



Intelligence and Security Committee

Report on Security Service Work Against Organised Crime

Chairman:
The Rt Hon Tom King CH MP

Intelligence Services Act 1994
Chapter 13

Presented to Parliament by the Prime Minister
by Command of Her Majesty
DECEMBER 1995

From the Chairman: the Rt. Hon. Tom King, C.H., M.P.

INTELLIGENCE AND SECURITY COMMITTEE

70 Whitehall
London SW1A 2AS

16 November 1995

The Rt. Hon. John Major, M.P.
Prime Minister
10 Downing Street
London SW1A 2AA

The Committee have been taking a close interest in the possible involvement of the Security Service in work against organised crime, and your earlier reference to this at Blackpool has now been confirmed in the Queen's Speech. We have been taking evidence on the matter, and I enclose a report on it. The Committee hope that you will agree to lay this report as soon as convenient before Parliament in advance of its consideration of this important policy change.

TOM KING

Report to the Prime Minister by the INTELLIGENCE AND SECURITY COMMITTEE

The Rt. Hon. Tom King, CH, MP (Chairman)

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The Rt. Hon. Dr John Gilbert, MP Mr Allan Rogers, MP

The Rt. Hon. Sir Archibald Hamilton, MP Sir Giles Shaw, MP

SECURITY SERVICE WORK AGAINST ORGANISED CRIME

1. You announced recently the decision to bring the Security Service into the fight against organised crime, and that proposals to change the law would be introduced later this year to enable that to take place. Within that broad policy, there are clearly some very important decisions to be taken on exactly what the Service's role will be, the structures within which it will work, its accountability and what has been termed by Chief police officers 'transparency'. This is an area in which the Committee have a close interest, and the Home Secretary has undertaken to keep us in touch with the proposed changes. We decided, however, to examine and review this important policy change at this stage, and to report to you on our findings, in order that our views might be available to those involved in developing the policy and drawing up the necessary legislative changes.

Taking evidence

2. In the Spring, the Home Secretary and the Director-General of the Security Service gave evidence to us that preliminary discussions were under way between the Service, the Home Office, the police, the National Criminal Intelligence Service (NCIS), HM Customs and Excise, SIS and GCHQ on the extent to which the Security Service might be able to help

counter organised crime. Since your announcement, we have taken evidence from the police (both the Metropolitan Police Commissioner and the President of the Association of Chief Police Officers); the Director-General of NCIS; the Director-General of the Security Service, and officials in the Home Office. Earlier, we took evidence also from a range of departments and agencies on the work already being done in this area by SIS and GCHQ - including from the Heads of those Agencies, and from HM Customs and Excise officials - as part of our main enquiry into how the Agencies have adapted to the new situations post-Cold War, and the relevant resources questions arising therefrom.

An agreement on principles

3. An interdepartmental group on a possible role for the Security Service in this field reported to Ministers in the late Summer. We were told that preliminary agreement had been reached on a number of principles that would guide any Security Service contribution, as follows:

- primacy of responsibility for countering organised crime lies, and should remain with, the law enforcement organisations;
- in respect of intelligence work on organised crime, the Security Service should work through NCIS and the existing co-ordinating groups (see paragraph 4 below). It should not operate independently and unseen by those bodies;
- the Security Service should act in support of NCIS, Chief Officers of Police, Regional Crime Squads and HM Customs and Excise;
- in order to assist to the greatest extent possible, the Security Service should be able to draw on its full range of skills, capabilities and expertise; and
- the Security Service should bear the costs of its own contribution.

Structures

4. The agreement on principles is a useful starting point from which to take forward the detailed debate over the weeks and months ahead. It makes clear that the Security Service will act *in support of* the law enforcement organisations and work through the existing co-ordinating groups, which we understand to be:

- an Operations Group, chaired by NCIS, which brings together all the relevant agencies and agrees on operational plans and priorities; and
- a policy level group, chaired by the Home Office, to which the Operations Group reports and which, in turn, reports to the Home Secretary.

5. You announced also the setting up of a national squad to take on organised crime. Parliamentary scrutiny of this proposal will be primarily the responsibility of the Home Affairs Select Committee. Our interest is to see that the working arrangements for such a “squad” enable the Intelligence and Security Agencies to pursue their supporting roles effectively. We cannot yet comment on this as the evidence given to us indicates that certain important issues still remain to be resolved, in particular how such an organisation would be constituted, how it would relate to existing law enforcement organisations and the extent to which there would be central direction. Nor is it clear whether it would be intended to operate on a UK-wide basis, or only in England and Wales.

Conclusions

The Security Service contribution

6. The Committee are agreed that the Security Service can bring a distinct package of skills to this arena (intelligence acquisition, processing, assessment and exploitation); its approach would be characterised by long-term investigation and analysis aimed at gaining a strategic advantage over organised crime targets. The Director-General of the Service has told us that although the business of Security Service work on organised crime will in some degree be new, the habit of collaboration with the law enforcement organisations will certainly not be; and police witnesses have paid tribute to the contribution that the Service has made, and continues to make, against terrorism. At the same time, it has been suggested to us that, with the continuing commitments to work against terrorism, espionage, proliferation and subversion, the resources available will be at first relatively small. Officers may be seconded to NCIS to help develop working relationships, but it seems unlikely that any resources will be transferred permanently. Equally, it is possible that at some point in the future decisions may have to be taken to move resources back onto work against the ‘traditional’ national security targets.

7. The Committee believe, however, that there are certain key aspects that have not yet fully been resolved. They relate to the tasking, command, integration and accountability of the Service, particularly where its work extends into the operational field (in the areas of surveillance, agent handling and the use of technical devices); there is still much work to be done on the practicalities of co-operation in an area where the Service must operate clearly within the constraints of the Criminal Justice System.

Legislation

8. In respect of the legislation, the Committee are of the view that it would be insufficient simply to add the countering of organised crime to the Service's responsibilities under the Security Service Act 1989 - for example, by the addition of a phrase such as that used in sections 1 and 3 of the Intelligence Services Act 1994 (ISA) for SIS and GCHQ. (It is worth noting also that the phrase used in the ISA is "serious" rather than "organised" crime, and it will be necessary for the legislation to address itself to this point.) Moreover, as compared with SIS and GCHQ - who are 'providers' working to tasks levied on them by their customers - the Security Service essentially is 'self-tasking' in relation to its existing statutory functions. The Service can and does already work on this self-tasking basis, *with* the law enforcement organisations, against those aspects of organised crime that have significance for national security or which may threaten the economic well-being of the state. In so far as the Service is to be given a new role in countering 'conventional' criminal activity, the legislation needs to make very clear that it will be working *in support of* the law enforcement organisations. Accountability issues will also need to be resolved, as will the differing systems under which authorisation is given for the interception of communications and for the entry on, or interference with, property.

9. The Committee believe that the points above will need careful attention in proposals brought before Parliament, and therefore are submitting this report to you.

Signed TOM KING

Chairman, on behalf of the
Intelligence and Security Committee

16 November 1995



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