

# National Strategic Assessment of Serious & Organised Crime

## NSA 2019: Speech by DG Lynne Owens

[BEGINS]

Thank you for joining us today.

I want to talk to you about a current threat to this country that is both chronic and corrosive – as serious as it has been in any of our lifetimes.

One of the greatest challenges we face in dealing with serious and organised crime is its hidden nature. And there is a danger that we become complacent about the things we cannot see.

The National Strategic Assessment we are publishing today shines a light into the hidden places – and reveals a reality that should trouble us all.

It is the most comprehensive assessment we have ever produced and describes in detail the growing and ever changing nature of the threat posed by serious and organised crime – to individuals, to communities and to wider society.

- Serious and organised crime affects more UK citizens, more frequently than any other national security threat
- Serious and organised crime kills more of our citizens every year than terrorism, war and natural disasters combined
- Serious and organised crime costs the UK at least £37 billion each year – equivalent to nearly £2,000 per family. This is likely to be a significant underestimate.
- There are more than 4,542 organised crime groups active in the UK
- There are believed to be at least 181,000 people involved in serious and organised crime in the UK – more than twice the strength of the regular British Army

The numbers are vast – but the threat is growing and evolving at breakneck speed.

We know that:

- There are nearly 2.9 million accounts registered on the worst child sexual abuse sites on the dark web worldwide – more than 5% of which we believe are from offenders based in the UK
- The number of referrals to the NCA from industry of online child sexual abuse and exploitation have increased by 700% since 2012.

- Referrals of potential victims of modern slavery increased by 36% in 2018 compared with the year before – a rise of more than 80% since 2016.
- The number of 'County Lines' drug supply lines has increased from 720 to around 2,000 in a little over a year.
- Financial losses from fraud soared by an incredible 32% between April and September 2018. There were 3.6 million incidents of fraud reported in England and Wales in 2018, at an overall cost of £190 billion.

To confront this mutating threat I have set three operational priorities for us all to focus on.

We will target those who exploit the vulnerable through child sexual abuse and exploitation, trafficking, servitude, fraud and other forms of abuse.

As just one example, in March 2019, a Manchester man was jailed for 15 years for raping a six-month-old baby and sexually assaulting a two year old boy in order to produce and share indecent images of children. Within 24 hours of intelligence being received from US authorities, using our specialist victim identification capabilities we were able to identify and arrest the offender and safeguard both children.

We will target those who dominate communities and chase profits in the criminal marketplace using violence or criminal reputation in the supply of drugs and firearms.

This month, two men were jailed for a total of 29-and-a-half years for conspiring to sell handguns made at an illegal gun factory in Sussex. At the time of arrest, we seized three complete firearms, and a further 120 weapons still being made.

Six more guns made at the facility have since been recovered by law enforcement, one of which is known to have been used in two attempted murders in London.

And the threat is not just home-grown. Last month, we stopped 12 handguns from entering the UK from Latvia. These weapons were destined for criminals in East Anglia, where again they would have been used to create fear and intimidation and commit serious violence in communities.

We will target those who undermine the UK's economy, integrity, infrastructure and institutions through their criminality.

As a result of just one long-running operation, we have seized more than £95 million worth of cash – denying its use to fund future criminal activity.

I can't tell you how proud I am of the women and men I work alongside, not just in the NCA but partners in law enforcement, Government, the charity sector and industry.

But none of us are complacent about the scale of the challenge that faces us.

It is a challenge that is made all the greater by the overwhelming pace at which technology is developing – both as an enabler of crime and accelerator of harm.

I have mentioned the dark web, which allows criminals to hide their location and identity.

In one case, we targeted the users of a dark web site containing more than 145,000 videos of the most horrendous child sexual abuse, which had been downloaded more than a million times.

Our work led to one of those vile offenders being jailed for 22 years – after he raped a five-year-old boy and abused a three-year-old girl. Working with partners in South Korea and the US, we used our victim identification specialist capabilities to identify the offender and safeguard both victims.

In January this year three men who ran a dark web business selling the lethal drugs fentanyl and carfentanyl to hundreds of customers across the UK and worldwide were jailed for 43 and a half years. When officers from the NCA and West Yorkshire Police raided the drug facility they made the single largest seizure of Carfentanyl made to date in Europe – equivalent to millions of lethal doses.

Cryptocurrencies are increasingly being used to launder criminal funds. In April this year, we secured the conviction of one of the most prolific cyber criminals ever identified in the UK. He was sentenced to more than six years in prison.

He and his group owned and operated one of the most sophisticated pieces of malicious software ever developed, with his criminality affecting millions of people in communities across more than 20 countries.

He generated millions in ransom payments by blackmailing countless victims and threatening them with bogus police investigations, using virtual and cryptocurrency technology to launder the proceeds.

Day by day, hour by hour, the threat is evolving and escalating.

There has been a growing debate recently about the duty the tech sector has to protect their users and prevent criminal abuse of their platforms.

Technology already exists to design out a lot of preventable offending.

Industry must block child abuse images upon detection and do more to prevent online grooming.

It must work with us to stop live-streaming of child abuse.

It must do more to stop its platforms being used to advertise the services of people smugglers, or facilitate sexual exploitation.

It must be more open and share best practice.

In short, it must do much more, and do it much quicker. There is a need for nothing less than a revolution in the ways that tech companies rise to the challenge.

The majority of serious and organised crime in the UK continues to have clear international links. Organised crime groups active in the UK continue to source illegal commodities and exploit the vulnerable from beyond our shores, underlining the importance of international partnerships.

In one operation we disrupted a criminal network attempting to smuggle 1.4 tonnes of cocaine into the UK by yacht. Five individuals were sentenced to a total of 120 years' imprisonment as a result.

Professional enablers such as accountants and solicitors play a pivotal role in facilitating the movement and concealment of criminal finance, as seen from the many high-value investigations into illicit finance and asset denial in the last year.

Just in recent days, after a gruelling case that lasted eight years, we recovered around £6 million worth of assets from a significant money laundering group, including a hotel and a Bentley. Some of the proceeds of crime were held by a practising barrister.

As the threat evolves, as criminals adapt and refine their methods, so too must we. We must stay ahead. To do that we must build new and advanced capabilities – developing the skills and the tools we need to pursue those offenders who pose the greatest risk and cause the greatest harm.

Today, law enforcement is under pressure as never before.

- Crime is rising – certainly crime of the most serious kinds
- Complexity is rising – as criminals continue to cross both geographic borders and digital frontiers
- Threat is rising – as criminal networks become more extensive, more sophisticated and, in many cases, prepared to use greater levels of violence

Just at the point in time where resources are under the greatest strain.

Given the vast scale and rapid evolution of the threat, it is our professional assessment that the law enforcement system needs investment of an additional £2.7 billion over three years.

Some may say that we cannot afford to do that – to which my response is – we cannot afford not to.

This investment will enable us to resource growing demand and to build capabilities in areas such as digital forensics, covert surveillance, financial investigations and other critical skills we need to combat serious and organised crime in the 21st century.

Visible, front-line policing is vital to public safety, but the reality is that we will not defeat serious and organised crime with beat officers alone.

Some of the capabilities we need are most effectively and efficiently delivered at the local or regional level. Others however, the NCA must deliver on a national basis, providing the right agencies with the right capabilities at the right time to deliver maximum impact.

As part of that overall investment, the NCA specifically is seeking to increase our annual budget by £650 million to £1 billion – an amount less than serious and organised crime costs the country each and every week. This will enable us to drive and deliver the holistic approach we need and to fulfil our mission of leading the UK's fight to cut serious and organised crime:

- Pursuing offenders through prosecution and disruption, bringing all our collective powers to bear
- Preventing people from engaging in serious and organised crime
- Protecting victims, organisations and systems from its harms
- And preparing for when it occurs, mitigating its impact

There has never been a dedicated funding stream for SOC, restricting our ability to focus investment strategically on the highest priority skills.

Now is the time to address that. Despite the courageous and exemplary work of police and NCA officers across the country, we need to further invest to get ahead of the threat.

The choice is stark. Failing to invest will result in the gradual erosion of our capabilities and our ability to protect the public.

Serious and organised crime is a societal issue. To fight it we need a societal response. It is not a threat law enforcement can fight alone – we need:

- Government to invest, empower and enable law enforcement to pursue those offenders who pose the greatest risk to our communities
- The finance and regulated sectors to help crack down on illicit finance that underpins and rewards criminality
- The technology sector to work with law enforcement, supporting us with professional expertise and reducing criminal abuse of their platforms
- And crucially, we need the public to be our eyes and ears - to be alert to the signs of serious and organised crime in our communities, much of which is hidden in plain sight. To report any concerns, and to consider their own behaviours and choices which may, however unwittingly, support serious and organised crime - from the use of recreational drugs to cheap and exploited labour in nail bars, car washes and elsewhere.

The sheer scale of the human and financial cost of serious and organised crime is vast. It is a chronic threat, evolving and mutating as it adapts to our changing society. It is a corrosive threat, tearing at the fabric of our communities and our country's economic wellbeing.

Each of us is affected by serious and organised crime in some way. Each and every one of us has a role to play in fighting it.

Thank you.

[ENDS]