

serious violence and there is a connection between recent increases in homicide and knife and gun crime, and rising levels of the use and purity of crack cocaine. Research suggests heroin and crack cocaine users commit around 45% of all theft offences in England and in Wales. More broadly, the groups involved in so-called county lines drug distribution networks are impacting on all police force areas and causing significant harm, including violence, firearms use and exploitation of young and vulnerable people.

22 Serious and organised crime has a devastating effect. Any child can be a victim of abuse or exploitation and criminals are exploiting the huge growth in numbers of children with easy access to the internet. The stereotypes of the ‘typical’ child exploitation victim are further than ever from the truth. The exploitation of children online is becoming easier and more extreme.²² All ages are affected, from babies and toddlers through to older teenagers. Child sex offenders are becoming more sophisticated, using social media, image and file sharing sites, gaming sites and dating sites to groom potential victims. In response to law enforcement efforts to apprehend them, they are using encryption, anonymisation and destruction measures on the dark web and the open internet. Live-streamed abuse is a growing threat and children’s own use of self-broadcast live-streaming applications are being exploited by offenders.

23 The number of referrals to the NCA relating to online child sexual exploitation and abuse has increased by 700% in the last four years.²³ The most immediate impact of exploitation and abuse of vulnerable people is physical and emotional harm to the individual, and the many thousands of victims each year are left with long-term needs which can also have an enduring impact on public services. Organised exploitation on a large scale, such as that seen in Rotherham and elsewhere has also caused generational damage to the integrity and cohesion of local communities. Serious and organised criminals prey on the most vulnerable people in our society, and those who are economically disadvantaged or who are displaced from their home or country are particularly vulnerable to exploitation.²⁴ 5,145 potential victims of modern slavery and human trafficking were referred to the National Referral Mechanism (NRM) in 2017, a 35% increase on 2016. The number of children referred to the NRM increased by 66% over this period.²⁵

24 Communities also feel the impact of serious and organised crime through the violence and intimidation that often accompanies many types of crime.²⁶ Organised criminals can drive out legitimate businesses and use firearms to protect or further their criminal enterprises. There was a 25% increase in firearms offences between 2015/16 and 2017/18.²⁷ There is also a risk that terrorists may attempt to procure firearms through criminal networks.

25 Economic crime is a broad category of illegal activity, including fraud, corruption, money laundering, and tax evasion. There were 3.3 million fraud incidents in the year ending June 2018, amounting to almost a third of all crimes.²⁸ The overall scale of economic crime is estimated to be £14.4 billion per year, with the cost to businesses and the public sector from organised fraud no less than £5.9 billion per year.²⁹ For the purposes of this strategy, illicit finance involves the holding, movement, concealment or use of monetary proceeds of crime that has an impact on UK interests. Organised crime groups and corrupt elites launder the

22 National Crime Agency, ‘National Strategic Assessment of Serious and Organised Crime 2018’.

23 National Crime Agency, ‘National Strategic Assessment of Serious and Organised Crime 2018’.

24 National Crime Agency, ‘National Strategic Assessment of Serious and Organised Crime 2018’.

25 National Crime Agency, ‘National Referral Mechanism Statistics – End of Year Summary 2017’, March 2018.

26 Scottish Government, ‘Serious Organised Crime (SOC) in Scotland: A Summary of the Evidence’, December 2017; The Police Foundation, ‘The Impact of Organised Crime in Local Communities’, December 2016.

27 Office for National Statistics, ‘Crime in England and Wales: Bulletin Tables’, June 2018.

28 Office for National Statistics, ‘Crime in England and Wales: year ending June 2018’, October 2018.

29 Home Office, ‘Understanding organised crime: Estimating the scale and the social and economic costs’, November 2018.