

House of Commons
Scottish Affairs Committee

**CUSTOMS SERVICES IN
SCOTLAND:
RESPONSE BY THE
GOVERNMENT
to the Fourth Report of the Committee
of Session 2001–02 (HC 782)**

Second Special Report
of Session 2001–02

Report with Appendix

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SECOND SPECIAL REPORT

The Scottish Affairs Committee has agreed to the following Special Report:

**CUSTOMS SERVICES IN SCOTLAND:
RESPONSE BY THE GOVERNMENT TO THE FOURTH REPORT
FROM THE SCOTTISH AFFAIRS COMMITTEE, SESSION 2001-02,
ON CUSTOMS SERVICES IN SCOTLAND**

On 16 May 2002 the Scottish Affairs Committee published its Fourth Report of Session 2001-02 on Customs Services in Scotland. We have received a memorandum from the Government which contains a response to the Report. The memorandum is published without comment as an appendix to this Report.

APPENDIX

**Memorandum submitted by
Mr John Healey MP, Economic Secretary, HM Treasury**

1. In February 2002 the Scottish Affairs Committee of the House of Commons announced its intention to undertake a short inquiry into aspects of Customs services in Scotland. HM Customs & Excise (Customs) provided written evidence to the Committee in March and April 2002. Mr Terry Byrne, Director Law Enforcement, Mr Ian Mackay, Regional Business Services Manager, and Mr Steve Brassington, Head of Detection, North Region, gave oral evidence on 22 April this year. The report of the Scottish Affairs Committee's fourth inquiry was published on 16 May 2002. The Government has considered the Committee's recommendations and this memorandum sets out the Government's response.

INTRODUCTION

2. The principal focus of the Committee's inquiry was the Department's arrangements for determining the level and location of frontier resources necessary to combat the smuggling of illicit goods, including drugs, into Scotland. In evidence, officials explained these arrangements in the following terms.

Assessment of the threat. The key factor in determining Customs' resource deployments is an assessment of the threat posed by the traffic moving through a particular port or airport, or entering the United Kingdom in non-commercial traffic (for example, yachts). The threat at any one location has to be assessed in the context of the general threat across the whole of the United Kingdom. The Customs assessment is that the principal threat to Scotland is indirect smuggling through England, particularly smuggling through the south and east coast ports. The National Criminal Intelligence Service (NCIS) in its 2002 threat assessment came to a similar view. NCIS concluded for instance that criminals based in North West England are responsible for a large proportion of the cocaine and heroin reaching Scotland.

Intelligence and flexibility. The Department's approach to resource deployment is essentially intelligence-led and flexible. The smuggling threat is not static. The smugglers change their routes and methods to avoid Customs controls. The Customs response has therefore to be flexible and dynamic if it is to be effective. Customs believe that their intelligence function, working in conjunction with the police and

other agencies, is capable of identifying the smuggling threat and that the resource deployment system is flexible enough to enable the Department to respond rapidly and effectively to new or changed threats. Customs monitors and regularly assesses the smuggling threats to Scotland and matches its resource deployments to address new, specific threats and changes in the general pattern of smuggling.

Visibility. Customs recognises the importance of maintaining public support and confidence in all aspects of its work. The Department's deployments therefore take account of the need to produce a visible anti-smuggling presence as a means of deterring potential smugglers and as an avenue for local people to support the Department's law enforcement work. The Department recognises that this has been an area of concern and is taking additional steps to respond to these concerns. Some of these new initiatives are described in the responses to the Committee's recommendations set out below.

RESPONSE TO RECOMMENDATIONS

3. The Committee's 7 recommendations and conclusions are set out below along with the detailed responses.

(a) We believe that HM Customs and Excise should receive additional resources in order to counter illegal meat imports (paragraph 10).

4. The Government agrees that additional resources are necessary. Announcements at the time of the Chancellor's 2002 budget Statement and at the conclusion of the 2002 Spending Review in July made it clear that Customs would receive additional resources to enable the Department to increase frontier checks for all smuggled goods throughout the United Kingdom.

5. £2 million has been made available for the current financial year to enable Customs to create an additional flexible and mobile team as part of the national anti-smuggling strike force. These teams can be deployed to Scotland or anywhere in the United Kingdom to reinforce frontier controls. The anti-smuggling strike force has enhanced the Department's capability to respond to requests for support from the lead agencies responsible for carrying out checks on meat imports.

6. The 2002 Spending Review provided additional funding over the next three years to support the Department's further strengthening of frontier controls. The Department has yet to make final decisions on the deployment of these additional resources but the general smuggling threat to Scotland and the need to improve controls over meat imports will inform these deployment decisions.

(b) Customs officers should be given the authority to check for consignments of meat likely to prove a danger to human health (paragraph 10).

7. The lead responsibility for controls on imported meat lies with the Department for Environment, Food & Rural Affairs (DEFRA), the Devolved Administrations, Port Health Authorities and Local Authorities. Customs provides support to these authorities by identifying relevant freight consignments and supporting joint exercises to counter the threat posed by illegal meat imports.

8. The Government recognises the serious threat posed by illegal consignments of meat. It has also recognised that existing structures to tackle the threat across Government are complex and possibly not as efficient as they could be. The Prime Minister has therefore asked the Cabinet Office to undertake an urgent study into how the various parts of

Government tackle the illegal import of products of animal origin, non-animal origin (food), trade in endangered species, plants and plant products and non-native species. The study will take account of stakeholders' views. It will also take account of proposals by the European Union in relation to meat from non-EU states.

9. The issue here goes wider than giving more powers to Customs officers. It is necessary for the officials carrying out such checks to have the right expertise and technical support to enable them to identify when meat is likely to prove a threat to human health. This expertise is most often found in the specialist agencies concerned, but Customs have an important role to play and where they find meat which may be a health risk they alert the appropriate authority.

- (c) In its response to this Report, the Government should provide us with an early indication of the levels of smuggling that have come to light in Rosyth following the introduction of the Zeebrugge Ferry, along with an assessment of the impact for Customs services in other parts of Scotland of the provision of staff at Rosyth (paragraph 18).**

10. Prior to the commencement of the Rosyth ferry service, Customs made an assessment of the likely smuggling risk. Customs concluded that the risk could be managed by the flexible deployment of existing staff based in Scotland, supplemented as necessary by teams based elsewhere in the United Kingdom. The Department has kept the risk assessment under review since the service was inaugurated in May. Customs managers recognised the need to address at the outset the real smuggling risk and to counter any perception that this new route might be a soft option for the smugglers. Up to the end of July there were 70 inbound sailings. Customs deployed anti-smuggling staff to deal with all of these sailings.

11. These initial deployments had the important impact of demonstrating that the Department was determined to ensure that this route would not become the target for large scale smuggling. The results suggest that large scale smuggling has not developed on this route. Senior police officers share this assessment. Up to 18 September 2002 seizures at Rosyth have been as follows.

Commodity	Number of seizures	Quantity	Average Quantity
Class A Drugs	0	0	-
Cannabis	1	10 grms	
Cigarettes	25	85,340	3,413
Hand rolling tobacco	30	193.4 kgs	6.5 kgs
Offensive weapons (flick-knife)	1	1	-

*Footnote. Customs also detected 13 Lithuanian coach passengers who had evaded immigration controls, using false papers. Customs' search of the coach found passports indicating that the holders had previously been refused entry to the United Kingdom. The passengers were put back on the outbound ferry by immigration officers the same day.

12. The Committee was particularly concerned that additional effort to deal with the new Rosyth ferry service would be resourced at the expense of weakening the Customs effect elsewhere in Scotland. Customs officials explained in oral evidence that they believed that they could deploy staff to Rosyth and continue to deal effectively with the smuggling risks elsewhere in Scotland. Experience so far supports that judgement.

(d) Detector dogs should be located in Scotland at a level to be determined (paragraph 22).

13. The Government agrees that detector dogs have a role to play in tackling smuggling in Scotland and elsewhere in the United Kingdom. Detector dogs trained to find a range of substances (drugs, tobacco, cash) are available to support frontier activity in Scotland. Dogs have been deployed to Glasgow and Edinburgh airports and Rosyth. No detections were made on any of these occasions. Customs experience suggests that the permanent location of detector dogs in Scotland would not be the most effective use of resources. Nonetheless, the Department will go on deploying detector dogs to Scotland and will review the current arrangements before the end of the year to see whether more extensive deployments are necessary. The Department is prepared to permanently locate detector dogs in Scotland if the pattern of smuggling dictates that such a deployment would be effective.

(e) We recommend that HM Customs and Excise should seek to supplement its intelligence-led approach to law enforcement in Scotland by increasing the number of occasions on which staff are on duty at strategic points (paragraph 26).

(f) A frequent high profile Customs presence should be apparent in parts of Scotland where discernible risks of smuggling activity can be demonstrated (paragraph 26).

14. The Government agrees that there is a need to respond to public concerns by ensuring that there is a visible Customs presence where there are discernible risks of smuggling. Customs understand the need for public support in their work and the valuable contribution it can make in tackling smuggling. Even where an analysis of the tangible results achieved at a particular location would not justify higher levels of deployment, the Department will continue to deploy anti-smuggling staff to deter smugglers and to reassure the public. The Department will also look at options for making more visible some of its current staff deployments. In many instances this would not be appropriate but in some circumstances it might be possible to deploy Customs staff in a way which would make their presence apparent to the travelling public without impairing their effectiveness.

15. Customs are currently undertaking a national strategic and regional threat assessment for United Kingdom ports for Class A drugs, tobacco products, hydrocarbon oils and cash. Decisions on the deployment of Customs resources will be informed by the outcome of this assessment. It should be noted that Customs staff at United Kingdom ports and airports are deployed to protect the whole of the United Kingdom. The effort to protect Scotland from, for example, drugs, cannot be measured simply by the number of officers based in Scotland.

(g) We ask the Government to make available the necessary additional resources (paragraph 26).

16. The Government agrees that additional resources for frontier controls are necessary. As explained above, the Government has announced an additional £2 million for 2002-03 and further funding for the next three years to enable the Department to enhance its anti-smuggling effort at the frontier. In reaching decisions on its resource deployments, Customs will give due recognition to any threats in particular parts of the country and to any points raised by other Government Departments and the Devolved Administrations.

**LIST OF REPORTS AND FREE-STANDING
MINUTES OF EVIDENCE**

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Reports

28/11/01	FIRST REPORT The Drinks Industry in Scotland	HC 324
20/12/01	SECOND REPORT Job Creation Potential of the Modernised Forth, Clyde and Union Canal	HC 424
21/03/02	THIRD REPORT Post Devolution News and Current Affairs Broadcasting in Scotland	HC 549
16/05/02	FOURTH REPORT Customs Services in Scotland	HC 782
15/07/02	FIFTH REPORT Employment in Shipbuilding on the Clyde	HC 865
18/03/02	FIRST SPECIAL REPORT Response by the Government and the Scottish Executive to the First Report (Session 2001-02) on The Drinks Industry in Scotland	HC 696

Minutes of Evidence

21/02/02	Scotland Office Departmental Report 2001	HC 345-i
30/05/02	Work of the Commission for Racial Equality in Scotland	HC 712-i

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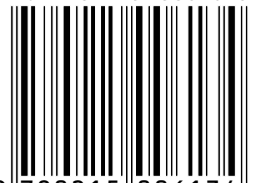
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