

## **Justice Committee**

### **Environmental crime and serious organised crime**

#### **Written submission from Police Scotland**

I write to you in my capacity as the Assistant Chief Constable for Organised Crime, Counter Terrorism and Safer Communities in order to provide the members of the committee with an overview of the work currently being undertaken by Police Scotland to mitigate the threat posed to our communities by Serious Organised Crime (SOC) and in particular the emerging links to Environmental Crime.

#### **Introduction**

Police Scotland's operational strategy to tackle the threat posed by SOC is underpinned by the Scottish Government's national strategy 'Letting Our Communities Flourish' which is based upon four distinct strands of activity, Divert; Deter; Disrupt; and Detect. Whilst it is crucial to recognise that each of the four strands are unique in their own right and can operate independently of one another, in order to maximise our collective impact upon the threat posed by SOC every opportunity must be taken to identify and exploit the interdependencies between the strands to deliver a robust, proportionate and effective response to all aspects of SOC.

Responsibility and ensuring the most effective means to mitigate current and emerging crime threats to our communities cannot, and does not lie solely with the Police - a collective and structured multi agency approach is required.. Keeping people safe and enhancing our communities is at the forefront of both our individual and collective multi agency strategies and as such every opportunity must be taken to pro-actively exploit the tactics available to us, in order to impact upon the threats posed and sustain the response.

In order to address the problem of the emerging link between SOC and environmental crime, we must understand the scale of the problem including its geographical and business profile. Thereafter, a suite of tactical options; across all four stands of the National Strategy, can be deployed to impact upon the emerging threats. Tactics available include enforcement activity, proactive intervention which disrupts the activity of Serious Organised Crime Groups (SOCGs) including their logistical network, and focussed financial investigation utilising the powers within the Proceeds of Crime Act to identify and seize monies obtained through criminal activity.

#### **Serious Organised Crime Group Mapping**

In order to assess and track the constantly evolving threat posed by SOC, Police Scotland maintain a SOCG map which is updated quarterly and populated by data received from all 14 Police Scotland territorial divisions, the Specialist Crime Division and numerous partner agencies. The information provided covers all SOCGs currently under investigation by each of the submitting parties and includes details of individuals involved, criminal activities undertaken, linked businesses and a score-based threat assessment.

Collection of the data allows analysis of SOC at a national level to be conducted, identifying and examining the changes in both the activities and interests of SOCGs in Scotland. A profile on the links between the environmental sector and SOCGs produced in 2013 showed evidence of increased business interests within the environmental sector. Whilst recognising that this emerging trend may have resulted in a potential increase in environmental offences, it also highlighted the trend in respect of this type of criminal activity to law enforcement and partner agencies, enhancing the collective intelligence and threat picture and presented increased opportunities for disruption tactics to be employed. This was evidenced in 2013 when a SOCG mapping profile was published highlighting the involvement of Scottish SOCGs in waste management activities. Analysis at that time showed that only a small number of SOCGs were being mapped for involvement in environmental crime.

The percentage of mapped groups with a known involvement in Environmental Crime in 2012 was 1.35% overall. In 2014 this increased to 4.20% which clearly indicates the diversifying involvement of SOCG in this area. In the most recent collection of data in June 2014, ten SOCGs were recorded as having involvement in Environmental Crime, this represents a 50% increase over two years from 2012. Crimes reported included illegal waste dumping, unsafe storage of hazardous chemicals, operation of a skip hire company without a waste management licence and wildlife crime.

The mapping profile with regards to Environmental crime has been further enhanced by cross referring data with Scottish Environment Protection Agency's intelligence and licensing database. In the latest data analysis in May 2014, definitive or tentative matches were made to 102 nominals and 53 businesses common to both datasets. However it is important to recognise that it can be difficult to identify criminal activity in environmental businesses due to the overlay of a legitimate industry sector undertaking this activity.

Also, criminal business operating profiles for environmental crime are significantly different from those engaged in the control and supply of other more widely acknowledged criminal activities including illegal drugs. For example in terms of Environmental crime, illegal enterprises engaged in dumping of waste will select rural and isolated locations where there is very often little or no witnesses to the crime, whereas activity aligned to drugs supply require a high volume of traffic in order to enhance profits, which increases the risk of the activity being witnessed.

Yet, despite these varying profiles the continual development of the collection, assessment and application of data for SOCG Mapping (SOCGM) assists in enhancing our understanding of this problem.

As the activity and methodology of the criminal activities of SOCG evolves, so must our law enforcement approach to threat assessment, mitigation and enforcement. As such, a new SOCGM classification method is currently being developed to ensure that business data is supplied with a meaningful and useful classification which will include a separate sector for Environmental businesses and sub-sectors that cover Recycling, Scrap Yards, Skip Hire, Tyres and Waste Disposal. This data can then

be easily provided to Interventions teams to target the sectors/sub-sectors as opposed to individual operations targeting single businesses.

### **Financial Impact**

However, we must remain mindful that when we refer to keeping our communities safe, we have to recognise that our legitimate business enterprises are a community in their own right, who if we do not remain vigilant to the threat posed by SOC engagement in Environmental crime could be forced out of business, exposing the remainder of Scottish communities to significant risk of exploitation by SOC.

In response to this threat, Police Scotland's Financial Investigation Unit has been working closely with SEPA, since 2012 in order to target those individuals linked to SOCGs, who have branched out into environmental crime. The relationship has flourished and the importance of this area of business has delivered significant proceeds of crime enforcement and disruption opportunities. Operation NAVY which involved a Lanarkshire based SOC Group and where in excess £7 million of assets were reported to Crown for restraint in the financial year 2013/14 is an example of this.

The contribution SEPA can make in this regard has been recognised by the wider community and consequently they are now a key member of the Scottish Multi Agency Asset Recovery Team (SMAART) Strategic group.

### **Partnership Engagement**

We cannot become complacent or rest on the laurels of recent successes. Continued wider engagement with partners is vital to ensure that robust legislation is put in place to reflect the growing SOC involvement in the Environmental Industry. Such groups are well documented in exploiting the financial opportunities of largely cash based businesses for laundering money and other financial crimes. In addition, the Environmental Business presents the opportunity for SOCG to make large profits by circumventing industry regulations. The improper disposal of environmental waste will have an impact on current and future generations in Scotland. The enforcement of, and sentencing for, these crimes must reflect this risk.

We must ensure that consistent and robust application of current legislative provisions is undertaken in order to create a powerful deterrent to those generating profit through Environmental Crime. Previous successful prosecutions have resulted in fines disproportionate to the money being generated by criminals, offering them large rewards with relatively little risk. In 2012 the highest fine issued was £200 000 in relation to a company for the unsafe storage of hundreds of tonnes of waste which included waste electrical equipment.

### **Conclusion**

As such, as we move forward, we must; collectively seek every opportunity to further enhance our response to the threat posed by SOC engagement in Environmental crime.

To that end engagement between SEPA and Police Scotland continues to develop and it should be noted that a formal Information Sharing Protocol between the two organisations was signed in June 2014 and it is intended that a member of SEPA will be embedded within the SOCG Mapping team in the very near future. Police Scotland also continues to interact with SEPA through the Environmental Crime Task Force (ECTF) in order to shape future environmental policy and tackle the growing influence of Serious and Organised Crime in this arena.

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July 2014