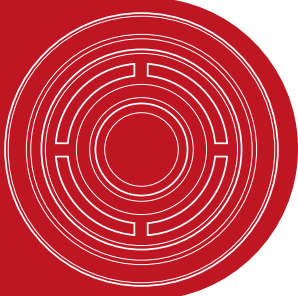




An inspection of the
**DEPARTMENT OF AGRICULTURE
AND RURAL DEVELOPMENT
FRAUD INVESTIGATIONS AND
ENFORCEMENT ACTIVITIES**

August 2017





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AND RURAL DEVELOPMENT FRAUD
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ACTIVITIES**

Laid before the Northern Ireland Assembly under Section 49(2) of the Justice (Northern Ireland) Act 2002 (as amended by paragraph 7(2) of Schedule 13 to The Northern Ireland Act 1998 (Devolution of Policing and Justice Functions) Order 2010) by the Department of Justice.

August 2017



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List of abbreviations

CAP	Common Agriculture Policy (agriculture policy of the European Union which implements a system of subsidies and other programmes).
CIS	Central Investigation Services.
CJI	Criminal Justice Inspection Northern Ireland.
DAERA	Department of Agriculture, Environment and Rural Affairs (which replaced DARD as a Government Department within Northern Ireland from May 2016).
DARD	Department of Agriculture and Rural Development (Northern Ireland Government Department which preceded the formation of DAERA).
DFP	Department of Finance and Personnel (former Government Department in Northern Ireland which was replaced by the Department of Finance from May 2016).
DOF	Department of Finance (Northern Ireland Government Department which replaced DFP from May 2016).
DVO	Divisional Veterinary Offices
EU	European Union.
NI	Northern Ireland.
NIEA	Northern Ireland Environment Agency.
NIM	National Intelligence Model.
PPS	Public Prosecution Service for Northern Ireland.
PSNI	Police Service of Northern Ireland.
SMR	Statutory Management Regulations.
UK	United Kingdom.
VS	Veterinary Service.
VSEB	Veterinary Service Enforcement Branch.



Chief Inspector's Foreword

Farming and food production make a significant contribution to the Northern Ireland economy. It is essential that the public have confidence in this industry and that the marketing of Northern Ireland produce can maintain and where possible, improve its reputation for quality and high standards of animal welfare.

Most farmers have a deep commitment and respect for the land and the food that is produced. A small number however are cavalier about standards, procedures and animal welfare. This inspection examines the role played by both the Central Investigation Service and the Veterinary Service Enforcement Branch in the Department of Agriculture, Environment and Rural Affairs (formerly Department of Agriculture and Rural Development), and their respective roles in protecting against error and fraud and securing compliance with agricultural regulations and animal welfare legislation.

In common with other Government Departments, these investigatory bodies seek compliance through warning and alternatives to prosecution before resorting to the criminal law. Their investigations are thorough and the files prepared for prosecution are generally of a high standard. Inspectors found no evidence of any influences levied on either investigators or officials and conflicts of interest appeared to be well handled.

While we have made no strategic recommendations, there are a number of areas for improvement included in this report. We believe that with the merger of the former Department of Agriculture and Rural Development with the Northern Ireland Environment Agency (NIEA), there is an opportunity to take a more robust and strategic approach to prolific offenders and high risk enterprises.

This inspection was conducted by Dr Stephen Dolan and Dr Ian Cameron. I would like to thank all those who supported them in their work.

Brendan McGuigan
Chief Inspector of Criminal Justice
in Northern Ireland

August 2017



Executive Summary

This inspection by Criminal Justice Inspection Northern Ireland (CJI) focused on two elements of the enforcement activity of the former Department of Agriculture and Rural Development for Northern Ireland (DARD)¹: the Central Investigation Service (CIS) and Veterinary Service Enforcement Branch (VSEB).

Central Investigation Service (CIS)

The purpose of the CIS was to investigate potential fraud cases that primarily arose from over 23,000 applications for payments worth around £250 million issued by DARD annually. In the course of its work, the CIS provided advice to other Government Departments and developed training programmes, guidance and counter-fraud strategies and response plans.

Following reforms of the European Union (EU) Common Agriculture Policy (CAP) in 2005 and 2013, the number of claims prone to error and possible fraud fell with a consequent reduction in the number of referrals to the CIS (in 2014, the CIS received only 15 referrals compared to 115 in 2012). The underlying level of fraud detected across the Northern Ireland (NI) Civil Service was low and the need for a specific unit in DARD was no longer justified, resulting in the transfer of fraud investigation to a centralised unit within the Department of Finance (DoF) in 2016.

CJI Inspectors examined a number of CIS case files, reviewed its policies and guidance and spoke with the Public Prosecution Service for Northern Ireland (PPS) in respect of files forwarded for possible prosecution. The overall standard of work was found to be high. The PPS raised no issues with the approach taken or the quality of files presented to them. Internal audit reports gave satisfactory assurances. CJI Inspectors found no evidence that investigations or officials within the CIS were subject to any inappropriate internal or external influences.

CJI Inspectors also found no evidence that the CIS was either over-zealous in its pursuit of claims or lax in its investigations. CJI has recommended that the Department of Agriculture, Environment and Rural Affairs (DAERA) should maintain representation on the Counter Fraud Forum and promote and fully support their whistle blowing policy.

1 The Department of Agriculture and Rural Development was replaced from May 2016 by the Department of Agriculture, Environment and Rural Affairs after the number of Northern Ireland Government Departments was reduced from 12 to nine.

Veterinary Service Enforcement Branch (VSEB)

The Veterinary Service Enforcement Branch provided a specialist resource within the Veterinary Service of the Department focusing on compliance with statutory requirements including TB² testing, animal welfare obligations and food safety. The VSEB inspected, investigated and where necessary, prosecuted serious or persistent offenders in accordance with DARD's Enforcement Policy. Over the period 2012-15, the VSEB carried out 863 investigations with 129 (16%) cases deemed sufficiently serious to warrant prosecution in court, of which 90% of these cases resulted in conviction confirming the view expressed to Inspectors by the PPS that the files the VSEB presented to the PPS were of good quality.

The VSEB took the decision not to prosecute in a quarter of cases due to insufficient evidence with around half of the cases subsequently complying with the standards or receiving warning letters.

In the reporting year 2014, a total of 49 files were referred to the PPS by the VSEB giving rise to 32 convictions including four custodial sentences. Fines totalling £28,000 were imposed.

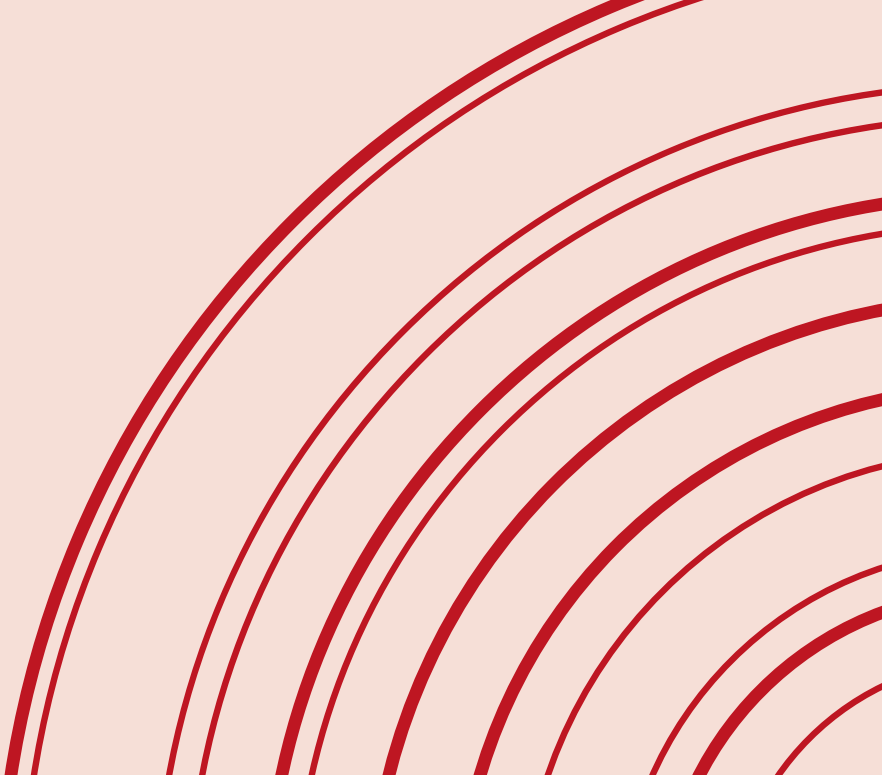
The majority of the inspection personnel working on behalf of the VSEB would have local knowledge of the farming communities in which they worked. Whilst this provided useful insight,

it could also lead to claims that a conflict of interest might arise. CJI Inspectors reviewed files, met with management and inspection teams and found no evidence that investigations were subject to any internal or external influence. By way of assurance, VSEB management regularly reviewed investigations, double checked fieldwork and the Animal Welfare Panel of the Veterinary Service carried out a separate assessment of evidence before investigations went ahead. In the view of Inspectors, potential conflicts of interest were handled well.

The incorporation of the Northern Ireland Environmental Agency (NIEA) and its Environmental Crime Unit into the newly formed DAERA offers an opportunity to share data on the serious offenders and mount joint operations. The NIEA already operates under the National Intelligence Model (NIM) and is developing a comprehensive risk matrix that could usefully be shared with the VSEB enforcement teams in their planning. CJI Inspectors were aware of the joint planning work being undertaken by VSEB and NIEA staff and would encourage them to develop a strategic risk assessment of the prolific and serious offenders operating under the guise of farming enterprises.

While this report makes no strategic recommendations, a number of areas for improvement are included.

2 Bovine Tuberculosis (TB) is a chronic disease of animals caused by a bacteria called *Mycobacterium bovis* (M.bovis).



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