

Decision maker:	Cabinet Member for Transport & Regulatory Services
Decision date:	13 December 2018
Title of report:	Tackling serious organised crime
Report by:	Acting Assistant Director for Regulation, Environment and Waste

Classification

Open

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is significant having regard to the council's budget for the services concerned. This is because a threshold of £500,000 is regarded as significant.

It is also a key decision because it is likely to be significant having regard to the beneficial impact of the outcome on the amenity of the community and quality of service provided by the authority to a significant number of people living or working in the county.

Wards affected

(All Wards);

Purpose and summary

To approve a programme of measures to tackle serious organised crime through closer working with the police and other partner organisations through multi agency targeted enforcement.

This will entail additional funding and better resource to more effectively regulate the increasing problem of:

- Illicit tobacco and alcohol,
- Criminal landlords exploiting the vulnerable.

- Awareness raising for the disruption of organised crime and meeting the needs of vulnerable people.

The serious organised crime gangs concerned with the above activities are also likely to be involved in the 'County Lines' phenomenon, whereby drugs enter Herefordshire from the urban areas that surround it. This report therefore also seeks to raise awareness with partner agencies and the public to disrupt this organised crime and help the council meet the health & wellbeing needs of its most vulnerable people and keep them safe.

Recommendation(s)

That:

- (a) **£500,000 additional one off investment in measures to tackle anti-social and serious organised crime be approved to be spent across the areas of:**
- **Illicit tobacco and alcohol control – circa £240,000**
 - **Criminal landlord and anti-social activity – circa £240,000**
 - **Awareness raising for the disruption of organised crime and meeting the needs of vulnerable people – circa £20,000**

Alternative options

1. That the programme of measures to tackle serious organised crime is not approved. This is not recommended as recent discussions with the police and other agencies have identified a disturbing increase in such crime and without targeted action by all agencies working together, there is a real risk that this trend will continue to the detriment of Herefordshire.
2. That the £500,000 is spent on other areas of regulation. Although there may be good reason to invest elsewhere in regulation, this is not currently recommended because the council needs to prioritise this limited and available resource on tackling the disturbing increase in criminal activity associated with serious organised crime.

Key considerations

3. Working closely with West Mercia Police over recent years, the council has and continues to undertake joint operations to tackle the problems associated with anti-social behaviour and serious organised crime through a multi-agency targeted enforcement strategy (MATES).
4. In keeping with national concerns and local trends, West Mercia Police have recently established a 'Serious Organised Crime Joint Agency Group' (SOCJAG), which is a police led initiative involving a number of other agencies, including the council. SOCJAG will provide an operational forum to improve coordination across all partners to tackle these issues.
5. In order for the council to play its full role in addressing these current and emerging issues, additional resources are needed to support intelligence gathering, additional targeted enforcement with associated legal proceedings, disruption activities, raising awareness to help protect the vulnerable, support the communities and improve our behavioural change initiatives.

6. The increase in the sale of illicit tobacco has become commonplace in a number of city and market town shops and the trend is increasing. This, combined with the exploitation of illegal immigrants and vulnerable people often living in substandard accommodation above the shops is also becoming a very real problem. In this respect, over the past few months the number of multi-agency raids has increased in an effort to crack down on those premises where intelligence suggests there are illegal activities associated with organised crime. In almost every case the raid has been proven to be justified, with exploited illegal immigrants found, tobacco and out-of-date food seized and emergency housing and fire safety notices being served with successful prosecutions ensuing. The worsening trend is therefore very real and is being monitored by both SOCJAC and the multi-agency task force carrying out the programmed raids.
7. This trend is frequently associated with the now widely reported 'County Lines' phenomenon, whereby controlled drugs are being distributed into the rural areas from city based gangs. There are also concerns that these serious organised crime gangs are getting involved in child sexual exploitation and modern slavery/exploitation of the vulnerable.
8. The following enhanced initiatives are therefore proposed by this report:

Table 1	
Description	Comments
Illicit tobacco & alcohol control	<p>Targeted additional resource to carry out enforcement activity to improve illicit tobacco & alcohol regulation and to seek closure orders on problem shops, using anti-social behaviour legislation.</p> <p>This will include test purchasing to identify breaches and entail additional staffing resource to facilitate increased prosecutions.</p>
Criminal landlords	<p>Targeted additional resource also to be provided to tackle criminal landlord activity associated with organised crime gangs.</p> <p>This will entail additional staffing resource to facilitate increased regulation and prosecutions.</p>
Awareness raising for the disruption of organised crime and meeting the needs of vulnerable people	<p>Establish a clear training programme and ongoing awareness across a number of areas including housing associations, landlords in the private rented sector, the licensed trade and taxi drivers.</p> <p>This is because there is an emerging trend where vulnerable people in both private and public sector rented accommodation are at risk of being exploited and those agencies working with them need to recognise the signs and act upon them. There is also a</p>

	risk that the night time economy may become exposed to 'County Lines' and the risk of child exploitation either through the licensed trade or the taxi community.
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9. As the above table depicts, there is a recognition that council led enforcement within Herefordshire could be improved over two to three financial years to help curb a growing trend in illicit tobacco & alcohol sales with its associated criminal landlord and other exploitive activity.
10. There is local intelligence that suggests that serious organised crime has linkages with illegal tobacco & alcohol sales in Herefordshire as well as a number of substandard rented flats and houses in the private sector. More disturbingly, there is intelligence that implies that the 'County Lines' phenomenon can be associated with this sort of organised crime and the gangs that participate in this. This remains a driving force for increasing such regulatory resource.
11. The council has a statutory duty to investigate and regulate all such areas, although the level to which this is delivered is discretionary.
12. Increased targeted resource within the areas of environmental health and trading standards will inevitably lead to better outcomes for the vulnerable people that are exploited and will also dissuade those who break the law from continuing to do so by disrupting them and potentially displacing the criminal fraternity outside of Herefordshire.
13. The council has been very active in 'multi-agency targeted enforcement' which has recently led to our regulatory officers assisting on a number of publicised raids at offending premises with the police, fire & rescue, HMRC and the Border (immigration) Agency. It is anticipated that this money will therefore enable more resource to be diverted into this effective area of work.
14. In order to provide clear support and deliver change on serious organised crime and associated criminal landlord activity, it is recommended that the aforementioned £500k reserve be moved into the relevant regulatory and associated revenue accounts to support the initiatives highlighted in Table 1, starting this financial year and continuing into two or three subsequent financial years.
15. It is proposed that the impact of these initiatives will be reported to SOCJAG and that a review will be carried out jointly with the police at the end of 2020 to confirm the benefits and that this will be continued annually thereafter, until this initiative is completed. As with other similar initiatives, we will monitor the effectiveness of this by capturing the data from each raid and measuring the trend in relation to observed non-compliances and the quantity of seized items. With previous campaigns, such as under-age test purchasing, repeated interventions can inevitably be seen to drive improvement as non-compliances become less common.

Community impact

16. There is a growing concern that the organised crime gangs involved in illicit tobacco & alcohol in Herefordshire are also involved in other serious crime, including the selling and dealing of drugs, child sexual exploitation (CSE) and the exploitation of illegal immigrants through modern slavery. It therefore supports West Mercia Police's aim to tackle 'County

Lines', whilst also contributing to the council's corporate plan, in particular the priorities of 'enabling residents to live safe, healthy and independent lives' and 'keeping children and young people safe and giving them a great start in life'.

17. This increased resource will benefit the compliant and law abiding business community who have to compete with shops who illegally trade in illicit tobacco & alcohol and let substandard accommodation at significant profit.
18. Vulnerable tenants in the private rented sector are also likely to benefit from any initiatives that focus on criminal landlords.
19. Cut price illicit tobacco tends to increase tobacco use within the smoking community and such criminal traders will undoubtedly sell to children as well. Therefore this increased regulation will benefit public health and the health & wellbeing of the community at large.
20. The additional funding will also help establish a clear training programme for ongoing awareness across a number of areas, including housing associations, where vulnerable people are at risk and those working with them need to be able to recognise the signs. This will then assist in the support of safeguarding case investigations and encourage the flow of information. It is envisaged that the improvement of information awareness will be facilitated through the established 'Multi Agency Tasking And Coordination' (MATAC) group, which is jointly led by the council & police and guided by council safeguarding officers.

Equality duty

21. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
22. By tackling this serious organised crime, the increase in regulation should disrupt and impact on the criminal community, hitting hardest on those gangs who choose to exploit the vulnerable, many of which may share a protected characteristic. The criminal landlords, for example, will be required to improve housing standards and the shops will be prevented from selling cut price alcohol and tobacco, especially to those vulnerable people with addiction and substance abuse issues.
23. It will also protect the customers of those using these shops, many of whom won't have English as a first language and who may be unaware that the food is frequently out of date or that the tobacco is sub-standard.

Resource implications

24. This initiative will be funded by the £500,000 funding referred to as the 'health & wellbeing reserve' as outlined in the annual review of earmarked reserves agreed at Cabinet on 28 June 2018. This will take the form of additional staffing resource and will span more than one financial year. The additional staffing will entail fixed term contracts for regulatory officers in the disciplines of trading standards and environmental health, who will assist in the multi-agency targeted enforcement. It will also be used to procure test purchasing and to deliver information awareness training on 'County Lines'/organised crime to partner agencies.

Legal implications

25. The council has a statutory duty to investigate and regulate the regulatory functions mentioned in this report, although the level to which this is delivered is discretionary.
26. Section 17 Crime and Disorder Act 1998 provides that councils have a duty to protect the wellbeing of their local communities and to do all that they can to prevent crime and disorder in their area.
27. The Serious Crime Act 2015 increased the legislative powers available to tackle serious and organised crime, including powers which can be used to disrupt serious and organised crime by disturbing planned activity or exposing other criminal offences such as the illicit trading of goods.
28. The recommendations in the report will enable the council to ensure that it complies with its legal duties and prioritise accordingly.

Risk management

29. Trends in relation to serious organised crime are a cause for significant concern. If this upward trend continues, then there will be an increased impact on council budgets across a number of areas of the council including not just increased regulation but also increased safeguarding interventions that can arise from ignoring serious organised crime.
30. The above proposals therefore seek to tackle these problems at an early stage with the aim of helping to mitigate any impact on other services. Without these initiatives Herefordshire will become an area of the UK where organised crime and 'County Lines' will become more attractive, as regulation will not be seen as a deterrent.
31. There is no perceived risk from increasing resource, as these are statutory functions and the non-criminal community will undoubtedly welcome such enhanced regulation.
32. At a point in time when this one-off additional funding has been exhausted, the situation will be reviewed in order to determine whether or not further additional funding will be sought to keep the pressure on or to determine whether the task has been completed and the problem brought down to an acceptable level. SOCJAG will be instrumental in this review process, as mentioned in paragraph 15 above.

Consultees

33. West Mercia Police, Herefordshire & Worcestershire Fire & Rescue Service, the HMRC and the Border Agency have all been informed of this multi-agency targeted enforcement initiative through the SOCJAG forum and are supportive of increased regulatory activity in the aforementioned areas.

34. All council group leaders were consulted on 15 November 2018, with comments requested by 29 November. There was only one response and this was supportive of the initiative.

Appendices

None

Background papers

None