

Intelligence-led policing

A proactive approach to combating corruption

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<http://dx.doi.org/10.4314/sacq.v52i1.5>

Corruption causes substantial social and economic harm. The South African government's attempts to combat corruption have relied on strengthening legislation, introducing statutory investigative bodies, initiating public anti-corruption campaigns, and appealing to the integrity of individuals. Yet corruption remains a big problem in South Africa. However, one approach that has yet to be pursued is intelligence-led policing (ILP). ILP is a model built around proactive risk assessment and risk management. This article explains how ILP can be used to investigate corruption in South Africa.

Corruption has wide-ranging corrosive effects, from undermining democracy and the rule of law, to providing the fertile ground in which organised crime and terrorism flourish.¹ It takes many forms, from bribery to extortion, cronyism to nepotism, and patronage to embezzlement.²

In South Africa corruption is defined in the Prevention and Combating of Corrupt Activities Act 2004 (Act 12 of 2004) as 'giving or offering to give, of a benefit that is not legally due to a person vested with the duty by virtue of his or her office, with the intention of influencing him or her to do something, or not to do something in the performance of that duty'.³ But most South Africans interpret corruption more broadly to include abuse of resources, maladministration, theft and fraud.⁴

Because both parties involved in corrupt transactions benefit from them, corruption is always difficult to measure. And as South Africa does not have a single database of corruption reports, it is particularly

difficult to gauge its prevalence here. To do so, we have to draw on a range of disparate sources.

For example, the Transparency International Global Corruption Barometer 2013⁵ showed that 54% of respondents felt that corruption in South African businesses had increased substantially over the preceding year. In addition, in the 2013 Transparency International Corruption Perceptions Index,⁶ South Africa was the 72nd most corrupt of 175 countries measured. The 2013–2014 National Victims of Crime Survey showed that 37.9% of households reported being asked to pay a bribe in return for services from government officials. It also showed that 70% of respondents believed that corruption had increased during the period 2010–2013.⁷

Every year Corruption Watch, a non-profit organisation, receives thousands of allegations of corruption from the public, as does the Public Service Commission's National Anti-Corruption Hotline (NACH). Calls to the latter are routed to a Case Management Centre from where they are referred to relevant government departments. Departments must in turn investigate allegations and report back to the hotline.

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Similarly, between 2004 and 2012, the Special Investigating Unit (SIU), responsible for recovering and preventing state losses caused by corruption, fraud and maladministration, prepared evidence for 26 798 criminal cases. It also initiated 31 216 disciplinary hearings and 568 967 other remedial actions, such as the cancellation of fraudulent drivers' licences and recommendations on the removal of social grants from the social pension system.⁸

The Public Service Commission⁹ (PSC) and the Gauteng Anti-Corruption Strategic Framework¹⁰ offer other examples of how corruption manifests in South Africa. The PSC report cites fraud and bribery as the most common types of corruption allegations received at the NACH since its inception.

Other examples suggested by the PSC are reflected in Table 1.

All of the examples listed in this section provide some, albeit fractured, insight into the state of corruption in South Africa. But is enough being done to address the corruption that is uncovered? This is discussed in the next section.

Intelligence-led policing

It would seem that most of South Africa's anti-corruption efforts are reactive. Both industry and statutory bodies rely on whistle-blowing hotlines and internal audits to expose corruption, but the data collected by these bodies is not synthesised. In other words, it makes little contribution to crime intelligence or to efforts to predict and forestall corrupt acts. Considering the ongoing challenges posed by corrupt activities, it is important that alternative methods be considered. One such method is intelligence-led policing (ILP).

ILP is a conceptual framework for conducting the business of policing. It is built around risk assessment and risk management.¹¹ ILP is an information-organising process that allows policing agencies to better understand their crime problems, thus enabling them to make informed decisions on how best to approach specific crime challenges.¹² Contrary to what its name may suggest, ILP does not imply clandestine and covert activity conducted by shady officers. Rather, it is a business process

Table 1: Fraud and bribery

Risk associated with fraud and bribery	Possible control weaknesses
Officials claiming overtime without rendering any activities	<ul style="list-style-type: none"> Supervisory checks not done Lack of overtime recording system
Officials claiming a subsistence allowance on unauthorised trips, or trips not undertaken	<ul style="list-style-type: none"> Lack of systems to verify attendance of trips Circumvention of delegation of authority
Officials receiving kickbacks from members of the public in order to obtain government tenders	<ul style="list-style-type: none"> Lack of declaration of interest procedures Lack of policy in accepting gifts
Traffic officials receiving bribes from motorists, or public service officials receiving bribes to speed up enquiries in order to prevent delays	<ul style="list-style-type: none"> Lack of awareness campaigns to members of the public on anti-bribery measures Lack of enforcement of internal disciplinary measures against the perpetrators
Officials demanding bribes in order to issue illegal drivers' licences and roadworthy certificates	<ul style="list-style-type: none"> No supervisory checks Sharing of access controls to circumvent segregation of duties
Prison warders accepting bribes in order to help inmates escape from prison	<ul style="list-style-type: none"> Lack of detection controls Lack of access controls
Members of the public offering bribes to officials in return for obtaining tender contracts	<ul style="list-style-type: none"> Lack of enforcement of internal disciplinary measures against procurement officials
Private individuals resorting to collusive tendering to fix prices and limit competitiveness	<ul style="list-style-type: none"> Lack of blacklisting mechanisms in the public sector
<p>Adjudication of tenders is often irregular, with correct procedures ignored</p> <p>Tender specifications are ignored or modified to suit a prospective tenderer with a view to facilitating the tenderer's success in the tender process</p>	<ul style="list-style-type: none"> Lack of visible prosecution of companies involved in corrupt practices in the same manner and to the same degree as the officials involved in corrupt activities

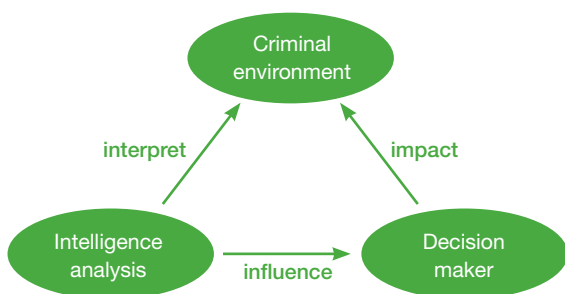
Source: Public Service Commission, *Profiling and analysis of the most common manifestations of corruption and its related risks in the public service, 2010*

model that determines where resources are needed, facilitates the organisation of knowledge, coordinates activity and allows lessons to be learnt from that activity.¹³

The paradigm of ILP is interpreted differently in different jurisdictions, resulting in variations in the ILP model. For example, the UK's National Intelligence Model (NIM) operates at three different levels. Level one deals with crime incidents and neighbourhood priorities occurring at a Basic Command Unit (BCU) level, while level two deals with cross-border issues affecting more than one BCU, neighbouring forces, and regional crime activity. Level three deals with serious and organised crime that operates on a national and international scale.¹⁴ In South Africa, the South African Police Service (SAPS) model comprises 11 steps and is premised on the collection, analysis, coordination and dissemination of crime intelligence for tactical, operational and strategic use.¹⁵ The steps can be utilised at station, provincial or national level. A single analytical division exists in the SAPS model, but it is not entrusted with all of the available information for purposes of analysis.¹⁶

The NIM and the SAPS models allow for the analytical function to be performed at different levels. But would a single analytical division, which disseminates tactical, operational and strategic corruption intelligence to policing agencies, not be better than these approaches? The 3i model proposed by Ratcliffe¹⁷ offers such a framework. As illustrated below, the 3i model compels close cooperation between police chiefs, managers and intelligence analysts in order to facilitate strategies that have an impact on the criminal environment.¹⁸

Figure 1: The 3i model



Source: JH Ratcliffe, *The structure of strategic thinking*, Sydney: Federation Press, 2009

The model requires criminal intelligence analysis to actively interpret the criminal environment. The 3i, a reference to 'interpret', 'influence' and 'impact', is a 'simple description of what can be a much more complex process'.¹⁹ Ratcliffe uses the 3i model as a conceptual sketch of the role of intelligence and decision makers in ILP. The model entails intelligence units actively interpreting the criminal environment and using the intelligence to influence law-enforcement decision makers, who in turn use the intelligence product to design strategies that have an impact on the criminal environment.²⁰ The model is based on three focal points: the criminal environment, intelligence analysis and decision-making. These are discussed in more detail below.

The criminal environment

The criminal environment in corruption cases encompasses a plethora of information, including raw data, knowledge, patterns, instructions and understanding. Analysts target this environment to collect information from public and private sources. Information collection may include entering into memoranda of understanding (MoUs) with business and government departments. Received information is channelled to a monitoring and analysis department responsible for reading, capturing, assessing and analysing the information. In corruption cases, information collected might include bank statements, e-mails, Internet and telephone communications, gambling records, VAT registration documents, insurance policy details and criminal records. Analysts must actively canvass intelligence from different sources in the criminal environment and make every effort to acquire the information required by interviewing investigating officers and, if possible, debriefing handlers of confidential information.²¹

Crime intelligence analysis

Once information is collected, it needs to be interpreted and converted into intelligence by analysts. In corruption cases, analysts use intelligence analysis, investigative analysis, geographic analysis, crime threat analysis, crime pattern analysis and charting techniques.

Examples of charting techniques used by analysts include:²²

- Link charting: to show relationships among entities, for example between the corrupter and corruptee
- Event charting: to show chronological relationships among entities or sequences of events
- Commodity flow charting: to explore the movement of money and stolen goods
- Activity charting: to identify activities involved in a criminal operation
- Financial profiling: to identify concealed income of individuals or business entities and to identify indicators of economic crime
- Frequency charting: to organise, summarise and interpret quantitative information
- Data correlation: to illustrate relationships between different variables

The intelligence analysis of information on corruption is performed in fusion centres. Fusion centres are the ‘heart beat’ of the model, where all information is collated and analysed. Fusion centres are designed to blend information from a variety of sources.²³ Their success depends on agencies changing policies and procedures that obstruct information and intelligence. They work to move beyond a reliance on information from police.²⁴ There is an inherent requirement on the analyst to ‘actively interpret the criminal environment rather than to wait to receive intelligence’.²⁵ The ILP model also offers a techno-savvy response to techno-savvy crime, through its use of fusion centres. Armed with sophisticated information technology software, analysts are able to observe and understand crime threats across jurisdictions, consider how these may relate to one another, and develop means to proactively address them.²⁶ The creation of such centres in South Africa would contribute to understanding and preventing corruption.

Decision-making

In the 3i model, crime intelligence analysis is linked to decision-making. Intelligence must inform decisions. For example, in the case of counterfeit card fraud (skimming), affected private industry can assist in identifying hotspots through an analysis of their own victimisation. This intelligence can be made available to the SAPS by bodies such as the South African

Banking Risk Information Centre (SABRIC). Private analysts could form part of a multi-disciplinary team assisting the police. Such analysts could inform law-enforcement responses by providing relevant and timely information, and presenting professional reports and presentations containing logical arguments and factual intelligence.

By informing decision makers, analysts empower them to use the intelligence to make tactical, operational or strategic decisions to address crime.²⁷ It has, however, been argued that the SAPS does not fully understand the importance and value of creating multi-disciplinary task teams. This is attributed to its bureaucratic nature.²⁸ The SAPS is characterised by formal hierarchical structures with many different departments, operational rules and regulations, all of which are intended to ensure compliance by its staff. But this hinders collaboration between SAPS units and public and private institutions at large.

The need for ILP in combating corruption

One reason for the emergence of ILP has been the inability of traditional policing methods to cope with the globalisation of crime, such as the emergence of transnational organised crime (TOC).²⁹ Corruption is often intertwined with TOC and, in many cases, is the catalyst that breeds and sustains it.³⁰ In an attempt to combat TOC, agencies such as Europol have adopted the ILP approach, resulting in successful transnational policing initiatives such as ‘Operation Godfather’. This involved cooperation between agencies from Belgium, Germany, Italy, the Netherlands, Romania and Sweden, and resulted in the disruption of a criminal gang manufacturing skimming devices in Romania.³¹ The success of the operation relied on coordination from a single Europol centre where information was collected, exchanged, analysed and interpreted, leading to suspects being identified.

In South Africa ILP exists to an extent in both the public and private sectors. The most prominent examples include the Financial Intelligence Centre (FIC) and SABRIC. Based on the 3i model, both institutions are involved in information collection, analysis and the converting of information into

intelligence. The FIC is staffed with 57 analysts³² while the commercial crimes desk at SABRIC has six analysts.³³ Working in fusion centres, analysts operate sophisticated IT software to understand and interpret crime information, map crime, and analyse its patterns. The shortcoming in South Africa is in the 'decision-making' node. In the FIC, the type of intelligence generated determines the nodal point to which information is disseminated. The reports may be forwarded to either the National Intelligence Co-coordinating Committee or the Justice, Crime Prevention and Security Cluster, which is made up of the SAPS, the Asset Forfeiture Unit, the Anti-Corruption Task Team and the South African Revenue Service. But the decision on whether to act on the intelligence and to furnish feedback to the FIC is at the discretion of the respective bodies. The FIC has no impact on their decisions.³⁴

In some instances SABRIC identifies threats and passes its reports directly to the SAPS. A 2004 MoU between the SAPS and SABRIC provides for standard operating procedures relating to threats posed by syndicates and crimes that affect the banking industry. Responses combine members of specialised units within both the SAPS and SABRIC. SABRIC provides skilled analysts, computer hardware and software programmes, and office space, while SAPS investigators investigate, search, seize and arrest perpetrators. The MoU provides for secondments and co-location of personnel, allowing for sharing of skills, experience and specialist knowledge enabling, as envisaged in the 3i model.³⁵

The success of the 3i model has been highlighted in various criminal cases in South Africa. The SAPS Sandton case,³⁶ which saw joint collaboration between the SAPS and SABRIC, resulted in the conviction of seven syndicate members for counterfeit card fraud. This form of collaboration exists through authority derived from statutory and case laws, for example *State v Botha and other*,³⁷ *State v Dube*³⁸ and section 179 of the constitution.³⁹ In *State v Botha and other*,⁴⁰ the court ruled that it was not improper that a corporation's internal investigation unit had conducted an investigation regarding the alleged defrauding of its pension fund. The court referred to the fact that various institutions conduct their own investigations and then hand

over the evidence collected to the police for prosecution. Similarly, in *State v Dube*,⁴¹ a private investigator set a trap for an employee of a vehicle manufacturer who was suspected of being involved in theft. The investigator arranged for meetings so that the suspect could be photographed and audio recorded. The High Court expressed its acceptance that private investigations occur, and that the evidence collected is handed over to the police for prosecution.

Corruption intelligence centre

Chapter 14 in the National Development Plan lists fighting corruption as one of the state's key goals. To this end, efforts to eradicate corruption need to include private and public sector partnerships to sustain anti-corruption initiatives on all fronts. It is against this backdrop that a corruption intelligence centre (CIC) should be established in line with the 3i model. I believe that the centre should comprise a crime/corruption information hub (fusion centre) that receives information from all possible sources. This can then be centrally analysed and disseminated to relevant enforcement agencies.

A single fusion centre such as the CIC will provide the relevant institutional support currently lacking in anti-corruption agencies. The CIC will not amount to a single 'anti-corruption agency' since it will be primarily involved in collecting information rather than investigating or prosecuting offenders, and will provide support to prominent corruption combatting bodies like the SIU and the SAPS. It will be important that analysts are able to influence decision makers to act on the information/intelligence furnished. Intelligence gathering must be performed by adhering to the legislative mandate specific to section 199 of the constitution, the National Strategic Intelligence Act and the Intelligence Oversight Act 1994 (Act 40 of 1994). Secondments of personnel who are legally mandated to collect intelligence will avoid any contraventions to any act, provided the intelligence is collected legally.

Conclusion

Corruption remains a serious challenge to prosperity, governance, law and order in South

Africa. To combat corruption, law enforcement authorities must work 'smarter'. This can be achieved by adopting an ILP approach. Collaboration and the sharing of information and intelligence are critical to the success of ILP and, more importantly, the 3i model. Government should undertake to explore ILP as a means to address corruption and crime in general. The various statutory bodies and organisations tasked with addressing corruption in South Africa remain predominantly reactive. It is against this backdrop that a corruption intelligence centre would be a great asset. The centre would need to be a legally constituted body, similar to the Financial Intelligence Centre, where information related to corruption is collected from different organisations, then processed, analysed and interpreted. Staffed with intelligence analysts and supported by sophisticated IT software, the centre could provide intelligence on corruption to various investigative and enforcement agencies to assist in the identification and prosecution of perpetrators, and in so doing hopefully reduce corruption in South Africa.



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