



**HMIC Inspection Report**  
**Summary for Publication**  
**Police Service**  
**of Northern Ireland**  
**Management & Handling of**  
**Covert Human Intelligence**  
**Sources in Terrorist Networks**  
**July 2008**



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## INTRODUCTION

- 1.1. On 22nd January 2007 the Police Ombudsman for Northern Ireland (PONI) published an investigative report entitled, 'Statement by the Police Ombudsman for Northern Ireland on her investigation into the circumstances surrounding the death of Raymond McCord Junior and related matters'. In brief, this investigation stemmed from allegations made in May 2002 by Raymond McCord Senior concerning the murder of his son by members of a paramilitary group on 9th November 1997. The complainant primarily alleged that, 'over a number of years, police in Northern Ireland had acted in such a way as to protect informants from being fully accountable to the law'.
  
- 1.2. The investigation, which took over five years to complete, also looked at a number of other murders, attempted murders and serious acts of criminality where it is alleged that an individual or individuals, were involved in these acts whilst acting as informants for the Royal Ulster Constabulary (RUC) special branch (SB). There were twenty recommendations made in the report with Her Majesty's Inspectorate of Constabulary (HMIC) agreeing to undertake Recommendation 34.19, namely;

*'In light of the forthcoming transfer of National Security matters to the Security Service MI5, HMIC should conduct a thematic inspection of the new PSNI processes for informant handling, controlling and management, with a view, particularly, to identifying any legislative or administrative changes which may be required to enable the effective handling and management of covert human intelligence sources (CHIS) within terrorist networks'.*
  
- 1.3. Following discussions between the Northern Ireland Office (NIO) and HMIC it was agreed that the inspection would be undertaken during 2008 thereby allowing time for the new working arrangements between the Police Service of Northern Ireland (PSNI) and the Security Service (SyS) to become more established following the transfer of responsibility for national security to the SyS on 10th October 2007.
  
- 1.4. In April 2008, following consultation with PSNI and SyS terms of reference for the inspection were issued by the NIO as follows;

## TERMS OF REFERENCE

*“In October 2007 responsibility for national security in Northern Ireland passed from PSNI to the Security Service. New arrangements have been put in place for the handling of informants and it is these arrangements that should be examined”.*

### **Aim/Objective**

*To provide reassurance to the people of Northern Ireland that following the transfer of responsibility for national security intelligence work in Northern Ireland from PSNI to the Service, the working arrangements of PSNI for the handling, control and management of covert human intelligence sources (CHIS) in terrorist networks are robust, effective and comply with all necessary legislation.*

### **Scope/Methodology**

*HMI will, with the support of the Chief Constable PSNI and other relevant authorities:*

- undertake an inspection of the current PSNI working arrangements in place for the handling, controlling and management of CHIS in terrorist networks within Northern Ireland;*
- review protocols for the handling, controlling and management of participating informants in terrorist networks in Northern Ireland;*
- make comparison with arrangements elsewhere in the United Kingdom where relevant;*
- identify any aspects of current legislation appertaining to this area of work that may require amendment;*
- assess the new arrangements and identify any areas for improvement that will ensure the arrangements are robust, effective and comply with all relevant legislation and make recommendations where necessary;*

*HMI or his staff should consult any individual or organisation that is deemed necessary to complete the work, including the Director General of the Security Service or his representatives, and should be given full access to both PSNI and Security Service staff and documentation that is deemed relevant;*

*HMI may utilise the services of any appropriately vetted staff from outside HMIC who can provide expert knowledge in this field but their access to sensitive information will be agreed with PSNI beforehand.*

- 1.5. The inspection was undertaken by Her Majesty's Inspector of Constabulary (HMI), Mr Ken Williams, CVO, CBE, QPM, BA during June and September 2008 with fieldwork being undertaken in Northern Ireland from Tuesday 15th July 2008

to Friday 18th July 2008. West Yorkshire Police was chosen as a comparator organisation and additional work was undertaken in that force during August and September 2008.

- 1.6. In addition to HMIC staff, HMI was supported and greatly assisted during the inspection and subsequent comparator work by staff from the Greater Manchester Police (GMP) Counter Terrorism Unit (CTU), who were specialists in their field and brought a wide range of experience and specialist knowledge accumulated from undertaking major terrorist investigations, managing informants and operating in an SB and CTU covert environment.
- 1.7. The four specialist staff from GMP included the North West Regional Co-ordinator and Head of the GMP CTU, who was joined by two experienced and accredited authorising officers (AO), (one having an extensive crime background as an accredited senior investigating officer (SIO), the other with extensive SB and SIO background). The fourth member of the team was an experienced SB CTU controller and training officer. All the specialists have had recent, extensive experience and knowledge of CHIS management and handling within the law enforcement and SB arena.
- 1.8. HMI wishes to place on record his appreciation and thanks to the;
  - a. Chief Constable of GMP for agreeing to allow staff from the CTU to be utilised during this inspection;
  - b. Chief Constable of West Yorkshire Police for agreeing to allow his force, which is in the same most similar force (MSF) group as PSNI, to be used as the baseline comparator; and
  - c. Specialist staff from the GMP CTU whose assistance made this inspection possible. Their personal knowledge and expertise was invaluable.
- 1.9. HMI also wishes to extend his appreciation and thanks to the Chief Constable of the PSNI and the Northern Ireland Director, SyS and their staff for their invaluable assistance, support and candour during this inspection. For many staff interviewed this was the first time they had been involved in an inspection and it is significant that they were open with both their comments and experiences and supportive of the whole process.

- 1.10. It is important to clearly articulate that this report assesses the current arrangements for the management and handling of CHIS in terrorist networks established since 10<sup>th</sup> October 2007. It does not seek, nor was it HMI's remit, to pass judgement on arrangements in place prior to this date.

## BACKGROUND

- 2.1 On the 9th November 1997, Raymond McCord Junior was found beaten to death in Newtownabbey. In May 2002, his father, Raymond McCord Senior made a complaint to PONI about police conduct in relation to the murder of his son. His complaint alleged that the police, over a number of years, acted in such a way as to protect informants from being fully accountable to the law.
- 2.2 PONI commenced an investigation into these allegations under the name 'Operation Ballast'. During the early stages of this investigation, in 2003, the Ombudsman brought to the attention of the Chief Constable, PSNI, that she had serious concerns about the way the Service had handled paramilitary informants since the early 1990's.
- 2.3 The use of covert human intelligence sources (CHIS – also referred to as informants or agents) is governed by the Regulation of Investigatory Powers Act 2000 (RIPA). There is a requirement under this legislation for the Office of the Surveillance Commissioner (OSC) to inspect a police force to ensure compliance with the Act.
- 2.4 An OSC inspection of the management and handling of CHIS in PSNI, which reported on the 26th February 2003, did not identify any serious problems. This conflicted with initial findings by PONI and the Ombudsman raised concerns about the findings of that report and brought her concerns to the attention of the Surveillance Commissioner. A further OSC inspection was carried out in October 2003.
- 2.5 Sir John (later Lord) Stevens had initially been appointed in 1989 to lead an investigation into allegations of collaboration between the security forces and loyalist paramilitaries in Northern Ireland. This included the use of and the role of informants and was followed by a second and then third similar investigation. The third 'Stevens Enquiry' reported on 17th April 2003 and made 21 recommendations, many of which related to the manner in which terrorist investigations and intelligence gathering was conducted by PSNI, in particular regarding the use of CHIS in countering terrorism.

- 2.6 During 2002, running parallel with the Stevens investigation, a review of special branch in PSNI was undertaken by the then HMI, Mr (later Sir) Dan Crompton, CBE, QPM, C.I.Mgt.
- 2.7 The task of preventing terrorist attacks by paramilitary groups from either side of the community in Northern Ireland is acknowledged to be one of the most complex policing challenges in the United Kingdom.” (Stevens 3, Para 1.7, 2003)
- 2.8 In light of all these reports and recommendations, PSNI undertook radical changes in the management, control and handling of CHIS in terrorist networks. These included structural changes, one of which was the amalgamation of crime operations and special branch under one assistant chief constable (ACC).
- 2.9 On 6th October 2003, a CHIS risk analysis group (CRAG) was set up to review and provide a comprehensive risk analysis of all PSNI CHIS. This was one of many significant changes undertaken by PSNI relating to this area of business.
- 2.10 National security is an ‘excepted matter’ which cannot be devolved to any Northern Ireland Government (Northern Ireland Act 1998, Para 17 of Sch.2). The RUC (latterly PSNI) had taken the lead responsibility for national security intelligence work in Northern Ireland regarding ‘Irish Related Terrorism’. This was different from the UK mainland where the SyS had lead responsibility. The Independent Commission on the Policing of Northern Ireland (Patten Report, 1999), stated “we recommend that responsibility for policing be devolved to the Northern Ireland Executive as soon as possible, except for matters of national security (Para 6.15 and recommendation 20).
- 2.11 In order to implement the Patten recommendation and to bring national security intelligence work in line with the rest of the UK, in February 2005 HM Government announced that lead responsibility for national security in Northern Ireland would transfer from PSNI to the SyS. (The transfer of lead responsibility and the accountability measures are outlined in Appendix E of the St. Andrew’s Agreement, 2006).

2.12 Following extensive consultation and discussion five principles were agreed that would facilitate and guide future working arrangements between PSNI and SyS namely;

- I. All Security service intelligence relating to terrorism in Northern Ireland will be visible to PSNI.*
- II. PSNI will be informed of all Security Service counter terrorist investigations and operations relating to Northern Ireland.*
- III. Security Service intelligence will be disseminated within PSNI according to the current PSNI dissemination policy and using police procedures.*
- IV. The great majority of national security CHIS in Northern Ireland will continue to be run by PSNI officers under existing police handling protocols.*
- V. There will be no diminution of the PSNI's ability to comply with the Human Rights Act 1998 or the Policing Board's ability to monitor said compliance.*

2.13 On 10th October 2007, the lead responsibility for national security in Northern Ireland transferred from PSNI to the SyS.

## METHODOLOGY

- 3.1 HMI undertook extensive background interviews with key individuals in the national security arena including the Independent Reviewer of Terrorism Legislation, the Surveillance Commissioner, experts in the area of Human Rights and senior police officers from across the UK, experienced in this area of business. This provided an extensive backcloth for the inspection and helped guide all subsequent work including research and interviews.
- 3.2 The report's conclusions are drawn from a thorough examination of key documentation and databases, specific processes and policies together with interviews of staff from both PSNI and SyS, either individually or by way of focus groups. Interviews with key stakeholders were also undertaken.
- 3.3 In order to benchmark PSNI's approach to the management of informants and comply with the terms of reference, HMI undertook comparative work with the CTU based in West Yorkshire Police. This force was chosen as the most suitable UK mainland force as it is in the same MSF group as PSNI and the processes and systems in place have been tested in major terrorist investigations. West Yorkshire is hereon referred to as the benchmark force.
- 3.4 In addition to the examination of relevant documentation and interviews HMI examined a 10 per cent cross section of complete CHIS records kept by the PSNI relating to the management of national security CHIS. This was a thorough examination targeted on sources that were toward the higher end of the risk factor scale with a focus upon the minutiae. The qualitative value of this research far outweighed a broader approach based on less in depth analysis of a greater numbers of files.
- 3.5 HMI's specialist staff undertook an identical inspection within the CTU, based at West Yorkshire police headquarters. A programme of meetings, discussions and focus groups with key individuals together with the examination of CHIS files and records were undertaken. This phase fulfilled the 'compare and contrast' element of the inspection and complied with the specific terms of reference. For the sake of consistency the number of records examined was of a similar percentage to those inspected in PSNI.

HMI would like to thank all the staff in West Yorkshire who helped facilitate the inspection and co-operated both willingly and comprehensively.

- 3.6 HMI was allowed access to the details of all the national security CHIS in the benchmark force and was therefore able to select those deemed most suitable and appropriate to be examined. The selection criteria was based upon similar themes adopted in the PSNI process, resulting in the most high risk and complex issues receiving detailed analysis. HMI was provided with on site assistance from the management team of the CHIS unit and all supporting documents and reports were supplied for examination.

## CONCLUSION

- 4.1 It is important to clearly articulate that this report assesses the current arrangements for the management and handling of CHIS in terrorist networks established since 10th October 2007 when responsibility for national security passed from PSNI to the SyS. It does not seek, nor was it HMIC's remit, to pass judgement on arrangements that were in place prior to this date.
- 4.2 There remains a 'substantial' threat from terrorist organisations, especially to the security forces within Northern Ireland. This threat comes mainly from dissident republican groups. At the time of the inspection and subsequently, there have been several attacks on PSNI officers that have resulted in serious injury. The Chief Constable has publicly identified that it is the aim of these groups to kill a serving police officer.
- 4.3 A range of intelligence gathering methods are used to counter the threat. However the best method is the use of CHIS who can directly report on and even penetrate terrorist networks.
- 4.4 This inspection examined the following key areas;
- The use and management of CHIS in National Security cases including their security
  - Leadership and culture
  - CHIS participating in criminality as members of proscribed organisations
  - Dissemination of Intelligence
  - Legislation
- 4.5 It is not appropriate in a public facing document to expand on the procedures, tactics or personnel involved given the potential danger that revelation would involve. As a result it is not possible to expand on the details of the inspection in the specific areas identified above. A separate

report has been prepared for both PSNI and the SyS including observations and containing some suggested minor areas for improvement based on comparison with other forces.

- 4.6 HMI is pleased to report however that the arrangements now in place for the handling, controlling and management of CHIS in terrorist networks within Northern Ireland are robust, effective and comply with all the necessary legislation. Protocols are in place for the management of participating informants and these are considered to be effective. Concern has been expressed regarding clarification that is needed in some areas of legislation regarding participation. HMI is aware that this is being addressed at a national level. He has raised these concerns, which are particularly relevant to Northern Ireland and the presence of proscribed organisations, at the highest levels and is satisfied that the matters are under discussion.
- 4.7 HMI was particularly impressed with the willingness on the part of both PSNI staff and SyS staff to work together in a positive and constructive way which made the transition on 10th October 2007 as smooth as possible. There is effective collaboration at all levels and the arrangements now in place compare well with the best available in rest of the United Kingdom, and in many areas are a model of effective collaboration.
- 4.8 As with any inspection there are areas that require further attention and that is to be expected with the new arrangements only having been in place for nine months at the time of the inspection. However, overall HMI was reassured that the new arrangements are working effectively and is convinced that given the excellent working arrangements and collaboration that now exists any minor difficulties will be resolved effectively and quickly.

## Glossary

ACC	Assistant Chief Constable
ACPO	Association of Chief Police Officers
ACPO(TAM)	Association of Chief Police Officers (Terrorism and Allied Matters)
AO	Authorising Officer
BCU	Basic Command Units
CAB	Central Authorisation Bureau
CHIS	Covert Human Intelligence Source
CPS	Crown Prosecution Service (England & Wales)
CRAG	Chis Risk Analysis Group
CTU	Counter Terrorism Unit
DCU	District Command Unit
DSU	Dedicated Source Units
HMI	Her Majesty's Inspector (of Constabulary)
HMIC	Her Majesty's Inspectorate of Constabulary
HMRC	Her Majesty's Revenue and Customs
HRA	Human Rights Act
NIPB	Northern Ireland Policing Board
NIO	Northern Ireland Office
NSWG	National Source Working Group
OCU	Operational Command Unit
OOC	Office of the Oversight Commissioner (for Northern Ireland)
OPONI	Office of the Police Ombudsman for Northern Ireland
OSC	Office of Surveillance Commissioners
PONI	Police Ombudsman for Northern Ireland
PPS	Public Prosecution Service (Northern Ireland)
PSNI	Police Service of Northern Ireland

RIPA	Regulation of Investigatory Powers Act (2000)
RUC	Royal Ulster Constabulary
SB	Special Branch
SIO	Senior Investigating Officer
SOCA	Serious and Organised Crime Agency
SyS	Security Service
WYP	West Yorkshire Police