Ireland.
- **Malware deployment** – Malware is a virus that is introduced to a computer, usually through phishing or spam techniques (e.g. through bogus links in unsolicited or fraudulent emails or attached to files downloaded from the Internet) or through insecure ports or systems. Once a computer is infected, malware can pass information on to another device. Ransomware is also frequently reported to law enforcement. This is a type of malware that results in a ransom demand being made to the computer user, usually through a pop-up window appearing on screen, often branded with an official logo. Ransomware payments are frequently demanded using prepaid online solutions and virtual currencies.

<sup>9</sup> Home Office (2013). Cyber crime: A review of the evidence. Research Report 75. Chapter 1: Cyber-dependent crimes. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/246751/horr75-chap1.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/246751/horr75-chap1.pdf)

<sup>10</sup> Home Office (2013). Cyber crime: A review of the evidence. Research Report 75. Chapter 2: Cyber-enabled crimes – fraud and theft. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/248621/horr75-chap2.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248621/horr75-chap2.pdf)

Organised crime groups are also availing of new technology to assist them in their criminality. Key areas include the use of encrypted communications, dark web and privacy based browsers and virtual currencies. These cross cutting areas are being seen in connection with a variety of criminal activities and are being utilised by Northern Ireland based organised crime groups.

## Extortion

Personal blackmails against individuals investigated by PSNI in the past year have included those committed by locally based organised crime groups and also those specialising in web-based extortion, usually based overseas. The most commonly reported blackmail offences reported in Northern Ireland remain 'protection racket' type offences. These involve the extorting of money from a business in exchange for 'protection services', with the threat of violence against the business owner/staff/family or damage to property if the payments are not made. In the past in Northern Ireland these types of attack were used to raise funds for paramilitary groups, for personal financial gain of members, and to exert authority over local communities. More recently some of the organised crime groups involved in this type of activity have maintained links to paramilitary groups, however it is often not clear whether the actions have been sanctioned by senior members. Some organised criminals will use the name of a paramilitary group in order to threaten a business, however any money extorted will ultimately be for personal gain. Paramilitary groups named in incidents include both republican and loyalist groups.

In addition to extortion attempts against business owners, so-called 'bad on bad' extortions are also seen locally. These involve the blackmailing of an individual involved in some sort of criminality, usually drug supply. It is often described as a form of 'tax'. Those claiming to be from dissident republican groups are particularly active in this area, however people claiming to be from loyalist paramilitary groups are also implicated. As with other types of extortion, it is not always clear whether senior leaders within the named paramilitary groups have actually sanctioned the extortion attempt and how much of the money raised will be used for terrorist financing or for personal gain.

## Public sector fraud – excise and tax

### Oils fraud

Oils fraud in Northern Ireland takes three main forms - smuggling, stretching and laundering.

**Smuggling** – This has traditionally involved the movement of fuel between Northern Ireland and Ireland, without the payment of required duties. It is dependent on price differentials and exchange rates. The narrowing of price differentials between the two jurisdictions has made it a less attractive option in recent years. There is an increasing risk of fuel being illegally imported from other parts of Europe. This has previously been seen in parts of Great Britain, with fuel from Poland being imported into the jurisdiction.

**Stretching** – The adulteration of fuel to bulk it out. Chemicals used usually include methanol, ethanol or kerosene. The aim is to increase profit margins by adding cheaper adulterants.

**Laundering** - Rebated fuels, such as marked gas oil and kerosene are subject to lower duty due to the conditions of their use. These fuels are not suitable for use as a fuel in normal road vehicles and persons found to be using this fuel incorrectly can have their vehicles seized. Organised criminal groups launder rebated fuel in an attempt to make it appear like legitimate fuel for use by road vehicles such as cars, vans and heavy goods vehicles (HGVs). In Northern Ireland some organised crime groups have gained particular expertise in this area and have exported their skills to other parts of the United Kingdom. Significant profits have been made by these groups through the evasion of duty. The laundering process involves the removal of chemical markers and dyes and allows the criminals to sell the product at increased profit. The two main methods used to launder oils are filtration and acid laundering.

The introduction on 1 April 2015 of a new cross border fuel marker should have a significant impact on this crime-type but may result in some organised crime groups traditionally involved in fuel laundering diversifying into other areas of criminality.



## Tobacco fraud

It is estimated that 22% of adults in Northern Ireland currently smoke<sup>11</sup>, which equates to around 303,622 people.<sup>12</sup> In 2011 the average daily consumption per smoker was estimated by the Treasury as being 13 cigarettes a day for men and 12 for women. Taking the lower estimate, smokers in Northern Ireland would be expected to consume over 66 million packs of 20 cigarettes annually. The illicit market share for cigarettes in the UK is estimated to be between 4% and 13%<sup>13</sup>, equating to an estimated gross criminal revenue in Northern Ireland of between £13.2 million and £42.9 million annually.<sup>14</sup>

Tobacco fraud seen in Northern Ireland takes three main forms; the smuggling of tobacco products from countries with lower duty rates; the importation of counterfeit brands and 'illicit whites' from overseas; and local production. The term 'illicit whites' refers to cigarettes that are produced independently of the International Tobacco Manufacturers (ITM). They are manufactured outside the European Union and/or in Free Trade Zones. In some instances these goods will be manufactured legitimately but they are not registered within the European Union and are not suitable for selling here. It can be difficult to determine whether a product is an illicit white or a genuine ITM product sold overseas but not in the UK. The majority of illicit whites are produced specifically for the purpose of being smuggled into another market. As well as the importation of illicit cigarettes and hand rolling tobacco (HRT), organised crime groups are also increasingly becoming involved in local production. There are also links to foreign national organised crime groups. Specialised machinery can be used to process the unmanufactured tobacco into hand rolling tobacco (HRT). Counterfeit packaging and counterfeit customs stamps are imported separately.

## Summary of emerging findings:

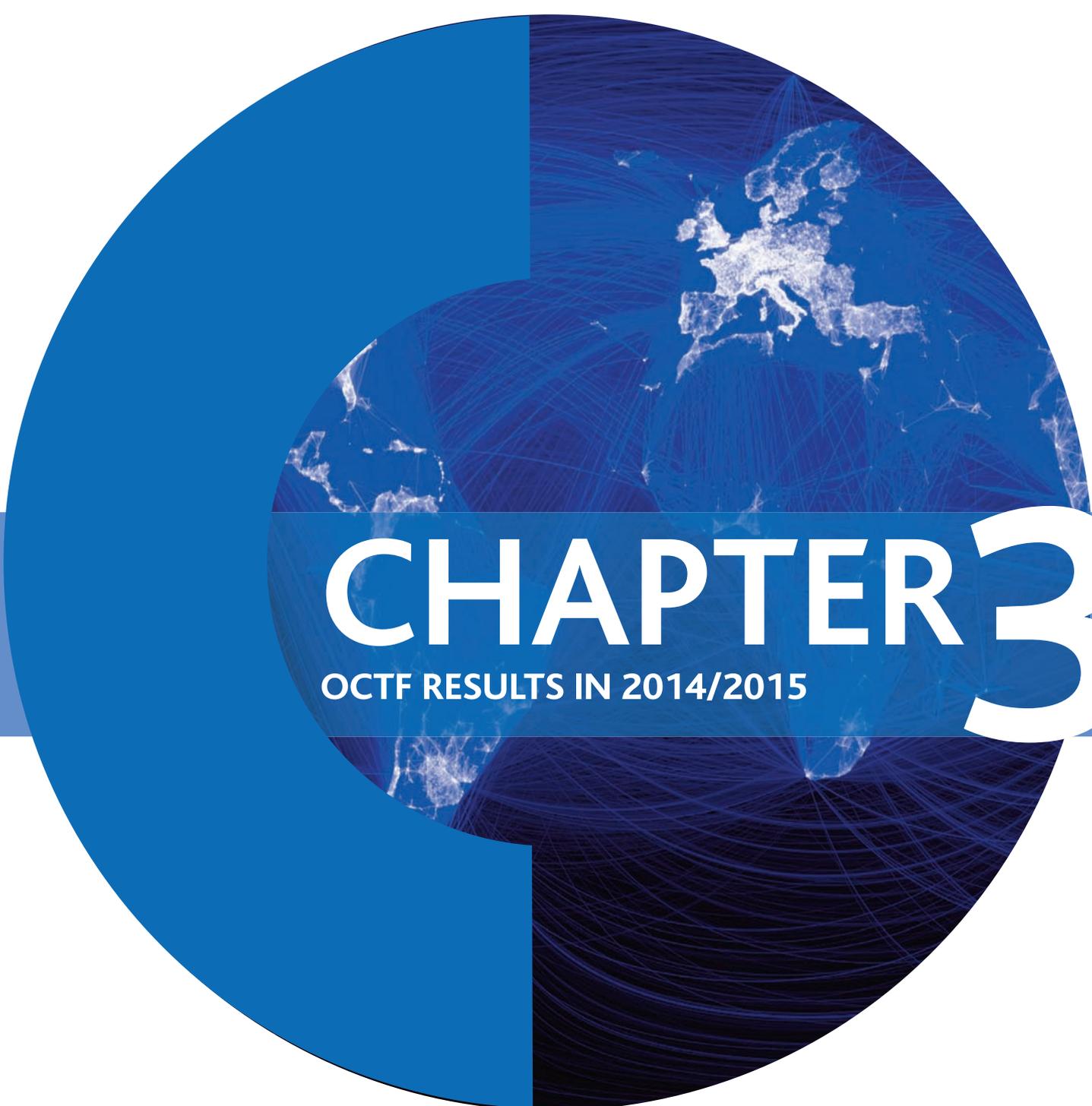
- Continued increases in drug related deaths, partially due to heroin deaths and also the growing markets for new psychoactive substances and prescription drugs purchased online.
- Local manufacture of new psychoactive substances in illicit laboratories.
- Increasing violence in relation to cannabis cultivation facilities due to groups linked to violent crime becoming involved.
- New methods for attacking ATMs continue to be seen in other parts of Europe. These are likely to migrate into Northern Ireland and may be perpetrated initially by foreign national organised crime groups, before local groups begin to attempt 'copycat' incidents.
- The emergence of new approaches to fraud, particularly using the internet and also frauds relating to new pension rules.
- An emergence of new types of cyber dependent criminality (some of this may be as a result of an increased understanding by law enforcement rather than an increase in criminality).
- The continued increasing use of new technologies by organised crime groups. For example the use of encrypted communications, dark web and privacy based browsers to seek to hide their activities from detection.
- The diversification of organised crime groups previously involved in fuel laundering.
- Increased local production of illicit tobacco products.

<sup>11</sup>NISRA (2015). Health Survey Northern Ireland <http://www.dhsspsni.gov.uk/hsni-first-results-13-14.pdf>.

<sup>12</sup>There are 1,380,100 adults in NI (over the age of 18. From 2011 census data). 22% smokers = 303,622 people. 12 cigarettes per day by 303,622 people = 3,643,464 (182,173 packets of 20). Annually = 66,493,218 packs of 20.

<sup>13</sup>[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/364009/4382\\_Measuring\\_Tax\\_Gaps\\_2014\\_IW\\_v4B\\_accessible\\_20141014.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/364009/4382_Measuring_Tax_Gaps_2014_IW_v4B_accessible_20141014.pdf).

<sup>14</sup>Average pack price (from Tobacco Manufacturer's Association) is £8.47. Illicit cigarettes sell for an average of £5.00 per pack of 20 locally. Illicit market estimated to be between 4% and 13% of the market. Market estimated to be 66 million packs annually. Therefore between 4% and 13% of 66 million cigarettes = £5. NB This calculation does not take into account the proportion of smokers using hand rolling tobacco rather than cigarettes.



# CHAPTER 3

OCTF RESULTS IN 2014/2015

# CONFRONTING THE THREAT

This chapter documents the combined enforcement activity taken by the partner agencies of the OCTF against criminal groups at all levels in the 2014/2015 financial year. It highlights the considerable success achieved.

Some of the key results in 2014/2015:

- 14 organised crime groups dismantled and 80 frustrated or disrupted
- 5,104 drug seizure incidents
- 2,831 persons arrested for drug offences
- 27 fuel laundering plants dismantled
- 623,008 litres of illegal fuel seized
- 3,121,814 cigarettes seized (estimated duty value £958,397)
- £2.02m recovered through confiscation orders

The results in more detail are presented in the following sections, with case studies showing some of the law enforcement activity that led to the overall successes.

## Drugs

In 2014/2015 there were 5,104 drug seizure incidents in Northern Ireland, an increase of 5.8% on 2013/2014. The drugs that accounted for the majority of the seizure incidents in this reporting year were cannabis (3,925 seizure incidents), benzodiazepines (656 incidents) and cocaine (512 incidents).

Cannabis was the most commonly seized drug. Of all the incidents involving the seizure of cannabis plants or cannabis cultivation equipment, 143 were classified as a cannabis farm under the definition used by the National Police Chiefs' Council. This is a 10.0% increase on 2013/2014 when 130 cannabis farms were uncovered, and 58.9% on 2012/2013 when 90 farms were uncovered.

The number of drug seizure incidents has increased year on year since 2006/2007 and in 2014/2015 reached the highest level seen in the past ten years. Drugs seized by the Border Force are not included in the figures as they are reported by the Home Office.

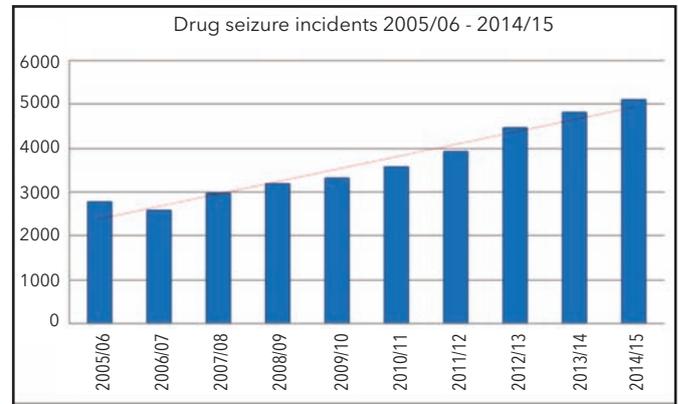


Figure 3: Source PSNI

Police Recorded Drug Seizure and Arrest Statistics.  
Annual Report 1 April 2014 – 31 March 2015

In 2014/2015 2,831 persons were arrested for drug offences. The PSNI has regularly run high profile operations specifically targeted at street level drug dealing since 2012 (Operation Torus) including two operations in the 2014/2015 period.

Appendix 2 details Drug Seizures by Type and Quantity in Northern Ireland in 2013/2014 and 2014/2015.

## CASE STUDY

In March 2015 a man and woman were sentenced in relation to the importation of 5,000 ecstasy tablets. The man was sentenced to six years imprisonment (three years in custody and three years on probation/licence), and the woman was sentenced to 42 months imprisonment (15 months in custody and 27 months on probation/licence). In addition BMW and Hyundai vehicles were forfeited.

## CASE STUDY

NCA working with Border Force, the French Guiana authorities and other partners, seized a number of packages being sent through the postal system that contained high-purity cocaine destined for the streets of Northern Ireland. During the course of the investigation, which indicated the involvement of a west African criminal network, NCA carried out joint deployments with PSNI and Immigration Enforcement and made two arrests in August 2014.

## CASE STUDY

In November 2014 two members of an organised crime group suspected of involvement in the supply of controlled drugs into the North West were sentenced. The charges related to the seizure of weapons, ammunition, ecstasy and mephedrone in December 2012. One male was sentenced to eight years imprisonment (four years on licence) having pleaded guilty to drugs and weapons offences, and a second male was sentenced to two years imprisonment (one year on licence) having pleaded guilty to a firearms offence. Serious Crime Prevention Orders were also granted in respect of both men.

### Intellectual property crime

Intellectual property crime (IPC) refers to the counterfeiting or pirating of goods for sale where the consent of the rights holder has not been obtained. Organised crime groups continue to attempt to counterfeit a wide range of products and merchandise where there is a potential demand. Sales are conducted over the internet, in markets and in shops. PSNI, Department of Enterprise, Trade and Investment's Trading Standards Service (TSS), HM Revenue and Customs (HMRC) and Border Force are some of the agencies involved in the fight against intellectual property crime.

TSS reports an exponential increase in the sale of counterfeit goods online and on social media sites. TSS has concentrated on tackling this problem area through enforcement and the removal of these sites. Significant seizures of counterfeit goods were made in 2014/2015. Among the items seized by TSS were:

- Vodka
- Designer clothing merchandise
- Shampoo
- Washing powder
- Watches
- Make-up
- Perfume
- DVDs
- Alloy wheels
- Car accessories bearing various manufacturers' registered trade marks
- Decoders for illegal streaming
- Computers, printers, packaging, labelling



TSS routinely works with law enforcement agencies and OCTF partners to carry out seizures and share intelligence, ensuring that the most effective action is being taken against rogue traders. A number of offenders were prosecuted in year, other investigations were in progress and further prosecution files were with the Public Prosecution Service at the time of publication.

## CASE STUDY

In August 2014 PSNI carried out a search following an investigation into the sale of counterfeit goods via online marketplaces. Counterfeit car accessories, branded merchandise and jewellery were seized and two people were arrested for trademark, counterfeiting and money laundering offences. A Restraint Order was granted in respect of two high value vehicles, four properties and over £250,000 in bank accounts.



## Organised immigration crime and human exploitation

### Organised immigration and border crime

Various OCTF partners work to disrupt organised crime involving the movement of people, goods and money in and out of Northern Ireland.

**Immigration Enforcement** is responsible for protecting the public by removing immigration offenders, prosecuting the criminals who facilitate immigration crime and driving cross-sector action to increase compliance with immigration law.

During 2014/2015 Immigration Enforcement activity alongside OCTF partners including the PSNI, HMRC and the NCA strengthened Northern Ireland's capacity to tackle immigration crime and delivered better and wider outcomes in disrupting and dismantling the organised criminals behind it. Convictions and jail sentences were secured as were civil penalties running into hundreds of thousands of pounds; rogue businesses fuelling the illicit economy were closed down; and millions of pounds in losses to the exchequer were uncovered.

### CASE STUDY

Investigations with PSNI resulted in the dismantling of a Belfast based organised crime group in April 2014. The group was involved in United Kingdom-wide drugs distribution, money laundering, and the production of counterfeit identity documents.

### CASE STUDY

Investigations with HMRC and the NCA resulted in the arrest of five members of an organised criminal group in May 2014. The group was involved in exploiting illegal immigrants and tax evasion. Unpaid revenue of around £2million was being pursued at the time of publication.

### CASE STUDY

In October 2014 in an operation with HMRC and the NCA, seven foreign illegal workers and four organised crime group members behind the business were arrested. Unpaid revenue of around £1.5million was being pursued by HMRC at the time of publication. The employer could face immigration fines of up to £140,000.

### CASE STUDY

Investigations with HMRC resulted in the arrest of nine illegal immigrants at two takeaway outlets in December 2014. HMRC was pursuing over £100,000 of unpaid tax and VAT at the time of publication. The owners could face immigration fines of up to £180,000.

### CASE STUDY

In January 2015 five people were jailed for a total of five years for organising and attempting to take part in a sham marriage in Newtownards, including the would-be French bride and Cameroonian groom. All will be removed from the UK on completion of their jail sentences.

In Northern Ireland, Immigration Enforcement also has an important role to play in protecting borders and working in partnership to strengthen the Common Travel Area (CTA) which is open to exploitation by illegal migrants. Immigration Enforcement, the PSNI and Police Scotland work together under the heading of Operation Gull. Operation Gull focuses on domestic United Kingdom flights and ferries into and out of Northern Ireland in order to identify and arrest illegal immigrants going to and coming from the Republic of Ireland by way of the land border. In 2014/2015, some 468 illegal immigrants were intercepted attempting to abuse, or facilitate abuse of Northern Ireland ports as a means of illegal transit across the United Kingdom – an increase of more than 20% on 2013/2014, including 30 convicted criminals who had previously been deported from the United Kingdom.

### CASE STUDY

In February 2015 Operation Gull intercepted and arrested six convicted criminals from Eastern Europe who had previously been deported from the UK and who were attempting to re-enter the country across the land border. All had previously served prison sentences ranging from one to twelve years for offences that included sexual assault, possession of firearms and conspiracy to kidnap and murder. All have been deported back to their home countries.

In the coming year Immigration Enforcement will seek to fully exploit all the measures in the **Immigration Act 2014** to challenge non-compliance (rogue employers,

landlords or criminal groups) to deliver the biggest impact on immigration abuse including:

- using the appeals and removal provisions to deport more criminals quickly.
- rolling out the landlords scheme to make it difficult for people unlawfully in the UK to access privately rented accommodation.
- working with partners to revoke driving licences and prevent people opening bank accounts where appropriate.
- tackling those seeking to abuse the immigration system through sham marriages.

**Border Force** is responsible for securing the UK border and controlling migration at maritime ports and airports. Border Force strategic objectives are to deter and prevent individuals and goods that would harm the national interest from entering the UK; to facilitate the legitimate movement of individuals and trade to and from the UK and to protect and collect customs revenues from trade crossing the border. Border Force also intercept and refuse entry to the United Kingdom of foreign nationals trying to enter Northern Ireland who have been subject to Deportation or Exclusion Orders from the United Kingdom.

## CASE STUDY

125 kilos of suspected new psychoactive substance (NPS) was detected in April 2015 by Border Force officers at a fast parcel depot in four separate seizures that had originated in China and India. These cases were adopted and investigated by the PSNI. Of particular interest, were two separate imports of 25 kilos of NPS by the same consignor which originated in Surat, India. The consignments were manifested as Sodium Stearyl Fumarate samples for Research and Development purposes only. This product is a water-soluble lubricant used in the Pharmaceutical industry for compressing tablets. Two people were later arrested pending trial for conspiracy to supply Class A Drugs and for encouraging or assisting in the commission of offences under the Serious Crime Act. The Trial was listed for May 2015.

## CASE STUDY

Border Force took part in Operation Pangea VII during May 2015. Pangea is an international operation tackling the online sale of counterfeit and illicit medicines and highlighting the dangers of buying medicines online. Border Force made 33 separate seizures of illegally imported or counterfeit medicines during the Operation.

### Human trafficking

In the 2014/2015 financial year, 45 potential victims of human trafficking were recovered in Northern Ireland and referred to the National Referral Mechanism (NRM)<sup>15</sup>.

Of these, 32 (71%) were referred in connection with labour exploitation (seven adult females, 22 adult males and three minors). 22 of the potential victims were recovered as part of a single PSNI operation.

## CASE STUDY

In August 2014, PSNI arrested ten people in relation to human trafficking, money laundering and fraud offences. Eleven premises were searched and 22 potential victims of human trafficking for labour exploitation were recovered. These potential victims were Romanian nationals.

The other potential victims of human trafficking for labour exploitation were from Slovakia, Vietnam, China, Lithuania and Western Sahara.

Five potential victims were referred to the NRM in connection with sexual exploitation (from Albania, China, Portugal and Somalia).

In the case of eight of the potential victims referred to the NRM in 2014/2015 the exploitation type is recorded as unknown. In these cases, the person may have been recovered before the exploitation took place.

The increased referrals for labour exploitation last year marked a departure from previous years, where sexual exploitation had been the most commonly reported exploitation type.

<sup>15</sup>The NRM is the United Kingdom's national process for identifying victims of human trafficking and ensuring that they receive appropriate protection and support.

### Legislative framework – human trafficking and slavery, servitude and forced or compulsory labour

The legislative framework around human trafficking and slavery, servitude and forced or compulsory labour underwent significant reform during the reporting period.

*The Human Trafficking and Exploitation (Criminal Justice and Support for Victims) Act (Northern Ireland) 2015* was granted Royal Assent on 13 January 2015. In relation to human trafficking and slavery/forced labour the Act:

- established new offences of human trafficking and slavery, servitude and forced or compulsory labour;
- increased the maximum sentence for human trafficking and slavery, servitude and forced or compulsory labour to life imprisonment;
- introduced a minimum two year sentence for these offences, unless there are exceptional circumstances to warrant a lower sentence;
- made it easier to confiscate the assets of exploiters and to force them to pay reparation to victims;
- made provision for slavery and trafficking prevention orders;
- placed a statutory requirement on the Department of Justice to provide assistance and support to potential adult victims who are referred to the NRM;
- created a new statutory defence for victims who have been compelled to commit other offences;
- contained new protections for victims within the criminal justice system in respect of avoiding secondary victimisation in police interviews and ensuring access to special measures in court; and
- included provision in respect of independent child guardians for trafficked and separated children.

*The Modern Slavery Act 2015* received Royal Assent on 26 March 2015. A number of provisions in the Westminster Act apply here. Enforcement powers in relation to ships, the Independent Anti-Slavery Commissioner and transparency in supply chains extend to Northern Ireland and will reinforce the response to modern slavery. The Independent Anti-Slavery Commissioner's role is to encourage good practice in preventing, detecting, investigating and prosecuting slavery and trafficking, as well as in the identification of victims. The Home Secretary appointed Kevin Hyland OBE to the role of UK Anti-Slavery Commissioner Designate on 13 November 2014. He has already been to Northern Ireland to engage with the Department of Justice, the Justice Committee, law enforcement bodies and non-governmental organisations (NGOs).

### Armed robbery

The OCTF continues to focus on the involvement of organised crime groups within the category of armed robbery. During the 2014 calendar year eight cash-in-transit (CIT) attacks, two tiger kidnaps and ten physical ATM attacks were recorded in Northern Ireland.

### CASE STUDY

In January 2015 three men were sentenced in relation to the tiger kidnapping of a man in October 2013. They received sentences of three years and four months, two years and four months and two years.

### Criminal finance

The term 'criminal finance' covers a variety of organised crime activities including fraud and money laundering. Organised criminals are motivated by making money but if they want to avoid detection then they need to be skilled in moving and laundering their illicit profits. Continuous advancement in technology produces new ways of laundering criminal profits and makes detection more challenging for law enforcement.

Law enforcement agencies have adopted various methods to identify and seize criminal finances. The Proceeds of Crime Act 2002 is a key tool towards the removal of assets from organised criminals, helping to reduce crime by restraining, confiscating and forfeiting the cash and assets accumulated by criminals through their criminal activity. The confiscation of criminal assets by the Courts forms a key part of efforts to tackle organised crime by depriving criminals of their profits and serving justice. Under the Assets Recovery Incentivisation Scheme (ARIS) a proportion of all money forfeited or confiscated in Northern Ireland is then returned to be reinvested in efforts to combat crime locally.

During 2014/2015 the total value of criminal assets recovery receipts in Northern Ireland was approximately £3.2million.

[Further details on assets recovery, including funding for projects to reduce crime and to support communities affected by crime, is provided in Chapter 4.](#)

The **Public Prosecution Service of Northern Ireland (PPS)** is responsible for applying to the Court for restraint and confiscation orders.

## PPS figures for the financial year 2014/2015

Number of restraint orders made:	13
Number of confiscation orders made:	59
Total value of confiscation orders made:	£2,029,000

A sample of cash seizures and court orders made in 2014/2015, contributing to the totals reported by the PPS above, are listed in the following tables:

<b>Cash Seizures:</b>	
PSNI	116 cash seizures to the value of £828,908
HMRC	cash seizures to the value of €185,080 and £71,131

<b>Forfeitures:</b>	
PSNI	98 forfeitures to the value of £542,783

<b>Confiscation Orders:</b>	
PSNI	24 confiscation orders to the value of £924,906
Northern Ireland Environmental Agency	4 confiscation orders to the value of £543,940
Social Security Agency	20 confiscation orders to the value of £355,582

<b>Restraint Orders:</b>	
PSNI	5 Restraint Orders to the value of £1,455,037

## Examples of restraints and seizures in 2014/2015

In May 2013 a major cannabis cultivation facility was discovered containing 600 plants. The concealment of an underground, purpose built facility had never before been encountered in Northern Ireland. Five people were arrested and vehicles with an estimated value of £100,000 seized. A confiscation investigation commenced and in March 2015 the Court assessed that one of the defendants had gained £445,934.20 in criminal benefit, with realisable assets of £20,000 to satisfy the order.

Following a PSNI search of a property approximately 118g of white powder and 803 tablets were seized. £52,387.67 was restrained in November 2014.

Following a search of a house and vehicle that resulted in the recovery of cannabis with an estimated street value of £40,000, PSNI seized £18,900 cash on 2 March 2015.

During a joint PSNI/HMRC search operation in March 2015 stolen alcohol was seized along with £13,600 cash in sterling and euro.

In February 2015, PSNI stopped and searched a vehicle in Coleraine believed to be used by an organised crime group involved in drug supply. £7,000 cash was seized and the occupants were arrested for possessing criminal property.

## Social Security Benefit Fraud

Counter fraud activities within the Social Security Agency (SSA) remain a high priority. During 2014/2015 the SSA's Single Investigation Service (SIS) carried out 5,322 benefit fraud investigations. During the same period there were 294 convictions for benefit fraud and 449 Administrative Penalties (similar to a fine) imposed.

The SIS Organised Fraud Unit (OFU) investigates any incidence of potential organised criminality against the benefit system. During 2014/2015 the OFU investigated 150 serious and complex fraud allegations and raised overpayments totalling £140,000. There was no evidence of systematic organised criminal activity detected in any of the frauds investigated.

The OFU continues to undertake various assurance exercises in order to assess any potential risk associated with hi-jacked Identities. During 2014/2015 these exercises involved:

- examination of Maternity Allowance application forms used to make fraudulent claims to gain access to Social Security systems; and
- examination of maternity certificates provided as evidence to support a claim to Social Security Benefits.

These exercises uncovered potential organised criminal activity linked to a current Department of Work and Pensions (DWP) operation and the investigation was ongoing at the time of publication.

The SSA Document Examinations Teams verify and validate the allocation of National Insurance Numbers (NINo) and this remains an important deterrent to those criminals intent on committing identity fraud. The Teams work closely with the DWP's National Identity Fraud Unit to detect individuals applying for false NINos using counterfeit documentation.

Liaison and cooperation continues between SSA and other law enforcement agencies where there is a threat that could potentially impact on the Northern Ireland Social Security system.

The OFU maintains a close working relationship with colleagues from both the DWP and the Department of Social Protection in the Republic of Ireland with regard to possible cross border benefit frauds. In one operation

a number of Republic of Ireland benefit customers were identified who had failed to declare that they either commenced employment or started receiving a pension from the Republic of Ireland whilst also claiming a means tested benefit in Northern Ireland. This exercise was ongoing at time of publication.

The Agency is working with DWP colleagues in order to utilise HMRC information in respect of earnings and non state pension income to enhance its fraud and error prevention and detection capability.



### CASE STUDY

The OFU received an allegation of possible fraudulent activity on a number of Maternity Allowance claims from colleagues in Incapacity Benefit Branch. SIS identified 17 applications as having fraudulent MAT B1 forms in the Maternity Allowance application and these were linked to an ongoing operation by the OFU Team in Birmingham. Birmingham identified over 100 similar cases in GB and believed that an organised crime group was involved in multiple Identity theft and was using these identities to target the benefit system in GB and Northern Ireland. Of the 17 cases identified by SIS, three cases had already been paid and an overpayment totalling £5,959 was raised. These cases also attract a nominal saving of £11,590 each, giving a total Monetary Value Added of £197,030.

## CASE STUDY

On 29 November 2011 a confiscation order for £42,886 was granted against a defendant. The only asset identified during the financial investigation was a property previously owned by him. In 2006 the defendant passed this property to his daughter. Whilst the transfer of this property was identified as a 'tainted gift' during the enforcement process, the defendant claimed he had no beneficial interest in the property. This evidence was presented to the judge who ruled that the defendant had been and still was the legal owner of the property. The property was placed on the market to allow the defendant to satisfy the confiscation order.

## Cyber crime

The Threat Assessment in Chapter 2 describes cyber dependent crime as being committed through the use of computers or ICT devices as both the tool and target of the crime. Cyber enabled crimes are largely more traditional crimes such as fraud, theft, sexual or harassment offences which can be heightened in their scale and reach through technology.

Cyber crime continues to evolve at a rapid pace and incidents are believed to be significantly under reported. Law enforcement partners are working to train officers in dealing with cyber crime and to advise the public and the business sector and encourage reporting.



The table below sets out the PSNI record of crimes with cyber motivation\* for the financial year 2014/2015.

Offence Category	Offences Recorded
<b>Violence against the person</b>	
Harassment	332
Threats to kill	47
Assaults with and without injury	17
<b>Sexual Offences</b>	
Sexual activity	62
All other sexual offences	8
<b>Theft</b>	
Blackmail	19
Other theft	6
<b>Criminal damage</b>	5
<b>Other crimes against society</b>	
Breach of non molestation orders	32
Other offences against the state and public order	4
Obscene publications etc. and protected sexual material	84
All other crimes against society	18
<b>Other fraud</b>	
Fraud by false representation etc.	192
<b>Total</b>	<b>826</b>

Figure 4: Source PSNI

\* PSNI Definition of cyber crime and recording inclusion / exclusion criteria are set out at Appendix 3.



## CASE STUDY

In March 2015, the NCA, PSNI and law enforcement partners across the UK took part in a national operation called Bloodleaf, which was a coordinated week of interventions against cyber crime targets. As part of the activity, PSNI along with ten Regional Organised Crime Units and Police Scotland visited approximately 60 small and medium enterprises with personalised security data reports, to advise and help identify threats to their IT infrastructure.

In total 5,531 compromises on servers were identified within the UK. These vulnerabilities could be used to send out spam email, launch attacks against websites or servers, or install phishing websites to gain access to sensitive information. 57 arrests were made in the UK under 25 operations targeting network intrusion and data theft from multinational companies and government agencies; Distributed Denial of Service attacks; cyber-enabled fraud; and malicious software and virus development. Clean-up operations were instigated.

## CASE STUDY

Two significant global distributors of drugs on the 'darknet' Silk Road marketplace (a hidden part of the internet) were sentenced in Belfast Crown Court in April 2015 following their arrest by NCA officers. Both men were handed seven year sentences – half to be served in prison, with the remaining three and a half years on licence upon their release. This stemmed from an investigation into the importation and exportation of illegal drugs including cocaine, MDMA, herbal cannabis and mephedrone as well as new psychoactive substances. The investigation showed that the two distributors ordered the drugs through digital communication such as emails, website forums and instant messaging services, using suppliers across Europe, in Egypt, India, Russia, China, North America and Australia. They paid with virtual currencies, such as Bitcoin, or money transfer services and the drugs were shipped to Northern Ireland through legitimate courier services to either 'virtual' addresses or to the address of a trusted associate. Using online aliases and the Tor network to conceal their tracks the pair established themselves as reliable online traders and were ranked in the top 5% of Silk Road Vendors at the time of their apprehension. In this investigation, NCA worked alongside the Europol Cybercrime Centre, the US Federal Bureau of Investigation, other overseas partner agencies, and were supported by PSNI.

## CASE STUDY

Trading Standards Service seized a substantial amount of mass marketed lottery scam mail from a French based trader operating from a PO BOX address in Northern Ireland. 30,000 letters were seized as a part of this operation with a total sum of over £300,000 enclosed in the form of cash, cheques, postal orders and debit/credit card details. This was a significant seizure and the largest of its kind by any Trading Standards Service across the UK, as well as saving consumers over £300,000 that would have been lost to scammers.

### Extortion

The total number of blackmail offences recorded by PSNI in 2014/2015 was 77. This number includes a range of offences, some of which may be committed by organised crime groups, however, some will have been

committed by individuals or in connection with domestic incidents.

## CASE STUDY

In December 2014 two men and a woman were sentenced in relation to blackmail of a local businessman. They received three and a half years (half in custody and half on licence), two and a half years (12 months custody and 18 months on licence) and two years imprisonment (suspended for three years).

## CASE STUDY

PSNI instigated an investigation into extortion after a local businessman received a demand for a payment of £10,000. Threats were made to damage the business and to physically hurt the owner. Two people were subsequently charged and received the following sentences in October 2014 – the first was convicted of aiding and abetting blackmail and received three years imprisonment and the second was convicted of blackmail and received three and a half years imprisonment.

### Public sector fraud – excise and tax

In Northern Ireland, HMRC is responsible for investigating crime relating to oils fraud, tobacco fraud and tax evasion.

#### Oils fraud

In 2014/2015 HMRC dismantled 27 fuel laundering plants and seized 623,008 litres of fuel with an estimated duty value of £436,106.

## CASE STUDY

On 21 October 2014, HMRC Officers accompanied by PSNI officers entered premises in Jonesborough. Inside the premises an operating Laundering Plant was discovered. Two males were arrested at the premises on suspicion of excise fraud contrary to the Customs and Excise Management Act 1979 and offences contrary to the Fraud Act 2006 and the Proceeds of Crime Act 2002. Items seized by HMRC included 42,000 litres of Green Marked Gas Oil (green diesel), a fuel tanker and a curtain-sided HGV with an adapted 22,000 litre tank, 24 tonnes of waste, 27 Intermediate Bulk Containers and a small quantity of tobacco products. In addition HMRC seized £1,870 and €710 as proceeds of crime.



**Tobacco fraud**

HMRC made the following seizures:

<b>Cigarettes</b>	3,121,814 with an estimated duty value £958,397
<b>Hand Rolling Tobacco</b>	860kg with an estimated duty value £202,960
<b>Raw Unprocessed</b>	11.32 tonnes

HMRC, in conjunction with partner law enforcement agencies across Europe, including Belgium, Lithuania and the Netherlands, prevented Irish based organised crime groups from importing over 80 million cigarettes to the UK and the Republic of Ireland. Two fully functional tobacco manufacturing plants were uncovered and €1.4 million seized from the groups.



**CASE STUDY**

On 3 February, HMRC, with support from PSNI officers, searched nine residential and commercial premises under warrant in Northern Ireland. Five simultaneous searches were carried out by Revenue Commissioners in the Republic of Ireland (ROI). A fully operational illicit tobacco processing plant, the first of its kind on the island of Ireland (assessed as capable of producing 100kgs per hour) was detected in Blackwatertown. Five arrests were made including three Lithuanians. Twelve tonnes of tobacco (unmanufactured and processed), two million illicit white cigarettes, a large quantity of counterfeit tobacco packaging and associated vehicles and machinery were seized. £60,000 cash was also seized as proceeds of crime. A further 344,000 illicit white cigarettes were seized in the ROI. Revenue evaded is estimated at approximately £2 million.

**Alcohol seizures**

HMRC seized 298 litres of spirits and 1899 litres of wine during 2014/2015.

**Environmental crime**

**Environmental impact of waste crime**

Illegal waste disposal has inherent consequences for the environment and human health, and this is reflected in the detailed legislation controlling the collection, treatment and disposal of waste at authorised sites.

These controls stipulate minimum engineering standards, facilities to collect by-products from waste decomposition such as liquids and gases and contingency measures to address potential problems. Such controls are expected to remain effective even after a disposal site has closed.

Most wastes decompose over time, with items of organic origin such as foodstuffs decomposing the most quickly and certain plastics taking over 50 years to break down, placing a long-term burden on the environment. Decomposition products from land-filled waste typically include gases such as carbon dioxide, hydrogen sulphite and methane, water and leachate, a polluting liquid created by water percolating through buried waste and removing soluble compounds. In addition to leachate, harmful metals and chemical compounds can seep from the waste and pollute surface streams or water resources contained in underground strata. Risks to human health arise from potential release of explosive gases, carcinogenic substances and disease vectors. In addition, at unlicensed sites, no engineering of any description will have been put in place to prevent pollution.

### Environmental Crime Unit – enforcement

Part of the role of the Northern Ireland Environmental Agency (NIEA) and its Environmental Crime Unit (ECU) is to deter and disrupt the serious and organised criminality that can affect the waste management industry in Northern Ireland. Unscrupulous environmental offenders, driven by the considerable financial benefit that can be made from the avoidance of legitimate landfill (and other associated) taxes, often operate under a veneer of legitimacy using some form of authorisation. ECU oversees frequently complex and intensive investigations and prosecutions under the Waste and Contaminated Land (Northern Ireland) Order 1997.

During the 2014/2015 financial year, ECU's criminal investigators secured 23 convictions for waste offending, from illegal landfill through to the unauthorised treatment of end of life vehicles. These cases generated £41,745 in fines. ECU had a considerable number of current investigations and prosecutions in progress at the time of publication. While the total number varies, at the time of the report, there were some 70 such investigations at various stages. They concern a wide range of serious environmental offending, including some relating to fuel laundering waste, unauthorised infilling and waste dumping.

In 2014/2015 ECU's financial investigators secured 4 confiscation orders to the value of £543,940 under the Proceeds of Crime Act 2002.

ECU continues to build on its partnerships with a range of statutory agencies. This includes partnership with the PSNI and the approach ensures appropriate sharing of information and resources. These partnership arrangements help to facilitate NIEA site surveys and searches, vehicle checkpoints, the seizure of vehicles, plant and machinery and, where appropriate, the arrest of suspects concerned in waste crime. NIEA cooperation with HMRC too has developed with the aim of tackling issues of mutual concern.

### CASE STUDY

In December 2014, one of ECU's cases resulted in a £7,500 fine and suspended sentence for the illegal deposit of fuel laundered waste.



## CASE STUDY

### R-v- Robert John Mulholland & Mulholland Scrap Metals Limited

On 29 June 2010, NIEA officers went to a Scrap Metals dealer in Ballymena. During the visit officers noted the presence of controlled waste including scrap metals and end of life vehicles. They also noted machinery being operated on the site. Subsequent checks revealed that no Waste Management Licence was in force in relation to the site and no application for a waste Management Licence had been received by the Department of the Environment. A warning letter was issued to the company instructing that waste operations should cease and the site be cleared.

On 28 June 2011, NIEA officers returned to the premises and found that the site was still operational. A prosecution file was prepared, coupled with a financial investigation. During investigations it was found that the site handled some 19,722 tonnes of controlled waste (scrap metal) giving a turnover figure of approximately £3,012,535 between 29 June 2010 and 28 June 2011.

Following investigation, a confiscation hearing took place on 4 November 2014. The court imposed a confiscation order in the sum of £500,000 and set a default period of five years imprisonment in the event of failure to satisfy the order within six months. The Court commented that the defendant and his company had committed "deliberate and persistent" breaches of environmental legislation.

The Court direction represents the largest ever confiscation order recorded in Northern Ireland to date for environmental offending. Additionally, on 17 November 2014 the defendant received fines totalling £6,000 for the substantive offences.



## Cases referred to the Public Prosecution Service (PPS)

The PPS has a statutory function to take prosecution decisions and conduct criminal proceedings which are instituted in Northern Ireland in relation to matters investigated by the police in Northern Ireland. The PPS also takes decisions and conducts prosecutions in respect of files submitted by a range of other bodies such as the SSA, the Health and Safety Executive, HMRC and the NIEA.

The PPS receives investigation files and determines if the Test for Prosecution is met. Where this is the case, criminal proceedings will be brought by the PPS either in the Magistrates Court (summary prosecution) or the Crown Court (indictable prosecution).

### PPS referral statistics in 2014/2015

#### *Money Laundering Offences:*

suspects reported or charged: 176  
decisions to prosecute: 128

#### *Controlling Prostitution:*

suspects reported or charged: 7  
decisions to prosecute: 2  
(of which there was one prosecution for controlling child prostitution)

#### *Possession of Drugs:*

suspects reported or charged: 969  
decisions to prosecute on indictment: 323  
decisions to prosecute summarily or divert: 399

#### *Human Trafficking:*

suspects reported or charged: 4  
decisions to prosecute: 0

#### *HMRC cases:*

suspects reported or charged: 88  
decisions to prosecute: 37

#### *NIEA cases:*

suspects reported or charged: 111  
decisions to prosecute: 96



# CHAPTER 4

ASSETS RECOVERY

# ASSETS RECOVERY

## Assets Recovery Incentivisation Scheme

In 2011/2012 the Justice Minister, David Ford, secured agreement from the Home Office that the full value of assets recovered in Northern Ireland through the criminal recovery process would be returned to Northern Ireland (up to that point only 50% was returned). David Ford announced his proposal to direct 50% of criminal receipts to projects that reduce crime or the fear of it (the Assets Recovery Community Scheme). The other 50% continues to be returned to law enforcement agencies and the PPS and the Courts Service to further enhance assets recovery work and to continue the fight against organised crime. Civil recovery receipts and receipts from cash forfeitures continue to be sent to the Home Office, who return 50% to the appropriate law enforcement bodies in Northern Ireland under ARIS arrangements.

During 2014/2015 the total value of criminal recovery receipts in Northern Ireland was approximately £3.2million.

## Assets Recovery Community Scheme (ARCS)

50% of the recovered criminal assets were made available under ARCS to be invested in innovative projects to reduce crime and the fear of crime, and to support communities affected by crime. Bids for this year's funding were invited from across Policing and Community Safety Partnerships (PCSPs) and the Department of Justice. Bids were assessed by an evaluation panel comprising representatives of the OCTF, Community Safety Unit and the business community with recommendations made to the Justice Minister. Unlike previous years, an unusually high level of income meant that further bids were invited later in the year with an eventual total of £1.3 million being allocated to 58 projects through both PCSPs and government.

Projects covered a wide range of topics including research into new psychoactive substances, projects aimed at teaching children to keep themselves safe, youth diversionary activities, home security for the elderly and work with ex-offenders to reduce reoffending.

## Examples of projects funded by ARCS:

### Casting for Safer Communities

This project focused on 20 young people from the Castlereagh region who were classed as 'Vulnerable' or 'At Risk'. The group provided an educational and sporting programme as well as looking at calming mechanisms for severely challenging behaviours within young people. The educational programmes included suicide awareness, drugs and alcohol and bullying and cyber bullying. The sporting programme centred around fishing.



### Fermanagh Safe Call project

The project piloted a call blocker programme across the Fermanagh District Council area. The target audience were the elderly, vulnerable people and victims of domestic violence incidents who were experiencing nuisance calls. Clients were referred to the programme via Neighbourhood Watch Coordinators, the Council's Home Assessment Officer, PSNI Crime Prevention Officer, PSNI Neighbourhood Policing Team Officers and PCSP members.

### Magilligan – Bikes for Africa

"Bikes for Africa" project is a bicycle repair scheme between the PSNI and Magilligan Prison that will see hundreds of bicycles donated to children in Africa. The scheme will refurbish bicycles that have been donated by the PSNI and will allow prisoners the opportunity to gain accredited qualifications in cycle maintenance. They will learn how to strip a bicycle down, repair any damaged parts, provide general maintenance, redesign the colour and graphics and recycle materials that cannot be used elsewhere.

Many African children live in remote communities which are a long way from schools. The only way a child can get to school without having a reliable, affordable or motorised transport system is to walk.

These refurbished bicycles will allow more children the opportunity to attend school, work towards an education, not to be exhausted whilst at school because of having to walk for a number of hours before the morning lesson starts.

### Armagh WebWise

This project provided training for approximately 15 local people working in the community, including youth workers, PCSP project leads, PCSP members and PCSP staff. It gave them the skills and resources to deliver online safety messages to young people/parents in a community setting and to give ongoing support to young people using PCSP funded Drop-Ins and established projects.

[Funding provided under the ARCS programme is published on the DOJ website.](#)

### Assets Recovery Incentivisation Scheme (ARIS)

Figure 5 sets out the value returned to each law enforcement agency and the PPS and Courts Service under the scheme in 2014/2015:

Agency	ARIS Payments 2014/2015
Police Service of Northern Ireland	£282,698.15
HM Revenue & Customs	£223,507.37
Northern Ireland Environment Agency	£124,400.85
Social Security Agency	£65,642.37
National Crime Agency	£21,375.00
Public Prosecution Service	£717,623.73
Northern Ireland Courts and Tribunal Service	£159,471.94
<b>Total Paid</b>	<b>£1,594,719.41</b>

**Figure 5**

During 2014/2015 the agencies used ARIS money for a number of purposes including:

#### NIEA

Incentivisation returns enabled ECU to provide investigative training delivered by the PSNI, to second a trainee forensic accountant through the Interchange Programme and to procure licenses for software used by financial investigators.

#### SSA

The SSA continued to use incentivisation receipts to fund a Financial Intelligence Officer and to carry out ongoing employer data cleansing exercises.

#### PSNI

The PSNI continued to use ARIS monies to fund financial investigators and initiatives in local district police and departments.

#### PPS

PPS directed ARIS receipts to projects supporting specialist advocacy and advocacy training and IT infrastructure improvements to enhance the delivery of successful outcomes in confiscation and restraint cases.





# CHAPTER 5

PUBLIC AWARENESS

# REINFORCING MESSAGES ABOUT ORGANISED CRIME

An integral part of the OCTF's function is to raise the public's awareness of organised crime to help prevent them falling victim to or unwittingly supporting certain types of crimes. Public awareness events also seek to challenge attitudes and behaviours, for example to reinforce the message that counterfeit products could cause significant health and safety or environmental harm, and that they impact on legitimate business and the wider economy, or could be funding other serious crime. OCTF events are also an opportunity to issue a deterrent message by communicating successes against organised criminals.

Some of the events in the 2014/2015 period are highlighted below.

## Balmoral Show

The OCTF had an information stand at the Balmoral Show from 14-16 May 2014 in the busy Shopping Village area. This was an opportunity for OCTF partners to engage directly with significant numbers of members of the public about the work of the OCTF and the roles of various law enforcement agencies. Illegal fuel and counterfeit goods were on display and a team of OCTF members were on hand to take questions from the public and provide information.



## Launch of the OCTF Annual Report and Threat Assessment 2014

In June 2014, the OCTF Annual Report and Threat Assessment 2013/2014 was launched at Titanic Belfast. The Justice Minister David Ford, the Chief Constable Matt Baggott and the Director General of the NCA Keith Bristow spoke at the event. The message to the public was "be aware of what organised criminals are doing and don't support their illegal activity". All three speakers congratulated the OCTF partners on their key achievements but recognised that there was more to be done. Work to give the National Crime Agency full operational powers in the devolved arena, within an appropriate accountability framework, was also a key topic of the event.

## Cross Border Organised Crime Conference 2014

The Annual Cross Border Organised Crime Conference was held in Belfast in October 2014. The two day event brought together law enforcement bodies and policy makers to build partnerships and share ideas. Part of the purpose was to provide a media platform. This was the 12th year of the conference and it was opened by PSNI Chief Constable George Hamilton and interim Commissioner Noirín O'Sullivan of An Garda Síochána. They highlighted how cross border cooperation had helped in the fight against organised crime. Delegates attended workshops on human trafficking, mobile organised crime groups and tobacco smuggling. There were also presentations on criminal cyberisation and how the Republic of Ireland was tackling the problem of the sale of new psychoactive substances by "headshops". The bi-annual Cross Border Organised Crime Assessment was also launched at the conference. It provides an overview of organised crime in both jurisdictions and outlines cross border successes.

## Get Safe Online pop-up shop on Friday 28 and Saturday 29 November 2014

Get Safe Online is a public/private sector partnership providing a wide range of practical advice on protecting people, computers, mobile devices and businesses against fraud, identity theft, viruses and many other problems encountered online. The Justice Minister visited a pop-up shop in Belfast city centre in the run up to Christmas where Get Safe Online and PSNI representatives were on hand to offer practical advice

on simple steps people can take to recognise dangers and protect themselves, their computers and other electronic equipment.



L-R Stephen Sharp of Get Safe Online, David Ford, and DCI Douglas Grant.

### Advice on counterfeit goods and scams

Trading Standards Service (TSS) issued a number of warnings to consumers during the year in relation to the latest fake products; these were reinforced by the media. They worked with the BBC's Fake Britain programme to highlight the dangers of counterfeit shampoo seized by TSS, which contained gender altering chemicals, as well as the problems with counterfeit goods generally.

TSS also worked to help combat scams against consumers in Northern Ireland. One initiative, run with the National Trading Standards Scams Team, was to reach out to all known scam victims in Northern Ireland – names that appear on a 'Sucker's List' (a list of people who have sent money to scammers). In the majority of cases victims lost thousands of pounds and were identified as incredibly vulnerable. TSS officers visited victims and provided invaluable advice and support to each person.

By generating a large amount of publicity highlighting the latest scams through national and local media outlets, alongside ongoing criminal investigations and robust education and awareness-raising, TSS has brought the problem of scams to the fore of the public's consciousness. Consumers are becoming increasingly savvy to scammers and are contacting TSS in their thousands to pass on information on the latest cons and tricks.

TSS is also a member of the United Kingdom Mass Marketing Scams Group which shares intelligence and helps formulate policy on protecting vulnerable consumers in the United Kingdom from being caught out by sophisticated and costly scams. All the major enforcement bodies such as the National Trading Standards Scams Team, The Competition and Markets Authority, the NCA and Regional Scambusters are members of this group.



### EU Anti-Trafficking Day

To highlight the 8th annual EU Anti-Trafficking Day on 18 October 2014, the Justice Minister visited St George's Market, where DOJ staff, and partners on the NGO Engagement Group on Human Trafficking, provided members of the public with information.

Various events were also held by members of the Engagement Group, on and around EU Anti-Trafficking Day. These included the launch of a primary school educational resource. Using funding from the Assets Recovery Community Scheme, Freedom Acts hosted a three day 'Everyday Activism' exhibition in Banbridge where a shop unit in the middle of the town was transformed into a multi-sensory information hub on human trafficking and exploitation. In addition, faith groups across Northern Ireland took part in 'Freedom Sunday' on 19 October 2014.

### EU Anti-Trafficking Coordinator’s visit to Northern Ireland

The EU Anti-Trafficking Coordinator Myria Vassiliadou visited Northern Ireland on 7 and 8 October 2014 at the invitation of the Justice Minister and the Law Centre NI. During her visit Ms Vassiliadou attended an event hosted by the Justice Minister, which brought together government and civil society stakeholders on the issue of human trafficking. The Coordinator also attended a meeting of the Law Centre’s North-South NGO Forum and an event hosted by the Lord Mayor, Councillor Nichola Mallon, in Belfast City Hall.



Justice Minister David Ford and EU Anti-Trafficking Coordinator Myria Vassiliadou

### Cross Border Forum on forced labour

The Minister of Justice, David Ford, along with Aodhán Ó’Riordán, Minister of State for Justice and Equality, hosted a cross border forum on forced labour at Dromantine Conference Centre in Newry on 21 January 2015. The forum was well attended by individuals from both statutory and non-governmental backgrounds, with a number of new stakeholders engaging on this topic for the first time. There were two key themes; locating and identifying victims and demand reduction. The discussions will help to inform the work of the Department of Justice and the Department of Justice and Equality in tackling forced labour and, in particular, raising awareness of this crime. Kevin Hyland OBE, the UK Designate Anti-Slavery Commissioner, was the keynote speaker at the event.



L-R Aodhán Ó’Riordán, Kevin Hyland, and David Ford

### Modern Slavery campaign

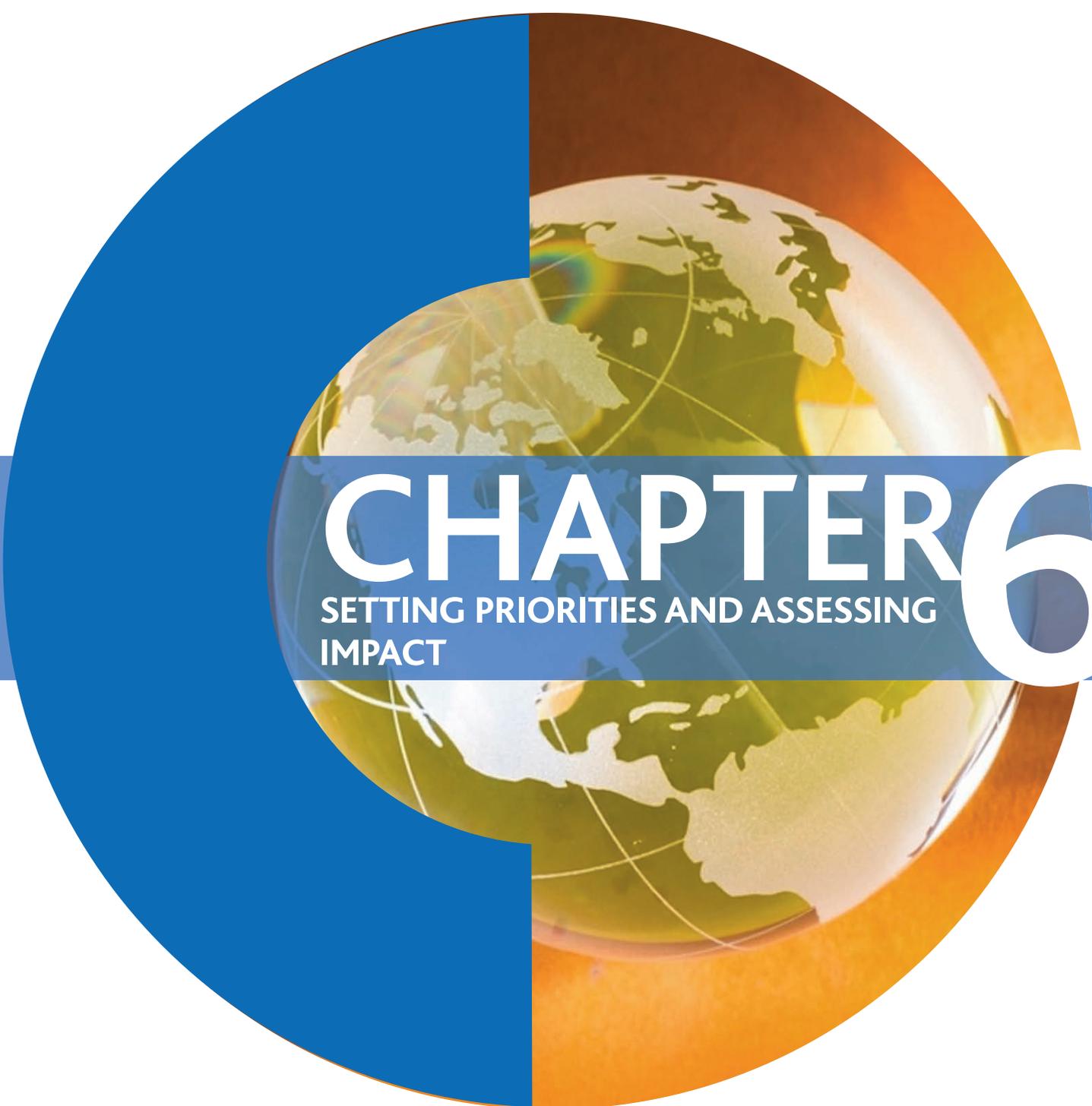
The DOJ was also a partner in the United Kingdom-wide modern slavery media campaign led by the Home Office which was launched on 31 July 2014. The campaign comprised a television advertisement which depicted a range of exploitation types – forced labour, sexual exploitation and domestic servitude – that take place in the United Kingdom. An associated modern slavery website was set up along with a dedicated helpline.

### UN Gift Box

The Gift Box is an on-street walk-in box which is placed in high footfall areas. It looks attractive from the outside, showing offers of a better life in a foreign country, but on the inside it contains stories of human trafficking. Over the past 12 months, the UN Gift Box has been displayed at Parliament Buildings, local churches across Northern Ireland, New Horizon (a Christian conference) and at music festivals such as Belsonic and Tennent’s Vital. It is available to government, law enforcement and NGOs to seek to get the message across.



UN Gift Box on display. Chief Constable George Hamilton and Justice Minister David Ford



# CHAPTER 6

SETTING PRIORITIES AND ASSESSING  
IMPACT

# THE NORTHERN IRELAND ORGANISED CRIME STRATEGY

In June 2014 the OCTF published an updated Northern Ireland Organised Crime Strategy. This is available on the DOJ website at the link:

<http://www.dojni.gov.uk/index/publications/publication-categories/pubs-policing-community-safety/community-safety/organised-crime/organised-crime-strategy-2014.htm>.

A Strategy setting out a common vision is important as the OCTF partners have different roles, responsibilities, priorities and accountability structures. The Strategy is a statement of what the OCTF partners collectively set out to achieve by specified dates. It focuses on strategic objectives in priority areas. It is a rolling document, revised and updated as necessary.

## Objectives are grouped under three headings:

**Action** – Key Objective: To make Northern Ireland a hostile environment for organised criminals.

**Analysis** – Key Objective: To understand the threats and emerging organised crime trends to predict actions required and facilitate proactive responses.

**Awareness** – Key Objective: To inform the public about organised crime trends and impacts and the work of the OCTF.

Progress against the agreed targets is reviewed quarterly by the OCTF Strategy Group. This section gives a flavour of the elements of the Strategy monitored by the Strategy Group at its meetings.

A regular update on current threats and organised crime figures is provided to the Strategy Group each time it meets by the OCTF's dedicated analyst. These enable the OCTF to consider any changes in the threat picture and determine any strategic response.

The Strategy incorporates a planned programme of research and reports. To date reports have been produced on areas including: the scale and impact of cyber crime on the business community; developments in the technology sector concerning finance; and the use of technology and transport methods in relation to drugs. These will provide a basis for future target setting when the Strategy is reviewed in 2015.

The Strategy Group also monitored progress on the introduction of the new fuel marker north and south of the border.

In relation to legislation, the group monitored progress on the introduction of the Serious Crime Act 2015 and the Modern Slavery Act 2015 in Northern Ireland and the Human Trafficking and Exploitation (Criminal Justice and Support for Victims) Act (Northern Ireland) 2015.

The Strategy will help the OCTF to regularly review its role and ensure that it remains focused on the key issues and fit for purpose. The Strategy will be reviewed, updated and republished later in 2015.

## CJI inspection

The Criminal Justice Inspection Northern Ireland (CJINI) report – “Controlling threat, risk and harm – an inspection on how the criminal justice system deals with serious and organised crime in Northern Ireland” was published in November 2014. It can be found at the following link:

<http://www.cjini.org/CJINI/files/4e/4e668867-6095-4687-9bf5-61fb05973478.pdf>.

The report highlighted how criminal justice agencies and other government departments are working cooperatively to deal with the threat of serious and organised crime in Northern Ireland. The review reported positively on the joined up response to organised crime and also the coordinating role of the OCTF.

There were two key recommendations from CJINI, one relating to the investigation of serious and organised crime for the PSNI and one for the OCTF, that a new jointly agreed strategy should be developed with clear outcomes focused on co-ordinated joint enforcement operations and linked to explicit underlying harm reduction strategies.

The publication of the rolling Northern Ireland Organised Crime Strategy addressed the second main point arising from the inspection. The OCTF Strategy Group's commitment to commission regular reports against the Strategy and to keep it reviewed and revised if necessary will ensure that it strives to be outcome focused and that it prioritises the reduction of harm from key threats. The recommendation for the PSNI had a target date of the end of 2015 and was being progressed at the time of publication.



# CHAPTER 7

LOOKING AHEAD

# LOOKING AHEAD

## The National Crime Agency in Northern Ireland

There were limitations on the NCA's operation in the devolved arena in Northern Ireland when the Serious Organised Crime Agency was abolished in October 2013. During the period when its activities were restricted to reserved matters, the NCA continued to provide the PSNI with operational support in Great Britain and internationally, working with partner agencies in, for instance, Spain, Bulgaria, Brazil, and the Netherlands. It could not, however, operate on issues which required devolved powers (such as constabulary bespoke powers to search and arrest or civil recovery for devolved criminality).

After extensive negotiations with political parties in Northern Ireland involving, in particular, the Home Office, the Northern Ireland Office, NCA and PSNI, the Northern Ireland Assembly gave its consent on 3 February 2015 to the making of the Crime and Courts Act 2013 (National Crime Agency and Proceeds of Crime) (Northern Ireland) Order 2015<sup>16</sup>. The Order was approved by Parliament on 19 March 2015. It extends the role of the NCA in Northern Ireland, enabling appropriately trained officers to hold constabulary powers and gives the agency the ability to recover assets, including assets held overseas.

The Order contains a number of Northern Ireland specific measures to ensure police primacy and

accountability in terms of the NCA operating in Northern Ireland. There is, for example, a role for the Policing Board, the Police Ombudsman and the Criminal Justice Inspection. It was important to local politicians that the arrangements for the NCA when operating here were on a par, as far as possible, with those for the PSNI. It took hard work and compromise by all those involved to reach an agreement that enabled the Assembly to give its consent.

The legislation is backed up by a number of documents. These include a general authorisation between the Minister of Justice and the Director General of the NCA setting out the requirements for NCA officers with constabulary powers. There is also Memoranda of Understanding between the PSNI and NCA, the Policing Board and NCA, the Police Ombudsman and NCA, and the Home Office and Department of Justice. The Policing Board now has an important role in monitoring the work of the NCA.

The consent given by the Assembly reflects their support to the government's aim that the people of Northern Ireland should benefit from a fully operational National Crime Agency, supporting the efforts of PSNI. The NCA became fully operational in Northern Ireland on 20 May 2015.



L-R Keith Bristow, David Ford, George Hamilton

<sup>16</sup>SI 2015/798 <http://www.legislation.gov.uk/ukSI/2015/798/contents/made>.



### Performance of new fuel marker

Following a joint UK-Irish search, the Westminster Government announced in February 2014 a new marker for rebated fuels - Accutrace S10™, produced by the Dow Chemical Company. This new marker represents a significant improvement on the existing marker mix, and is a major step forward in the battle against criminals who 'launder' rebated fuel and sell it on at a profit. Following the required legislative change and implementation period this marker was introduced on 1 April 2015. HMRC will keep its performance under review.

### Workshop on fuel laundering

Political and media interest in issues relating to fuel laundering escalated during 2014/2015. The OCTF will host a workshop for law enforcement agencies and statutory bodies on issues relating to fuel laundering in June 2015 to take stock of the collective OCTF response to the issues involved. There will be an interim assessment of the new marker and consideration of other steps that might be taken.

### Human Trafficking

The Department of Justice will continue to implement the provisions of the Human Trafficking and Exploitation (Criminal Justice and Support for Victims) Act (Northern Ireland) 2015 and work closely with the Home Office to give effect to those parts of the Modern Slavery Act 2015 which extend to Northern Ireland. Over the next

year work will focus on giving effect to the regime for Slavery and Trafficking Prevention Orders and ensuring that relevant Northern Ireland public authorities work effectively with the Anti-Slavery Commissioner. Secondary legislation to this effect will be laid in the Northern Ireland Assembly in the autumn of 2015.

The Department launched a public consultation to seek views on a draft Northern Ireland Human Trafficking and Exploitation Strategy for 2015/2016. This builds on the work under the 2013/2014 and 2014/2015 human trafficking action plans for Northern Ireland and has four strategic aims: Pursue; Protect and Support; Prevent; and Partnership. The final strategy will be published by early October 2015 and in the interim the Department will work with delivery partners towards implementation of the strategy whilst still in draft form.

The Department is also fully engaged in the implementation of the review of the National Referral Mechanism (NRM), the framework for identifying and supporting victims of human trafficking. The Review Team report, which was published in November 2014, made a number of proposals for change in terms of identification of and support for victims of trafficking and slavery. The Department is working with the Home Office to take forward the recommendations, in a way that is responsive to local needs and issues.





# APPENDICES

# APPENDIX 1

## OCTF Partner Organisations

- Allied Irish Bank
- An Garda Síochána
- Anti-Counterfeiting Group
- Association for UK Interactive Entertainment
- Bank of Ireland
- Belfast City Council
- Border Force
- Brinks
- British Phonographic Industry
- British Security Industry Association
- BskyB
- Centre for Secure Information Technologies, QUB
- Citigroup
- Confederation of British Industry
- Criminal Assets Bureau
- Crown Solicitor's Office
- Danske Bank
- Department of Employment and Learning
- Department of Enterprise, Trade and Investment
- Department of the Environment (NI Environment Agency)
- Department of Finance and Personnel
- Department of Health, Social Services and Public Safety
- Department of Justice
- Department of Justice & Equality
- DIAGEO
- Eli Lilly
- Federation Against Copyright Theft
- Federation of Small Businesses
- First Trust Bank
- Foods Standards Agency
- Forensic Science Agency NI
- Gangmasters Licensing Authority
- Group 4 Security
- Health and Safety Executive
- Health and Social Care Board
- HM Revenue and Customs
- Home Office Immigration Enforcement
- H.S.B.C
- Intellectual Property Office
- Japan Tobacco International
- Lloyds Bank
- Mandiant (Cyberrisk International)
- Migrant Help
- National Crime Agency
- National Cyber Crime Unit
- National Trading Standard Intel Team
- NI Courts and Tribunal Service
- NI Housing Executive
- NI Policing Board
- NI Chamber of Commerce
- NI Federation of Small Businesses
- Philip Morris International
- Police Service of Northern Ireland
- Post Office Limited
- PriceWaterhouse Coopers
- Public Prosecution Service NI
- Queen's University Belfast
- Revenue Commissioners
- RMS Cash Management
- Royal Bank of Scotland
- Royal Mail
- Safer Cash
- Santander
- Social Security Agency (NI)
- Tobacco Manufacturers Association
- UK Human Trafficking Centre
- UK Interactive Entertainment Association
- Ulster Bank
- Women's Aid

*(contacts with others not listed when appropriate)*

# APPENDIX 2

## Drug Seizures by Type and Quantity 2013/2014 and 2014/2015

Figure 6 – Source PSNI

Drugs Seized <sup>1</sup>		2013/14 <sup>4</sup>		2014/15	
		No. of Seizures By Type and Format	Amount Seized	No. of Seizures By Type and Format	Amount Seized
Cocaine (Class A)	Powder (kg)	397	25.2	498	80.9
	Wraps	33	67	22	40
Ecstasy (Class A)	Powder (gms)	14	1113.3	22	45.0
	Tablets	113	8,263	89	4,368
LSD (Class A)	Microdots	3	130	3	20
	Powder (gms)	0	.	2	3.1
	Tablets	3	97	5	55
Opiates (Class A)	Ampoules	0	.	1	2
	Millilitres	13	419.0	14	2,434.6
	Patches	2	11	1	2
	Powder (kg)	38	0.3	41	0.4
	Tablets	22	487	5	381
	Twists	3	3	5	12
	Wraps	10	39	35	177
Amphetamine (Class B)	Powder (kg)	79	8.2	77	5.3
	Tablets	7	197	1	2
	Wraps	10	113	3	7
Cannabis (Class B)	Herbal (kg)	3,058	299.3	3,292	232.6
	Joints	346	465	386	640
	Oil (gms)	0	.	1	11.0
	Plants	245	10,155	222	10,974
	Resin (kg)	599	30.7	417	111.0
Psychoactive Stimulants (Class B)	Powder (kg)	191	17.1	126	2.4
	Tablets	4	467	0	.
	Wraps	3	3	2	8
Benzodiazepines (Class C)	Powder (gms)	2	1.1	2	4.3
	Tablets	475	148,366	661	180,345
Other Drugs <sup>2</sup>	Ampoules	29	26,004	15	1,670
	Crystals	0	.	1	1.0
	Microdots	2	387	2	112
	Millilitres	14	1,203.5	9	232.1
	Patches	1	1	0	.
	Powder (kg)	82	1.2	72	1.0
	Psilocin	3	75	2	35
	Tablets	62	57,710	110	4,138
	Wraps	0	.	2	2
<b>Total Seizure Incidents<sup>3</sup></b>		<b>4,825</b>		<b>5,104</b>	
<b>Estimated Street Value</b>		<b>£9,832,584</b>		<b>£12,736,626</b>	
<b>Persons Arrested</b>		<b>2,867</b>		<b>2,831</b>	

Note: In this table, where the quantity of drugs seized is 0.0, this means the quantity seized was less 0.05 grams, Mls or kgs while '.' indicates that no drugs were seized.

<sup>1</sup> Not all drug seizures are subject to forensic testing to officially confirm the drug type seized. When testing is not applied, the PSNI's drug seizure statistics are classified in accordance with the investigating officer's assessment of the drug type seized based on their experience and knowledge of the illegal drug trade in Northern Ireland.

<sup>2</sup> Other drugs include anabolic steroids, GHB, ketamine, piperazines and magic mushrooms.

<sup>3</sup> As each seizure incident can involve more than one drug type, seizure figures for individual drugs cannot be added together to produce totals.

<sup>4</sup> Small revisions have been made to some of the previously published 2013/2014 figures relating to seizures of opiates, cannabis and other drugs as a result of data quality checks. These have not altered the total number of seizure incidents for 2013/2014.

# APPENDIX 3

## Recorded crime with cyber motivation for Financial Year 2014/2015

Source PSNI

Offence Category	Offences Recorded
<b>Violence against the person</b>	
Harassment	332
Threats to kill	47
Assaults with and without injury	17
<b>Sexual Offences</b>	
Sexual activity	62
All other sexual offences	8
<b>Theft</b>	
Blackmail	19
Other theft	6
<b>Criminal damage</b>	5
<b>Other crimes against society</b>	
Breach of non molestation orders	32
Other offences against the state and public order	4
Obscene publications etc. and protected sexual material	84
All other crimes against society	18
<b>Other fraud</b>	
Fraud by false representation etc.	192
<b>Total</b>	<b>826</b>

### Definition of Cyber crime:

An offence should be flagged as cyber enabled where the reporting officer believes that on the balance of probability, the offence was committed, in full or in part, through a computer, computer network or other computer enabled device.

### Inclusion criteria

Offences should be flagged where online or internet-based activities have been involved, such as:

- sending or receiving emails;
- use of social media or networking sites such as Facebook, Twitter, LinkedIn, Flickr etc, this also includes online dating sites (for example, Match.com, e-harmony etc) and other online chatrooms;
- use of internet forums, blogs or websites;
- online auction or retail sites (e.g. Ebay, Gumtree);
- communication via online video game networks (e.g. through X-box Live, Playstation Network); or
- communications platforms such as Skype, Facetime, WhatsApp or Viber.

The terms 'computer, computer network and other computer enabled devices' include offences committed using:

- desktop computers or laptops, in the home or in the workplace;

- smartphones, tablets and other telecommunications devices linked to computer networks; or
- any other identifiable computer system or network that produces, processes and transmits data. This may also include internal intranets (e.g. those used for staff payment transfers).

Some offences may use a combination of methods i.e. methods involving computers or the internet, as well as more established 'offline' methods. These offences should also be flagged as a 'cyber-enabled'.

### Exclusion criteria

Offences should not be flagged where:

- the crime only involved a mobile phone network to make phone calls or send/receive text messages, rather than an internet network. Some use of a computer Network or internet technology is required. Please note, messages sent via platforms that serve the same purpose as text messages should also be excluded, this includes BlackBerry Messenger (BBM) and iMessage.
- the computer was used to make or design fraudulent items such as fake gift or shopping vouchers.





# DRUG DEALERS DON'T CARE... DO YOU?

**DRUGS WRECK YOUNG LIVES...**

Make a stand and help keep drugs off our streets.  
Call Crimestoppers anonymously now.

**0800 555 111**