

SCOTTISH
DEA



Scottish Drug Enforcement Agency
Annual Report 2004-2005
Corporate Development Plan 2005-2008

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The Director of the Scottish Drug Enforcement Agency is a Member of the Association of Chief Police Officers in Scotland and takes the lead nationally and internationally on behalf of the Scottish Police Service for Serious Organised Crime, Intelligence and Drugs.

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Director's Foreword

First Minister,

This is my second Annual Report and Corporate Development Plan as Director of the Scottish Drug Enforcement Agency (SDEA). The results over the past year speak for themselves, reflecting the Agency's significant achievements and strong performance.

The task force approach adopted by the SDEA resulted in over £30m of realisable criminal assets being identified and reported to the appropriate authorities. This equates to over £14m of realisable criminal assets identified by the SDEA and, at a UK level, in partnership with HM Customs and Excise, the identification of a further £16m of realisable assets. In addition, SDEA activity resulted in the seizure of 357 kg of Class A drugs including heroin, cocaine and ecstasy with a street value of over £22m, the arrest of 224 people and the disruption of 84 criminal networks.

Serious organised crime poses the biggest single threat to the stability and prosperity of our communities. The SDEA will use specialised skills and intelligence-gathering techniques to bring to their knees the ruthless gangsters who prey on Scottish communities by destroying their criminal networks, seizing their houses and cars, emptying their bank accounts, culminating in their arrest and conviction. I therefore welcome the Scottish Executive's commitment to expand the Agency.

This year I have undertaken the lead role with regard to enforcement, intervention, operational intelligence gathering and the co-ordination of partner activities in relation to cross-border, national and international criminality in support of the 8 Scottish police forces. In addition, the level and nature of support available to police forces in Scotland has expanded to include surveillance and technical support in connection with terrorist investigations. In the current geo-political

climate, this is a critical area of law enforcement for the Scottish Police Service.

Tackling organised immigration crime

This operation targeted the business which underpinned the activities of an organised criminal network involved in harbouring and facilitating large numbers of illegal immigrants throughout Scotland, together with associated money laundering, VAT evasion, employment and immigration offences.

The operation involved a task force including police forces, law enforcement agencies, UK Immigration Service, Department for Work and Pensions, Crown Office and Procurator Fiscal Service and other government bodies. On 6 October 2004, a concerted inter-agency day of action was undertaken. This major crime enquiry utilised in excess of 100 police and law enforcement officers to dismantle a major criminal network, with the potential to result in the first 'gangmaster' convictions in Scotland.

This is one of a series of examples of the task force approach increasingly adopted by the SDEA in tackling serious organised crime.

The SDEA has adopted a progressive approach towards integrating all aspects of the Proceeds of Crime Act 2002 (POCA) in the structure and culture of the organisation. The Scottish Money Laundering Unit (SMLU), leading by example and through skilled and innovative techniques, has developed national and international links to enhance ongoing financial investigations. By bringing the full weight of POCA to bear on serious organised crime, the Agency has ripped the profit from criminals and greatly enhanced the Scottish Executive's ability to repatriate recovered criminal assets, visibly strengthening and repairing those communities hardest hit by drug dealing and violent crime.

Cross-border, national and international criminality operates as a business, readily forming partnerships to maximise profit. Our intelligence-led operations cross international borders to tackle criminals involved in money laundering, organised immigration crime, firearms trafficking and drug trafficking. Combining expertise in national and international task force operations is, without doubt, one of the most effective crime fighting strategies now employed by the SDEA in combating serious organised crime. Partnership working with Scottish, UK and international agencies is now routine in the day-to-day business of the Agency at a strategic and tactical level. The Agency's acknowledged lead for Scotland will ensure a smooth transition with the Serious Organised Crime Agency (SOCA) at a UK level.

The SDEA's achievements over the past year are a reflection of the hard work and commitment shown by all staff in the Agency. The SDEA continues to secure the secondment of police officers from Scottish police forces, but persistently operates below authorised establishment. Despite this, we continue to achieve significant results. In this regard, I value the Scottish Executive's proposal to 'widen the net' and allow secondment to the SDEA from other UK police

forces as well as the possibility to engage in the direct recruitment of police officers.

Our new vision of a safe, prosperous Scotland for all communities free from the harm caused by serious organised crime, sits at the heart of the organisation. This vision underpins our strategic planning and tactical operations, shaping the ethos that drives the SDEA in combating those criminals who cause the greatest harm to Scotland's communities and economy. In this way, we will contribute towards building a safe and prosperous Scotland for all our citizens.

The Corporate Development Plan attached to this year's Annual Report sets out the key steps necessary to ensure that the SDEA is capable of playing its part in protecting Scottish communities and Scotland's economy. Innovative strategies and tactics are being developed to combat those criminals who threaten the fabric of our society with increasing ability in terms of resources, technology and global links.

Scottish communities can be assured that, with appropriate support, we will build on the achievements of the past year and maximise the risks for those engaged in serious organised crime across Scotland.



Graeme Pearson
QPM, MA
Director



Vision, Mission and Strategic Aims

Vision

Create a hostile environment for organised criminals.

Provide a safe, prosperous Scotland for all communities free from the harm caused by serious organised crime.

Deliver excellence, inspire public confidence and reflect the cultural diversity of Scotland.

Mission

To support Scottish police forces and to lead in tackling serious organised crime as it affects more than one police force area, including immigration and customs crime perpetrated by organised crime groups.

To act, on request, in support of Scottish police forces in connection with terrorist investigations.

Strategic Aims

Disrupt and dismantle the capability and effectiveness of serious organised crime groups.

Take the profit out of serious organised crime.

Reduce the demand for the products of serious organised crime.

Maximise the potential of our staff and resources.

Work in partnership to increase our effectiveness.

Constitution

The SDEA is an organisation established and maintained by Scottish Ministers under Section 36(1) of the Police (Scotland) Act 1967. The Agency was launched on 1 June 2000 and formally established on 1 April 2001 on the basis of a Collaborative Agreement of the 8 Scottish Chief Constables and Conveners of the Police Authorities and Joint Police Boards in terms of Section 12(1) of the Police (Scotland) Act 1967.

Accountability

The SDEA is led by a Director, who is assisted in the strategic and daily management of the Agency by an internal Policy Group, comprising a Deputy Director, Crime Co-ordinator, Head of Operations, Head of Intelligence, National Drugs Co-ordinator, Head of Operational Support, Head of Corporate Business Support, Human Resource & Development Manager and Chief Technical Officer.

The Director of the SDEA is responsible to the Standing Committee of Chief Constables (SCCC)

for operational matters relating to the SDEA and is accountable, through the SCCC, to Scottish Ministers and the Scottish Parliament for the financial resources granted by them to the SDEA. Scottish Ministers are answerable to the Scottish Parliament for the monies granted to the SDEA and Police Authorities. Scottish Ministers are also responsible for monitoring the SDEA's performance in relation to agreed objectives.

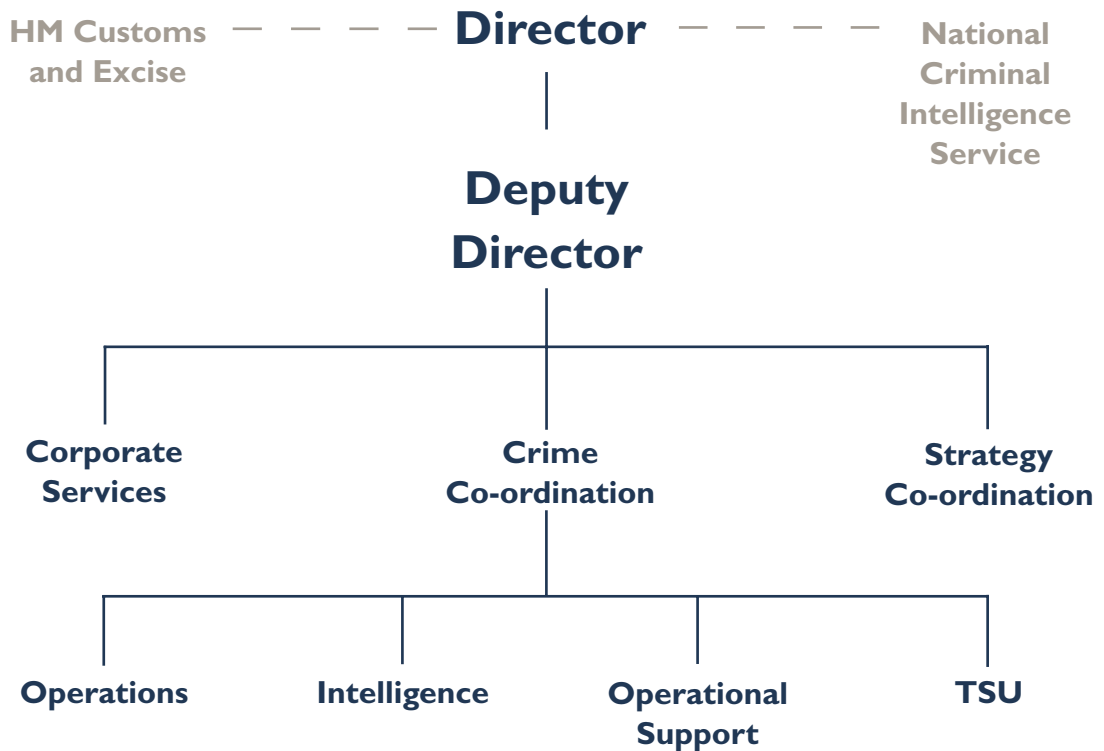
The Director also reports annually to the Scottish Drug Enforcement Forum (SDEF), which is chaired by the Deputy Minister for Justice. The Forum consists of representatives of the law enforcement community and other agencies. Until the SDEA is formally established in statute, the Agency will submit the overall priorities and objectives agreed each year between the SDEA and SCCC for the endorsement of the SDEF. From 2005-2006 responsibilities for these matters will transfer to the Common Police Services Board in preparation for the creation of a new Common Police Service Authority.

The SCCC oversees all aspects of the operation, finance, personnel management, development and general administration of the Agency.

Organisational Structure

Structure

SDEA Headquarters is co-located at the Osprey House complex, Paisley, with the National Criminal Intelligence Service (NCIS) Scotland and Northern Ireland Office and HM Customs and Excise (Law Enforcement). In addition, since January 2005, Inland Revenue has seconded a senior tax inspector to work alongside the SDEA in respect of financial investigations. The SDEA is organised into three complementary business areas: Crime Co-ordination, Strategy Co-ordination and Corporate Services. Under Crime Co-ordination, the Intelligence, Operations and Operational Support Groups, and the Technical Support Unit (TSU) are closely linked and have branches strategically located in the West, East and North of Scotland. The Strategy Co-ordination Group incorporates the Drug Strategy Unit (DSU), which plays a key role in supporting the work of the National Drugs Co-ordinator (NDC). Corporate Services comprises Human Resources, Corporate Business Support Group and Corporate Support.



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Crime Co-ordination

Crime Co-ordination links the SDEA's Intelligence, Operations and Operational Support Groups, and the TSU in the investigation of serious organised crime with branches strategically located in the West, East and North of Scotland. Crime Co-ordination is under the strategic direction and control of a Crime Co-ordinator, who is a focal point for operational liaison with Scottish police forces and partner agencies.

The Serious Organised Crime and Police Act 2005, which received Royal Assent on 11 April 2005, will have far reaching consequences and the SDEA is mindful of the need to ensure seamless compatibility with SOCA to achieve an effective UK-wide response to serious organised crime. The Association of Chief Police Officers in Scotland (ACPOS) is in the process of developing a Serious Organised Crime Strategy for Scotland, which will provide a clearly defined role and function for Scottish police forces and the SDEA. The importance of maintaining linkage between the Agency and SOCA is vital to the SDEA's vision of assuring a hostile environment for organised criminals who operate in Scotland. As a member of the Scottish Strategic Tasking and Co-ordinating process, the Agency will provide a holistic approach to its core business, in line with UK Government and Scottish Executive policy.

The threats posed by serious organised crime are outlined in the NCIS produced UK Threat Assessment 2004 - 2005 and the Home Office-chaired Organised Crime Strategy Group recognises the principal threats as:

- > Class A drugs trafficking
- > Organised immigration crime
- > Fraud
- > Money laundering
- > Criminal possession and use of firearms
- > Hi-tech crime

- > Sex offences against children, including online child abuse

Preserving the integrity of SDEA operational capability means that it is not always possible to highlight Agency results in the media, however, operational successes continue to be significant.

Tackling hi-tech crime

This intelligence-led operation involved the National Hi-Tech Crime Unit (Scotland) (NHTCU(S)) working closely with the United States Secret Service to impact on global Internet related crime. The operation concentrated on denial of service attacks and a number of offences contrary to the Computer Misuse Act 1990. Over the past year, there has been a considerable rise in this type of criminal activity. A denial of service attack is an attack on a network or website designed to immobilise the network by flooding it with useless traffic. Typically, compromised computers ('zombies') are used to launch attacks.

As a result of international intelligence sharing in relation to the online computer hacking community, one person was arrested. Business groups, organisations and individuals can all be vulnerable to Internet criminality. The NHTCU(S) is committed to introducing innovative technological solutions to increase the personal risk and fear of detection for those involved in serious organised crime.

The SDEA's Crime Co-ordination activity is closely aligned to the principal threats defined by the UK Threat Assessment and Scottish Strategic Assessment and routed in the Scottish Strategic and Tactical Tasking and Co-ordinating process. This national process provides a structured framework to conduct the business of policing Scotland's communities.

In keeping with the principles of the National Intelligence Model (NIM), the Tasking and Co-ordinating process is the mechanism by which

Scottish police forces, the SDEA, NCIS, National Crime Squad (NCS), UK Immigration Service (UKIS), British Transport Police (BTP) and HM Customs and Excise tackle serious organised crime cohesively. This provides for sharply focused intelligence-led operations which are designed to disrupt and dismantle the criminal infrastructure in Scotland.

Raising the fear of detection

In February 2004, with the assistance of Fife Constabulary, Strathclyde Police and Merseyside Police, the SDEA concluded an 18-month operation that centred on the illegal trafficking of Class A drugs in the East and West of Scotland. As a consequence of the operation, over 13 kg of heroin was recovered, with a potential street value of nearly £1.5m.

The criminal network concerned was dismantled, with 21 people arrested. Notably, 4 principal targets were convicted of trafficking Class A drugs and on 19 August 2004, at the High Court in Edinburgh, were sentenced to a total of 73 years imprisonment, comprising individual terms of 21 years, 21 years, 19 years and 12 years.

Lord Hardie was reported as delivering a stern warning to dealers: "You and your kind consider that the risk of conviction is justified by the financial gain to be achieved from this evil trade. The time has come for the court to redress the balance and to make the risks less attractive."

This case illustrates the SDEA's commitment and vision to create a hostile environment which increases the personal risk to criminals associated with serious organised crime.

The Crime Co-ordinator chairs the Scottish Tactical Group and the SDEA has the lead role in national and international serious organised crime investigations. The Tactical Group targets unlawful markets through an appropriate exchange of information, underpinned by clear and delineated ownership of crime business areas to ensure police forces and law enforcement

agencies identify and exploit vulnerabilities in organised crime.

During 2004-2005, operations involving the SDEA resulted in the arrest of 224 people and the disruption of 84 criminal networks. Close working partnerships with national and international police forces and law enforcement agencies were strengthened as outcomes from successful operations demonstrated the value of a concerted approach to the investigation of serious organised crime. This has ensured that the SDEA continues to make a meaningful contribution to reducing the fear of crime in Scotland's communities.

Combating Class A drug trafficking

This SDEA intelligence-led operation targeted a criminal network involved in the distribution of multi-commodity controlled drugs in the West of Scotland. The operation resulted in the arrest of 4 people, the seizure of 13 kg of ecstasy with a street value of £250,000 and 9 kg of amphetamine with a street value of over £70,000.

In partnership with Scottish police forces and other law enforcement agencies, SDEA activity during the year resulted in the seizure of 357 kg of Class A drugs and 54 kg of Class B drugs with a combined potential street value of £22.8m. On 29 January 2004, cannabis was reclassified from a Class B drug to a Class C drug. As part of multi-commodity drug seizures, 310 kg of cannabis with a potential street value of £1.2m has also been seized. The SDEA's Objectives, Targets and Outcomes for 2004-2005 are detailed in full at Appendix A.

A change in the SDEA's priority setting to focus resources on the opportunities afforded by POCA was clearly reflected in the setting of an ambitious target to identify and report £21m of realisable criminal assets to Crown Office for restraint. Over the past year, Crime Co-ordination focused its resources on the principal threats of serious organised crime to Scottish communities and concentrated the efforts of the Intelligence and Operations Groups to

identify criminal assets. During 2004-2005, the SDEA conducted a review of Crime Co-ordination's role, responsibilities and processes in the field of financial investigation, which resulted in an additional 43 officers being trained to conduct complex and protracted financial enquiries. Significantly, this equates to 19% of the SDEA's operational staff.

Crime Co-ordination continues to work in partnership with the Crown Office Financial Crime Unit, Scottish Executive Civil Recovery Unit, Scottish police forces, NCIS, HM Customs and Excise and Trading Standards to identify and restrain criminal assets. SDEA operations maximise the amount of criminal assets forfeited from those responsible for serious violence in Scottish communities and, in doing so, seize the initiative from criminal networks that operate in Scotland. During the past year, this increased focus by Crime Co-ordination resulted in the identification of £14,279,327 of realisable assets.

'Drug Dealers Don't Care, Do You?'

The Crimestoppers' campaign, 'Drug Dealers Don't Care, Do You?' was launched by the First Minister on 15 February 2005 and ran until 31 March 2005. The campaign, in which the Crime Co-ordinator assumed a lead role on behalf of Scottish police forces, encouraged people to provide anonymous information on drug dealers and drug dealing activity in their communities to Crimestoppers Scotland through its 24/7 helpline 0800 555 111. The information was then forwarded to the relevant police force to take appropriate action.

The campaign cost £1.062m, funded entirely through assets seized under POCA. In future years, Community Safety Partnerships will use such funding to help regenerate and improve areas hardest hit by drugs to fund innovative schemes that will produce tangible and visible improvements to Scotland's communities.

The SDEA fully engaged with the campaign. As a result of anonymous information passed to the Agency by Crimestoppers relating to the drug dealing activities of criminal networks operating in Scotland, a number of individuals are now subject to SDEA investigation.

AGIS

AGIS (a king of ancient Sparta) is a framework programme designed to help police, the judiciary and professionals from the European Union (EU) Member States and candidate countries to co-operate in the fight against crime. The SDEA and law enforcement agencies throughout Europe increasingly require the co-operation, and assistance of all Member States to effectively investigate Suspicious Activity (Transaction) Reports (SARs) with a European dimension. Serious organised crime quickly adapts to new opportunities exploiting intelligence gaps between EU law enforcement agencies.

Increased partnership working in the EU greatly enhances the identification of those engaged in multi-jurisdiction money laundering and increases intervention opportunities available to law enforcement. With this in mind, the Agency submitted a funding application to the EU AGIS Programme in support of a seminar designed to enhance the effectiveness of all Member States efforts in the investigation, disruption and prosecution of criminal networks operating across Europe. The objective is to involve representatives from each of the 25 Member States, Europol, Eurojust, Applicant States and other European organisations. Participants will comprise representatives from those law enforcement agencies primarily engaged in financial investigation. This project will enhance the existing legal framework for mutual law enforcement assistance across Europe, such as relevant Articles made under the Schengen Aquis, the UK Criminal Justice (International Co-operation) Act 1990 and the UK Crime (International Co-operation) Act 2003.

Office of Surveillance Commissioners Inspection

The Office of Surveillance Commissioners (OSC) is a Tribunal Non-Departmental Public Body set up to promote an effective and ethical process for the authorisation of covert surveillance in accordance with legislation, and to provide public assurance about the authorisation of covert surveillance.

The SDEA is subject to an annual inspection process conducted by the OSC and, in this regard, the Agency was inspected by the OSC in February 2005. The OSC found that the SDEA continues to act in a very responsible and professional manner, adopting sound operating procedures in respect of its covert operations.

Regulation of Investigatory Powers Act 2000 - Review

In conducting covert investigations, police forces and law enforcement agencies are governed by relevant legislation and associated codes of practice. In September 2004, a joint Home Office/ACPO Working Group was set up in response to concerns that the application of Regulation of Investigatory Powers Act 2000 (RIPA) and associated legislation had become overly bureaucratic, complex and incompatible with the original spirit of the legislation. For the Review to be inclusive of considerations relating to the Regulation of Investigatory Powers (Scotland) Act 2000 (RIP(S)A), representatives of the Scottish Executive Justice Department, the Crown Office and ACPOS formed part of the Review.

The SDEA's Crime Co-ordinator, Head of Intelligence and Head of Operations were part of ACPOS representation on the Group. This representation ensured that the Scottish perspective was included in the Review Report.

Non-Police Authorising Officer

Since the introduction of legislation in 2000 governing the use of covert investigative techniques by police forces and law enforcement agencies across the UK, the conduct of Directed Surveillance and the conduct and use of Covert Human Intelligence Sources (CHIS), have been authorised by a police officer of the rank of Superintendent, unless matters of urgency prevail when other prescribed arrangements can be put in place as a temporary measure.

There have been significant developments in the use of covert techniques in all areas of police investigations, none more so than in the investigation of serious organised crime. This trend has had a significant impact on the role of Police Superintendents in the SDEA who are charged with the responsibility of authorising activities in the specific work areas described.

To reduce the impact of authorising activities on Police Superintendents in the Agency, and to allow them to concentrate on their core activity, the Scottish Executive is presently considering the prospect of secondary legislation which will provide for the introduction of an independent non-police member of staff to grant authorisations under RIP(S)A.

Intelligence Group

The Intelligence Group currently comprises the Intelligence Development Unit, Source Management Unit, Specialist Support Unit, Special Operations and the SMLU. The primary function of the Intelligence Group is the collation, development, storage and dissemination of impactful intelligence material in support of SDEA objectives.

During 2004-2005, the roll out of the Scottish Intelligence Database (SID) has, for the first time, provided the opportunity for the Agency to exploit the benefits of intelligence sharing with all Scottish

police forces and NCIS. The Agency makes a significant contribution to SID, particularly in respect of cross-border, national and international crime affecting Scotland.

The Intelligence Development Unit has responsibility for the selection and subsequent development of intelligence relating to criminal networks operating in Scotland. The nominated subjects are fully researched, analytically assessed and presented to an operational team to advance executive action. This activity is based on sustainable intelligence provided by an amalgam of sources.

In keeping with the principles of NIM, greater use of both strategic and tactical analysts is key to the SDEA Strategic and Tactical Tasking and Co-ordinating process. Tactical analysts attached to the Intelligence Development Unit and each operational syndicate provide a clear insight into the operations under investigation.

In terms of SDEA operational activity, the analytical product is contained in 'live' tactical assessments, which form the basis of the decision-making process. In addition, a range of NIM compliant analytical products are produced routinely in respect of all 'live' and development operations.

The Source Management Unit is engaged in the full time management and control of CHIS authorised by the Agency in terms of RIP(S)A. The professional exploitation of potential intelligence dividends supports operations undertaken by the SDEA.

In conjunction with Scottish police forces and other law enforcement agencies, the Intelligence Group is well positioned to contribute significantly to the evaluation of intelligence on serious organised crime and the harm it causes to Scotland. The Intelligence Group disseminates the intelligence product to relevant police forces and law enforcement partners to improve the quality of the UK and Scottish

intelligence picture. This also provides SDEA intelligence-led operations with the information to more effectively target those who operate unlawful markets in Scotland.

To successfully counter attempts by criminal networks to frustrate police and law enforcement intelligence and evidence gathering techniques, it is vital that SDEA and, in particular the Intelligence Group, takes an innovative approach to identify and exploit vulnerabilities in criminal networks operating in Scotland. Specialist covert deployments are an effective disruption tactic, at strategic and tactical level, in tackling serious organised crime.

Scottish Money Laundering Unit

The influence of serious organised crime stems largely from the profit criminal networks accrue from their illicit business activities. The introduction of POCA has afforded additional law enforcement powers to identify and restrain realisable criminal assets.

The financial investigation of criminal networks requires defined skills to fully research and analyse the complexities associated with the business of serious organised crime. During the year, an internal review of the role, responsibilities and processes of the SMLU resulted in the Agency investing in greater numbers of trained financial investigators in the Operations and Intelligence Groups. This investment has paid dividends as it has enabled the SMLU's financial investigators to concentrate their expertise on complex long-term money laundering investigations.

Over the past year, these investigations have crossed international borders, including the USA, Eastern Europe, the Middle East and various off-shore tax havens. The SMLU has worked closely with national and international judicial and law enforcement partners, and in particular Crown Office, to identify funds that have been channelled through numerous jurisdictions to create an air of legitimacy.

International money laundering

During 2004-2005, the SMLU, suspecting that people operating in Eastern Europe were utilising the UK banking system for money laundering purposes (which has the added benefit of attaching credibility to funds), undertook a series of protracted and complex financial investigations. These investigations involved international co-operation between law enforcement and competent judicial authorities in a number of jurisdictions.

At 31 March 2005, the outcome of this collaboration between international partners had resulted in over £7m being restrained by the Crown Office-based Financial Crime Unit.

Since the introduction of POCA, the Agency has sought to maximise the potential for financial intervention to take the profit out of criminal networks operating in Scotland. To increase capacity in this critical area, the Agency trained an additional 43 financial investigators over the past year.

Taking the profit out of serious organised crime

As a result of a 15-month intelligence-led investigation into the money laundering and drug trafficking activities of a criminal network operating in Scotland, 18 arrests were made and over 16 kg of cocaine was seized, with a potential street value of over £1.2m. An extensive money laundering investigation was conducted by the SDEA which identified over £2m of realisable assets for potential confiscation by the Financial Crime Unit at Crown Office.

At 31 March 2005, 2 people had been convicted of drug trafficking offences and sentenced to 5 and 4 years imprisonment, respectively. A British national had also been sentenced to 8 years imprisonment in Spain. In addition, 7 people were still awaiting trial.

The implementation of POCA has resulted in an increase in the number of institutions which report suspicious activity in 'real time' to law enforcement agencies. This has led to greater opportunities for Scottish police forces and law enforcement agencies to develop financial intelligence, resulting in a significant increase in the value of criminal assets being restrained.

During the year, specialist support in the field of financial investigation was utilised in support of SDEA investigations. This has demonstrated the value of this expertise and the Agency is in the process of recruiting a Forensic Accountant dedicated to SDEA operations.

The Agency has experienced a substantial increase in the amount of assets identified for restraint. Over the past year, the Agency identified for restraint: the following amount of realisable assets:

- > £15,581,285 gross (inclusive of liabilities) value of assets
- > £14,279,327 net (exclusive of liabilities) value of assets

The complex nature of financial investigation into serious organised crime demands detailed and protracted investigation. In relation to the assets identified this year, the Agency, through the SMLU, will require to conduct complex financial enquiries which can take months or even years to investigate fully and gather the necessary evidence in support of any future confiscation. In addition, several operations developed by the Agency in 2004-2005 remain subject to SMLU investigation.

Inland Revenue

During the year, the SDEA and the Inland Revenue developed a Memorandum of Understanding (MOU) in furtherance of identifying and building new

partnerships to ensure that appropriate information is shared effectively. In January 2005, a representative of Inland Revenue was attached to the SMLU to exploit the potential for utilising Inland Revenue's tax raising and gathering powers to frustrate and hamper criminal networks.

This partnership highlighted a number of positive aspects. In particular, it was discovered that 30% of SDEA information and intelligence examined during the period had the potential to be utilised by Inland Revenue to take the profit out of serious organised crime. This is likely to produce significant additional revenues to the Crown and assist Inland Revenue in the identification of Pay As You Earn (PAYE) fraud, the reclamation of tax credits falsely claimed and defalcation of company and business profits.

Operations Group

The Operations Group comprises operational syndicates strategically located in the West, East and North of Scotland. The Group's primary responsibility is to undertake executive action for the SDEA to combat criminal networks involved in organised immigration crime, drug trafficking, firearm trafficking and money laundering.

The Operations Group uses intelligence to drive SDEA operational activity, converting intelligence into evidential opportunity. The Group conducts intelligence-led operations by means of conventional and non-conventional covert surveillance, in compliance with governing legislation.

Combating Class A drug trafficking

This operation concerned the heroin trafficking activities of a criminal network throughout Central Scotland, which resulted in 10 arrests, the seizure of 4 kg of Class A drugs and 12 kg of Class B drugs with a combined value of over £500,000.

At 31 March 2005, 7 people had been convicted of drug trafficking offences and sentenced to a total of 32 years imprisonment. In addition, one person was still awaiting trial.

The Operations Group has diversified operational activity to combine intelligence-led operations with complex financial investigation into criminal networks that operate in Scotland. In doing so, the Agency seeks to maximise the potential to disrupt and dismantle the capability and effectiveness of serious organised crime. During the past year, the Agency has invested in greater numbers of trained financial investigators in the Operations and Intelligence Groups. This investment has increased the skills base in these Groups and led to an increase in the number of officers able to undertake complex, long-term financial investigations. The establishment of a Diverse Operations Unit (DOU) in May 2004 has been integral in achieving greater co-ordination of this type of operational activity.

The Operations Group will diversify further to broaden its skills base to meet additional responsibilities and to act, on request, in support of Scottish police forces in connection with terrorist investigations. In recent years, greater numbers of SDEA intelligence-led operations have crossed national and international borders to tackle criminal networks involved in serious organised crime.

Prevent new entrants to unlawful markets

During 2004-2005, the SDEA assisted the United States Justice Department Drug Enforcement Administration in an international drug trafficking investigation into the export of the chemical Gamma-Butyrolactone (GBL) from the UK to the USA. GBL is a List I chemical in the USA, but is not a controlled substance in the UK. GBL is a pre-cursor in the manufacture of Gamma-Hydroxybutyrate (GHB), a Class C controlled drug commonly known as a 'date rape' drug.

In relation to enquiries in this country, one person was arrested and charged with contraventions of the Misuse of Drugs Act 1971, Section 4 (2)(b) and Section 20. The male was found in possession of 600 litres of GBL and the United States Justice Department Drug Enforcement Administration estimate that between August 2001 and March 2004, this person exported 3,546 litres of GBL to the USA. Conservative estimates indicate that 3,456 litres of GBL equates to between 3.5 - 7 million dosage amounts of finished GHB, worth an estimated \$35 - \$70m dollars. One person is subject to an extradition request by United States authorities and, as a result of enquiries in the USA, 25 people were arrested and 3 GHB laboratories were identified and dismantled.

The SDEA, in partnership with ACPOS and the Scottish Executive, has publicised the potential dangers of Drug Assisted Sexual Assault in Scotland through the Scottish Executive 'Know the Score' campaign. The Agency continues to engage with enforcement and non-enforcement partners in the prevention of Drug Assisted Sexual Assault.

In February 2005, the Director attended a strategic course on serious organised crime sponsored by the European Police College. The event was attended by senior European police officers responsible for tackling transnational organised crime throughout Europe. The perceived threat from criminal networks across Europe is expanding as their diversification and willingness to cross traditional borders continues

to grow and influence European communities. It is essential, therefore, that partners across the EU ensure a co-ordinated approach is taken to sharing intelligence, carrying out investigations and, ultimately, conducting prosecutions.

The international aspects of SDEA operations have been facilitated through Letters of Request (Commissions Rogatoire) to the relevant foreign judicial authorities. However, criminal activity is often spontaneous and interrelated with unlawful markets in other countries. This creates considerable difficulty for police forces and law enforcement agencies to co-ordinate a rapid and effective response. There is little doubt that sophisticated organised criminals use this tactic in an attempt to thwart law enforcement efforts. This demonstrates the need for a more focused, legally sound and co-ordinated process.

The SDEA has been involved in a number of successful parallel investigations with police forces and law enforcement agencies across the EU, but there have been limited opportunities to form Joint Investigation Teams (JITs). The Agency will take every opportunity to work in partnership with law enforcement agencies from other Member States to identify and exploit vulnerabilities in criminal networks and, where appropriate, enter into a JIT. In this way, the SDEA will ensure that the activities of top tier criminals operating in Scotland will be subject to sustained and co-ordinated police and judicial scrutiny.

Identifying and building new partnerships

In November 2004, United States authorities intercepted a consignment of cocaine in transit from Mexico City to Amsterdam. At the request of the United States authorities, the SDEA facilitated the passage of the consignment to allow the controlled delivery of the commodity to Amsterdam. As a result, 7 people were arrested in Holland in connection with the importation of 60 kg of cocaine with a street value of £3m.

Operational Support Group

The Operational Support Group comprises the National Hi-Tech Crime Unit (Scotland) (NHTCU(S)), the Central Authorisation Bureau (CAB), the Scottish Witness Liaison Unit (SWLU) and the SDEA's Forensic Science Manager.

National Hi-Tech Crime Unit (Scotland)

The NHTCU(S) leads or supports investigations into serious organised hi-tech criminality of a national or international nature. In this regard, it provides specialist support to the Scottish Police Service. During the year, the NHTCU(S) has developed working protocols with specialist law enforcement bodies and government agencies across the UK and internationally. The NHTCU(S) has attained a high level of expertise through specialist training and undertaking complex investigations. The Unit acts as the single point of contact for all intelligence relating to hi-tech crime investigations in Scotland.

Disrupting online child abuse

In June 2004, following Operation Ore, a Scotland-wide task force operation was conducted in line with an agreed ACPOS national strategy, developed jointly by the SDEA and Scottish police forces to target online child abuse activity. The protection of children was the over-riding operational priority. As part of the national strategy, Scottish police forces and the SDEA undertook co-ordinated intervention, in agreed timescales, resulting in the initial arrest of over 30 people. The NHTCU(S) took responsibility for 9 suspects who had been identified as forming part of an online sharing community which distributed indecent child abuse images across the Internet.

This investigation demonstrates the value of a co-ordinated task force approach to disrupting online child abuse and provides a strong indication of the outcomes that can be achieved when a resilient national strategy is adopted.

Criminal networks increasingly use hi-tech equipment and techniques to commit crime. The anonymity and global access which the Internet provides has resulted in many traditional crimes such as fraud, identity theft and the sale of illegal commodities becoming more commonplace. The continuing development and growth of the NHTCU(S) ensures that the Scottish Police Service tackles serious organised hi-tech crime through innovative technological solutions which raise the fear of detection in those who would use the Internet as a window of opportunity to commit crime. The operational activity of the NHTCU(S) has contributed to the ability of the SDEA and the Scottish Police Service to increase the personal risk to criminals who operate in this virtual environment.

Central Authorisation Bureau

The CAB ensures that an internal quality assurance regime exists in terms of applications and authorisations under RIPA, RIP(S)A and the Police Act 1997. In addition, the CAB ensures that the principles of integrity, security and sound operational practice are present throughout all aspects of SDEA operational activity.

The CAB encompasses the SDEA International Desk which provides support and guidance to all officers attached to the Agency and other police forces in relation to matters such as the Crime (International Co-operation) Act 2003, requests for cross-border surveillance, Letters of Request (Commissions Rogatoire) and all aspects of international law enforcement investigations. The Desk is a single point of contact with the Crown Office-based International Co-operation Unit, NCIS, Eurojust, Interpol and Europol in relation to all international matters. The CAB also works closely with the International Co-operation Unit in all matters relating to extradition.

Over the past year, the SDEA has seen a 60% increase in the number of International Letters of Request. This reflects the Agency's activities to undermine criminal

networks that operate at an international level and cause harm to Scotland's communities and economy. The criminal activity targeted by the Agency is in keeping with the UK Threat Assessment and includes money laundering, drug trafficking and hi-tech crime investigations. Central to this activity is the drive to identify and build new partnerships with international law enforcement agencies which improves the quality of the national intelligence picture and maximises the potential for SDEA intervention.

Scottish Witness Liaison Unit

The SWLU is committed to providing an appropriate level of support and assistance to individuals who become involved in the criminal justice system as a witness. The SWLU, in partnership with Scottish police forces, assesses each witness referral to ensure the appropriate response is provided in support of the witness. There are different levels of police response to witness intimidation.

During 2004-2005, the SWLU assisted Scottish police forces and the SDEA on 105 occasions in relation to witness liaison issues. It is testament to the courage of witnesses and the service provided by the SWLU that in every case where the Unit has provided assistance to Scottish police forces, the witnesses under its protection have given evidence at court when called on to do so. Importantly, there has been no compromise of witness safety as a result of SWLU intervention and this is critical in terms of building confidence in the systems and procedures employed by the Unit.

Throughout the past year, the SWLU was actively involved in the Pathfinder Steering Group established to examine the need for a National Witness Liaison Unit. The Group comprised representatives from the Home Office, HM Customs and Excise, the National Probation Directorate, English and Welsh police forces and the SWLU. The remit of the Group included the establishment of a national witness liaison structure

for England and Wales and proposed legislation that will underpin witness protection procedures in the future. The SWLU's participation in the Group was vital in ensuring that the Scottish perspective was recognised in the evolution of witness protection in the UK. Requirements in this regard are now part of statutory provision in the Serious Organised Crime and Police Act 2005.

In May 2004, the SWLU and NCS, on behalf of the UK National Network for Witness Support, attended a seminar in the Czech Republic to represent the UK perspective on co-operation throughout the EU in terms of witness relocation. Representatives from all EU Member States were present as well as delegates from the USA, Australia and Canada. Following the seminar, the SWLU received an initial enquiry from one of its EU counterparts to assist in the relocation of witnesses.

Forensic Science

In September 2004, the SDEA appointed a Forensic Science Manager. This appointment has been instrumental to the Operational Support Group implementing a Forensic Science Strategy to assist senior investigating officers in gathering, recording, analysing, developing and disseminating strategic and tactical forensic intelligence.

Creating a hostile environment for organised criminals

An SDEA intelligence-led operation, targeting a criminal network involved in the preparation and distribution of large quantities of multi-commodity controlled drugs, resulted in the arrest of 6 people. Drugs with a combined street value in excess of £4.7m were recovered, including 158 kg of Class A drugs, 40 kg of Class B drugs and 181 kg of Class C drugs. This operation utilised the expertise of the Forensic Science Manager to ensure all available evidence was recovered from a number of crime scenes.

The Strategy will also enhance crime scene capture opportunities and ensure that the various forensic service providers in the UK are aware of the Agency's particular requirements. In developing the Forensic Science Strategy, the Agency will be in a position to provide a holistic response to requests for support from Scottish police forces in connection with serious crime investigations such as murder, kidnap and extortion.

Technical Support Unit

The TSU is an integral part of Crime Co-ordination and enhances the Scottish Police Service's ability to deploy advanced technology against serious organised crime. The Unit primarily supports investigations involving criminal networks engaged in national or transnational serious organised crime. The Unit also provides technical support to Scottish police forces in investigating serious crime such as murder, abduction, extortion and armed robbery.

During 2004-2005, the SDEA has progressed the recommendations of the ACPOS Review on the future development of the TSU and recruited an additional 2 police staff to ensure that the Unit has sufficient capacity to effectively support Scottish police forces and the SDEA.

The roles and responsibilities of the Chief and Senior Technical Officers have changed considerably in recent years. The Chief Technical Officer's post has developed

into a strategic role, while the Senior Technical Officer now has the responsibility for the day-to-day management of the Unit. During the year, a review of the TSU management structure was undertaken which recommended that the posts be re-aligned to reflect the roles currently being undertaken.

In November 2004, staff formerly employed by the Scottish Executive Radio Telecommunications Branch transferred to the Strathclyde Police Joint Police Board under the management of the TSU. The Radio Telecommunications Branch provides support to the current SDEA radio communications system and will be actively involved in preparing the Agency for adopting the Tetra based Airwave system.

Preparation for the G8 Summit

In July 2005, the G8 Summit of world leaders will be held at Gleneagles Hotel, Perthshire. Policing of the event will be the largest operation ever undertaken in Scotland and the Agency is represented at a senior level on the G8 Summit Security Group. The SDEA is fully committed to providing the specialist assistance and expertise required to police such an event, with the TSU having a key role to play. The Unit is presently engaged with the G8 Planning Team based at Tayside Police ensuring that a number of specialist requirements are fully met.

Strategy Co-ordination

Intelligence-led enforcement forms the backbone of the SDEA and accounts for a significant proportion of overall activity in the Agency. However, enforcement alone cannot address all the harms caused to Scottish communities by serious organised crime and the need to adopt a holistic approach is well-rehearsed and fully acknowledged by the Scottish Police Service.

An integrated approach combining enforcement activity with non-enforcement strategies to reduce harm is now fully embedded in the Agency's response to serious organised crime. This is clearly reflected in the work undertaken by Strategy Co-ordination throughout the past year. While the majority of this work focused on harm and demand reduction aligned to the 4 pillars of the Scottish Executive National Drug Strategy, this work complemented the Agency's shift in emphasis in terms of the NCIS UK Threat Assessment and Scottish Strategic Assessment and consequential harms caused to Scotland's communities and economy.

The NDC maintains a national overview of progress of the ACPOS Drug Strategy and links with the Scottish Executive Substance Misuse and Justice Division with regard to policy development. The SDEA Strategic Development Unit, as part of the overall change programme, will review the role of the NDC and the non-enforcement aspects of the Agency to allow the NDC's role to develop and align with the development of an ACPOS National Harm Reduction Strategy.

A number of publications issued by the DSU over the past year were aimed at increasing awareness of drug-related issues and were disseminated to law enforcement and non-law enforcement partner agencies. These publications included:

> **Drug Trends Bulletins**

The quarterly bulletin produced by the SDEA provides a means to disseminate current information on illicit

drug misuse to police forces and partner agencies. The bulletin contains information identified by force area highlighting significant drug seizures and any other drug-related issues that impact upon Scottish communities.

> **Special Alerts/Health Alerts**

The DSU continues to act as the central point for collation and dissemination of bulletins containing information on drugs and health issues that require urgent circulation. A protocol is currently being devised between the Agency and Scottish police forces, public health practitioners and national bodies involved in working with drug misusers to formalise this process.

Scottish Drug Death Database

The DSU continues to compile national statistics on drugs-related deaths, the information from which is shared with Scottish police forces and the Scottish Executive to ensure the early identification of trends and influence strategies for the prevention of drugs-related deaths.

Drug Assisted Sexual Assault

The NDC was ACPOS lead during the joint Scottish Executive *Know the Score*/ACPOS national Drug Assisted Sexual Assault (DASA) awareness campaign, held during the 2004-2005 festive period, and assisted in the co-ordination of national and local Scottish police activity. The lack of robust statistics relating to the prevalence of DASA continues to be an issue and in September 2004, Scottish police forces agreed that the DSU should collate national DASA statistics on behalf of the Scottish Police Service.

ACPOS Drugs Conference

The ACPOS Scottish Drugs Conference, *Heroin: Smack and Sympathy*, held on 3-4 March 2005, was

organised by a planning committee chaired by the NDC with members drawn from Scottish police forces, the SDEA and the Scottish Police College. The conference was chaired by the NDC, with keynote speakers including the Justice Minister, Mrs Cathy Jamieson MSP, the ACPOS President, Mr David Strang and the Director, SDEA in his capacity as Chair of ACPOS Drug Sub-Committee.

The ACPOS Scottish Drugs Conference is an annual national information-sharing forum and, on this occasion, provided an opportunity for the Scottish Police Service and partner agencies to discuss the issues surrounding the impact of the increase in heroin/opium production on Scotland.

www.choicesforlife.com

In 2004, the SDEA obtained ACPOS support to institute a national *Choices For Life* event which will take place across Scotland between 30 May and 10 June 2005. The Director, SDEA as ACPOS portfolio holder for Drugs, will lead the project and the Agency will facilitate the planning and co-ordination of the various events.

Choices For Life represents an important element of the SDEA's contribution, through education and prevention, to reducing demand for drugs and the harm they cause in Scotland's communities. The event will provide children making the transition from primary to secondary school with information about drugs, alcohol and smoking to equip them to make healthy lifestyle choices. The events will be staged in Glasgow, Edinburgh, Aberdeen and Inverness, with live satellite broadcasts in Stornoway, Lerwick and

Kirkwall, and will be open to an invited audience of Primary 7 pupils from across Scotland. The events will be hosted by local radio presenters and will consist of a 2-hour multi-media themed show, with live sets by well-known pop groups.

The Scottish Executive's Health and Education departments, under the banner of *Know The Score* and Young People & Social Inclusion, will provide funding for the events. A number of partner organisations and commercial companies including Scotland Against Drugs, the Glasgow Alliance, Crimestoppers, Young Scot, First Group, the Scottish Exhibition and Conference Centre, the Aberdeen Exhibition and Conference Centre, the Royal Highland Centre, Radio Clyde, Radio Forth and Northsound Radio will provide additional funding, amenities or services.

The national *Choices For Life* event will afford the Scottish Police Service and its partners an opportunity to convey positive messages on lifestyle choices to a large audience of children in Scotland.

Revised ACPOS Drug Strategy

During 2004, the NDC revised and updated the ACPOS Drug Strategy. The revised strategy reflects the significance of new legislative changes and government policy that directly impacts on the policing of illicit drugs in Scotland. These changes include the 2004 reclassification of cannabis from Class B to Class C under the Misuse of Drugs Act 1971 and Scottish Executive publications, including the Criminal Justice Plan and the Executive's response to the report of the Advisory Council on the Misuse of Drugs, *Hidden Harm*.

Corporate Services

Corporate Services comprises Human Resources, Corporate Business Support Group and Corporate Support. These business areas provide essential back office support which is critical to the efficient operation of the SDEA.

Human Resources

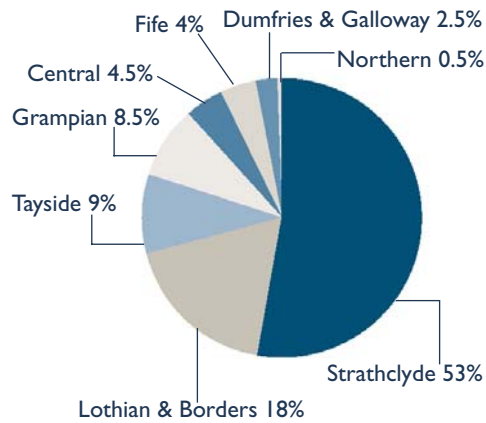
With the exception of the Director, all police and support staff attached to the SDEA remain subject to the conditions of service, pay, grading and disciplinary arrangements of their seconding home force. Sponsoring Chief Constables retain responsibility for police officers attached to the Agency and Joint Police Boards/Police Authorities retain responsibility for police staff.

At 31 March 2005, there were 199 police officers and 67 police staff seconded to the SDEA from Scottish police forces. An officer from BTP was also attached to the Agency. A further 9 police officers had been interviewed and selected for transfer to existing posts in the Agency. The Agency, however, continues to operate with a 10% under-establishment of police officers and police staff. This not only impacts on its ability to respond to the harms caused to Scotland's communities by criminal networks, it directly impacts adversely on year-end budget spend and consequently future budget allocation.

A number of law enforcement agencies (including NCIS, HM Customs and Excise and Inland Revenue) have assigned staff to the SMLU as part of the task force approach to money laundering investigations. This approach facilitates appropriate information sharing and provides the platform for multi-agency law enforcement interventions on criminal networks.

The chart opposite details the percentage of police officers attached to the SDEA from Scottish police forces.

SDEA force representation



During 2004-2005, a full needs-based assessment was conducted by the Agency, which resulted in a gap analysis and prioritised programme of growth with regard to the Agency's wider operational focus and move towards statutory footing. The gap analysis included benchmarking against relative organisations anticipating potential corporate challenges in the future. The needs-based assessment is subject to ongoing review by SDEA senior management and the Agency will revisit this process during 2005.

Recruitment

As a non-statutory Agency, the SDEA is not in a position to employ either police officers or police staff. All staff are seconded to the Agency and continue to be employed by the relevant Scottish police force, police board or council, although all employment and salary costs are met from the SDEA budget. As a consequence of this arrangement, personnel matters including misconduct, health and safety, health and welfare, career development, officer safety training and National Equal Opportunities/Diversity Training remain the responsibility of the officer's home force. In respect of police staff, the additional issues of pay and conditions are also the subject of regional variation.

In October 2004, the SDEA commenced a Human Resource Management Project to facilitate the delivery of an integrated human resource strategy.

The Agency recognises that the development and successful integration of the strategy is fundamental to ensuring that the formal change to a statutory body is underpinned by sound policies. Corporate communication is a key project in the ongoing change programme. The intended project will consider all marketing aspects of the Agency with a view to demonstrating that the SDEA is an attractive place to work, with good career opportunities, good work/life balance and an organisation that can accommodate flexible working.

Training

In partnership with the Scottish Police College, the SDEA is committed to providing specialist support and training to officers from all Scottish police forces. The Agency has an important role in assisting national courses at the Scottish Police College and during 2004-2005, has supported national training in:

- > Strategic development
- > Surveillance
- > Financial intelligence and investigation
- > Hi-tech crime
- > Witness liaison

During 2004-2005, a number of police officers and staff took part in the Scottish Police College Continuous Professional Development Programme and various training courses including:

- > Senior investigating officer training
- > Advanced detective officer training
- > Intelligence operatives training
- > Covert human intelligence source training

- > Financial investigation training
- > Surveillance training
- > Criminal intelligence analyst training
- > Management training
- > European Police College (CEPOL) training concerning cross-border serious organised crime

Specific and specialist training in covert techniques is provided to SDEA officers and, where appropriate, provision is made for in-house training to be delivered to ensure that officers are kept fully informed of emerging issues.

Absence

During 2004-2005, 2.6% of working days were lost to sickness.

Discipline

During 2004-2005, 1 complaint was received in relation to the conduct of police officers seconded to the SDEA. The complaint was resolved to the satisfaction of the complainer.

In relation to an outstanding complaint received during 2003-2004, the officer concerned was recalled to the seconding force and was subject to disciplinary proceedings.

Corporate Business Support

Corporate Business Support maintains the Information Technology (IT) infrastructure, provides financial and administrative support to the Agency and has responsibility for the maintenance of the SDEA estate and fleet. During 2004-2005, Corporate Business Support completed a number of key IT infrastructure projects:

- > Enhancement of the SDEA website to include the SDEA publication scheme in terms of the Freedom of Information (Scotland) Act 2002 and recruitment opportunities
- > Expansion of encryption to secure the transmission of information to data servers
- > Introduction of systems to audit email and Internet traffic
- > Introduction of enterprise back-up solution to enhance business continuity procedures
- > Introduction of online training packages for Infosec, Data Protection, Freedom of Information and the Government Protective Marking Scheme
- > Implementation of a new fleet management system

Finance

During the year, Corporate Business Support developed auxiliary processes to enhance cost monitoring at Group/Departmental level. These processes provide appropriate management information to inform the budget-setting process and enable finance staff and SDEA senior managers to better assess the cost of current services.

A Budget Officer was recruited to ensure the robust monitoring of departmental costs is sustained. A key element of the role was to streamline the data capture exercise and provide Heads of Group/Department with monthly budget reports. This development has enhanced the accounting structure and financial control in the SDEA.

During December 2004, the Scottish Executive (Finance and Central Services Department) Audit Services carried out an internal audit of the Agency. The audit formed part of the planned cyclical review of the Scottish Executive Justice Department, agreed

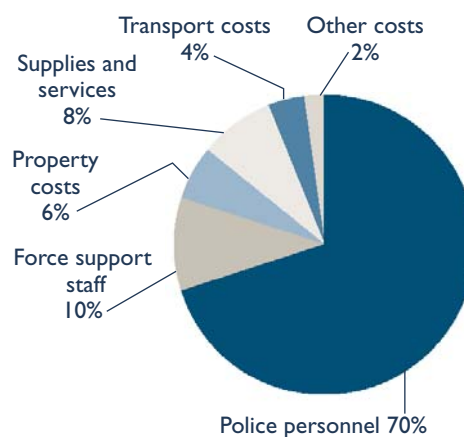
with the Accountable Officer. The scope of the review was restricted to financial controls as the operational areas of the Agency had been the subject of the Her Majesty's Inspectorate of Constabulary (HMIC) Primary Inspection.

The Internal Audit Report recorded that the audit provided substantial assurance on the effectiveness of controls operating in the SDEA. In addition, on completion of the Review Inspection, HMIC was satisfied that the appropriate level of audit was in place in the Agency. The Agency will be the subject of an audit follow-up report in December 2005.

The SDEA is funded by the Scottish Executive, Joint Police Boards and Police Authorities. The net budget for 2004-2005 was set at £21,700,000. The budget included funding for the purchase of Airwave equipment, but due to supply difficulties £890,000 was re-allocated to the Scottish Executive prior to the financial year-end. In line with the Scottish Executive commitment to fund an additional 200 police officers dedicated to drugs work in Scotland, £2m of the SDEA budget is allocated on an annual basis to fund 100 police drug liaison officer posts in Scottish police forces.

The revised net budget of £20,810,000 was allocated as detailed in the chart below.

SDEA budget 2004-2005



The projected out-turn figures for the financial year ending March 31 2005 indicate an out-turn of £20,818,000 which equates to an underspend of £150,000.

A significant proportion of the budget underspend can be directly attributed to the fact that the Agency persistently operates below authorised establishment due to the well-rehearsed difficulties encountered in recruiting police officers and police staff from Scottish police forces.

The net budget for 2005-2006 is set at £23,082,000.

Estate

During 2004-2005, the SDEA assumed responsibility for the Scottish Executive Radio Communications Workshops. Staff from the Corporate Business Support Group managed the transfer of the property to the SDEA portfolio.

The SDEA, in conjunction with the Scottish Police Federation, undertook a full Health and Safety assessment at all Agency premises. The SDEA also conducted a security assessment of its premises, which was used to prioritise improvements to the security of the sites operated by the Agency. The SDEA has successfully recruited an Information Security Officer (ISO) which will ensure the security of information systems and personnel is afforded the highest possible priority and will provide a safeguard against potential corruption of systems and staff by organised criminals or others.

Corporate Support Unit

The Corporate Support Unit assists in the strategic planning processes in the SDEA and contributes towards effective Corporate Programme Management. The Unit researches and prepares papers on behalf of the Agency for submission to a number of bodies including the SCCC, ACPOS Crime Business Area,

Concerted Inter-Agency Drugs Action Group (CIDA) and HMIC on a wide variety of law enforcement related issues. The Unit also assists in the compilation of the Annual Report, Interim Report and Corporate Development Plan, and maintains accurate records of SDEA performance against published Performance Indicators.

Freedom of Information

In June 2004, the SDEA adopted a publication scheme detailing how the Agency intends to publish the different classes of information it holds in terms of the Freedom of Information (Scotland) Act 2002. The Agency maintains its publication scheme on the SDEA website www.sdea.police.uk. In the SDEA scheme, which is broadly based on the ACPOS model, certain classes of information are publicly available. The purpose of the SDEA publication scheme, which was approved by the Office of the Scottish Information Commissioner, is to ensure that a considerable amount of information is available without the need for a specific request.

From 1 January 2005, the Act introduced a general right of access that entitles any person, group or organisation to request any recorded information held by public authorities, including police forces and agencies. The Environmental Information (Scotland) Regulations 2004 also came into force on 1 January 2005. The SDEA is committed to protecting the communities it serves and to preventing and detecting crime. It should also be recognised that certain information will not be disclosed. Information concerning ongoing investigations, investigative methods, intelligence and the use of related operational techniques must be protected as they are central to the maintenance of a safe and just society. In this respect, the SDEA will apply reasonable consideration to the use of appropriate exemptions afforded under the Freedom of Information (Scotland) Act 2002.

Strategic Development Programme

In response to HMIC's Primary Inspection of the SDEA 2003 and recommendations, ACPOS commissioned an independent review of the Agency. The SCCC established a Programme Board to progress HMIC recommendations, comprising members of ACPOS Crime Business Area, the Director, SDEA and a senior representative from the Scottish Executive Justice Department.

A Strategic Development Unit, led by a project manager, was created to assist the Agency in responding to the HMIC recommendations. Of the 21 HMIC recommendations, 9 referred directly to the SDEA while the remainder related to the SCCC and ACPOS. An ACPOS Programme Board was formed and a strategy was agreed to progress this work. The SDEA has embraced the change management process to address the recommendations. During an Inspection Review conducted in December 2004, HMIC noted that the management processes put in place to drive the change were robust and properly structured.

The Review Inspection recorded that of the 21 recommendations contained in the Primary Inspection Report, 7 were discharged with the remainder being subject of further examination at the next Review Inspection. In terms of the remaining 14 recommendations, HMIC noted that the SDEA had made significant progress.

The HMIC Primary Inspection of 2003 recommended a review of the Agency's Mission Statement, Strategic Aims, Objectives and Targets to reflect its overarching responsibility for responding to serious organised crime. Between July and December 2004, the Unit conducted research on the future strategic direction and performance management of the SDEA, which considered key environmental factors and the readiness of the SDEA to meet the challenges ahead. This was allied closely to the needs of key stakeholders including Scottish police forces, the Scottish Executive and SOCA.

In April 2005, a balanced scorecard performance management framework was introduced in the Agency to ensure it has a balanced approach to performance across 4 perspectives: Impact, Processes, Resource Management and Future Development.

Adopting this approach to performance management ensures that the Agency's future strategic development clearly reflects the threats posed to Scotland's communities and economy by serious organised crime. The SDEA's Objectives and Targets for 2005-2006 are detailed in full at Appendix B. The SDEA's future performance management arrangements will be managed through key Performance Indicators linked to:

- > Disruption (based on Intelligence and Tactical Assessments)
- > Intelligence processes
- > Operational spread (response to the UK Threat Assessment)
- > Customer surveys
- > Service Level Agreements
- > EFQM (Self Assessment)
- > Staff satisfaction and development
- > Financial management
- > Workforce diversity

During 2004-2005, the Strategic Development Programme also commenced several key projects:

- > Legislation and Governance: This project examined proposals to develop corporate governance arrangements for the SDEA in line with proposed legislation. This work, developed alongside the Serious Organised Crime and Police Act 2005 and corporate governance proposals, seeks to ensure that the SDEA and SOCA achieve an effective

partnership. Submissions were made to ACPOS and the Scottish Executive in preparation for legislation and the Scottish Executive Consultation Paper 'Supporting Police, Protecting Communities: Proposals for Legislation'.

- > Human Resource Strategy: A project commenced to establish effective policies and procedures for human resource management in preparation for the SDEA being enshrined in statute.
- > Performance Management and Measurement: This project addressed the future strategic direction of the Agency through a series of internal workshops and consultation visits. This resulted in a new SDEA Vision, Mission and Strategic Aims being identified and a new format for performance management being implemented for financial year 2005-2006.
- > Strategy Co-ordination: The SDEA will review the role of the NDC and the non-enforcement aspects of the Agency to allow the NDC's role to develop and align with the

development of an ACPOS National Harm Reduction Strategy.

- > Firearms Support: The SDEA has considered the options for firearms support, including attendant issues such as accountability, legal, training and the overall national firearms capability. In this regard, the Agency has provided submissions to ACPOS General Policing Business Area and ACPOS Council.
- > Professional Standards: An examination of the needs of the SDEA in terms of a professional standards capability has commenced and will continue through consultation and collaboration during 2005. This will lead to an effective capability to safeguard against the potential corruption of staff and attacks upon the Agency by organised criminals or others.

Through the continued consultation with key stakeholders and partners, the completion of these projects are designed to ensure the SDEA remains fit for purpose and is capable of responding to current and emerging threats from serious organised crime.

Obituary



Malcolm Begg

Staff at the Agency were saddened by the untimely death of Malcolm Begg, who passed away suddenly and peacefully on 2 September 2004, while on holiday in Cyprus.

In August 1999, Malcolm joined the Scottish Police College in the role of IT Development Officer after completing a BSc (Hons) degree in Artificial Intelligence and Computer Science at Edinburgh University.

He was instrumental in the development and implementation of several core computer systems used at the Scottish Police College. In May 2004, Malcolm joined the SDEA where he served as a

Forensic Computer Analyst in the National Hi-Tech Crime Unit (Scotland).

He settled quickly to his new role and his enthusiasm, commitment and ability was apparent to all who worked with him.

Malcolm had a large network of friends and was well known for his personality and sense of humour. He was a keen sportsman who regularly played football and attended the gym.

Malcolm will be greatly missed by all who knew him. Our deepest sympathy is extended to Malcolm's family and friends.

Appendix A

SDEA Objectives, Targets and Outcomes 2004-2005

Objective I

To actively target criminals and criminal organisations who engage in drug trafficking and other serious and organised crime in Scotland in order to reduce the harm caused by drugs to communities.

Targets

Based on the achievements of 2003-2004:

- > To increase the number of arrests of people involved in drug trafficking and other serious and organised crime.
- > To increase the weight of Class A drug seizures.
- > To increase the number of criminal networks disrupted.

Outcomes

During the period 1 April 2004 – 31 March 2005:

- > 224 people were arrested as a result of SDEA activities. This represents an increase of 14.8% on the previous years total of 195 arrests.
- > 357.222 kg of Class A drugs¹ were seized, with a potential street value of £22,320,980. This represents an increase of 245% on the previous year's total of 103.469 kg.
- > 84 disruptions were made to criminal networks. This represents a shortfall of 12.5% on the previous year's total of 96 disruptions.

Objective 2

To provide specialist support to Scottish police forces and partner agencies in the prevention and detection of drug trafficking and other serious and organised crime.

Target

To provide a positive response in 95% of cases to requests for SDEA specialist support from Scottish police forces and partner agencies.

Outcomes

During the period 1 April 2004 – 31 March 2005:

- > 838 requests were received and met.

Objective 3

To enhance the law enforcement contribution to drugs co-ordination, education and prevention issues.

Targets

- > To establish a Co-ordination Strategy and Action Plan.
- > To collate and disseminate 4 Drug Trends Bulletins, outlining drug availability and misuse.

Outcomes

During the period 1 April 2004 – 31 March 2005:

- > A full review of the role of the NDC and the DSU was undertaken as part of the SDEA Strategic Development Unit's project brief for non-enforcement. This project will consider the future role for non-enforcement in reducing demand for serious organised crime and in minimising the harm caused by serious organised crime in Scotland. The project will result in the production of a draft non-enforcement structure for post 2006, including potential resource implications.
- > 4 Drug Trends Bulletins have been collated and disseminated.

Objective 4

To maximise the confiscation of assets associated with drug dealing and other serious and organised criminal activity.

Targets

- > To disseminate 75% of suspicious activity reports to Scottish police forces in 72 hours of receipt.
- > To increase the amount of realisable assets identified based on the achievements of 2003-2004.
- > To identify and report £21m of realisable criminal assets to Crown Office for restraint.

Outcomes

During the period 1 April 2004 – 31 March 2005:

- > 471 suspicious activity reports were received, with 459 (97.4%) being disseminated to Scottish police forces within 72 hours of receipt.
- > The net (exclusive of liabilities) value of assets identified during the same period was £14,279,327.76.² This represents an increase of 1,334% on the previous year's total of £ 995,752.15.
- > £12,036,625.70 of realisable criminal assets were identified and reported to Crown Office for restraint.³

² In a UK and Scottish context, the task force approach adopted by the SDEA resulted in over £30m of realisable criminal assets being identified and reported to the appropriate authorities. This equates to over £14m of realisable criminal assets identified by the SDEA and, in a UK context, in partnership with HM Customs and Excise, the identification of a further £16m of realisable assets.

³ £2,242,702 represents the difference between £14,279,327 and £12,036,625 and relates specifically to:

- Cash seizures of amounts of £5,000 or more (under POCA).
- Total cash or assets seized (not subject to POCA) i.e. productions / forfeiture.
- Value of recoverable property identified and reported to the Civil Recovery Unit.

SCOTTISH
DEA



Scottish Drug Enforcement Agency
Corporate Development Plan 2005-2008

Introduction

This Corporate Development Plan reflects the many challenges and developments that will transform the way that the SDEA will respond to serious organised crime over the coming years. The Plan signals the Agency's preparedness across all business areas and has been considered carefully against the SDEA's vision, namely:

- > Create a hostile environment for organised criminals
- > Provide a safe prosperous Scotland for all communities free from the harm caused by serious organised crime
- > Deliver excellence, inspire public confidence and reflect the cultural diversity of Scotland

At a time when the threat from serious organised crime is being accentuated by a rapidly changing geo-political climate, increasing technological developments and an appetite by serious organised crime to achieve profit at whatever the cost to society, the Agency must develop techniques, capabilities and the capacity to respond vigorously to safeguard Scotland's communities.

The Scottish Executive has reinforced the Agency's planned development in proposals articulated in a recent consultation paper, *Supporting Police, Protecting Communities* which will form the basis of a new Scottish Police Bill planned for 2005. The proposals include the expansion of the SDEA, the establishment of robust and transparent governance, a framework that will afford the Director operational independence, simplifying funding arrangements and

placing the Agency on a firm statutory footing. These proposals will provide a solid base for the Agency to build on and meet the challenges ahead.

The development of a new law enforcement campus in Scotland seeks to bring together a number of key law enforcement bodies at a single site to provide a more effective, strengthened and co-ordinated response to serious organised crime. The campus, which will be the first of its kind in the UK, is planned to combine the efforts of the SDEA, SOCA and representatives from the Crown Office and Procurator Fiscal Service. The establishment of a law enforcement campus will send a clear and unambiguous message to Scottish communities and to those further afield. Serious organised crime will face a formidable adversary and will find it increasingly difficult to profit at the expense of Scotland's economy.

The law enforcement campus represents a logical progression of the SDEA's existing task force approach to tackling serious organised crime in Scotland. Over the next 3 years, strategies and tactics employed by the SDEA to counter the threats from Organised Crime Groups (OCGs) will evolve to diminish the menace posed by organised criminals to Scotland's communities. The Agency will remain vigilant and maintain a capability of adapting to new threats, responding innovatively with tenacity and determination.

This process has commenced with a root and branch examination of a number of business areas designed to increase efficiency, guarantee best value and ensure that the Agency remains fit for purpose.

Crime Co-ordination

During 2005-2008, Crime Co-ordination will:

- > Identify and build partnerships with international law enforcement and judicial authorities in pursuit of the principal threats posed by serious organised crime to Scottish communities.
- > Concentrate Crime Co-ordination resources on the opportunities afforded by POCA to identify and seize criminal assets.
- > Develop a MOU with SOCA to ensure that the SDEA and SOCA work in partnership to provide an effective UK wide response to the threats posed by serious organised crime.
- > Contribute to the development of an ACPOS Serious Organised Crime Strategy for Scotland, which will clearly define the role and function of Scottish police forces and the SDEA in terms of assuring a hostile environment for organised criminals who operate in Scotland.
- > Prepare for the proposed legislative empowerment of the Director across the full range of covert intelligence disciplines which will significantly enhance the Agency's ability to swiftly respond to emerging threats from OCGs.
- > Seek to appoint a dedicated Non-Police Authorising Officer in terms of RIPA and RIP(S)A, subject to the appropriate legislative amendments.
- > Provide additional support to the Scottish police forces in connection with terrorist investigations.
- > Ensure the seamless implementation of Airwave to the SDEA, scheduled for April 2006.

Intelligence Group

During 2005-2008, the Intelligence Group will:

- > Restructure to create a Central Intelligence Unit (CIU) and pool expertise from in the SDEA across a range of specialist functions. The CIU will provide improved co-ordination of the intelligence functions that operate in the Agency and partner law enforcement agencies.
- > Develop an SDEA Control Strategy to enhance the internal SDEA Strategic and Tactical Tasking Co-ordinating process to complement the national Control Strategy.
- > Review the SDEA's compliance with NIM to ensure that the correct structures and processes are in place which will be subject to a review by the national NIM Implementation Team.
- > Recruit specialist support in the field of financial investigation to further exploit the opportunities afforded by POCA.
- > Increase investment and capacity in specialist covert deployments, CHIS and other effective disruption tactics to support SDEA intelligence-led operations and exploit vulnerabilities in OCGs operating in Scotland.
- > Progressively use criminal intelligence analysts to identify and focus SDEA investigations to improve the quality of the UK and Scottish intelligence picture through a range of NIM compliant analytical products.

- > Restructure the SMLU to create:
 - A Financial Profile Unit (FPU) to function the preparation and submission of all financial profiles to Crown Office and pool expertise to ensure that a consistently high quality product is provided by the Agency.
 - A Financial Intelligence Development Team (FIDT) to function the administration of SARs which are a rich source of intelligence on the activities of OCGs. Working on behalf of Scottish police forces, the Unit will research and develop financial intelligence to identify potential targets and maximise intervention opportunities.

Operations Group

During 2005-2008, the Operations Group will:

- > Co-ordinate police investigations in Scotland with European and international law enforcement partners on behalf of the Crown Office, which holds the status of 'competent authority' in terms of the application of the EU Convention on Mutual Legal Assistance.
- > Extend interaction with Europol, Eurojust and Interpol to forge relationships and share experiences with law enforcement agencies across the EU. This is an essential component in maintaining close links with foreign law enforcement partners to ensure that OCGs across the EU, particularly those in Scotland, find the environment in which they operate as hostile as possible.
- > Diversify operational activity to combine intelligence-led operations with complex financial investigation into OCGs that operate in Scotland to disrupt and dismantle

the capability and effectiveness of serious organised crime.

- > Invest in greater numbers of trained financial investigators in the Operations Group to increase the SDEA's skills base. This will lead to an increase in the number of officers able to undertake complex, long-term financial investigations.
- > Develop the Operations Group to meet additional responsibilities; to act, on request, in support of Scottish police forces in connection with terrorist investigations.

Operational Support Group

During 2005-2008, the Operational Support Group will:

- > Provide specialist support to the Scottish Police Service in relation to hi-tech crime and assist in the development of an accurate threat assessment relative to hi-tech criminality in Scotland.
- > Provide advice to law enforcement and the business community relative to the investigation, detection and reduction of serious organised hi-tech crime to discourage new entrants to unlawful markets.
- > Promote partnership and data exchange initiatives with partner agencies from the public and private sector to capture data associated with computer-enabled criminality to allow the development of crime reduction strategies.
- > Develop operational protocols with partner agencies in furtherance of the Scottish Police Service response to hi-tech crime.

- > Provide specialist support to the Scottish Police Service in relation to witness protection issues.
- > Monitor the resources allocated to the SWLU to take account of the anticipated increase in the number of referrals from Scottish police forces, with due cognisance to the legislative change in the acceptance criteria under the provisions of the Serious Organised Crime and Police Act 2005 scheduled to take effect from April 2006.
- > Progress the implementation of an SDEA Forensic Science Strategy.
- > Gather all appropriate forensic products, both overtly and covertly, for evidential and intelligence purposes.
- > Effectively manage all forensically derived products from SDEA operations.
- > Raise staff awareness of forensic science and its impact on SDEA activity.
- > Provide support and expertise in relation to the development of European and International co-operation in respect of cross-border surveillance, JITs and the Schengen Information System.

Technical Support Unit

During 2005-2008, the TSU will:

- > Provide an enhanced range of technical options and a wider field of technical solutions in the investigation of serious organised crime.
- > Develop existing expertise in the deployment of the sophisticated technical support required to sustain the anticipated growth in the number of covert investigations.
- > Provide an extended support of advanced technology to the SDEA and Scottish police forces, in respect of investigating criminals committing acts of serious crime across both Scottish police force areas and domestic borders.
- > Develop the use of Automatic Number Plate Recognition (ANPR) technologies to link with the strategy adopted by Scottish police forces.
- > Provide an enhanced specialist support capability to Scottish police forces dealing with hostage/siege incidents.

Strategy Co-ordination

During 2005-2008, Strategy Co-ordination will:

- > Record drugs-related deaths on a national database and produce year-to-date figures, showing a comparison with the same period the previous year. This information will continue to be shared with Scottish police forces and the Scottish Executive to ensure the early identification of trends and influence strategies for the prevention of drugs-related deaths.
 - > Collate information on the fluctuation in price and purity of Class A drugs in Scotland to share with CIDA to inform a UK assessment.
 - > Collate national statistics in relation to incidents of DASA investigated by Scottish police forces.
 - > Redevelop the SDEA corporate website
-
- > Co-ordinate the establishment of national standards in the composition and delivery of police drug education inputs to school children and other key groups. This includes the development of a national multi-media drug education resource.
 - > Formalise and enhance the reporting and dissemination of public health information relating to drug misuse both in the Scottish Police Service and with its external public health partners.
 - > Assist in the establishment of a national information sharing agreement with the Scottish Prison Service, with a view to identifying potential gaps in treatment provision in prison and on release into the community, particularly in relation to the prevention of drugs-related deaths.

Corporate Services

During 2005-2008, Corporate Services will:

- > Prepare for the SDEA's transition from its current Collaborative Agreement status to one firmly established in statute.
- > Prepare for the Agency's possible relocation to a new law enforcement campus.
- > Invest in a Human Resource Management system to effectively manage personnel seconded or recruited to the SDEA.
- > Develop the Human Resource Management project to provide the Agency with professional support and policies to address all areas associated with Human Resources, particularly in relation to oversight and management, recruitment and retention, training and development and organisational development.
- > Implement a management information system and develop appropriate performance reporting to address a capability gap in the Agency's performance management regime.
- > Progress the implementation of a SDEA Business Continuity Plan.
- > Develop an IT strategy to take account of emerging key strategic themes and the future direction of the Agency.
- > Implement a device management solution to improve network security.
- > Provide an electronic system to support the transfer of data to the Crown Office and Procurator Fiscal Service.
- > Rationalise the SDEA's Asset Management Processes and implement recommendations of the Scottish Executive Audit Report.
- > Assist in the implementation of Airwave to the SDEA.
- > Develop an SDEA intranet

Strategic Development Programme

During 2005-2008, the Strategic Development Programme will:

- > Progress the Legislation and Governance project to prepare for the proposed legislative empowerment of the Director, SDEA across the full range of covert intelligence disciplines, which will significantly enhance the Agency's ability to swiftly respond to emerging threats from OCGs.
 - > Ensure the SDEA's smooth transition from its current Collaborative Agreement status to one firmly established in statute and potential relocation to a new law enforcement campus.
 - > Progress the implementation of an appropriate performance management and measurement system to address a capability gap in the Agency's performance management regime.
- > Establish the post of Deputy Director as a Chief Police Officer, subject to the approval of Scottish Ministers.
 - > Initiate a review of Strategy Co-ordination to consider the future role of the NDC and the DSU in contributing to the reduction of demand and minimising the harm caused by serious organised crime in Scotland.
 - > Progress the SDEA's options for firearms support and consider the attendant issues such as accountability, legal, training and the overall national firearms capability.
 - > Advise the Agency on developing issues that will impact upon the operational relationship between the SDEA and SOCA, post 2006.

Appendix B

Strategic Aims

- > Disrupt and dismantle the capability and effectiveness of serious organised crime groups.
- > Take the profit out of serious organised crime.
- > Reduce the demand for the products of serious organised crime.
- > Maximise the potential of our staff and resources.
- > Work in partnership to increase our effectiveness.

SDEA Objectives 2005-2006

Impact

- > Maximise arrests.
- > Maximise detection of unlawful commodity and people smuggled or trafficked into Scotland.
- > Maximise the restraint of criminal assets.

Processes

- > Provide a balanced response to the UK Threat Assessment and Scottish Strategic Assessment.
- > Support Scottish police forces.
- > Deliver on partnership needs and established agreements.
- > Improve quality of intelligence picture.
- > Provide innovative technological solutions and expertise.
- > Achieve seamless compatibility with SOCA to achieve UK wide response to serious organised crime.

Future Development

- > Contribute to reduction of fear of crime in communities.
- > Discourage new entrants to unlawful markets.
- > Encourage business communities to increase the costs of creating unlawful products.

- > Discourage purchase of unlawful products.
- > Make products of serious organised crime socially unacceptable.
- > Identify and build new partnerships.
- > Effectively target unlawful markets.
- > Raise fear of detection.

Resource Management

- > Pursue highest standards of leadership and management.
- > Maximise use of resources.
- > Build a diverse workforce.
- > Develop staff to fulfil their contribution to the Agency.

Performance Indicators and Targets will be used to measure progress on the above Objectives and gauge the Agency's development with respect to the balanced scorecard approach to performance management.

Appendix C

SDEA Finances

Operational and Intelligence Groups net budget

| Budget line | 2002-2003 Final out-turn £ | 2003-2004 Final out-turn £ | 2004-2005 Projected out-turn £ | 2005-2006 Budget £ | 2006-2007 Estimate £ | 2007-2008 Estimate £ |
|--------------------------------|-------------------------------------|-------------------------------------|---|--------------------------|----------------------------|----------------------------|
| Total employee costs | 5,929,760 | 13,416,250 | 14,589,552 | 16,115,380 | 16,679,420 | 17,263,200 |
| Property costs | 342,337 | 1,033,709 | 1,089,763 | 1,051,360 | 1,158,660 | 1,279,810 |
| Supplies and services | 530,912 | 927,315 | 986,204 | 993,430 | 1,020,250 | 1,047,800 |
| Transport costs | 255,711 | 419,718 | 544,984 | 461,950 | 479,860 | 498,520 |
| Administration and other costs | 54,463 | 421,811 | 422,744 | 469,420 | 488,060 | 507,810 |
| Capital | 399,299 | 1,320,835 | 1,181,371 | 1,771,570 | 1,819,400 | 1,868,530 |
| Income | -34,532 | -17,678 | -58,822 | -30,660 | -31,490 | -32,340 |
| TOTAL | 7,477,950 | 17,521,960 | 18,755,796 | 20,832,450 | 21,614,160 | 22,433,330 |

The estimates for 2006-2007 and 2007-2008 are based on a cost of current needs assessment and do not include growth which may emerge from the potential relocation of the Agency over the coming years.

SDEA headquarters budget

| Budget line | 2002-2003 Final out-turn £ | 2003-2004 Final out-turn £ | 2004-2005 Projected out-turn £ | 2005-2006 Budget £ | 2006-2007 Estimate £ | 2007-2008 Estimate £ |
|--------------------------------|-------------------------------------|-------------------------------------|---|--------------------------|----------------------------|----------------------------|
| Total employee costs | 5,377,793 | 1,218,962 | 1,692,739 | 1,908,160 | 1,975,280 | 2,044,410 |
| Property costs | 313,531 | 126,849 | 180,061 | 188,520 | 207,010 | 227,840 |
| Supplies and services | 248,600 | 31,596 | 49,631 | 39,080 | 40,140 | 41,220 |
| Transport costs | 95,289 | 20,392 | 18,531 | 25,010 | 25,990 | 27,010 |
| Administration and other costs | 108,031 | 66,121 | 75,080 | 46,710 | 47,970 | 49,260 |
| Capital | 1,212,746 | 11,812 | 46,210 | 11,820 | 12,140 | 12,470 |
| Income | -1,337 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 7,354,653 | 1,475,732 | 2,062,252 | 2,219,300 | 2,308,530 | 2,402,210 |

The estimates for 2006-2007 and 2007-2008 are based on a cost of current needs assessment and do not include growth which may emerge from the potential relocation of the Agency over the coming years.

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