



## Counter Fraud *and* Enforcement Activities

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Annual Report  
2007/2008



Department of  
**Agriculture and  
Rural Development**

[www.dardni.gov.uk](http://www.dardni.gov.uk)

AN ROINN

**Talmhaíochta agus  
Forbartha Tuaithe**

MĀNNYSTRIE O

**Fairms an  
Kintra Fordèrin**





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## Foreword



I am delighted to publish our seventh annual report on the Department's counter fraud and enforcement activities.

The recent review of our strategic approach to tackling fraud has reassured me that it is in line with public sector best practice and accords with HM Treasury guidance. There have been many benefits from our refocused counter fraud activities and significant progress has been made over the last 7 years. This includes, for

example, promoting fraud awareness, developing best practice and embedding the fraud risk management process into the Department's Corporate Governance processes.

The Department operates in a dynamic environment that can create new and different challenges. Initiatives such as the European Regional Development Fund (ERDF), DARD Direct, HR Connect, Account NI, the Programme for Government and the Review of Public Administration will change the way people work and may present new fraud risks. The Department will not be complacent and will continue to demonstrate its commitment to ensure that the risk of fraud is reduced.

My Department is also sharing its experience in countering public sector fraud with other NICS Departments and Public Bodies. Protocols have either been formalised, or are in the process of being

agreed, to enable several organisations to avail of our expertise, including referral of cases of suspected fraud to the Department for investigation. This development clearly demonstrates our commitment to doing what we can to support others in the fight to combat public sector fraud.

I am committed to DARD maintaining its place as one of the leading NICS Departments in the battle against fraud.

**Dr Malcolm McKibbin**  
Permanent Secretary



## Introduction

The Department launched its Counter Fraud Strategy in March 2002. This Strategy brings together the varying components of the Department's counter fraud activities with the consequent aim of combating fraud in a cost-effective manner.

DARD is committed, through one of its Counter Fraud Strategy targets, to publishing an annual report of counter fraud and enforcement activities.

Like any financial organisation, the Department is susceptible to deliberate and opportunistic fraud and abuse. The circumstances in which it can exist are diverse. Nonetheless, our work to counter fraud is undertaken with professionalism and to the highest standards.

We have developed policies which ensure fairness and consistency in approach. We are totally committed to developing and providing adequate resources which are capable of reacting promptly to

suspicious of fraud and of proactively targeting areas where the risk of fraud may be high. Administration checks, inspections, investigations, enforcement activity and veterinary checks all play a vital role in the prevention and detection of fraud. The key business areas include:

**The Central Investigation Service (CIS)** – a central unit of experienced staff who investigate suspected cases of fraud and irregularity. All investigations conducted by the CIS are carried out in strict compliance with relevant criminal law and procedure. The Service also has a key role in promoting fraud awareness throughout the Department and co-ordinating the effective implementation of the Department's Counter Fraud Strategy. All cases of suspected fraud arising from the following inspection/enforcement activities are referred to the CIS for investigation.

### **Veterinary Service Enforcement Branch**

– trained and experienced enforcement staff in local offices and Central Enforcement Team who investigate breaches of Animal Health and Welfare legislation and enforce the relevant penalty/prosecution action.

### **Grants and Subsidies Payment and Inspection Branches**

– inspection staff ensure that scheme/regulatory requirements and validation checks are complied with.

**Quality Assurance Branch** – teams of professional staff with expertise in food technology, agriculture and horticulture and responsible for implementing a wide range of Agri-Food legislation.



## Introduction (cont)

**Rural Development Division** – a team of 6 trained Monitoring/Validation Officers who audit the activities of the various Implementing Bodies and Department offices to ensure compliance with documented procedures. In addition, there is an ongoing programme to conduct inspections of all projects supported to verify the delivery of the products and services funded.

**Internal Audit Branch (IAB)** – Internal Audit fulfils its terms of reference by systematic review and evaluation of risk management, control and governance, which, amongst other issues, comprises the policies, procedures and operations in place to:

- ensure the economical, effective and efficient use of resources;
- ensure compliance with established policies (including behavioural and ethical expectations), procedures, laws and regulations;
- safeguard the Department's assets and interests and interests from losses of all kinds, including those arising from fraud, irregularity and accountability processes; and
- assist Personnel Branch, on request, in the preliminary investigation of suspected cases of internal fraud.

**Personnel Management Branch (PMB)** – All suspected cases of internal fraud or irregularity are reported to the DARD Personnel Officer. The Personnel Officer makes the appropriate arrangements for an investigation to be conducted and, if fraud, misconduct or a criminal offence has occurred, would consider the disciplinary aspect of the case and, if relevant, the requirement for police involvement.



## Introduction (cont)

This 2007/2008 annual report provides a summary of the Department's counter fraud and enforcement activities:

**Section 1** relates to the Department's Central Investigation Service and, where applicable, its outcomes. In addition, this section also provides details of performance against the Department's Counter Fraud Strategy year 6 targets.

**Section 2** summarises the Department's various Enforcement and Inspection activities, including details of non-compliance with scheme conditions and regulations; number of inspections performed and, where appropriate, the penalties applied with resulting savings and prosecutions.

**Section 3** relates to the Department's Internal Audit and Personnel Management Branch and their role in investigating internal fraud perpetrated against the Department.

**Section 4** relates to the Department's Rural Development Division and its role in monitoring and validating the activities of the various Implementing Bodies and conducting on-site visits to all projects to verify the delivery of the products and services funded.

**Section 5** relates to investigations undertaken by the Central Investigation Service on behalf of other Government Departments and applicable outcomes.



## 1 Central Investigation Service

### Introduction

This section of the report provides a background to the Department's Central Investigation Service (CIS), its policy on prosecution and the implementation of Service Level Agreements with key business areas. It summarises certain categories of external and internal fraud and irregularity attempted or perpetrated against the Department and, where appropriate, the outcome of these investigations. Cases which are still under investigation, or which are subject to legal proceedings, are described in outline only.

### Appendix 1

Provides an update on progress against outstanding Counter Fraud Strategy year 6 targets and details of 2008/2009 targets..

### Appendix 2

Provides a summary of cases in the CIS investigation workload 2007/08.

### Appendix 3

Provides an update on 2006/2007 investigations carried forward to 2007/2008.

### Appendices 4-5

Summarise the investigations closed by CIS.

### Appendix 6

Provides details of convictions at 31st March 2008.

During 2007/2008 60 cases of suspected external fraud and irregularity were referred for investigation. The estimated value of fraud was **£123,768**.



1 Central Investigation Service (cont)

Table 1

Type of suspected fraud/irregularity	Number of cases		Page
Identification Irregularities	8		12
Movement Offences	6		12
Brucellosis – disease compensation	2		13
Tuberculin Testing	2		13
Single Farm Payments	6		14
Older Cattle Disposal Scheme (OCDS)	23		16
Suspected Fraud and Irregularity (Misc)	2		18
QAB Breaches of Agri Food Legislation	3		30
EU Grant Funding	8		34
<b>TOTAL CASES 2007 – 2008</b>	<b>60</b>		





## 1 Central Investigation Service (cont)

### Background

The CIS provides the Department, its Agencies and NDPBs with investigative services on a wide range of programmes.

The Service has three main functions:

- It provides specialist investigative services to the Department for the investigation of cases of suspected internal and external fraud. All investigations conducted by the CIS are carried out in strict compliance with relevant law and procedure. The team of experienced staff are fully trained to conduct investigations so that they act as a deterrent and prevent others from committing fraud by uncovering quality evidence that will ensure that legal proceedings can be taken, resulting in more certain and severe penalties.
- The CIS has responsibility for co-ordinating the effective delivery of the DARD Counter Fraud Strategy and is responsible for implementing many of the targets contained within the Strategy. The CIS is also represented on, and responsible for co-ordinating the work of, the Department's Counter Fraud Strategy Working Group. This is a sub group of the Counter Fraud Forum, set up to develop new Counter Fraud Strategy targets to combat fraud and irregularity.
- The Service also has a vital role in deterring and preventing fraud by enhancing fraud awareness and promoting a culture of anti-fraud consciousness across the Department, its Agencies and NDPBs. The Service has developed and delivers a range of fraud awareness training programmes, publicity campaigns and other promotional activity.



## 1 Central Investigation Service (cont)

### The CIS Prosecutions Policy

All suspected cases of fraud referred to the CIS are assessed against prescribed criteria and where there are reasonable grounds for suspicion of irregularities or that a fraud has been committed the case is investigated. If, after investigation, there is sufficient evidence to proceed with legal action, cases are referred to the Public Prosecution Service (PPS).

The use of the criminal process to institute legal proceedings is an important part of the Department's approach to combating fraud and irregularity. It aims to punish wrongdoing, to avoid a recurrence and to act as a deterrent to others.

The CIS was committed through one of the year 2 Counter Fraud Strategy targets to develop a prosecutions policy to ensure fairness, consistency and to assist fraud investigation staff to make informed decisions before referring cases to the PPS for direction.

This CIS prosecutions policy sets out the guidelines which the CIS observe when conducting investigations with a view to recommending prosecution to the PPS.

The principles of this policy are applied consistently throughout the Department. The document is available on the DARD website. ([www.dardni.gov.uk](http://www.dardni.gov.uk))



## 1 Central Investigation Service (cont)

### Service Level Agreements (SLA)

The CIS was committed, through one of the Counter Fraud Strategy targets, to establishing, with key business areas, formal protocols to ensure that there is consistent, timely and effective reporting and investigation of all suspected fraud and irregularities. The CIS liaised with a number of key business areas to develop appropriate protocols. This included Rural Payment & Inspection Division (RPID), Veterinary Service, Rural Development Division, the Verification Unit, Forest Service, Rivers Agency and Fisheries and Rural Policy Division.

SLAs set the basis on which the CIS will deliver an investigation service to key business areas. They specify the nature, required outputs and monitoring arrangements for the Service to be provided. They also outline the responsibilities of key business areas with regard to the provision of information and compliance with procedures in order for the CIS to deliver an efficient investigation service.



## 1 Central Investigation Service (cont)

**Table 2 - Current position**

<b>Business Area</b>	<b>Formal Agreement Date</b>	<b>Expiry Date</b>	<b>Comments</b>
Rural Payment Inspection Division	July 2003	August 2008	Outcome will be reported in 2008/2009 report
Veterinary Service	May 2004	August 2008	Outcome will be reported in 2008/2009 report
Rural Development Division	October 2004	26th February 2008	SLA reviewed to include BSP Measures 4.2 and 4.5
Verification Unit	May 2005	May 2008	Outcome will be reported in 2008/2009 report
Forest Service	March 2006	14th February 2008	No changes required to SLA
Rivers Agency	November 2006	14th March 2008	No changes required to SLA
Fisheries and Rural Policy Division	April 2007	April 2009	Outcome will be reported in 2008/2009 report



## 1 Central Investigation Service (cont)

### INVESTIGATIONS 2007/2008

#### Identification, Registration and Movement (IRM) –

- Cattle Identification Inspections
- Movement Offences
- Ear Tag Switching

Cattle Identification Inspections (CII) can be carried out either announced or unannounced by DARD Field Inspectors on any bovine herd registered with the Department in Northern Ireland. The purpose of the inspection is to verify the presence and identity of cattle notified to DARD by farmers / markets as being on the holding. CIIs involve a detailed physical check of all cattle on a farm, including breed, sex, colour and date of birth, which must correspond with the farmer's herd book records and details held on APHIS.

The CII will also provide details of the number of cattle compliant and non-compliant with identity tagging requirements. There is a requirement for herd keepers to produce their own records during the CII.

Discovery of missing animals, animals present but not notified in the herd and animals without the appropriate identifying ear tag will result in further investigation taking place into possible offences against the Cattle Identification Legislation. Inspection staff referred 14 IRM cases for further investigation.

**Table 3**

No. of cases	Current Position / Outcome
5	Investigations closed by CIS under the following categories: <ul style="list-style-type: none"><li>● No evidence of fraud / irregularity</li><li>● Insufficient evidence to justify proceedings</li></ul>
9	Investigations ongoing.



# 1 Central Investigation Service (cont)

## INVESTIGATIONS 2007/2008 (cont)

### Disease Compensation –

- Brucellosis Testing
- Tuberculin Testing

Brucellosis is a highly contagious disease that affects female breeding cattle and which has significant consequential risks for public health and the entire agricultural industry. It causes abortions in cattle and can spread to humans causing flu-like symptoms. The Veterinary Service is charged with controlling the disease. Once brucellosis has been diagnosed in a herd, all or some of the breeding and pre-breeding cattle may be slaughtered and the farmer will be compensated for those animals.

Following the Brucellosis Policy Review carried out in 2002, DARD has implemented a series of measures to enhance the existing disease control programme. The enhanced measures include annual testing, compulsory pre-movement testing, the treatment of slurry from breakdown of herds with thick lime milk and the implementation of new Brucellosis legislation which provides increased powers to assist in control of the disease, and changes to the valuation system to make it less subjective. In addition, work has been carried out to re-evaluate the potential use of alternative diagnostic tests.

Tuberculosis (TB) has affected human beings and animals throughout history. TB in cattle can spread to humans, by close contact and via un-pasteurised milk. Tuberculosis is a notifiable disease and is usually chronic, with reduced herd productivity and fertility.

TB fraud takes a number of forms. The most significant at present is interference with an official test to create false reactors. Two cases involving brucellosis and 2 involving TB irregularities were referred for investigation with a combined estimated value of suspected fraud of £2.5k.

**Table 4**

No. of cases	Current Position / Outcome
3	Investigations closed by CIS under the following categories: <ul style="list-style-type: none"> <li>● No evidence of fraud / irregularity</li> <li>● Insufficient evidence to justify proceedings</li> </ul>
1 TB case	Investigation on going



## 1 Central Investigation Service (cont)

### INVESTIGATIONS 2007/2008 (cont)

#### Single Farm Payments

Payment Entitlements under the Single Farm Payment Scheme (SFPS) had to be 'established' in the first year of the scheme (2005). Payment could then be claimed against these entitlements in that year and subsequent years, providing the scheme conditions were met. Apart from a few exceptional circumstances, entitlements could not be established after 2005.

To 'establish' entitlements farmers/landowners had to submit a 2005 Single Application requesting that entitlements be established against land they entered for Single Farm Payment (SFP) purposes. Ownership of this land was not a condition in establishing or indeed activating entitlements. However, agreement between landowners and their tenants before submission of any claim was encouraged as the person who established the entitlements owns them irrespective of who owns the land on which they are established. If two sets of entitlements could not be established on the same parcel of land the person claiming the entitlements should have sufficient management control of the land so as to meet with scheme conditions.

All farmers who made a valid application for SFP in 2005 received payment 'entitlements' per hectare. These 'entitlements' comprised of a flat rate area-based element and, where appropriate, an historic element based on their subsidy receipts during the reference period of 2000 – 2002.

Once established, payment could be claimed by the owner against their entitlements on any qualifying land they farmed or had management control over, providing the area of land used to activate their entitlements was sufficient and no-one else claimed on the same parcel of land. In the case of duplication of claims, no payment will be made by the Department until any uncertainty as to who has the right to claim has been resolved.



## 1 Central Investigation Service (cont)

### INVESTIGATIONS 2007/2008 (cont)

#### Single Farm Payments (cont)

Grants and Subsidy Payments Branch referred 6 cases of suspected fraud. The suspicion involved SFP applicants claiming subsidy on the land without the owner's permission.

**Table 5**

No. of cases	Current Position / Outcome
5	Investigations closed by CIS - No evidence of fraud / irregularity.
1	Investigation on going





## 1 Central Investigation Service (cont)

### INVESTIGATIONS 2007/2008 (cont)

#### The Older Cattle Disposal Scheme (OCDS) Investigations

In late 2005, beef cattle from UK cattle aged over 30 months were permitted back into the food chain, with the exception of cattle born before the 1st August 1996, which continue to be excluded.

The Over 30 Months Scheme (OTMS), a compensation scheme for culled cattle over 30 months of age, was then withdrawn. However, a new scheme, The Older Cattle Disposal Scheme (OCDS), was introduced. The OCDS provides for the payment of approximately £218 for pre August 1996 “cull” cattle presented for slaughter in Northern Ireland. OCDS slaughter takes place at Langford Processors.

As with the OTMS, there is provision within the OCDS for eligible cattle which are unfit for transport alive to the OCDS at Langford to be certified by a Private Veterinary Practitioner (PVP) and slaughtered on-farm and to be submitted to the scheme, in carcase form, to Lisburn Proteins. The PVP must complete a certificate OCDS 22 for emergency on-farm slaughter.

The OCDS is operated by the Rural Payments Agency (RPA), an Agency of DEFRA, and in Northern Ireland the RPA has sub-contracted the implementation of the scheme at operational level to the Livestock and Meat Commission (LMC). The supervision of the scheme in Northern Ireland is undertaken by DARD’s (Service Delivery Group) Quality Assurance Branch.

Veterinary Service undertakes a complementary animal and public health operational role to the scheme in the areas of Transmissible Spongiform Encephalopathy (TSE) sampling, ante-mortem inspections and post-mortem inspection. In the case of on-farm slaughter, cattle ante-mortem inspections are conducted by PVPs but post-mortems are not routinely undertaken and the carcasses are transported directly to Lisburn for disposal.



## 1 Central Investigation Service (cont)

### INVESTIGATIONS 2007/2008 (cont)

#### The Older Cattle Disposal Scheme (OCDS) Investigations (cont)

Over the previous year concerns have been raised by the RPA, the LMC and DARD staff over the possible fraudulent presentation of ineligible cattle to the OCDS in Northern Ireland. These concerns arose particularly in the case of on-farm welfare slaughter cattle as a small number of producers appeared to have a disproportionately high level of casualty animals. It was also evident that the overall level of casualty animals submitted in Northern Ireland was disproportionately high compared to submissions elsewhere in the UK.

The RPA, with primary accountability for the scheme, initiated several measures to investigate, and counter, the suspected fraud. The measures included targeted post-mortems of suspect on-farm slaughter cattle, examining submission trends for producers and certifying PVPs. The RPA engaged DARD's CIS to investigate a small number of PVPs and producers. 23 cases were referred to the CIS for investigation with an estimated value of fraud of £89k.

**Table 6**

No. of cases	Current Position / Outcome
7	Insufficient evidence to prove fraud
16	Investigation Ongoing



## 1 Central Investigation Service (cont)

### INVESTIGATIONS 2007/2008 (cont)

#### Miscellaneous Cases of Suspected Fraud and Irregularity

The CIS investigated a range of other suspected cases of fraud and Irregularities. The estimated value of fraud was £30,950.

**Table 7**

Category of suspected fraud/Irregularity	Current position/outcome
Allegation received regarding irregularity surrounding a claim made under the 2004 Sheep Annual Premium Scheme.	Investigation closed by CIS – No evidence of fraud / irregularity.
Allegation received regarding irregularities surrounding previous claims made under the Sheep Annual Premium Scheme.	Investigation closed by CIS – No evidence of fraud / irregularity.



## 1 Central Investigation Service (cont)

### Counter Fraud Strategy

#### Background

The Department's Counter Fraud Strategy resulted from an internal review of the Department's counter fraud measures and was subject to a full consultation process with stakeholders, including the Assembly's Agriculture Committee. The Strategy is intended to provide a comprehensive approach to countering fraud by systematically and proactively addressing all aspects of fraud within the agriculture sector.

The Strategy is designed to demonstrate clearly that DARD is totally committed to making sure that the opportunity for fraud is reduced to the lowest possible risk. Whilst the emphasis is necessarily on prevention and deterrence, the Department will not tolerate fraud of any kind. The aim of the Strategy is not only to minimise the risk of fraud but also to protect our customers' rights. It will therefore not apply to genuine cases of error or omission.

The Department's Counter Fraud Strategy was effectively put in place in 2001 and was officially launched by the then Minister in March 2002. The Strategy brings together the varying components of the Department's counter fraud activities with the consequent aim of combating fraud in a cost-effective manner. The first three years of the Counter Fraud Strategy concluded at March 2004.

The Department's Counter Fraud Forum, established to oversee the Strategy's implementation, decided that the Department should continue to demonstrate its commitment to ensure that the risk of fraud is reduced to the lowest possible level. The Forum recommended that it would be in the Department's interest to continue with the existing Counter Fraud Strategy and develop new targets for subsequent years.



## 1 Central Investigation Service (cont)

The Department's recent review of its Strategic approach to tackling fraud demonstrated that it continues to be in line with public sector best practice and accords with the HM Treasury's guidance. It encourages good Corporate Governance requirements by developing a number of processes. These include a Corporate Governance and Audit Committee (CGAC) to oversee all governance, risk and control issues within the Department and the development of a stewardship reporting process to support the Accounting Officer's annual review of the internal control system.

Its implementation has reaffirmed the Department's responsibilities to combat fraud and irregularity whether it is committed externally or from within.

**Appendix 1** - provides a detailed summary of performance against outstanding year 6 targets and details of 2008/2009 targets. Their progress will be reported in the 2008/2009 Annual report.



## 2 Enforcement and Inspection Activity

### Introduction

Fraud and illegal activity poses a serious threat to public and animal health and, as a consequence, to the economic sustainability of the agricultural industry. Enforcement and inspectorate activity, which is aimed primarily at achieving compliance with the appropriate legislation and scheme conditions, also plays a vital role in the prevention and detection of fraud.

This section of the report summarises the Department's Enforcement and Inspection activities including details of non-compliance with scheme conditions and regulations; number of inspections performed and where appropriate, the penalties applied with resulting savings and prosecutions.



## 2 Enforcement and Inspection Activity (cont)

### Veterinary Service Enforcement

#### Introduction

The Veterinary Service is responsible for enforcing compliance with legislation in its three key work areas protecting Animal Health, Animal Welfare and Public Health.

#### Objectives

The principal objective of Veterinary Service Enforcement is to achieve compliance with statutory requirements e.g. TB testing, animal welfare obligations and food safety. Veterinary Service will prosecute serious or persistent offenders in accordance with its Enforcement Prosecution Policy.

#### Personnel

There are three distinct, but interrelated, groups of staff, from Veterinary Service, involved in enforcement duties.

### Veterinary Service Enforcement Branch

This Branch is based in Dundonald House and Loughry Campus and is led by the Divisional Veterinary Officer, Enforcement. The main responsibilities of the Branch are:

- developing enforcement strategy with senior management;
- implementing Veterinary Service enforcement policies;
- organising and monitoring field enforcement actions;
- training staff;
- managing the Central Enforcement Team;

- assembling and auditing prosecution files;
- liaising with operational partners; and
- organising court witnesses and advising Public Prosecution Service (PPS) lawyers.



## 2 Enforcement and Inspection Activity (cont)

### Field Enforcement Teams

These enforcement-trained staff undertake enforcement activities, in addition to their other day-to-day duties. Such staff are mainly present in the ten Divisional Veterinary Offices (approximately two per DVO) but also includes some Meat Plant and Portal staff. Their main enforcement duties are:

- delivering Veterinary Service enforcement policies;
- conducting straightforward investigations; and
- preparing prosecution files.

### The Central Enforcement Team (CET)

The CET was established in 2003 to handle more challenging and complex investigations and prosecutions, and to respond to the increased demands and expectations. The formation of the team was part of the Departmental response to the Vision Report, which recommended a “more proactive and higher profile approach to the prevention, detection and punishment of illegal activities in relation to animal health and animal movement violations”, and the PricewaterhouseCoopers ‘Independent Review of Foot and Mouth Disease in Northern Ireland’ which recommended that the “Veterinary Service Enforcement Unit should be strengthened”.

The team is headquartered in mid-Ulster and at full strength consists of two Group IV Supervisors and twelve Group II Enforcement Inspectors. The team is

directed by the Enforcement Branch and is deployed full-time on enforcement duties, in particular conducting investigations and field operations in the areas of:

- animal identification and movement irregularities;
- illegal cross-border activities;
- Tuberculosis and Brucellosis Compensation Fraud;
- food safety;
- enforcement of biosecurity, identification and movement controls in livestock markets; and
- enforcement of welfare and biosecurity in transport vehicles.





2

## Enforcement and Inspection Activity (cont)

### Operational Partners – Internal DARD

As many of the animal health regulations enforced by Veterinary Service are breached as part of wider fraudulent activities by the perpetrators, Veterinary Service Enforcement works in close co-operation with the Department's Grants & Subsidy Inspection Branch (GSIB) and the Central Investigation Service (CIS).

The partnership with the GSIB is effected through the sharing of information and through joint investigations and operations.

The partnership with the CIS is effected through a Service Level Agreement, renewed in 2008, between Veterinary Service and Finance Division. Through this agreement further investigations of all suspected cases of fraud (for example Tuberculosis and Brucellosis compensation fraud) are referred to the Head of the CIS.

### Operational Partners - External

Veterinary Service Enforcement staff work and co-operate closely with a number of external agencies and organisations, giving, and receiving, expertise and assistance. The following list includes some of these agencies and organisations:

- Public Prosecutions Service (PPS)
- Police Service of Northern Ireland (PSNI)
- Department of Agriculture & Food, Special Investigations Unit (DAF, Republic of Ireland)
- Department of the Environment, Food & Rural Affairs (DEFRA, Great Britain)
- Food Standards Agency (FSA)
- Ulster Society for Prevention of Cruelty to Animals (USPCA)
- Local Council Environmental Health Services (EHS)
- Royal College of Veterinary Surgeons (RCVS).

### Activities

Veterinary Service Enforcement has had another extremely busy year with an increasing amount of enforcement activity in the areas of livestock Identification, Movement & Registration (IRM) and Food Safety, as part of Veterinary Service's core objectives of protecting Animal Health and Public Health.

Enforcement of IRM controls is fundamental to maintaining the accuracy and integrity and the livestock data held on APHIS. This in turn underpins the traceability (and reputation) of Northern Ireland's livestock and ultimately the meat produced, providing for animal disease control, and food safety, measures to be most effectively applied. Cattle Identification Inspections (CIIs) and Sheep Identification Inspections (SIIs) were core activities for the CET during the reporting year.



## 2 Enforcement and Inspection Activity (cont)

One specific area of IRM investigation concerns the destination of older pre-August 1996 cattle, which are prohibited from entering the food chain, or from being exported, under Transmissible Spongiform Encephalopathy regulations (protecting consumers from potentially BSE contaminated meat). These cattle are eligible for the Older Cattle Disposal Scheme (OCDS) which attracts a payment of £218. CET officers are working closely with colleagues in the South's Special Investigation Unit to deter, detect and disrupt attempts by unscrupulous individuals to notify false herd destinations to DARD; switch cattle identities; and present ineligible cattle for human consumption, export or the OCDS.

The importance of IRM is reflected by the level of Veterinary Service monitoring, supervision and enforcement. In the most serious cases, files were prepared for prosecution and in the case of livestock whose identity and origin was not proven,

a total of 96 cattle and 23 sheep were destroyed without compensation.

With the withdrawal of permanent supervision of livestock markets by Divisional Veterinary Office staff, CET inspectors commenced inspections covering biosecurity, welfare and IRM regulations.

The CET also conducted livestock vehicle inspections both in markets and during road-side inspections.

Training is a key aspect of enforcement activity and in the reporting year the recently recruited CET staff received formal training. The formal enforcement course has been accredited by the *Open College* and trainees from 2007/8 who successfully passed both the examination and the practical course work will be awarded their qualifications in the Autumn of 2008.

Enhanced co-operation with partners, both within the Department and externally, in a co-ordinated and complementary fashion, is increasingly maximising the effect of our initiatives and is helping Enforcement Branch to further prioritise its activities and target its resources.



## 2 Enforcement and Inspection Activity (cont)

### Veterinary Service Investigation Database (VSID)

Enforcement Branch records and tracks its investigations on an electronic database. This allows Branch management to manage, monitor and report investigations.

### Convictions

In the reporting year 29 persons were convicted in court (including one person convicted on two occasions), closing 30 case files (covering 61 investigations). The significance of the cases prepared by Enforcement Branch is reflected by the penalties imposed by the judiciary. In the reporting year fines totalling £38,575 were imposed and 5 persons received custodial sentences (4 of which were suspended). A list of the convictions, offences and the penalties imposed is summarised in **Appendix 7**.

### Investigations Opened

In the reporting year 219 case files were opened on VSID, for 266 investigations into alleged offences under ten separate Veterinary Service work areas. Progress with these investigations is summarised in **Appendix 8**.

### Investigations Closed

In the reporting year 258 case files were closed on VSID, for 324 investigations into alleged offences under ten separate Veterinary Service work areas. The outcome of these investigations is summarised in **Appendix 9**.

### Prosecutions

In the reporting year 31 case files were sent to the PPS. The progress with these prosecutions is summarised in **Appendix 10**.



## 2 Enforcement and Inspection Activity (cont)

### Rural Payment and Inspection Division

Rural Payment and Inspection Division (RPID) pay out £223 million annually to Northern Ireland farmers by way of subsidies through various schemes including:

- Single Farm Payment Scheme;
- Agri-Environment Scheme; and
- Less Favoured Areas Compensatory Allowances Scheme, and
- Farm Nutrient Management Scheme (FNMS)

The Single Farm Payment Scheme (SFPS) introduced by EC Council Regulation 1782/2003 replaced most existing crop and livestock payments from 1 January 2005. The new scheme breaks the link between production and support.

Instead farmers have to observe certain conditions in return for receipt of direct agricultural support. This is known as Cross-Compliance. As an eligibility requirement, farmers are required to maintain their land by good agricultural and environmental condition (GAEC) and to comply with a number of specific legal requirements known as Statutory Management Requirements (SMRs).

Grants and Subsidy Inspection Branch (GSIB) is one of three Branches within RPID that collectively are responsible for ensuring that the schemes are operated in compliance with the various EC regulations that govern them. For the FNMS all claims have a pre-payment inspection to ensure work is complete and to standard.

GSIB headquarters are in Ballymena Co. Antrim. However the business is delivered from six county offices covering three regions:

- Northern region-counties Antrim and Derry/Londonderry;
- Eastern region - counties Armagh and Down; and
- Western region - counties Tyrone and Fermanagh.



## 2 Enforcement and Inspection Activity (cont)

### Rural Payment and Inspection Division (cont)

Each region has an Inspection Team consisting of 17 inspectors with administrative support. They are responsible for:

- carrying out all inspections in accordance with EU requirements;
- maintaining databases of clients and land;
- providing an information service; and
- providing a consultation service for DOE Planners in relation to buildings in the countryside.

All claims for grants and subsidies are subject to initial administrative validation checks undertaken by Grants and Subsidies Payments Branch, including checks against Grants and Subsidies Land and APHIS databases. In addition, at least 5% of all scheme applicants are visited and the eligibility of claims is checked on the ground by physical inspection.

In September 2002, Grants and Subsidies Inspection Branch took responsibility for undertaking Cattle Identification Inspections on behalf of Veterinary Service Enforcement Branch.

These inspections involve a detailed physical check of all cattle on a farm including breed, sex, colour and date of birth, which must correspond with the farmer's herd book records and details held on APHIS. If there are any issues of serious non-compliance with scheme rules or a fraud is suspected these are immediately referred to Central Investigation Service.



## 2 Enforcement and Inspection Activity (cont)

### Rural Payment and Inspection Division (cont)

Information is given in the following appendices on penalties applied either as a result of administrative checks or on farm inspections. In most cases there is no suspicion of attempted fraud and the few relevant cases are referred to the Central Investigation Service for investigation.

### Appendix 11

**Table 1** - 2007 SINGLE FARM PAYMENT: ADMINISTRATIVE AND ON-FARM CHECKS

**Table 2** - SINGLE FARM PAYMENT SCHEME ADMINISTRATION CONTROLS AND INSPECTIONS 2007

**Table 3** - SINGLE FARM PAYMENT SCHEME ELIGIBILITY INSPECTIONS 2007

**Table 4** - SINGLE FARM PAYMENT SCHEME ADMINISTRATIVE PENALTIES 2007



2

## Enforcement and Inspection Activity (cont)

### Quality Assurance Branch

Quality Assurance Branch (QAB) is part of the Service Delivery Group of DARD and is responsible for enforcing a wide range of Agri-Food legislation.

QAB consists of a number of specialist teams of professional staff with expertise in food technology, agriculture and horticulture. Staff are based at a number of centres throughout the Province and headquarters is in Dundonald House.

The Branch enforces legislation relating to:-

- Milk hygiene
- Meat, Sheep & Pig classification and beef labelling
- Eggs Marketing Standards
- Plant Health
- Crop certification including seed potatoes and cereal seeds

- Horticultural Marketing Standards
- Noxious Weeds
- Bee Health
- Animal Feedstuffs
- Fertilisers
- Seeds
- Agricultural Wages

In addition to these areas the Branch also undertakes work on behalf of the Rural Payments Agency (RPA).

Legislation is based on EU Directives and Regulations and QAB is ultimately accountable to the EU for implementation of that legislation. The Branch is also accountable to the Food Standards Agency for certain aspects of legislation relating to Milk Hygiene, Primary Production Hygiene and Animal Feedstuffs.

### Branch Aims:

1. To implement UK and EU legislation relating to food safety, plant health, marketing standards, product certification and industry support and ensure that standards meet or exceed legal requirements.
2. To provide guidance to industry on the legislation.
3. To provide the technical back-up necessary for the Department to act as agents for the Rural Payments Agency (RPA).

In 2007/2008 QAB carried out a total of 16,404 inspections and obtained 10,834 samples for checking compliance with standards across the various legislative areas. The nature and complexity of inspections vary widely depending on the legislation. Each inspection generates a report and may result in informal or formal enforcement action. The formal enforcement action varies depending on the powers available under the legislation.



## 2 Enforcement and Inspection Activity (cont)

**Table 8**

Action	Legislation	Number
Confirmatory Letters	Animal Feeds & Fertilisers (73), Plant Health (851), Milk Hygiene (575)	1499
Warning Letters	Animal Feeds & Fertilisers (58), Beef Carcase Classification (1), Pig Carcase Classification (1), Beef Labelling (11), Noxious Weeds (14), Ware Plantings (18), Plant Health – Potatoes (1), Milk Hygiene (235)	339
Various Enforcement Notices	Plant Health – Horticulture (136), PCN (40), Plant Health – Crops (1), Noxious Weeds (1) Beef Labelling (1) Egg Marketing (7)	186
Downgrading	Seed Potato Certification (181), Egg Marketing (7)	188
Court Action	Ware Plantings Offence (1) Beef Labelling (1) Animal Feeds (1)	3

QAB referred 3 cases of non-compliance with Regulations to the CIS for investigation.

**Table 9**

No. of cases	Current Position/ Outcome
1	Investigation closed by CIS – Statutory time bound under the legislation.
1	PPS Directed Prosecution. The accused pleaded guilty to 1 charge under the Plant Health Order (Northern Ireland) 2006.
1	PPS Pending.





### 3 Internal Audit and Personnel Management Branch

Internal Audit Branch provides an independent and objective opinion on risk management, control and governance by measuring and evaluating its effectiveness in achieving Departmental and business objectives and also provides an objective consulting service to support management in adding value and improving the Department's risk management, control and governance.

Internal Audit's primary responsibilities in relation to fraud are: -

- to review procedures to safeguard assets so as to ensure that cost effective measures are in place to prevent, detect or deter fraud;
- to ensure that the prevention, detection and deterrence of fraud are also taken into account when new systems are designed or changes made to existing systems; and
- to provide assistance, where required by management, in the investigation of fraud.

The results of audit reviews of counter fraud controls are used to support the Head of Internal Audit's assurance statements in quarterly reports to the Departmental Corporate Governance and Audit Committee.

All suspected cases of internal fraud or irregularity are reported to the DARD Personnel Officer. The Personnel Officer makes the appropriate arrangements for an investigation to be conducted and, if fraud, misconduct or a criminal offence has occurred would consider the disciplinary aspect of the case. In instances that have financial implications, Internal Audit would either take the lead or provide assistance to management. If there is sufficient evidence that a criminal offence has been committed cases would be referred to the Central Investigation Service in the first instance and, if appropriate, to the police for criminal investigation.

There were no cases of internal fraud or irregularity referred for investigation during 2008/2009.



### 3 Internal Audit and Personnel Management Branch (cont)

#### Outcome of internal investigations carried forward from 2005/2006

Two cases of suspected internal fraud were carried forward from 2005/2006 year their outcomes are detailed below.

**Table 11**

Category	Number of staff involved	Current Position/Outcome
Conflict of interest – member of staff suspected of colluding with a licensed operator.	1	No evidence of fraud
Case of suspected collusion. Falsifying forms to account for altered and inflated subsidy claims. Estimated value of fraud £34k.	1	PPS Directed prosecution Court Pending



## 4 Rural Development Division

A team of 6 trained Monitoring Officers audit the activities of the various Implementing Bodies and Departmental offices to ensure compliance with documented procedures. In addition, there is an ongoing programme to conduct inspection visits to all supported projects to verify the delivery of the products and services funded. The selection of the projects is based on a risk analysis. All cases of suspected fraud detected by any Rural Development Division (RDD) or Implementing Body staff are referred to the CIS for investigation.

The Rural Development Programme (RDP) 2000-2006 (completion date December 2008) aims to promote action towards the sustainable development of rural areas. The programme is a combination of several EU programmes and initiatives:

- Building Sustainable Prosperity (BSP)
- Natural Resource Rural Tourism (NRRT)

- LEADER+
- INTERREG IIIA
- Peace II (Cross border)

In addition, support was specifically targeted on farmers and members of farming families within the PEACE II programme. The value of grant aid over the course of the programme (2001 – 2006) is approximately £100 million and is delivered through a range of intermediary bodies. Applications for funding were also made directly to the Department for area based, sectoral or profit taking activities.

The range of activities supported includes:

- strengthening rural communities by providing advice and financial assistance;
- providing the resources required for rural people to implement plans for economic, environmental, social and cultural improvements;

- providing support for regionally based programmes and projects;
- enabling 5 designated disadvantaged rural areas to take advantage of tourism opportunities;
- maximising the economic potential of small rural businesses; and
- encouraging development of cross border rural businesses and communities.



4

## Rural Development Division (cont)

A new round of funding has commenced which aims to improve rural infra-structures through the delivery of the DARD Rural Strategy 2007-2013. The Strategy will be funded through a number of measures selected from the following:

- Axis 1 of the Rural Development Programme which aims to improve the competitiveness of the agricultural and forestry sectors by supporting restructuring, development and innovation;
- Axis 3 of the Rural Development Programme which aims to improve the quality of life in rural areas and encouraging diversification of economic activity.

- Anti-poverty measures which aim to regenerate and sustain rural areas by a mixture of economic and social measures targeted at the community, with an emphasis on children, young people, women, older people and farm families.
- Interreg IV programme which aims to support strategic cross-border co-operation that will promote integrated regional development in the eligible region.

The strategy will be delivered by “third sector” organisations which represent the voice and needs of the rural communities. Local, public, private and community partnerships will implement the local development strategies. Eight cases of suspected fraud from 2000-2006 programme were referred to the CIS for investigation.

**Table 12**

No. Of Cases	Current Position / Outcome
6	Investigations closed by CIS under the following categories: <ul style="list-style-type: none"> <li>• Public Interest Factors</li> <li>• Insufficient evidence to justify proceedings</li> <li>• No evidence of fraud / irregularity</li> </ul>
2	Investigations Ongoing



## 5 NICS Government Department Investigations

DARD is represented on the Inter Departmental Fraud Forum. The Forum was established by the Department of Finance and Personnel (DFP) to co-ordinate the work being done in Departments on tackling fraud and to provide a forum for the exchange of information/sharing of experience for mutual benefit.

Through the Fraud Forum network several Departments approached the Central Investigation Service (CIS) for advice and guidance on cases of suspected internal and external fraud. The CIS assessed 3 cases with 1 case being carried forward from 2006/2007.

**Table 13**

Department	No of Cases	Suspected Fraud	Current Position/Outcome
Lands and Valuation (Rating) Agency (DFP)	1 (C/F)	Theft	PPS directed prosecution – court case pending
Department of Finance and Personnel	1	Working while on sick absence	Investigation on going
Special European Union Programme Body (SEUPB)	1	PEACE II funding	Insufficient evidence to prove fraud
Department of Finance and Personnel	1	Maintenance Contract	No evidence of fraud



## 5 NICS Government Department Investigations (cont)

### Service Level Agreements

The Department is sharing its best practice to counter public sector fraud with other NICS Departments and Public Bodies. Protocols have either been formalised or in the process of being agreed with several organisations to avail of our services and for referring cases of suspected fraud to the Department for investigation.

The Department of Finance and Personnel and the Department of Agriculture and Rural Development formalised protocols on 1st April 2007.

Protocols with the Special European Union Programme Body (SEUPB) and the Department of Culture and Learning (DCAL) are at an advanced stage of development. Others under deliberation include; OFMDFM and the Northern Ireland Prison Service.



## Appendix 1

### Outstanding Deterrence of Fraud Year 6 Targets

Target	Responsibility	Comments
2.19 Review the feasibility of a continued Veterinary role at cattle markets.	Veterinary Service	<b>Target Achieved</b> A review of the current administrative position at markets, including the role of DARD staff and the associated difficulties for enforcement action and necessary remedial action to secure market compliance completed. The review was completed in March 2007 and DARD staff were removed from the markets in January 2008
2.20 Review the current ear tag system to consider tamperproofness, authorisation and supply procedures for replacement tags	Veterinary Service	<b>Target Achieved</b> "The review of the current ear tag system was completed in May 2007. All tags will be required to have 14 digits and a bar code. The introduction of a metal ear tag is beyond the control of the department thus delaying the achievement of this aspect of the target. A new IRM working group comprising of DARD and industry officials was established in late 2006. The Group will be taking forward a number of identification related issues including replacement tags etc".
2.21 Prepare a report on the potential use of Biometric identification methods for disease control and combating Fraud by 31/3/2007	Vision Research Project	<b>Target Achieved</b> A report on the project was considered by the Animal Health and Welfare Strategy group in Oct 2005 and the project team was asked to further trial the technologies in field conditions and to bring forward proposals for its application. An extension to the project was agreed until 31/3/2007. Due to unforeseen circumstances the final report was delayed until August 2007.



## Appendix 1

### Outstanding Prevention of Fraud Targets Year 6

Target	Responsibility	Comments
3.25 By December 2006 review policy on secure payments for Counter Fraud Forum (CFF) Endorsement	Finance Systems	<b>Target Achieved –</b> The Policy on Secure payments was endorsed by the CFF on 13th November 2007.
3.26 All new entitlements arising after January 2005 to be paid by BACs.	Finance systems	<b>Target Not Achieved</b> On Target for completion – 1st May 2008
3.28 Initiate legislative framework review in accordance with the Vision Group’s recommendations	Central policy	<b>Target Not Achieved</b> The Diseases of Animals Bill has been drafted and will be presented to NI Executive on 18 December 2007 seeking their approval to go out to consultation. The Bill is included in the NI Legislative Programme. It is envisaged that the Bill will complete its formal passage through the Assembly in 2008.





## Appendix 1

### Outstanding Detection of Fraud Targets Year 6

Target	Responsibility	Comments
4.18 Implement the Working Group's recommendations on the integrity of data held on AHPIS by 31/3/2007	APHIS/PMB/ CVO/G&S	<b>Target Achieved</b> A report on the current position was produced on 14/02/08. This report detailed that although the element driving fraud at the time of the report was headage payments, which were no longer in existence and thus the risk was of a much lesser magnitude, the recommendations in the report had now been completed. The risk to data integrity continues to be monitored and action taken where that occurs.



Appendix 1

Counter Fraud Strategy Targets 2008/2009

Objective	KPI	Actions	Responsibility
1.1 To improve the level of fraud awareness and to ensure the strongest possible deterrence to fraud	150 management grades trained in fraud awareness 150 Administrative grades trained in fraud awareness by 31/3/09	<ul style="list-style-type: none"> <li>• Deliver appropriate training</li> <li>• Publicise all successful prosecutions</li> </ul>	Central Investigation Service
1.2 To maintain a Counter Fraud presence on the DARD Intranet website	Update website by 31/3/09	<ul style="list-style-type: none"> <li>• Update existing website</li> </ul>	Central Investigation Service
1.3 To review the DARD Anti fraud policy and fraud response plan	Revised policy published by 31/3/09	<ul style="list-style-type: none"> <li>• To carryout a comprehensive review</li> </ul>	Central Investigation Service
1.4 To deliver Risk Management Training	30 Managers at SO and above trained by 31/12/08	<ul style="list-style-type: none"> <li>• To train appropriate Management Grades</li> </ul>	Financial Policy and CAL
1.5 To perform annual Fraud risk assessments for each DARD business area	HCIS satisfaction by 31/3/09	<ul style="list-style-type: none"> <li>• Heads of Division to return Fraud Risk Assessments by 31/1/09</li> </ul>	Heads of Division
1.6 To minimise the risk of fraud in developing programmes (Rural Development Programme – EAFRD funds and Fisheries programme – EFF funds)	Counter Fraud Forum satisfaction by 30/10/08	<ul style="list-style-type: none"> <li>• Rural Development Division Countryside Management Division Fisheries satisfactorily complete Fraud Risk Assessment for each new scheme</li> </ul>	Heads of Division



## Appendix 1

### Counter Fraud Strategy Targets 2008/2009 (cont)

Objective	KPI	Actions	Responsibility
1.7 To minimise the risk of fraud to new and developing national schemes/ programmes	To Counter Fraud Forum satisfaction	<ul style="list-style-type: none"><li>• Complete Fraud Risk Assessment for each new national schemes/ programmes by 31/3/09</li></ul>	Heads of Division
1.8 To monitor National Fraud Initiative (NFI) developments	Senior Responsible Officer (SRO) satisfaction by 3/3/09	<ul style="list-style-type: none"><li>• Attend NFI workshops</li><li>• Comply with NIAO data matching initiatives</li></ul>	SRO HCIS
1.9 To train and Develop Investigation Staff	Maintain IIP standard by 31/3/09	<ul style="list-style-type: none"><li>• Carryout Training Needs Analysis</li><li>• Provide appropriate training within budget</li></ul>	Central Investigation Service
1.10 To benchmark against other Public Bodies	Service Level Agreements developed as appropriate by 31/3/09	<ul style="list-style-type: none"><li>• Share Fraud Investigation Skills</li><li>• Develop protocols</li></ul>	Central Investigation Service



## Appendix 2 Summary of Cases CIS Investigation Workload 2007/08

<b>Referrals BF from 2005/2006</b>	<b>9</b>
Referrals BF from 2006/2007	25
Referrals (External)	60
Investigation Closure	47
PPS Direction Pending	1
Prosecutions Not Directed	1
Convictions @ 31/03/08	4
Court Pending	3
PPS Withdrawn	1
Magistrate dismissed charges	3
Referred to PSNI	1
Referrals C/F to 2008/2009	33

<b>Referrals B/F</b>	The number of ongoing investigations brought forward from previous years.
<b>Referral external</b>	The number of suspected cases of external fraud referred to the CIS for investigation 2007/2008.
<b>Investigation Closure</b>	The number of referrals scrutinised or investigated that required either No Further Action or with recommendations made to the appropriate scheme as to whether or not subsidy payments or other should be withheld.
<b>PPS Direction Pending</b>	Number of cases referred to the PPS pending direction.
<b>Prosecution Not Directed</b>	the number of cases referred to PPS for prosecution and prosecution not directed.
<b>Convictions</b>	Number of cases prosecuted.
<b>Court Pending</b>	The number of cases that the PPS directed on and awaiting court listing.
<b>PPS Withdrawn</b>	The number of cases withdrawn by the PPS.
<b>Magistrate Dismissed Charges</b>	The number of cases dismissed by a magistrate following a hearing.
<b>Referred to PSNI</b>	The number of cases referred to the Police Service NI for Investigation.
<b>Carried Forward</b>	The number of on-going investigations @ 31st March 2007 carried forward.



## Appendix 3 Outcome of 2006/07 Investigations Carried Forward

Category of Case Carried Forward	Outcome
Breaches of DARD Procedures - 1	Case closed
Regulatory Offences - 1	Magistrate dismissed charges
Tuberculin Testing Investigations - 2	1 Conviction 1 Court Pending
Forgery - 1	Case closed
Identification Irregularities - 4	1 Charge withdrawn 3 Cases closed
Single Farm Payment - 5	5 Cases closed - no evidence of fraud
Brucellosis - 1	Case closed
Movement Offences - 2	1 PPS directed no prosecution 1 Case closed
EU Grant Funding - 2	2 Cases closed
Fraud Irregularities Investigations - 4	1 Case ongoing 3 Case closed by CIS
QAB Breaches of Legislation - 2	1 Court pending 1 Case closed



## Appendix 4 Closure Policy

The CIS were committed through one of the Counter Fraud Strategy year 2 targets to develop and implement an Investigation Closure policy. The CIS Investigation Closure policy is not definitive guidance stating when an investigation must be recommended for closure. Rather, it sets out the criteria which the CIS will follow when conducting investigations where it has been established that there is no evidence of fraud/irregularity or fraud is established but prosecution/formal caution is not appropriate.

The Central Investigation Service observes four criteria if investigation closure is considered appropriate:

- Closure 1 (C1) - Public Interest Factors
- Closure 2 (C2) - Technical Factors
- Closure 3 (C3) - No evidence of fraud or irregularity
- Closure 4 (C4) - Director of Public Prosecutions (DPP) Direction

This policy does not prejudice any decision to withhold compensation payments or to apply penalties under various scheme rules. The Policy was endorsed by the Departmental Solicitor's Office.



## Appendix 5 Closure Categories

### Closure 1 (C1) – Public Interest Factors

#### Cases B/F from 2006/2007

Case Category	Number of Cases
-	-

#### 2007/2008 Year

Case Category	Number of Cases
EU Grant Funding	1

### Closure 2 (C2) – Technical Factors

#### Cases B/F from 2004/2005

Case Category	Number of Cases
IACS	1

#### Cases B/F from 2005/2006

Case Category	Number of Cases
Fraud Irregularities	1
Cattle Identification Irregularities	1

### Cases B/F from 2006/2007

Case Category	Number of Cases
Brucellosis	1
Cattle Identification Irregularities	3
Movement Offences	1
Single Farm Payment	1

#### 2007/2008 Year

Case Category	Number of Cases
Tuberculin Testing	1
EU Grant Funding	2
Cattle Identification Irregularities	1
QAB Breaches of Legislation	1
Fraud Irregularities	1



## Appendix 5 Closure Categories (cont)

### Closure 3 (C3) – No evidence of Fraud or Irregularity

#### Cases B/F from 2004/2005

Case Category	Number of Cases
Tuberculin Testing	1
Sheep Annual Premium	2

#### Cases carried forward from 2006/2007

Case Category	Number of Cases
Breaches of DARD Procedures	1
Forgery	1
Single Farm Payment	4
EU Grant Funding	1
QAB Breaches of Legislation	1
Fraud Irregularities	3

### 2007/2008 Year

Case Category	Number of Cases
Fraud Irregularities	2
EU Grant Funding	1
Older Cattle Disposal Scheme	7
Single Farm Payment	1
Cattle Identification Irregularities	1
Brucellosis	1





## Appendix 5 Closure Categories (cont)

### Closure 4 (C4) – Public Prosecution Service (PPS) Direction

#### Cases B/F from 2004/2005

Case Category	Number of Cases
Sheep Annual Premium	1

#### Cases carried forward from 2005/2006

Case Category	Number of Cases
Breaches of Court Order	1

### Cases carried forward from 2006/2007

Case Category	Number of Cases
Movement Offences	1

### 2007/2008 Year

Case Category	Number of Cases
-	-



## Appendix 6 Outcome of CIS Investigations – Convictions @ 31 March 2008

### Cases C/F from 2005/2006

Name	Offence	Outcome
Co. Antrim Farmer	Cattle Identification Irregularities	Guilty Conviction in absence. Bench Warrant for Arrest.
Co. Tyrone Farmer	Cattle Identification Irregularities	Fined £150

### Cases C/F from 2006/2007

Name	Offence	Outcome
Co. Tyrone Farmer	TB Testing	Fined £1500

### Cases from 2007/2008

Name	Offence	Outcome
Co. Antrim Farmer	Potato Offences	2 year conditional discharge & £49 costs



## Appendix 7 Veterinary Service Enforcement Convictions Summary 1st April 2007 – 31st March 2008

### Summary Total

**Convictions** : 30

**Fines** : £38,575

**Imprisonment** : 5 (4 Suspended)

» A Farmer from Cloghogue, Newry was convicted at Newry Magistrates Court on 2nd April 2007 on 2 charges of failure to dispose of animal by-products, 1 charge of failure to comply with an animal by-product notice, 1 charge of failure to provide an animal with water, 1 charge of failure to present herd records for inspection, and 1 charge of failure to notify DARD that he had possession of a notifiable animal. The accused was found guilty and was fined £1,500 plus £64 costs.

» A Farmer from Loughskale Road, Cavancarragh, Lisbellaw, Enniskillen was convicted in Enniskillen Magistrates Court on the 23rd April 2007 on 1 charge of failure to comply with the requirements of a notice in that he failed to prohibit the movement to or from his holding except under and in accordance with the conditions of a licence. The accused pleaded guilty and was fined £1,000.

» A Farmer from Whitepark Road, Ballycastle was convicted at Coleraine Magistrates Court on 4th May 2007 for breaches of Welfare of animals Legislation. The accused pleaded guilty and was fined £250 plus £94 costs.

» A Farmer from Castledawson was convicted at Antrim Magistrates Court on 9th May 2007 on 1 charge of failure to maintain and retain a record of inspections of hens, 1 charge of failure to ensure that that the accommodation and fittings for securing the hens were constructed and maintained so that there was no sharp edges or protrusions likely to cause injury to them, 1 charge of failure to ensure that the animals had access to an adequate supply of fresh drinking water and 1 charge of failure to provide animals with feed at intervals appropriate to their physiological needs all under the Welfare of Farmed Animals Regulations (NI) 2000. The accused pleaded guilty and was fined £2,600 plus £40 costs.



## Appendix 7 Enforcement Convictions Summary 01/04/06 – 31/03/07

- » A Farmer from Crosskeys Road, Toomebridge was convicted at Dungannon Magistrates Court on 9th May 2007 on 1 charge of failure to provide 550cm<sup>2</sup> per hen of cage area, 1 charge of failure to ensure that at least 2 nipple drinkers or cups were within reach of each cage, 1 charge of failure to ensure that the cages were fitted with claw shortening devices, 1 charge of failure to maintain and retain a record of inspections of hens, 1 charge of failure to ensure that the animals had access to an adequate supply of fresh drinking water and 1 charge of failure to provide animals with feed at intervals appropriate to their physiological needs all under the Welfare of Farmed Animals Regulations (NI) 2000. The accused pleaded guilty and received a 12 month conditional discharge.
- » A Farmer from Brae Road, Newry, Co Down was convicted at Newry Magistrates Court on 14th May 2007 on 1 charge of permitting unnecessary pain and distress, 1 charge of causing or permitting unnecessary suffering, 2 charges of failure to ensure that the conditions under which sheep were kept complied with the regulations, and 2 charges of failure to dispose of sheep carcasses. The accused was found guilty and fined £1,600 plus £100 costs.
- » A Farmer from Dernaseer, Castlecaufield, Dungannon was convicted at Dungannon Magistrates Court on 14/05/2007 on 2 charges of furnishing false or misleading information to a person acting in execution of their duties. The accused pleaded guilty and was fined £200 plus £52 costs.
- » A Farmer from Moy, Co Tyrone was convicted at Dungannon Magistrates Court on 14th May 2007 on 6 charges of failure to notify cattle movements and 1 charge of failure to present all animals for tuberculosis testing. The accused pleaded guilty and was fined £700 plus £10 costs.
- » A Farmer from Armagh Road, Keady was convicted at Armagh Magistrates Court on 18th May 2007 on 8 charges of causing unnecessary suffering to animals. The accused pleaded guilty and was fined £2,400 plus £181 costs.



## Appendix 7 Enforcement Convictions Summary 01/04/06 – 31/03/07

- » A Farmer from Mullaslin Road, Sixmilecross was convicted at Omagh Magistrates Court on 21st May 2007 on 4 charges of moving livestock from a holding onto which other livestock had made a relevant movement during the previous 6 days, 1 charge of failure to produce the herd book and 1 charge failure to produce medicine records for inspection. The accused pleaded guilty and received a conditional discharge for 1 year and was fined £600.
- » A Farmer from Old Portglenone Road, Ahoghill, Co Antrim was convicted at Ballymena Magistrates Court on 25th May 2007 on 1 charge of failure to provide at least 550cm<sup>2</sup> per hen of cage area as required by the Welfare of Farmed Animals Regulations (NI) 2000. The accused pleaded guilty and was fined £50 plus £55 costs.
- » A Farmer from Slievetrue Road, Carrickfergus was convicted at Belfast Magistrates Court on 26/06/07 on 11 charges of causing unnecessary suffering to cattle, 1 charge of causing unnecessary pain and unnecessary distress to an animal (cattle), and 3 charges of failure to tag cattle. In addition, he was convicted on 2 charges in relation to the welfare of dogs taken by the PSNI, he was fined £500 plus £46 costs in respect of these. The accused received a 3 year ban from keeping cattle, pigs and dogs (commencing 01/10/2007), he also received a 3 month custodial sentence suspended for 1 year, a conditional discharge for 1 year, and was fined £250.
- » A Farmer from Slievetrue Road, Carrickfergus was convicted at Belfast Magistrates Court on 26/06/07 on 4 charges of causing unnecessary suffering to animals, 1 charge of failure to comply with the requirements in that he kept a pig in a crate where the pig was not able to turn round, 1 charge of failure to comply with the requirements in that he failed to provide dry bedding for a pig, 1 charge of failure to comply with the requirements in that he provided inappropriate care to a pig and 1 charge of failure to comply with a rectification notice. The accused received a 3 year ban from keeping cattle and pigs (commencing 01/10/2007); he also received a 3 month custodial sentence suspended for 1 year, and was fined £750 plus £46 costs



## Appendix 7 Enforcement Convictions Summary 01/04/06 – 31/03/07

- » A Farmer from Tannaghlane Road, Caledon, Co Tyrone was sentenced at Dungannon Magistrates Court on 8 October 2007 in respect of 25 charges for breaches of animal welfare, trade, tuberculosis, animal by-products and cattle IRM legislation. The accused received a 2 month jail sentence suspended for two years, and was fined £1,500 and £10 costs.
- » A Farmer from Tannaghlane Road, Caledon, Co Tyrone was sentenced at Dungannon Magistrates Court on 8 October 2007 in respect of 24 charges for breaches of animal welfare, trade, tuberculosis, animal by-products and cattle IRM legislation. The accused was fined £625 and £10 costs.
- » A Farmer from Rushindoo, Kesh, Co Fermanagh was convicted at Enniskillen Magistrates Court on 10th October 2007 in respect of 6 charges for breaches of welfare of animals and welfare of animals (transport) legislation. The accused pleaded guilty and received a 3 month jail sentence suspended for 3 years and was fined £3,500 plus £10 costs.
- » A Farmer from Glenpark Road, Omagh, Co Tyrone was convicted at Omagh Magistrates Court on 12th October 2007 in respect of 4 charges for breaches of animal by-products and cattle IRM legislation. The accused pleaded guilty and was fined £600.
- » A Farmer from Corrycroar Road, Pomeroy Co Tyrone was convicted at Dungannon Magistrates Court on 30th October 2007 in respect of 5 charges for breaches of cattle IRM legislation. The accused pleaded guilty and was fined £4,000 plus £49 costs.
- » A Farmer from Mayobridge, Newry, was convicted at Newry Magistrates Court on 5th November 2007 in respect of 2 charges for breaches of animal by-products and cattle IRM legislation. The accused pleaded guilty and was fined £200 plus £196 costs.



## Appendix 7 Enforcement Convictions Summary 01/04/06 – 31/03/07

- » A Farmer from Keady, Armagh was convicted at Armagh Magistrates Court on 16th November 2007 on 8 charges relating to breaches of Poultry Welfare Legislation and 3 charges for breaches of Animal By-Products Legislation in respect of caged hens. The accused pleaded guilty and was fined £1,550 plus £67 costs.
- » A Farmer from Derryleckagh Road, Newry was convicted at Newry Magistrates Court on 07th January 2008 in respect of 9 charges for breaches of cattle IRM legislation. The accused was convicted in his absence and was fined £900 plus £64 costs.
- » A Farmer from Mettican Road, Garvagh, was convicted at Coleraine Magistrates Court on 01st February 2008 in respect of 4 charges for breaches of animal by-products, welfare and diseases of animals legislation. The accused pleaded guilty and was fined £400 plus £208 costs.
- » A Farmer from Loughbrickland Road, Gilford, was convicted at Newry Magistrates Court on 14th February 2008 in respect of 2 charges for breaches of cattle identification Legislation. The accused pleaded guilty and was fined £200 plus £22 costs.
- » A Farmer from Monteith Road, Banbridge, was convicted at Newry Magistrates Court on 14th February 2008 in respect of 4 charges for breaches of animal by-products, welfare and cattle identification legislation. The accused pleaded guilty and was fined £2,000 plus £94 costs.
- » A Farmer from Damhill Road, Drumnacairn, Lurgan was convicted at Craigavon Magistrates Court on 27th February 2008 in respect of one charge for breaching Cattle Identification (Enforcement) Legislation. The accused pleaded guilty and was fined £2,000 plus £70 costs. The accused was also given a 12 month conditional discharge in respect of a further 14 charges under IRM Legislation.



## Appendix 7 Enforcement Convictions Summary 01/04/06 – 31/03/07

- » A Farmer from Tirgarvil Lane, Upperlands, Maghera, Co. Londonderry was convicted at Magherafelt Magistrates' Court on 3 March 2008 in respect of 2 charges for breaches of cattle identification legislation. The accused pleaded guilty and was fined £400 plus costs.
- » A Farmer from Killybracken Road, Dungannon, Co Tyrone was convicted at Dungannon Magistrates' Court on 3 March 2008 of a total of 16 charges: 2 relating to animal by-products, 5 relating to cattle identification, 1 relating to welfare of animals, 5 relating to welfare of farmed animals and 3 relating to TSE. The accused pleaded guilty and was banned from keeping livestock for 5 years with sentencing deferred until September.
- » A Farmer from Point Road, Banbridge was convicted at Larne Magistrates Court on 7th March 2008 in respect of 5 charges for breaches of Welfare of Animals (Transport) Legislation. The accused was found guilty and was fined £2,500 plus £97 costs.
- » A Farmer from Tannaghlane Road, Caledon Co Tyrone was convicted at Dungannon Magistrates Court on 10 March 2008 in respect of 19 charges for breaches of welfare of animals, animal and animal products (Import and Export) and cattle IRM legislation. The accused pleaded guilty, he was given a 2 months jail sentence and disqualified from having custody of any animal for 5 years with immediate effect. He was also fined £1,800 plus £10 costs.
- » A Farmer from Crewe Road, Ballygawley, Co Tyrone was convicted at Dungannon Magistrates Court on 12th March 2008 in respect of 5 charges for breaches of Animal Welfare, Cattle Identification and Animal By-Products Legislation. The accused pleaded guilty, and was disqualified from having custody of bovine animals for 5 years and fined £4,500 plus £20 costs. The accused was also given a 12 month conditional discharge in respect of charges under Cattle Identification and the Welfare of Farmed Animals Legislation.





## Appendix 8 Veterinary Service Enforcement Investigations Opened 1st April 2007 – 31st March 2008

### Progress Summary

Work Programme	Under Investigation	File being prepared	File passed to Enforcement Branch	File passed to Public Prosecution Service	Case Closed	Total
<b>Animal By-Products</b>	2	1			7	<b>10</b>
<b>Biosecurity</b>					2	<b>2</b>
<b>Brucellosis</b>	5	1		1	11	<b>18</b>
<b>Epizootic Disease</b>					1	<b>1</b>
<b>Identification, Registration &amp; Movement</b>	44	4		3	109	<b>160</b>
<b>Trade of Animals &amp; Animal Products</b>	6			1	9	<b>16</b>
<b>Transmissible Spongiform Encephalopathies</b>	1				2	<b>3</b>
<b>Tuberculosis</b>	1			1	8	<b>10</b>
<b>Veterinary Public Health &amp; Food Safety</b>	3			1	7	<b>11</b>
<b>Welfare of Animals</b>	9	1		1	24	<b>35</b>
<b>TOTAL INVESTIGATIONS (CASE FILES)</b>	<b>71 (61)</b>	<b>7 (5)</b>		<b>8 (3)</b>	<b>180 (150)</b>	<b>266 (219)</b>



## Appendix 9 Veterinary Service Enforcement Investigations Closed 1st April 2007 – 31st March 2008

### Summary of Outcomes

Work Programme	Case Dropped	Compliance Achieved	Warning Letter Issued	Animals Slaughtered/ Carcase Destroyed	MC29 Withdrawn	Formal Caution Delivered	Convicted In Court	Acquittal In Court	Referred to Other Agency	<b>Total</b>
Animal By-Products	3	1	2				9	1	1	<b>17</b>
Biosecurity	1		1				1			<b>3</b>
Brucellosis	7		1				1		4	<b>13</b>
Epizootic Disease	1									<b>1</b>
Identification, Registration & Movement	21	4	4	53	18	1	19		18	<b>138</b>
Trade of Animals & Animal Products	6	1	4		1		2		3	<b>17</b>
Transmissible Spongiform Encephalopathies			1	1			3			<b>5</b>
Tuberculosis	5		1	1			4		3	<b>14</b>
Veterinary Public Health & Food Safety	57		1	2			4			<b>64</b>
Welfare of Animals	6	1	19		1	3	18	1	3	<b>52</b>
<b>TOTAL INVESTIGATIONS</b>	<b>107</b>	<b>7</b>	<b>34</b>	<b>57</b>	<b>20</b>	<b>4</b>	<b>61</b>	<b>2</b>	<b>32</b>	<b>324</b>
<b>(CASE FILES)</b>	<b>(91)</b>	<b>(7)</b>	<b>(31)</b>	<b>(53)</b>	<b>(18)</b>	<b>(4)</b>	<b>(30)</b>	<b>(2)</b>	<b>(22)</b>	<b>(258)</b>



## Appendix 10 Case Files Passed to the Public Prosecution Service (PPS) 1st April 2007 – 31st March 2008

### Progress Summary

Public Prosecution Service (PPS)	Awaiting PPS Decision On Direction	Not Directed For Prosecution	Formal Caution Recommended & Issued	Directed For Prosecution - case on-going	Directed For Prosecution And Convicted	Directed For Prosecution And Not Convicted	Total Sent to PPS
Case Files		5		10	14	2	<b>31</b>



## Appendix 11 2007 Single Farm Payment: Administrative and On-farm checks

**Table 1**

Number of claims received 2007 Single Application/ IACS	Type of penalty	Number of discrepancies identified (admin and on-farm)	Adjusted details	Value of penalty applied in 2007 €Euro	
39,051	Over-declaration of land	1183	< 3%	0	
		198	> 3% < 20%	144,945.72	
		61	> 20% < 50%	41,489.92	
		56	>50%	74,926.35	
	Cross compliance breaches	247	Warning letter	0	
		218	1% - 5%	64,704.91	
		21	> 5%	210,951.10	
	Late claims	69		168,651.86	
				<b>Total</b>	<b>705,669.86</b>



## Appendix 11 Single Farm Payment Scheme Administration Controls and Inspections 2007

**Table 2**

	<b>No due to Admin Controls</b>	<b>No due to Inspections</b>
Duplicate area claimed	159	20
Over Claimed Area not Found	1354	1562
Not a forage Area	121	363
Others	1	0



## Appendix 11 Single Farm Payment Scheme Eligibility Inspections 2007

**Table 3**

<b>Number of Businesses Inspected</b>	<b>No of Businesses Penalised/Rejected</b>	<b>Adjustments</b>
1952	152	140,313.75



## Appendix 11 Single Farm Payment Scheme Administrative Penalties 2007

**Table 4**

<b>Number of Claims</b>	<b>No of Businesses Penalised/Rejected</b>	<b>Adjustments</b>
39051	315	261,361.99



Hotline 0808 1002716  
[www.dardni.gov.uk/investigations](http://www.dardni.gov.uk/investigations)



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AN ROINN

**Talmhaíochta agus  
Forbartha Tuaithe**

MÄNNYSTRIE O

**Fairms an  
Kintra Fordèrin**

Designed by DMS 08.09.199