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MINISTERIAL COMMITTEE ON SERIOUS AND
ORGANISED CRIME AND DRUGS

SOC(05)

MINUTES 1ST
MEMORANDA 1-3

CAB 134 / 6767

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**MINISTERIAL COMMITTEE ON SERIOUS AND ORGANISED CRIME AND
DRUGS**

2005

MEETINGS

MEETING	DATE	SUBJECT
1 st	29 November 2005	1. Serious Organised Crime Agency: Progress and Work Plan 2. Drugs Strategy: Delivery Update and Next Steps

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**MINISTERIAL COMMITTEE ON SERIOUS AND ORGANISED CRIME AND
DRUGS**

2005

MEMORANDA

MEMO NO	DATE	SUBJECT
1	21 June 2005	Composition and Terms of Reference
2	25 November 2005	Serious Organised Crime Agency: Progress and Workplan
3	25 November 2005	Drugs Strategy: Delivery Update and Next Steps

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SOC(05)1st Meeting

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**MINISTERIAL COMMITTEE ON SERIOUS AND ORGANISED CRIME AND
DRUGS**

**MINUTES of a Meeting held in the Cabinet Room, Downing Street on
TUESDAY 29 NOVEMBER 2005 at 4.15pm**

PRESENT

**The Rt Hon Tony Blair MP
Prime Minister
(In the Chair)**

**The Rt Hon Charles Clarke MP
Secretary of State for the Home
Department**

**The Rt Hon Desmond Browne MP
Chief Secretary to the Treasury**

**Philip Woolas MP
Minister of State
Office of the Deputy Prime Minister**

**The Rt Hon Harriet Harman MP QC
Minister of State
Department for Constitutional Affairs**

**The Rt Hon Beverley Hughes MP
Minister of State
Department for Education & Skills**

**The Rt Hon The Lord Goldsmith of
Allerton QC
Attorney General**

**Liam Byrne MP
Parliamentary Under Secretary of State
Department of Health**

**Paul Goggins MP
Parliamentary Under Secretary of State
Home Office**

**Sir Stephen Lander KCB
Serious Organised Crime Agency**

**Mr B Hughes
Serious Organised Crime Agency**

**Mr E Oakden
Foreign and Commonwealth Office
SECRETARIAT**

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Robin Fellgett
David Lamberti
James Crawforth

CONTENTS

ITEM	SUBJECT	PAGE NO
1.	SERIOUS ORGANISED CRIME AGENCY: PROGRESS & WORKPLAN	3
2.	DRUGS STRATEGY: DELIVERY UPDATE & NEXT STEPS	6

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ITEMS ONE – SERIOUS ORGANISED CRIME AGENCY: PROGRESS AND WORKPLAN

Introducing presentation [SOC(05)2], the HOME SECRETARY reported that good progress had been made in setting up the Serious Organised Crime Agency (SOCA). He paid tribute to Sir Stephen Lander and Bill Hughes' leadership. The new agency would begin in virtual form from January, and would be formally launched in April. SOCA would focus on reducing the harm caused to the UK by organised crime, and would be seeking to make three important changes: building intelligence in order to target action more effectively; developing new tools to help obstruct and dismantle networks; and ending the culture of competition between agencies. A number of important milestones remained before April, including agreeing SOCA's three year strategy, finalising budgets and governance arrangements, and putting in place the necessary secondary legislation. SOCA had also been asked to consider what additional powers they might need. Work was continuing to put in place the necessary personnel, accommodation, IT and working partnerships, all of which would take time.

SOCA's strategy, which would be available for colleagues in January, would focus on building up strategic and tactical intelligence, increasing asset seizures, disrupting organised crime networks, building strong domestic and international partnerships, and developing sectoral strategies to tackle individual crime types. Whilst there would be some quick wins during the first year (such as early prosecutions, asset seizures, and deployment of SOCA's new tools), it would take three to five years to make a real strategic impact.

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The following points were made in discussion:

- a. It would be important to send out a clear message that SOCA would make the lives of organised criminals difficult in every possible way, and that it was equipped with the tools to do so. In this context, SOCA and the Home Office would need to evaluate what additional powers were needed, especially new civil penalties. For example, they should look at what pre-emptive powers were required to disrupt the activity of organised criminals, including where there was insufficient evidence to obtain a criminal conviction. SOCA and the Home Office would report back no later than Easter.
- b. As well as looking at new powers, full use needed to be made of existing powers in the Serious and Organised Crime and Police Act 2005, the Proceeds of Crime Act (POCA) 2002, and in immigration law. Powerful tools were available, but these needed to be used more frequently and strategically to have an impact.
- c. SOCA's strategy would need to include specific sectoral responses to different crime types, but also responses to country-specific threats. The International Group chaired by the Foreign and Commonwealth Office was compiling action plans for ten priority countries, evaluating the nature of the threats and how action might best be targeted to deal with them. There were links to the UK's wider foreign policy objectives to tackle corruption and organised crime in failing and unstable states.
- d. It would be important to ensure that boundaries between jurisdictions in the court system did not hinder a properly joined up response in dealing with organised criminals. Individuals were often involved in more than one area of crime, and there were particularly strong links between illegal immigration and

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other criminal activity. There needed to be a proactive approach to preventing organised criminals from coming to the UK and dealing with those discovered here.

- e. Law enforcement agencies and the courts would need to be aware of SOCA's approach and its powers. Further work would be needed to promote this understanding and develop dialogue.
- f. Successful asset recovery was vital to tackling organised crime and drugs. Only a very small percentage of the proceeds of organised crime was currently being recovered and the powers in the Proceeds of Crime Act 2002 needed to be mainstreamed into police business and used more robustly. The system of incentives for police and enforcement agencies should be reviewed, as should the case for lowering the £5000 threshold for cash seizures.

Summing up, the PRIME MINISTER welcomed the progress in establishing SOCA and thanked Sir Stephen Lander and Bill Hughes for their work. He said that the Committee:

- i. took note of progress in preparing for the launch of the new agency, and looked forward to seeing the three year strategy, sectoral strategies and country-specific action plans;
- ii. should have a report back on the need for new powers, including civil powers; SOCA and the Home Secretary should explore whether the work could be completed sooner than Easter;
- iii. agreed that asset recovery needed to be mainstreamed into police business, and the system of incentives for police and enforcement agencies to engage

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in asset recovery should be reviewed, along with the take-up of the POCA powers. The case for lowering the £5000 threshold for cash seizures should also be reviewed. The Home Secretary should look at this, in consultation with SOCA, and report back to SOC.

- iv. agreed that the Home Secretary should review the use made of powers in immigration law to deport foreign nationals accused of criminal activity, and report back to SOC.

ITEM TWO – DRUGS STRATEGY: DELIVERY UPDATE & NEXT STEPS

Introducing presentation [SOC(05)3], the PARLIAMENTARY UNDER SECRETARY, HOME OFFICE outlined the findings of the Prime Minister's Delivery Unit's July 2005 assessment of the Drugs Strategy. Very encouraging progress had been made against most of the targets, particularly in getting more drug users into treatment. There were 89% more users were now entering treatment compared to 1998, and the numbers were on course to double by 2008. However, several challenges remained. These included developing successful wraparound services (such as housing, education and employment); building more effective partnership working at local, regional and national level; increasing the size and skills of the workforce; and communicating more effectively the positive work the Government is doing to tackle drugs.

Continuing, the PARLIAMENTARY UNDER SECRETARY, HOME DEPT said that although Class A drug use by 16–24 year olds remained stable, more work was needed to join up local children's and drugs misuse services so that early interventions could be made for vulnerable young people. This applied especially in the thirty areas that had been identified for priority action.

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On the supply side, cocaine seizures remained on trajectory, and there had been a very positive local response to the closure of 170 crack houses as a result of Operation Crackdown. Heroin seizures remained below the target trajectory, although the position was improving. In addition, SOCA had been working on the Street Level Up approach to develop a more comprehensive picture of the drugs market so that more strategic interventions can be made to disrupt and dismantle the supply chain.

Whilst drug-related acquisitive crime had fallen, there were concerns about drop out rates between contact and assessment. The new measures in the Drugs Act 2005 (testing on arrest and mandatory assessment) would help to increase the numbers of drug users on the Drugs Intervention Programme. Implementing the new measures would be a major task.

The final challenge identified was improving treatment effectiveness. Progress had been made in reducing waiting times from 4 weeks to 2.3 weeks, but work would be needed to increase the number retained in treatment for more than 12 weeks, which was a critical point in determining success. Departments would need to work closely in focusing on each of the challenges requiring priority action.

The following points were made in discussion:

- g. The Drug Strategy needed to focus on the most difficult 10% of problem drug users, who were responsible for up to 75% of drug-related crime. It was vital that these individuals were identified, given the right treatment and rigorously monitored. Tough sanctions needed to be available where individuals did not comply with treatment. Were the right structures and powers in place?

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- h. A relatively small number of individuals and families leading chaotic lifestyles caused a disproportionate amount of harm. It was a wider social problem as well as an issue of law and order. They often called upon a variety of public services, including claiming incapacity benefits. These individuals needed to be managed in a structured way. Effective treatment programmes, wraparound services and close monitoring were at the heart of this. However, where individuals continued to live in a chaotic fashion and to fall back into drug use and re-offending they needed to be subject to tough sanctions and constraints. This was important in protecting the public.
- i. The effectiveness of treatment programmes needed to be improved. Whilst very good progress had been made in increasing the numbers in treatment, it was necessary to reduce variability in effectiveness between areas and programmes. Treatment effectiveness needed to be constantly reviewed to check that the right programmes are being offered and to ensure value for money. The Comprehensive Spending Review would need to look at this issue.
- j. There were a number of systemic issues that needed to be addressed, such as treatment effectiveness for problem drug users, drug use in prisons and implementation of the new Drugs Act 2005 measures. The mechanism to bring offenders back before the courts needed to be reviewed to ensure it was being used to best effect.
- k. A high level of investment had been channelled into the Drugs Strategy and it was important to ensure that value for money was being realised, particularly in reducing the harm caused by drug-related crime. There would need to be detailed work on treatment effectiveness and its impact on crime reduction as

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part of the Comprehensive Spending Review, which would be following a zero-based approach in some areas.

- l. ODPM were looking at better targeting of the Supporting People budget to address the housing needs of problematic drug users and would bring forward a report.
- m. Treatment strategies needed to be sensitive to the needs of particular communities. For example, patterns of drug use were different amongst the Muslim community because individuals might be more likely to turn to drugs rather than alcohol.
- n. It was important that the courts were presented with a strong menu of disposals to choose from. They needed appropriate information on the options, so that they could be confident in selecting and applying the most effective one. Some powers, such as Individual Support Orders, were currently being used very infrequently. Further dialogue with the judiciary was required to explore why.
- o. The links between drugs interventions and prolific offender programmes needed to be reviewed to ensure they were closely aligned.
- p. Ex-drug users who had successfully come off drugs and stopped offending could be positive role models for those in treatment.

Summing up, the PRIME MINISTER praised the work done by Departments and agencies in implementing the Drugs Strategy so far. He said that the Committee agreed that:

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- i) good progress had been made in implementing the Drugs Strategy, but a renewed focus was required to make sure it had the maximum possible impact in reducing drug-related crime. This was the overarching purpose of the Strategy, and the criterion against which value for money should be assessed;
- ii) further work should be undertaken jointly by the relevant departments to: identify the 10% most problematic drug users causing most crime; to focus on how to improve treatment for individuals (particularly the group causing most crime); and to assess whether the right sanctions and powers were available so that appropriate constraints could be imposed on those who did not comply, including bringing individuals back to court. A paper should be presented to the next meeting of SOC;
- iii) work should continue on the areas identified for priority action, including the development of wraparound services; increasing treatment effectiveness and removing local variability; and ensuring early interventions with vulnerable young people. In addition, the alignment between persistent offender programmes and drugs interventions, the low take up of Individual Support Orders, and the targeting of the Supporting People budget needed to be reviewed. There should be a report to the next meeting of SOC.

Cabinet Office
5 December 2005

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SOC(05)1
21 June 2005

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**MINISTERIAL COMMITTEE ON SERIOUS AND ORGANISED CRIME AND
DRUGS**

COMPOSITION AND TERMS OF REFERENCE

Note by the Secretary of the Cabinet

By direction of the Prime Minister a Committee has been constituted with the following Composition and Terms of Reference:

COMPOSITION

Prime Minister (Chair)
Deputy Prime Minister and First Secretary of State (Deputy Chair)
Chancellor of the Exchequer
Secretary of State for Foreign and Commonwealth Affairs
Secretary of State for Health
Secretary of State for the Home Department
Minister without Portfolio
Secretary of State for Constitutional Affairs
Secretary of State for Education and Skills
Attorney General

Other Ministers and officials may be invited to attend as necessary.

TERMS OF REFERENCE

"To develop and co-ordinate the Government's strategies for tackling organised crime and drugs misuse"

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SECRETARIAT

The Secretaries are Sir Andrew Turnbull KCB CVO, Mr R Fellgett, Ms G Edwards and Ms A Martin, Cabinet Office.

SIGNED SIR ANDREW TURNBULL

**Cabinet Office
21 June 2005**

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SOC(05)2
25 November 2005

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**MINISTERIAL COMMITTEE ON SERIOUS AND ORGANISED CRIME AND
DRUGS**

SERIOUS ORGANISED CRIME AGENCY: PROGRESS & WORKPLAN

Note by the Secretaries

Attached is a presentation by the Home Secretary, outlining the Agency's emerging strategy for tackling serious organised crime. It highlights progress towards establishing the Agency and identifies the key milestones up to its formal launch on 1 April 2006.

SIGNED

**SIR GUS O'DONNELL
MR P BRITTON
MR R FELLGETT
MR D LAMBERT**

**Cabinet Office
25 November 2005**

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Serious Organised Crime Agency



Serious Organised Crime Agency Programme

A 21st century strategy to defeat organised crime

Serious Organised Crime Agency



Serious Organised Crime Agency Programme

A 21st century strategy to defeat organised crime

Why establish SOCA?

- To reduce the harm caused by organised crime to the UK, targeting the most important criminal sectors – despite our achievements, we need to do better
- Three important changes:
 - building knowledge and understanding, so we can use the right tools against the right targets
 - developing new tools, to complement traditional criminal enforcement
 - breaking the cycle of competition between agencies

Government action needed

Nearly there. Outstanding tasks (Home Office):

- agree three year strategy, finalise budget and governance documents (December)
- secondary legislation to implement SOCAP Act (December onwards)
- consider possible new powers (Easter)

Important to give SOCA team the space to deal with integration / cultural change



Serious Organised Crime Agency Programme

A 21st century strategy to defeat organised crime

SOCA action needed for launch

- Mapping people to their posts and locations (December)
- Final resolution of accommodation, IT, training etc (December)
- Establishing partnerships e.g. with police, HMRC (on-going)
- Ensuring SOCA operates in new and better way (on-going)

SOCA strategy

- To increase knowledge & understanding of SOC (strategic and tactical intelligence)
- To secure seizure of a far greater proportion of SOC money and assets
- To increase the risk to SOC operating in the UK
- To join up domestic and international efforts on SOC
- To support domestic operational partners effectively
- All supported by sector specific strategies



Serious Organised Crime Agency Programme

A 21st century strategy to defeat organised crime

Delivery

SOCA in virtual form from January – activity increasing to April

Quick wins – criminal discomfort and stakeholder recognition of value (12 months from day 1) e.g. cases in court, assets seized, new tools deployed

Strategic impact over 3 -5 year timescale:

- Strategic intelligence (new actions, leading to quality information and better focussed criminal & civil enforcement)
- Focus on impact of enforcement (outcomes re harm)
- New programmes to make UK difficult for SOC (Intervention)



Serious Organised Crime Agency Programme

A 21st century strategy to defeat organised crime

Serious Organised Crime Agency



Serious Organised Crime Agency Programme

A 21st century strategy to defeat organised crime

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SOC(05)3
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MINISTERIAL COMMITTEE ON SERIOUS AND ORGANISED CRIME AND
DRUGS

DRUGS STRATEGY: DELIVERY UPDATE & NEXT STEPS

Note by the Secretaries

Attached is a presentation by the Parliamentary Under Secretary Of State, Home Office, showing recent performance in delivering the National Drugs Strategy and key challenges requiring priority action.

SIGNED

SIR GUS O'DONNELL
MR P BRITTON
MR R FELLGETT
MR D LAMBERT

Cabinet Office
25 November 2005

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**TACKLING
DRUGS**

**CHANGING
LIVES**

Drug Strategy Delivery Update

Serious Organised Crime and Drugs Committee

29 November 2005

Progress	PMDU Assessment (July 2005)
Overall: Drug Harm Index showing downward trend	Green
Young People: Class A drug use among 16-24 year olds stable	Amber/Green
Treatment: 89% more drug users entered treatment in 2004/05 compared to 1998	Amber/Green
Drug-related Crime: down by 8% in the year to September 2005. 2,000 drug-misusing offenders entered treatment in September 2005 through DIP	Amber/Green
Supply: good progress in tackling supply - seizures, gangs and assets	Amber/Red

OVERALL, PROGRESS IS GOOD...

**TACKLING
DRUGS
CHANGING
LIVES**

- Ensuring **wrap around services**, such as housing, education and employment are in place
- Effective **partnership working** at national, regional and local level and between public, private and voluntary sectors
- Increasing the size and skills of the **workforce**
- Better **communication** with stakeholders and public on the progress being made

...BUT CHALLENGES REMAIN

**TACKLING
DRUGS
CHANGING
LIVES**

Progress:

- **Class A drug use** by 16-24 year olds in the last year remains **stable**, with falls in the pattern and use of some drugs.
- **Frequent use of any drug by 11-15 year olds** down from 6.9% in 2001 to 4.9% in 2004.
- Evidence of reductions in drug use by 11-15 year old vulnerable young people. Interventions yet to impact overall on **drug use by 'most at risk' groups**, which remains **stable**.

Challenge: Joining up local children's and drug misuse services to ensure delivery of effective early interventions for vulnerable young people (DfES/HO).

YOUNG PEOPLE

**TACKLING
DRUGS
CHANGING
LIVES**

Progress:

- Cocaine seizures, groups disrupted and drug-related assets seized on trajectory to September 2005. Heroin seizures below trajectory, but improved on previous year.
- Between 2000 and 2003/04, the proportion of people perceiving drug use or drug dealing as very or fairly serious problem reduced from 33% to 25%. 2004/05 data stable compared to 2003/04.
- Operation Crackdown: 170 crack houses closed with new ASB powers. Creation of SOCA.

Challenge: ensure better links between supply and demand activities.

SUPPLY

**TACKLING
DRUGS
CHANGING
LIVES**

Progress:

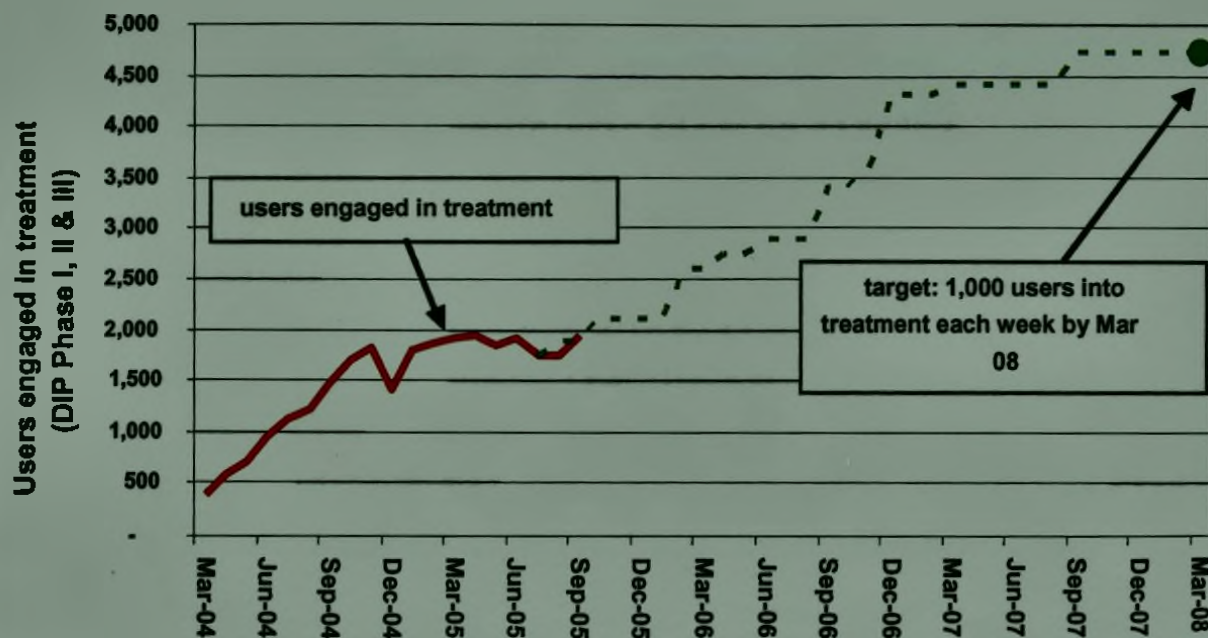
- **Drug-related acquisitive crime fell** by 8% in the year to September 2005.
- **September 2005: nearly 2,000 offenders entered treatment** through DIP. On track to achieve 1,000 into DIP a week by 2008.
- **Drop out rates reducing** between contact and assessment. Average of 50% assessed after contact in the last quarter compared to 29% in October 2004.

Challenge: Implement the new Drugs Act measures - *"Tough Choices"*: testing on arrest and mandatory assessment - to deliver further sharp increases in DIP numbers.

DRUG-RELATED CRIME

**TACKLING
DRUGS
CHANGING
LIVES**

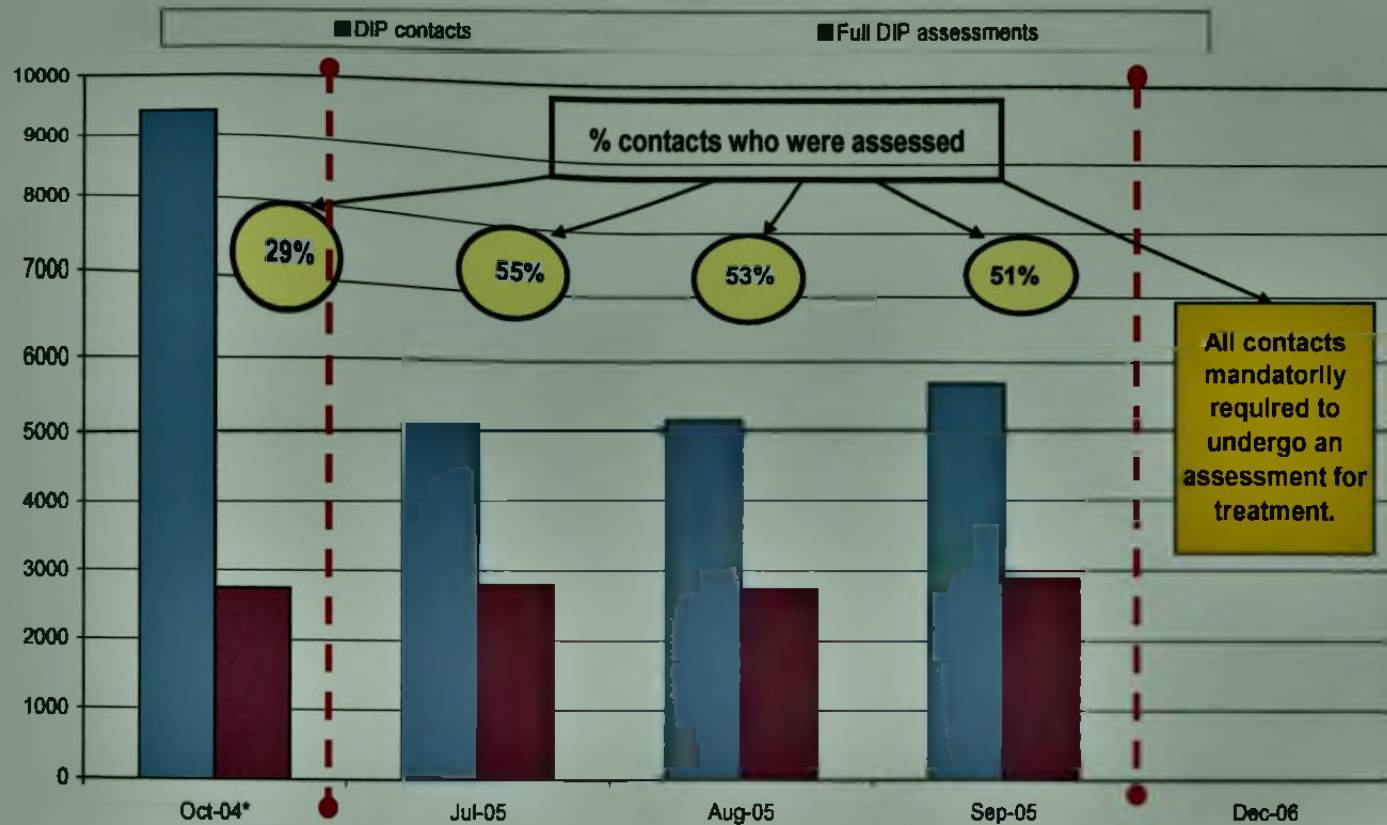
Users engaged in treatment - DIP Phase I, II and III



DRUG INTERVENTIONS PROGRAMME

**TACKLING
DRUGS
CHANGING
LIVES**

Phase I, II & III: ALL DIP Clients - drop out rates



* note: October 2004 figures do not include Phase III areas.

DRUG INTERVENTIONS PROGRAMME

**TACKLING
DRUGS
CHANGING
LIVES**

Progress:

- **89% more drug users entered treatment** in 2004/05 than in 1998 – ahead of trajectory.
- **Waiting times at their lowest ever** - from more than 9 weeks in December 2001 to 2.3 weeks in June 2005.
- **Increasing numbers retained** in treatment for more than 12 weeks.

Challenge: Improve effectiveness in a community or custodial setting to remove variations on treatment quality and attrition.

TREATMENT

**TACKLING
DRUGS
CHANGING
LIVES**

Challenges requiring priority action:

- Ensure wrap around services, such as **housing**, are in place (ODPM/HO/DH/NTA/DfES/DWP);
- Deliver effective early interventions for **vulnerable young people** (DfES/HO);
- Improve **treatment effectiveness** in a community or custodial setting to remove variations on treatment quality and attrition (DH/NTA/HO);
- Implement the new Drugs Act measures - "**Tough Choices**": testing on arrest and mandatory assessment (HO/DCA).

SOC is invited to remit DWG:

- to use these as a Strategic Framework for priority action;
- to draw up a work plan that ensures rapid progress is made in these areas; and
- to provide SOC with regular updates on progress.

WHAT NEXT?

**TACKLING
DRUGS
CHANGING
LIVES**