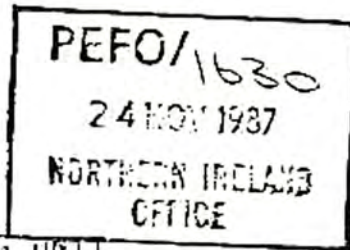


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Stephens



cc Mr Innes
 Miss Fease
 Mr Coulson
 Mr Templeton
 Mr Coston

ANTI-RACKETEERING UNIT

1. We have prepared the attached draft note on the proposed Anti-Racketeering Unit which seeks to explain how the Unit will operate, how it might be staffed and what the director's responsibilities will be. The purpose of the note is to plug the gap identified by Miss Fease in her minute of 12 November and to engage the attention of those departments from whom we are hoping to obtain suitable recruits. Subject to your views, Miss Fease might use the note as a basis for further discussion with the departments concerned.

2. One thing which is obviously missing is a projected start-date. I wonder if it would be reasonable to suggest that we are aiming to identify a director by the end of this year; and to get the Unit up and running by 1 April 1988. I should welcome comments on this point.

S Hewitt

S G HEWITT
 Law and Order Division

24 November 1987

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DESCRIPTION - THE ANTI-RACKETEERING UNIT AND ITS DIRECTOR

The Unit

1. The Anti-Racketeering Unit will be a full-time multi-disciplinary unit designed to concentrate solely on preventing paramilitary and criminal groups from exploiting or flouting the law for financial gain through rackets, extortion and other such activities. To start with it will not have statutory powers of its own or the benefit of any new legislation. Its first main task will be to galvanise the Government's anti-racketeering effort through a broadening and greater co-ordination of existing patterns of investigation. As it gains confidence and expertise it is anticipated that new areas will be investigated and directions could increasingly be given to outside bodies with their agreement.

2. The Unit will have a close working relationship with the RUC Crime Department, principally CI(3), the Anti-Racketeering Squad. At present, co-location with the police is not a viable option and it is possible therefore that at least one full-time RUC liaison officer post will be created. [As in the Serious Fraud Office, this officer would remain operationally accountable to the Chief Constable.]

3. The modus operandi of the Unit will be aimed at ensuring that every avenue of investigation can be used to target individual paramilitaries, their parent organisations and their "fronts" and to build substantially on the more sophisticated approach developed recently by CI(3).

4. The Unit will also be expected to address itself quickly to the question of whether it considers a statutory basis (including prosecution powers) is necessary or desirable and if so to liaise closely with NIO (LOB) as to the best way of achieving this. It will also be expected to contribute urgently to NIO consideration of any new anti-racketeering powers to be made available, whether to the RUC, the Unit or others.

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The Unit will be a small one. Apart from a principal grade civil servant to act as administrative anchor-man, it will probably contain a lawyer*, an accountant* and principals from Inland Revenue and Customs and Excise. In due course others may be seconded from other Departments on a term basis or for individual cases. A permanent RUC liaison representative may also be resident. The role and purpose of the specialists is self-evident; they will contribute specific expertise and experience both as regards their areas of work and their parent organisations. Since some unorthodox work will be necessary, pre-existing contacts will be invaluable. Finally support staff - executive, clerical, typing and security will be required. On this basis a Unit of 12-15^y is expected.

6. The Unit will therefore break major new ground in Northern Ireland if not in the UK. In scale it will be a small but significant new resource whose own efforts will make an important impact. It is however intended that it will have an even greater catalytic effect across a wide area of government activity.

The Director

7. The Director will be responsible to the Secretary of State for Northern Ireland to whom he will report through [DUS(B)/AUS(B) Security]. His day to day dealings will be with Law and Order Division (B). He will be charged with realising the job description given above and will be expected in advance to draw up a full and credible plan of work to achieve this. That the Director has a major personnel task is at once apparent - he will be welding together a disparate group then motivating and directing it. In particular he will have to strike up a good working relationship with the police. The Director will be expected not only to decide on major individual cases but also to develop a strategic approach for tackling each facet of the racketeering problem. This will need to be incorporated in a strategic plan to be approved by the Secretary of State. The Director will also need to be prepared to use unorthodox means to overcome the obvious evidential difficulties of a situation in which victims are afraid to come forward and give

* Probably brought in as consultants.

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ence. The Director will have a major representational role both in terms of departments directly linked to him and wider within the system. At the same time he will need on security grounds to be circumspect as to his role and that of his unit.

8. The post of Director will therefore be a most challenging one to be filled at grade [3-5]. It is desirable that he should have experience and proven expertise in some investigative field as well as the necessary dynamism to apply this to a new and complex area. His professional background and discipline are not important but if he has experience in one of the core specialisms then it might not be necessary to have this represented at lower level.

9. Ministers attach a very high priority to this area; the Director will be accountable for producing demonstrable results.

Anti-Rackets Branch
LOB

24 November 1987