



# **CUSTOMS AND IMMIGRATION SERVICE**

## **ANNUAL REPORT 2009**

Presented to the States on 19th March 2010  
by the Minister for Home Affairs

# MISSION STATEMENT

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**“THE CUSTOMS AND IMMIGRATION SERVICE IS COMMITTED TO PROVIDING A STRONG AND EFFECTIVE BORDER CONTROL IN ORDER TO PROTECT JERSEY FROM THE THREATS OF:**

- ILLEGAL IMMIGRATION AND THE MOVEMENT OF PROHIBITED OR RESTRICTED GOODS; AND**
- LOSS OF GOVERNMENT REVENUE FROM THE EVASION OF IMPORT TAX OR DUTY;**

**WHILST HONOURING THE ISLAND’S EXTERNAL CUSTOMS, IMMIGRATION, PASSPORT AND NATIONALITY OBLIGATIONS AND, WHEREVER PRACTICAL, MEETING THE PRINCIPLES OF FREE MOVEMENT FOR PEOPLE AND GOODS.”**

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# FOREWORD

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## FOREWORD BY THE HEAD OF SERVICE

I am pleased to present the Customs and Immigration Service's Annual Report for 2009 which gives a breakdown of all the activities undertaken by us. The Report will give details of the varied and demanding nature of the work that we perform and demonstrates our achievements and successes. It is only with the dedication and hard work of all our highly trained and skilled staff that we are able to provide this level of performance and I wish to thank them all, on your behalf, for their contribution to the Island's safety and prosperity.

The majority of our Officers are multi-skilled and can be expected to work in any of the Service's areas. This 'multi-functional' approach enables us to be flexible in staff deployment and provides the opportunity to react effectively to periodic changes in demand or priorities. I am convinced that this is the best and most efficient way to deploy our limited staff numbers. Our wide variety of duties is reflected in the Service's reporting lines - we are responsible for:

- the collection of all Customs and Excise (Impôts) duties and the GST due on goods imported by individuals and small traders. In 2009 a total of £53 million was collected which represented approximately 8% of States income. We report to the Minister for Treasury and Resources in this area.
- the control of goods into and out of the Island, the detection of smuggling and trafficking of illegal goods such as drugs and the investigation and prosecution of offenders. 2009 saw over £2.6 million worth of drugs seized with the successful capture of organised drug traffickers. We report to the Minister for Home Affairs regarding these aspects of our work.
- the control of passengers from abroad and those seeking permission to enter or remain, and the issuing of passports. A total of 461,805 persons were checked at the Immigration controls in 2009 and we issued 11,060 passports. We report to His Excellency the Lieutenant Governor for these work streams.

In order to carry out our job to the best effect we have established working partnerships with a wide range of other agencies in the Island and outside of it. We work particularly closely with the States of Jersey Police and the Law Officers concerning law enforcement and investigations and with Treasury officers on revenue and taxation issues. We also have regular contact with colleagues in other jurisdictions on a range of matters of mutual concern, from drug trafficking to passport issuance. These contacts include the UK Border Agency, the UK Identity and Passport Service,

# FOREWORD

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HM Revenue and Customs, the Customs and Immigration authorities in Guernsey and the Isle of Man and, crucially, the investigation division of the Douanes Françaises in Brittany and Normandy. I am happy to have this opportunity to express my gratitude to them all for their continuing and valued assistance.

I am equally pleased to put on record my appreciation for the support received from the Chief Officer of the Home Affairs Department and his hard working team.

2009 was a very busy year for all of us and there is every reason to believe that the forthcoming year will be no less burdensome. We will have to look to maintain our high standards in an environment of increased pressure on resources for all the public sector. It must be remembered though that our Service is still three staff below its agreed minimum operating level due to cuts imposed in previous years and I firmly believe that it is imperative not to weaken it any further. I will be doing my best to avoid that outcome and ensure that the essential work we do is not jeopardised. We are fully prepared to be innovative and enterprising in finding solutions to ensure our demanding work does not suffer - this is something that we are used to which is clearly demonstrated by the major changes the Service has successfully negotiated in the last decade.

Ultimately our Service is here to help protect the well being of us all by protecting the Island from the threats posed by illegal immigration, the organised smuggling of harmful goods and the evasion of duties. It is essential for us to be allowed to provide a properly functioning and effective border control and to continue to catch and deter criminal enterprises.

This Report clearly demonstrates the worth and efficacy of the Customs and Immigration Service and is something in which I believe we can all take pride.

**Michael Robinson**  
**Head of Service**

# LAW ENFORCEMENT

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## INVESTIGATION

The investigation strategy of the Customs and Immigration Service is as follows:-

### Drugs

To investigate the importation of all types of controlled drugs, but with a particular emphasis on the importation of Class A drugs as these are judged to pose the biggest risk to the people of the Island.

For this purpose the intelligence and investigation sections of the Service will work together closely and support each other in the development of drug operations which lead to the arrest and prosecution of the principals behind these drug syndicates.

The Service will look to work jointly with other law enforcement agencies, both on and off Island, wherever possible to achieve its aims in this area.

In such operations, officers in the Service will always look to effect arrests and make seizures where this will cause the greatest impact on the drug syndicate itself. If this means arranging for action to be taken by a law enforcement agency outside the Island then that is the strategy that will be adopted. In this way the Service will meet its responsibilities under the Island's Criminal Justice Policy.

A significant part of the work of officers in the Frontiers section of the Service is the identification of drug couriers. The role of the courier is usually at the lower level of the drug syndicate chain and such investigations are concluded over a short period of time. Nevertheless the quantity/value of the drugs seized can often be large.

The identification, interception and prosecution of drug couriers, therefore, will continue to be an important part of the Service's daily drug investigation duties.

The Service's investigation remit does not extend to drug street dealing/possession of drugs in the Island.

# LAW ENFORCEMENT

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## **Financial Crime**

The officers in the Service, who are based in the Jersey Financial Crimes Unit (JFCU), will continue to investigate the financial status of those individuals who are convicted of drug trafficking offences in Jersey, with a view to making a confiscation order to the Royal Court to seize any assets which are identified as the proceeds of drug trafficking.

The officers will also undertake financial investigations on behalf of Customs authorities from outside the Island particularly in relation to drugs/VAT/Excise fraud.

## **Immigration**

The Service will investigate all aspects of 'illegal immigration' both at the frontier and inland. The term 'illegal immigrant' includes persons attempting to enter the Island either with false documents, by employing deception or entering clandestinely, and persons discovered after entry who gained entry or leave to remain illegally, e.g. asylum seekers.

Again the Service will look to work jointly with other law enforcement agencies, both on and off Island, wherever possible in such investigations.

## **Excise/GST Fraud**

The investigation of offences into excise fraud and GST importation fraud will also be undertaken by officers from the Service. Depending on the scale of the fraud the resources of the Intelligence section of the Service would be utilised in such investigations. At the present time however, excise/GST fraud is considered low risk.

# LAW ENFORCEMENT

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## ENFORCEMENT ACTION

### Drug Seizures

During 2009 officers in the Service were responsible for the seizure of £1.9 million of drugs. In addition, officers conducted 4 joint operations with law enforcement agencies outside the Island. Those operations resulted in the seizure of £713,000 of drugs. In total there were 108 separate drug seizures during 2009. Of those, 20 were of a commercial nature. All cases brought to court in 2009 resulted in a conviction for the individuals concerned and in total the courts handed out sentences totalling 94.3 years. In addition 6 individuals have been arrested and prosecuted in other jurisdictions as a result of the joint operations that were conducted with UK/French law enforcement agencies.

In value terms, heroin represented approximately 47% of the drugs seized. The average purity of the heroin seized was 37.1%. There has been much publicity during the course of 2009 regarding the increased availability of cocaine in the Island. The number of cocaine seizures in 2009 totalled 6 compared to 8 in 2008. The quantity of cocaine seized, however, totalled 2.75 kgs compared to 711 grams in 2008; an increase of just under 26%. In most cases the purity of the cocaine was very low, ranging between 2%-7%.

Overall drug seizures were up nearly 100% on 2008 and up 100% on the previous 3 year average.

### Legal Highs

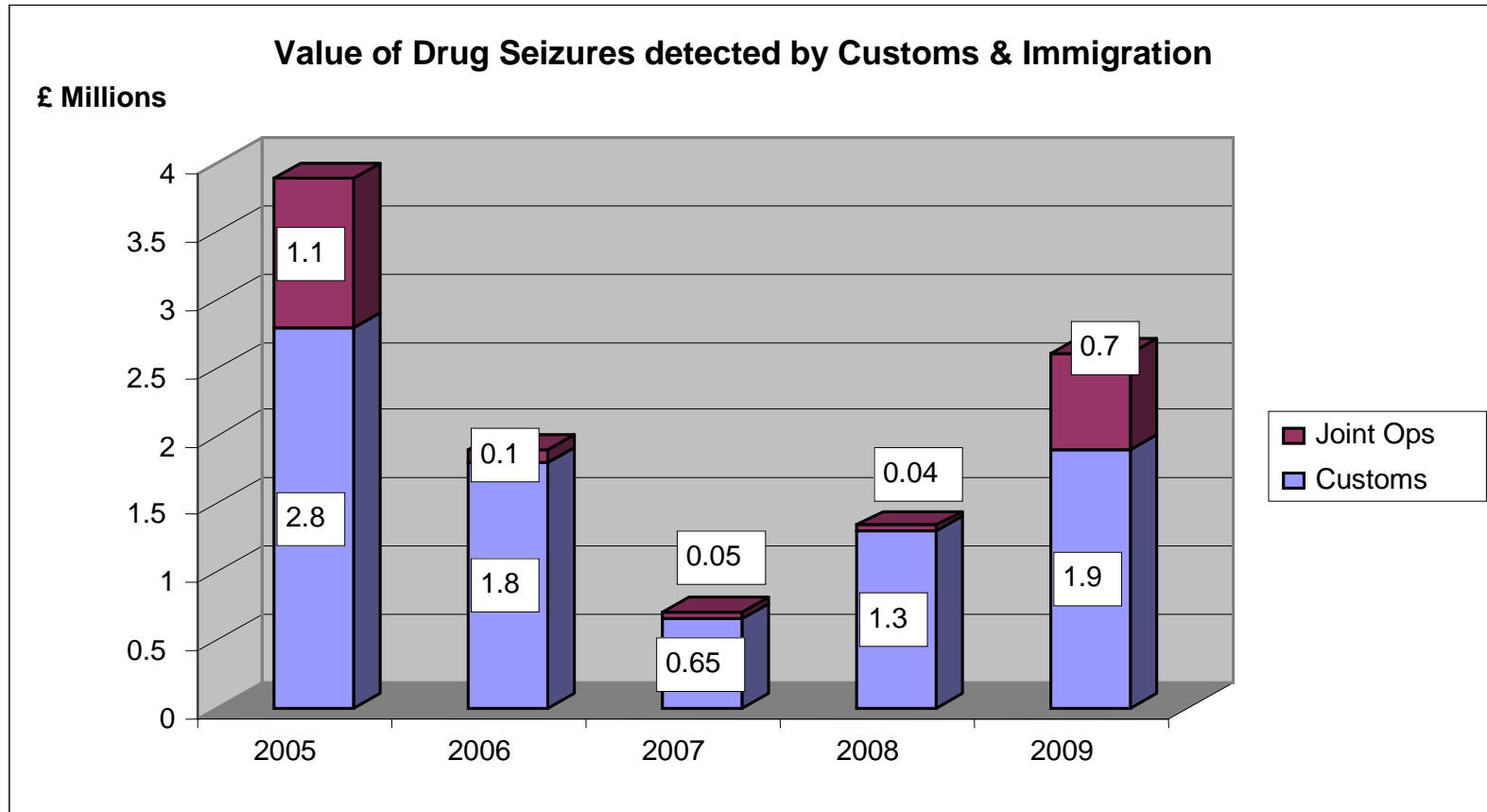
A number of drugs previously known as “legal highs” had been marketed as a safe alternative to drugs like cannabis and ecstasy. These drugs were being encountered on a regular basis at the frontiers and had been controlled under the Medicines (Jersey) Law. In December 2009, following advice from Jersey’s Misuse of Drugs Advisory Council, the Health Minister drafted an Order bringing the chemicals in the “legal highs” under the control of the Misuse of Drugs (Jersey) Law, 1978.

The newly controlled substances were classified as follows:

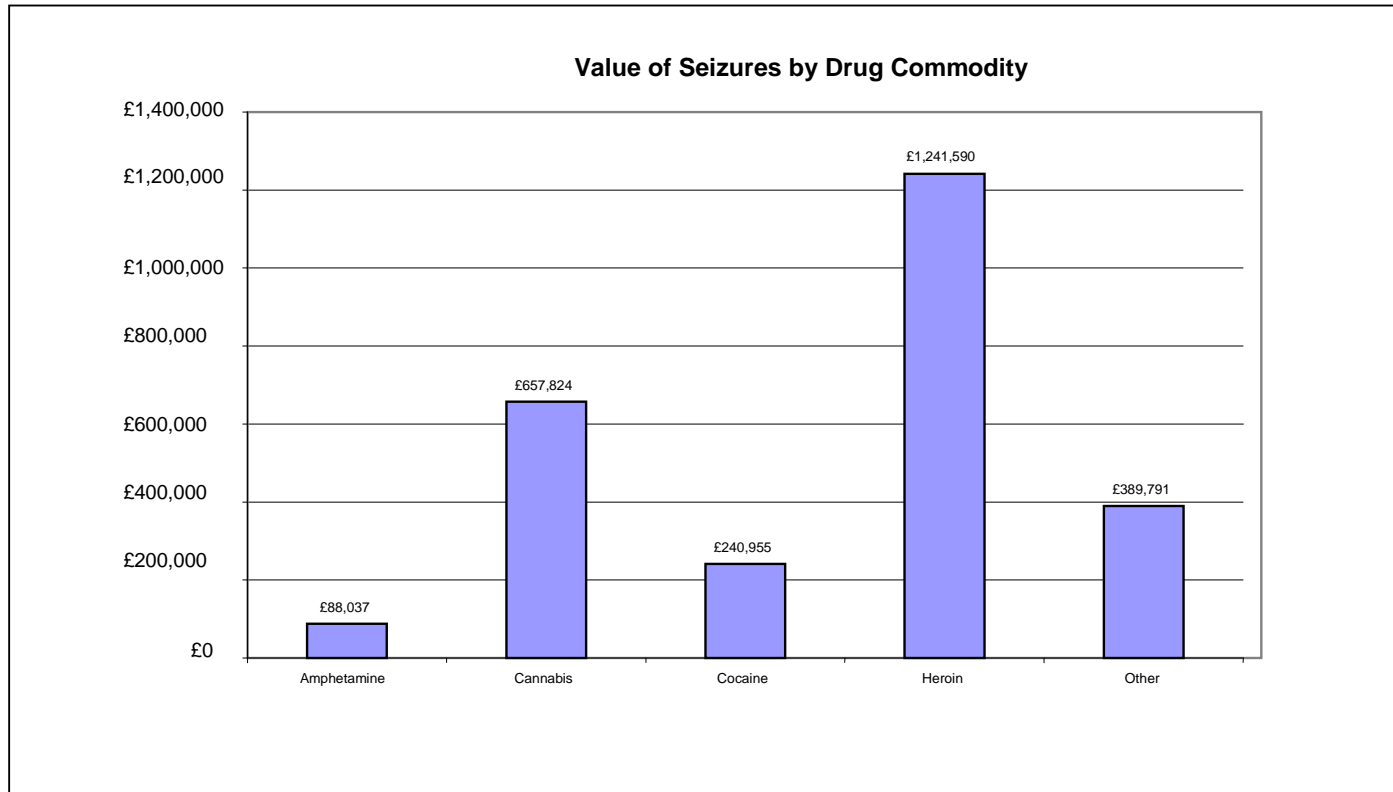
- Synthetic cannabinoids (Class B) – effects similar to cannabis
- Benzylpiperazine (BZP) and related compounds (Class C) – effects similar to ecstasy or amphetamines
- Cathinones (including butylone, methylone and mephedrone) (Class C) – range of effects similar mainly to amphetamines.



# LAW ENFORCEMENT



# LAW ENFORCEMENT



# LAW ENFORCEMENT

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## **Cash Seizures**

On 9 January 2009 the Customs and Excise (Amendment No 6) (Jersey) Law 2008 came into effect. This law required a person entering or leaving the Island to disclose the value of any cash that they may be carrying either in their baggage or on their person when asked to do so by an officer. Any person who either fails to make a disclosure or makes an untrue disclosure is guilty of an offence.

As a result of this legislation, the Service committed resources to identify movements of cash through the frontiers. During the course of the year 5 such outward movements were identified resulting in the seizure of nearly £46,000 in cash. Subsequent investigations resulted in £25,000 of this money being confiscated under the Proceeds of Crime (Cash Seizure) (Jersey) Law, 2008.

In addition to the above cash seizures, the Customs and Immigration Officers in the Joint Financial Investigation Unit were responsible for the preparation of 22 Drug Trafficking Confiscation Orders in 2009. These Confiscation Orders resulted in the confiscation of a further £35,000.

## **Cigarette Seizures**

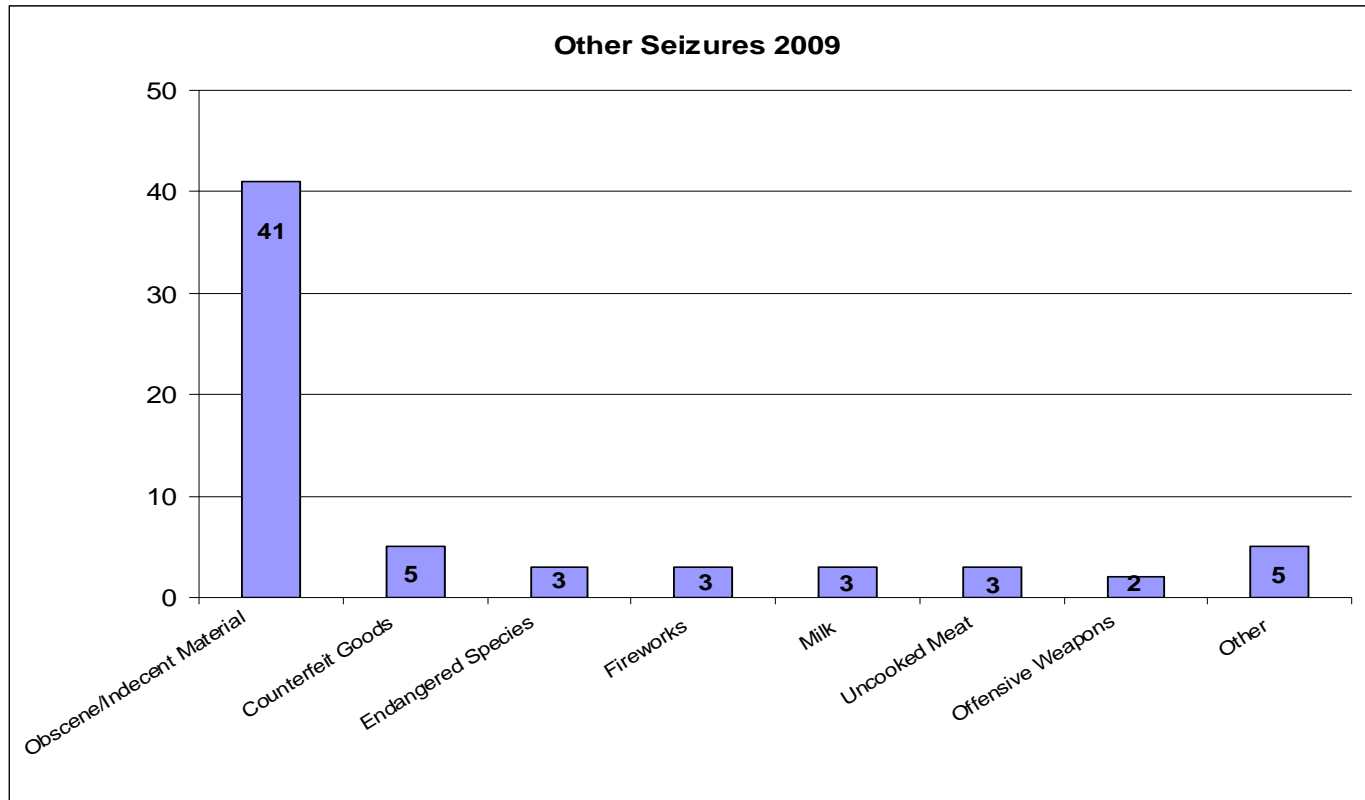
A total of 276,000 cigarettes were seized by officers during 2009 with a revenue potential of £45,000. There were 398 individual seizures made. These figures represent an increase in seizures of just under 37% compared to 2008. In spite of this increase risk testing exercises carried out by officers during the course of 2009 do not indicate that cigarette smuggling is a particularly high risk.

## **Other Seizures**

There were 65 other seizures, 41 of which related to indecent/obscene material. Other seizures of note were 5 of counterfeit goods and 3 of endangered species.

# LAW ENFORCEMENT

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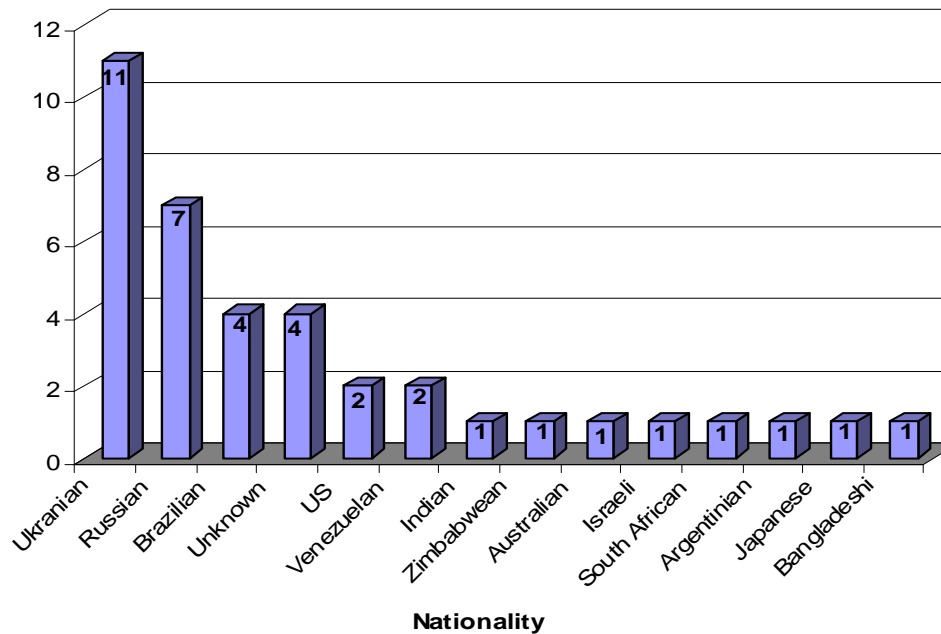
# LAW ENFORCEMENT

## Refusals

The number of third country nationals who were refused leave to enter the Island totalled 38 which was a 52% increase on the 2008 figure. It was also a 22.5% increase on the previous 3 year average.

The reason for this increase is largely due to 2 private yachts arriving in the Island carrying 9 Ukrainian and 6 Russians respectively, without the relevant visas. If these refusal figures were removed from the overall 2009 refusal figure, then the refusal figures would be similar to that of 2008.

IMMIGRATION REFUSALS



# LAW ENFORCEMENT

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## LOGISTICS

### Police National Computer

The Police National Computer (PNC) holds details of people, vehicles, crimes and property and can be accessed by criminal justice agencies. It is a national information system and can be accessed 24 hours a day throughout the year. It allows for the sharing of information through a secure network. It is an unrivalled source of information and as an intelligence tool it is of significant assistance to officers investigating offences against the Customs Law.

At the end of 2008 the Service applied to the National Police Improvement Agency (NPIA) to have direct access to the Police National Computer. The application was approved and in January 2009 18 officers received training in its use. The Service is subject to an annual audit by both the NPIA and the Avon and Somerset Police to ensure that all legislation and procedures are being adhered to. The audit took place in November 2009. The overall conclusion of the audit was that “the States of Jersey Customs and Immigration Service have set high standards in relation to their association with PNC and are committed to maintaining them”.

### Training

Significant resources continued to be allocated to developing both the Immigration and Customs skills of the officers in 2009. During the course of the year a number of officers attended both Immigration and Custody Officer attachments at Gatwick Airport. In addition, the Service arranged for UK Border Agency (UKBA) trainers to visit the Island and deliver the following training courses:

- Basic Immigration Training
- Customs Anti Smuggling Training
- Car Search Training
- Custody Training.

# LAW ENFORCEMENT

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## **Accreditation**

The UKBA agreed that our officers working at the frontiers could participate in their Accreditation programme in order to obtain the Edexcel BTEC National Diploma Award in Detection (Anti-Smuggling).

The officers concerned are required to provide evidence of competence in the required Detection Standards which is assessed by a UKBA Assessor and followed up by professional discussion with the Assessor to establish further the officer's level of knowledge. This evidence is then verified by an External Verifier from Edexcel, the awarding body.

In October 2009, 13 officers achieved the diploma. A further 10 officers are currently undertaking the qualification. The achievement of this type of qualification is important for officers in the Service as it clearly indicates that they are working to an acceptable national standard. This will give the officer particular credibility when giving evidence in court. It is the intention of the Head of Service and the Director, Law Enforcement to ensure that all officers working on the Frontiers have this qualification.

## **International Diploma in Anti-Money Laundering**

The officers in the Service who are seconded to the Joint Financial Crime Unit are required to obtain the International Diploma in Anti-Money Laundering. The Senior Officer in the unit achieved this qualification in November 2005. During the course of 2009 a second officer also obtained the qualification. A further 2 officers in the unit have just commenced their diploma studies.

## **The National Intelligence Model**

The National Intelligence Model represents best practice in intelligence led policing and law enforcement. The model was developed from work led by the National Criminal Intelligence Service on behalf of the Crime Committee of the Association of Chief Police Officers in the UK. Research, design and testing of the model has been completed by police officers, analysts and intelligence specialists from a number of law enforcement agencies. It has been adopted by various law enforcement agencies across the UK, as well as the States of Jersey Police. In May 2009 all the managers in the Customs and Immigration Service received NIM compliance training so as to ensure that the enforcement work undertaken by officers in the Service is in compliance with the model.

# LAW ENFORCEMENT

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## HMRC Review

In September 2009 Officers from the HMRC Enforcement and Compliance Governance and Assurance Unit undertook a review of the Service's Frontier section. The overall conclusion of the review was that Frontiers work is well controlled. A number of recommendations were put forward and are in the process of being implemented by the Service management. These are listed below:-

- Frontier policy documents are reviewed and updated annually
- The management assurance framework for Investigation and Intelligence is extended to include Frontiers
- The accreditation of trainees should be a staged process over the three year training cycle
- Freight profiling and examination should receive appropriate priority and resources commensurate with the risk
- The Immigration Control Point at the Albert Quay has a marker or other barrier installed to marshall passengers waiting to be called forward for their passport check.

The conclusion of the reviewers was that “implementation of the above recommendations will improve an already well run business”.



# LAW ENFORCEMENT

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## LOOKING FORWARD

### On Board Controls

The Common Travel Area (CTA) comprises the UK, Republic of Ireland, Isle of Man, Guernsey and Jersey. As members of the CTA, Jersey is required to conduct an immigration control for all passengers entering the Island from outside the CTA, even if they are transiting to another area of the CTA on the same vessel/aircraft.

In recent years in relation to Condor Ferries vessels this has involved officers going on board their vessel and conducting an on board immigration control for those passengers not disembarking in Jersey, but travelling onto Guernsey/UK.

For some time, the Service management team have had significant concerns regarding the robustness of these controls, principally because they were of a lower standard than the land based immigration control. This is of particular concern considering the fact that the UK Government is making a concerted effort to strengthen the UK border by drafting new legislation and developing the e-Border programme.

Last year the Head of Service initiated a review of the Condor Ferries on board immigration control. A report submitted to His Excellency the Lieutenant Governor at the conclusion of the review recommended that on board controls should cease in 2010 and that all passengers should pass through a land based control. In this way all passengers entering the Island from outside the Common Travel Area (CTA) would be required to pass through a robust immigration control and would not leave the Island open to potential criticism from our partners in the CTA. Having considered the report, His Excellency the Lieutenant Governor accepted the recommendation.

### e-Borders

The purpose of the e-Borders project is to use technology to conduct pre-arrival screening of all passengers/crew entering the UK against a series of watch lists of individuals of interest to the UK Border Agency/Police. To achieve this, airlines/shipping companies are required to submit their passenger/crew data to a National Borders Targeting Centre for all international journeys.

The UK Border Agency (UKBA) have advised the Service of their intention to extend the e-Border regime to all the Crown Dependencies by the end of 2010. As a result, officers from the Service and the Law Officers Department are engaged in ongoing discussions with UKBA officials regarding the legislation changes that need to be implemented in both jurisdictions to allow the collection of passenger/crew data for journeys into and out of the Island from outside the Common Travel Area (CTA). It should be noted that such data will not be collected for journeys within the CTA.

# REVENUE AND GOODS CONTROL

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## REVENUE

2009 again represented a busy and varied year for officers involved in revenue collection and goods control duties.

### Impôts

In 2009 the quantities of wine and cider put to duty increased however the general trend of a fall in the quantities of all other excise goods put to duty continued. Despite this, the 2009 revenue yield from excise goods increased by approximately 3.2% to £51.4 million.

In December the budget was debated by the States Assembly with proposals for a duty increase on all commodities liable to excise duty. However, an amendment by Deputy Power removing all the proposed duty increases was adopted by the Assembly; the 2010 duty rates therefore remain unchanged.

Following the budget the Impôts duty on some common excise goods remain at:

- A litre of whisky - £9.37
- A bottle of table wine - £1.12
- A pint of normal beer - 28p
- 20 cigarettes - £3.15
- A litre of unleaded petrol or diesel - 41p

### Goods and Services Tax (GST)

All goods arriving in Jersey must be properly declared to the Customs and Immigration Service and, under normal circumstances, any revenue charges must be paid before the goods are released to importers. In addition to excise duties and other tariffs, imported goods are subject to GST.

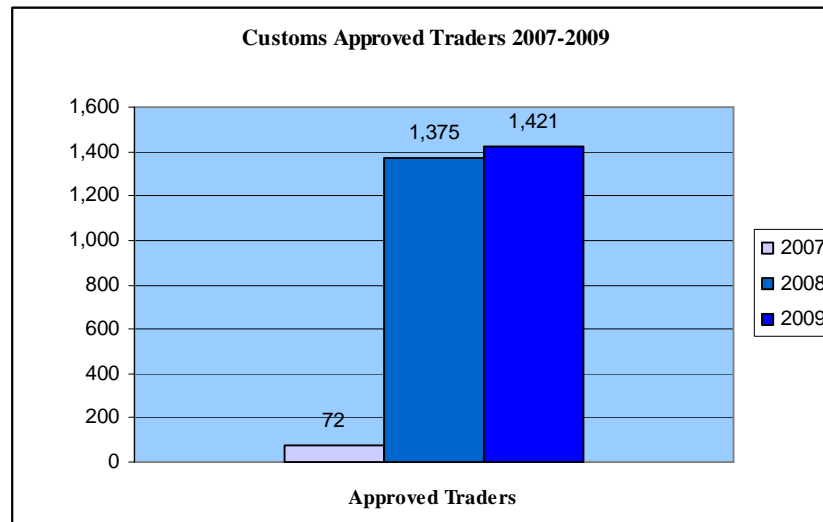
# REVENUE AND GOODS CONTROL

GST on imports is collected by the Service on behalf of the Comptroller of Taxes. However, in the interest of providing a fast and efficient service to importers and in keeping with the desire to keep the administration and collection of GST as simple as possible, special 'fast-track' clearance procedures are available for traders that are approved by the Service to use this simplified procedure.

Customs-approved traders may take immediate possession of imported goods before making a declaration and without paying revenue charges at the time of importation. They have a 30 day period of grace in which to make declarations and pay any customs and excise duties and GST.

An additional advantage for Customs-approved traders who are also registered entities for GST is that they are not required to pay GST at import to the Service; traders simply record the total GST-exclusive value of their imports on their quarterly GST returns to the Income Tax Office.

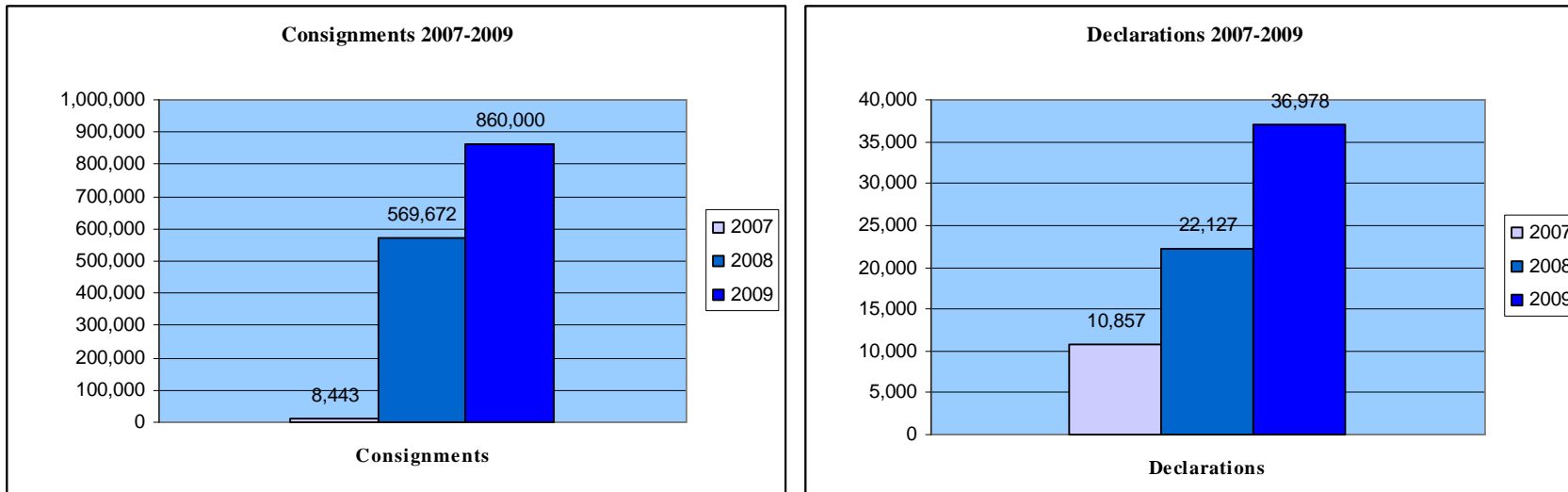
Currently in excess of 350 businesses and individuals have been granted Customs approved trader status and benefit from 'fast-track' clearance procedures with more than a further 1,000 approved traders that are also GST registered.



# REVENUE AND GOODS CONTROL

860,000 separate consignments were processed in 2009 however the proportion of consignments detained on entry for formal clearance remained at an acceptable level of approximately 3% of the total. In other words the procedures for accounting for Import GST ensured that 97% of all freight consignments were not held up at the ports awaiting payment of the tax.

In total almost 37,000 separate declarations were made electronically by importers during 2009.



GST collected by the Service during 2009 on importations of goods by non-registered entities (import GST) amounted to £1.6 million

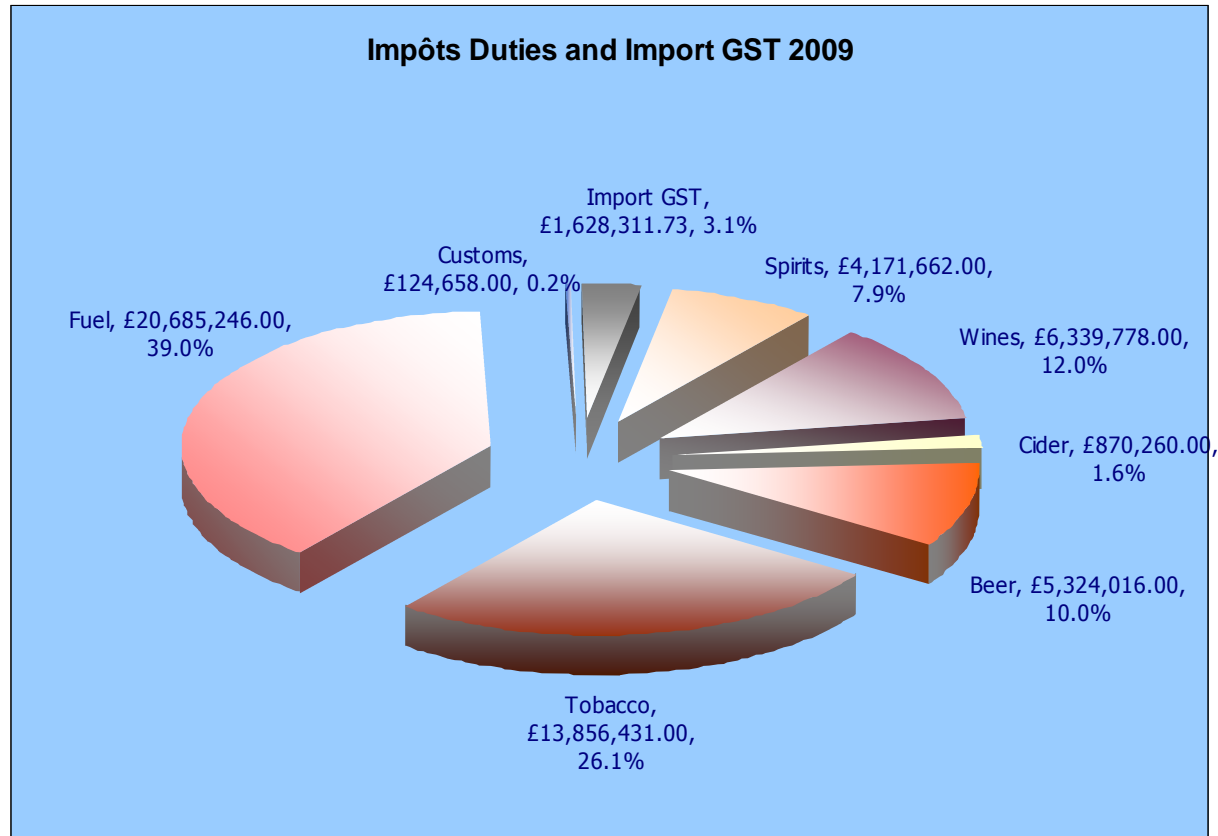
# REVENUE AND GOODS CONTROL

## REVENUE RECEIPTS £ MILLIONS

	1999	2000	2001	2002	2003	2004	2005	2006	2007*	2008*	2009*
<b>Spirits</b>	4.074	3.882	3.835	3.804	4.466	3.781	4.058	4.194	3.928	4.008	4.172
<b>Wine</b>	3.562	3.608	3.765	4.426	4.980	4.873	5.272	5.351	5.661	5.863	6.340
<b>Cider</b>	0.367	0.413	0.310	0.372	0.473	0.532	0.575	0.633	0.710	0.742	0.870
<b>Beer</b>	2.855	2.810	3.163	4.104	4.858	4.708	4.767	5.042	4.961	5.094	5.324
<b>Tobacco</b>	10.870	11.167	12.008	12.367	13.354	13.913	12.508	12.953	12.672	12.715	13.856
<b>Fuel</b>	10.883	11.763	11.717	13.985	16.355	18.660	18.452	19.051	19.876	20.469	20.685
<b>VRD</b>	-	-	-	-	2.912	3.687	4.033	4.047	5.836	0.674	-
<b>Customs</b>	0.158	0.360	0.190	0.106	0.110	0.136	0.174	0.113	0.193	0.235	0.125
<b>Import GST</b>	-	-	-	-	-	-	-	-	-	0.861	1.628
<b>TOTAL</b>	<b>32.769</b>	<b>34.003</b>	<b>34.988</b>	<b>39.164</b>	<b>47.508</b>	<b>50.290</b>	<b>49.839</b>	<b>51.384</b>	<b>53.837</b>	<b>50.661</b>	<b>53.000</b>

\*Please note that from 2007, figures include all accrual adjustments to comply with Generally Accepted Accounting Policies (GAAP)

# REVENUE AND GOODS CONTROL



# REVENUE AND GOODS CONTROL

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## GOODS CONTROL

### Freight Examinations

A project team was formed towards the end of 2009 that looked at the benefits of establishing a permanent freight examination team. After a six week assessment a recommendation was put forward from the team, due to the detection and compliance benefits that had been evidenced, that the concept should become permanent. Consequently at the end of 2009 it was decided that existing resources within the Service would be allocated to this function whose aims would include:

- Identifying and examining all consignments suspected of containing prohibited and restricted items.
- Developing and enhancing relationships with local and UK freight carriers.
- Increasing awareness in all areas of the Service, particularly Frontiers, of the need to gather and record information which may have any bearing on freight movement.
- Acting on all information/intelligence related to freight movement.
- Supporting the examination of consignments for tax/duty purposes.
- Maintaining risk assessments of all carriers.

### Diesel Checks

In 2009 the Service continued the enforcement of conditions attached to the use of fuels benefiting from relief of excise duty. Officers took part in 7 road checks together with the Honorary Police and officers from DVSD; no customs infractions were detected.

# REVENUE AND GOODS CONTROL

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## VAT Accounting Scheme

The UK Import VAT Accounting Scheme allows for the pre-payment of UK Import VAT on postal items that are over £18 in value sent by locally based traders to customers in the UK. Traders who agree to join the scheme are required to keep records and submit to a regime of audit and assurance. Import VAT is remitted by the traders to Jersey Post who in turn pays the monies on to HM Revenue and Customs.

The scheme continued to perform well and the Annual Report submitted to HM Revenue and Customs on the operation of the scheme during 2008 was accepted in full.

The number of scheme members at the end of 2009 stood at 107 and compliance with the scheme 'Terms and Conditions' remains very high.

All of the scheme members are part of what is commonly referred to locally as the 'fulfilment industry'.



# REVENUE AND GOODS CONTROL

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## LOOKING FORWARD

### Staffing

CAESAR II continues to work well, however due to the increased interaction with members of the business community and the public it was recognised that there was an urgent need for an Office Manager in the revenue and goods control section of the service.

In April 2009 an Office Manager was appointed, however this post replaced a multi-functional Customs and Immigration Officer. Resource reviews will continue in 2010 to consider the overall effects of this change and to explore the most effective staffing levels and grades to administer and collect the revenue.

### Vehicle Emissions Duty

In 2008 the States Assembly agreed to spend £2million on environmental schemes such as home insulation grants, waste recycling and improving the bus service. Funding was provided for in 2009, however in future years the environmental initiatives will stop unless a source of ongoing additional funding is identified.

In May 2009 the Treasury and Resources Department published a green paper asking the public for their views on environmental initiatives and how they should be paid for in future years.

Having considered the results of this consultation the Minister for Treasury and Resources successfully proposed a Vehicle Emissions Duty (VED) to the States Assembly in the 2010 Budget.

VED is an Impôts (excise) duty similar to the previous Vehicle Registration Duty, VRD, which was withdrawn in 2008, but in the main the duty rates will be calculated on a vehicle's CO<sub>2</sub> emissions. As these details are only available for cars and small passenger vehicles registered on or after 1<sup>st</sup> March 2001, for similar vehicles that were first registered outside the Island before 1<sup>st</sup> March 2001 the duty rates will be calculated on engine size. For any other vehicles the duty rates will also be calculated on engine size

# REVENUE AND GOODS CONTROL

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For vehicles with low CO<sub>2</sub> emissions (less than 121 g/ CO<sub>2</sub> /km) or small engine size (below 1001cc) a zero rate of duty is proposed, with a maximum duty rate of £1,250 for vehicles with CO<sub>2</sub> emissions of more than 300 g/ CO<sub>2</sub>/km or with an engine size exceeding 3,500cc. The duty will be payable when an application is made to the Driver and Vehicle Standards Department to register a vehicle.

The treatment of second-hand imported vehicles and stock-in-trade vehicles under VED will be as was previously applicable to these vehicles under VRD. (Second-hand imported vehicles will have a reduced duty liability dependent on age, stock-in-trade vehicles can benefit from a suspension of duty for up to twelve months). In addition all vehicles that were previously able to benefit from a relief (non-payment), or drawback (refund) of VRD will also benefit from the same relief and drawback under VED.

It was agreed by the Assembly that VED will come into force on 1<sup>st</sup> September 2010 and a project has been initiated to develop a system for the collection and administration of the duty.

# REVENUE AND GOODS CONTROL

The duty rates for VED will be as follows:

TABLE 1				
LPV <sup>1</sup> s FIRST REGISTERED ON OR AFTER 1st MARCH 2001				
1	2	3	4	5
CO <sub>2</sub> mass emission figure	LPV 1st registered in Jersey	LPV 1st registered outside Jersey 1 year or less ago	LPV 1st registered outside Jersey more than 1 but 2 years or less ago	LPV 1st registered outside Jersey more than 2 years ago
120g or less	£0	£0	£0	£0
More than 120g but not more than 150g	£40	£40	£25	£20
More than 150g but not more than 165g	£120	£120	£80	£60
More than 165g but not more than 185g	£180	£180	£115	£90
More than 185g but not more than 225g	£300	£300	£195	£150
More than 225g but not more than 250g	£600	£600	£390	£300
More than 250g but not more than 300g	£1,000	£1,000	£650	£500
More than 300g	£1,250	£1,250	£815	£625

<sup>1</sup> LPV means a light passenger vehicle, being a motor vehicle designed and constructed for the carriage of passengers and comprising no more than 8 seats in addition to the driver's seat

# REVENUE AND GOODS CONTROL

VED rates continued

TABLE 2 ALL OTHER MOTOR VEHICLES				
1 Cylinder capacity of engine	2 Vehicle 1st registered in Jersey	3 Vehicle 1st registered outside Jersey 1 year or less ago	4 Vehicle 1st registered outside Jersey more than 1 but 2 years or less ago	5 Vehicle 1st registered outside Jersey more than 2 years ago
1000cc or less	£0	£0	£0	£0
More than 1000cc but not more than 1400cc	£150	£150	£100	£75
More than 1400cc but not more than 1800cc	£250	£250	£165	£125
More than 1800cc but not more than 2000cc	£380	£380	£245	£190
More than 2000cc but not more than 2500cc	£500	£500	£325	£250
More than 2500cc but not more than 3000cc	£750	£750	£490	£375
More than 3000cc but not more than 3500cc	£1,000	£1,000	£650	£500
More than 3500cc	£1,250	£1,250	£815	£625

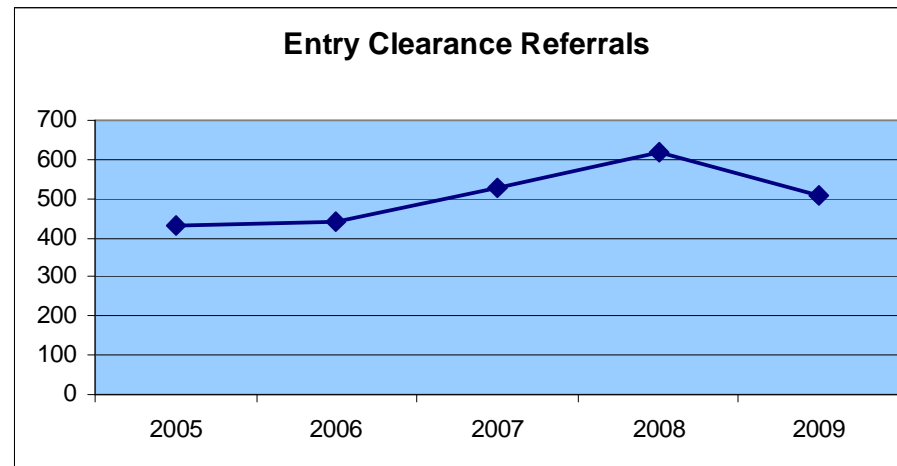
# IMMIGRATION AND NATIONALITY

## IMMIGRATION CASEWORK

### Entry Clearance

The casework section regulates the entry and settlement in Jersey of persons subject to immigration control. Applications for entry clearance (visas) are received by British diplomatic posts abroad and referred to the Customs and Immigration Service for authority to issue or refuse. The number of entry clearance referrals received during 2009 showed a 17 % decrease on 2008 (509 as opposed to 619 the previous year).

This decrease is considered to be as a result of changing economic circumstances.

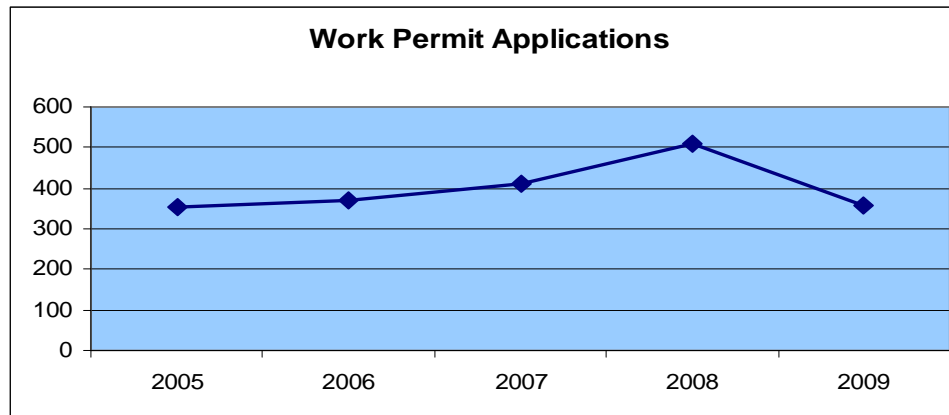


# IMMIGRATION AND NATIONALITY

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## Work Permits

The casework section also administers a work permit scheme under delegated authority of the Minister for Home Affairs. Work Permits allow employers to recruit persons from outside the European Economic Area where they are able to demonstrate that they are unable to find suitably qualified and experienced people from within the European labour market. Once again, as a result of the changing economic circumstances, the number of work permit applications considered by the Customs and Immigration Service fell by 30% from 2008. In total 358 applications were considered.



# IMMIGRATION AND NATIONALITY

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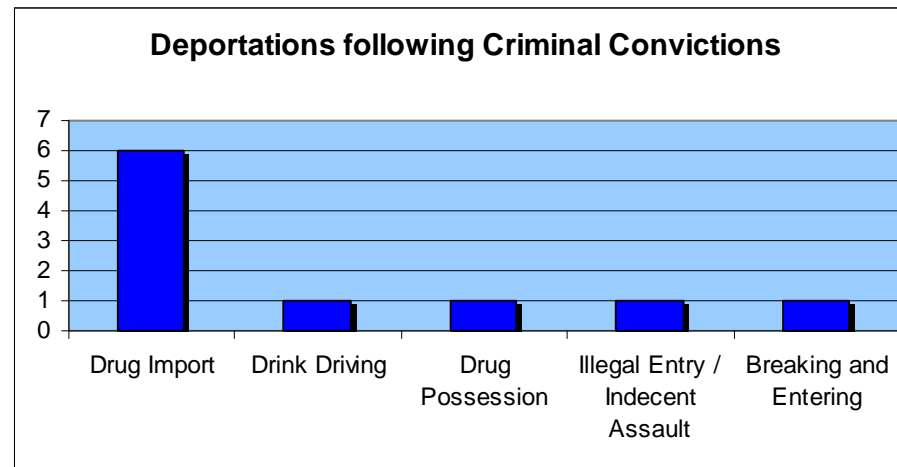
Of particular note is the significant decrease in the number of work permit applications for the Finance and IT sectors. Applications in other sectors remained fairly static:

<b>Work Permit Applications by Sector</b>	<b>2008</b>	<b>2009</b>	<b>% + or -</b>
Finance	242	126	- 48 %
Information Technology	55	25	- 48 %
Hotel and Catering	95	84	- 12 %
Entertainers	28	37	+ 32 %
Medical / Health	24	28	+ 17 %
Law	14	16	+ 14 %
Other	34	37	+ 9 %

# IMMIGRATION AND NATIONALITY

## Deportation

10 people were deported from the Island during 2009, all of whom had been convicted of serious crimes and were recommended for deportation by the Courts as part of their sentence. These deportees were convicted of sentences including the importation and supply of controlled drugs, breaking and entering, and driving whilst under the influence of alcohol.



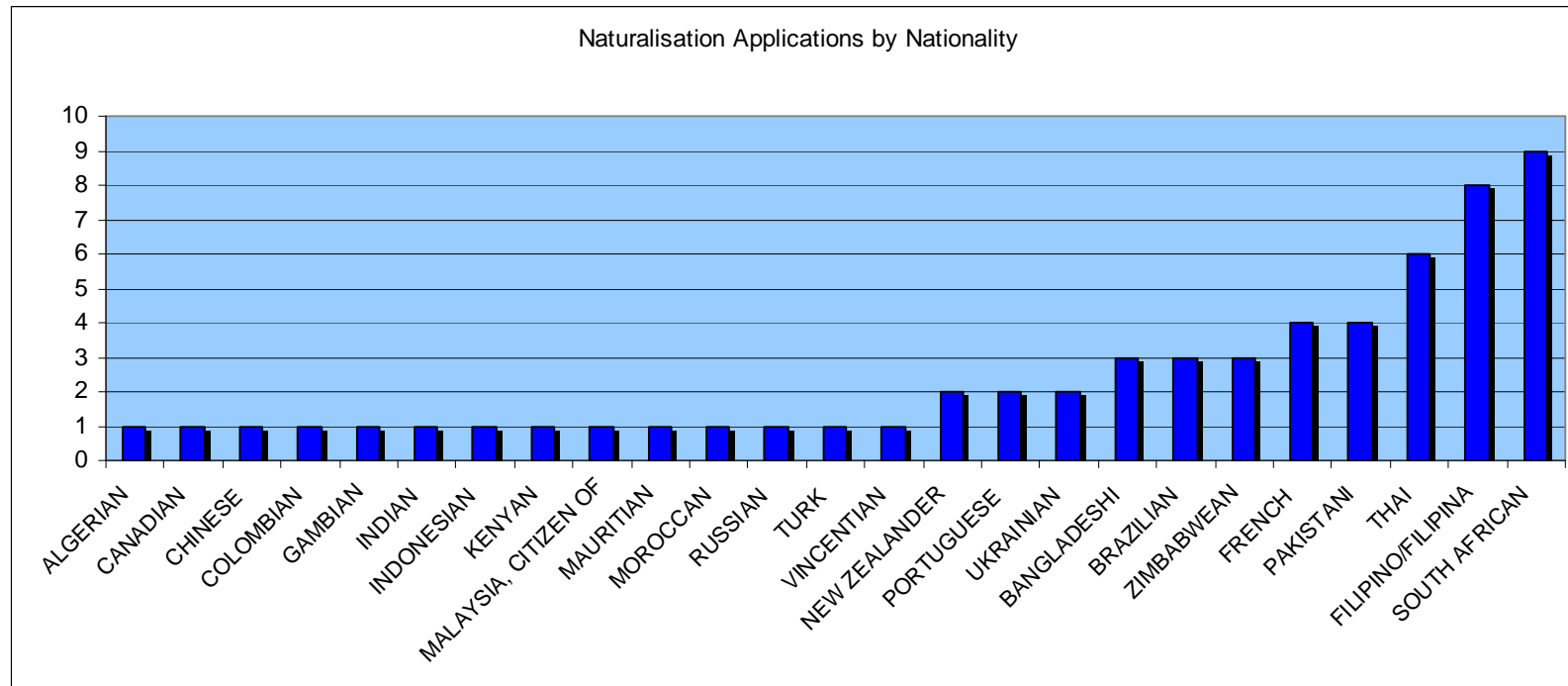
Of the 10 people deported, 6 were Portuguese, 3 were Polish and 1 was Latvian.



# IMMIGRATION AND NATIONALITY

## Naturalisation

Applications for British citizenship are considered by the Customs and Immigration Service on behalf of the Lieutenant-Governor. 60 applications for naturalisation were received during 2009.



# IMMIGRATION AND NATIONALITY

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## Passports

The number of British passports issued in Jersey rose very slightly on 2008 (up 2.6% to 11,060).

On 3 September 2009 the United Kingdom Identity and Passport Service (IPS) and Foreign and Commonwealth Office (FCO) increased the price of an adult passport from £72 to £77.50 in the first increase since 2007. The cost of a child passport rose by £3 from £46 to £49. These increases were also implemented in Jersey from the same date. At the same time our Express Service fee was increased from £35 to £38.50, the first such increase since 2005.

577 applicants took advantage of our 'Express Service' for the processing of passport applications which is provided for people who have been asked to travel at short notice or who have forgotten to renew their expired passport until shortly before they are due to travel.

726 passports were reported lost or stolen during 2009.

The Passport Office was able to meet its target of processing all passport applications within 3 weeks, with the exception of a short and particularly busy period during August 2009 when the processing time increased to 1 month. The average processing time for 2009 is calculated to be 2 weeks.

## Legalisation

The Passport Office staff undertakes the role of legalising locally originating documents for use abroad; legalisation is the official confirmation that a signature, seal or stamp on a document is genuine. This role is filled by the Foreign and Commonwealth Office in the UK and was taken on locally in 1990.

For the second year in a row our Legalisation of Documents service saw a slight reduction in demand. 8,192 documents were legalised during 2009; this amounts to a decrease of 15 % against the previous year.

# IMMIGRATION AND NATIONALITY

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## LOOKING FORWARD

### **The UK Borders, Citizenship and Immigration Act, 2009**

The UK Borders, Citizenship and Immigration Act, 2009 received Royal Assent on 21 July 2009. UK Government proposals to clarify immigration powers in relation to the Common Travel Area were removed from the Bill to prevent any delay in the Bill passing through Parliament. However it is understood that the Government intends to bring these proposals back to Parliament in future.

Assurances were given by the UK Government that there was no intention to impose fixed immigration controls on routes from the Crown Dependencies to the UK, and that they only sought to conduct intelligence led, ad-hoc controls to address specific risks to the security of the borders of the Islands and UK. The UK Government also gave assurances that there was not an intention to introduce a requirement to carry passports on journeys from the Crown Dependencies to the UK.

Provisions within the Borders, Citizenship and Immigration Act, 2009, will amend the British Nationality Act 1981 and will change the way that migrants are able to obtain British Citizenship. The new system of 'earned citizenship' will create a clear, three-stage path for migrants to become British Citizens and will include a 'probationary citizenship' stage. The British Nationality Act 1981 automatically applies to Jersey and we are currently in discussion with Home Office officials to assess the impact this initiative will have in the Island when it is introduced later in 2010.

### **New Generation Passports**

The Service continues to be in discussion with the British Foreign and Commonwealth Office and the United Kingdom Identity and Passport Service on the introduction of new generation British passports. These passports are being designed to contain additional security features as well as biometric fingerprint information of the holder to reduce the likelihood of documents being forged, counterfeited or used for identity theft.

The new generation passports are not to be made available in the Crown Dependencies (Channel Islands and Isle of Man) until the end of 2012 and a decision has therefore been made to renew the existing support contract for our current passport issuing system, GIPSY, until such time as the production methods for the new generation passport take effect.

It still remains unclear what level of capital investment in the new passport system will be required but discussions are continuing.

# RESOURCES

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## Staff

The total staff complement of the Customs and Immigration Service at the end of 2009 was:

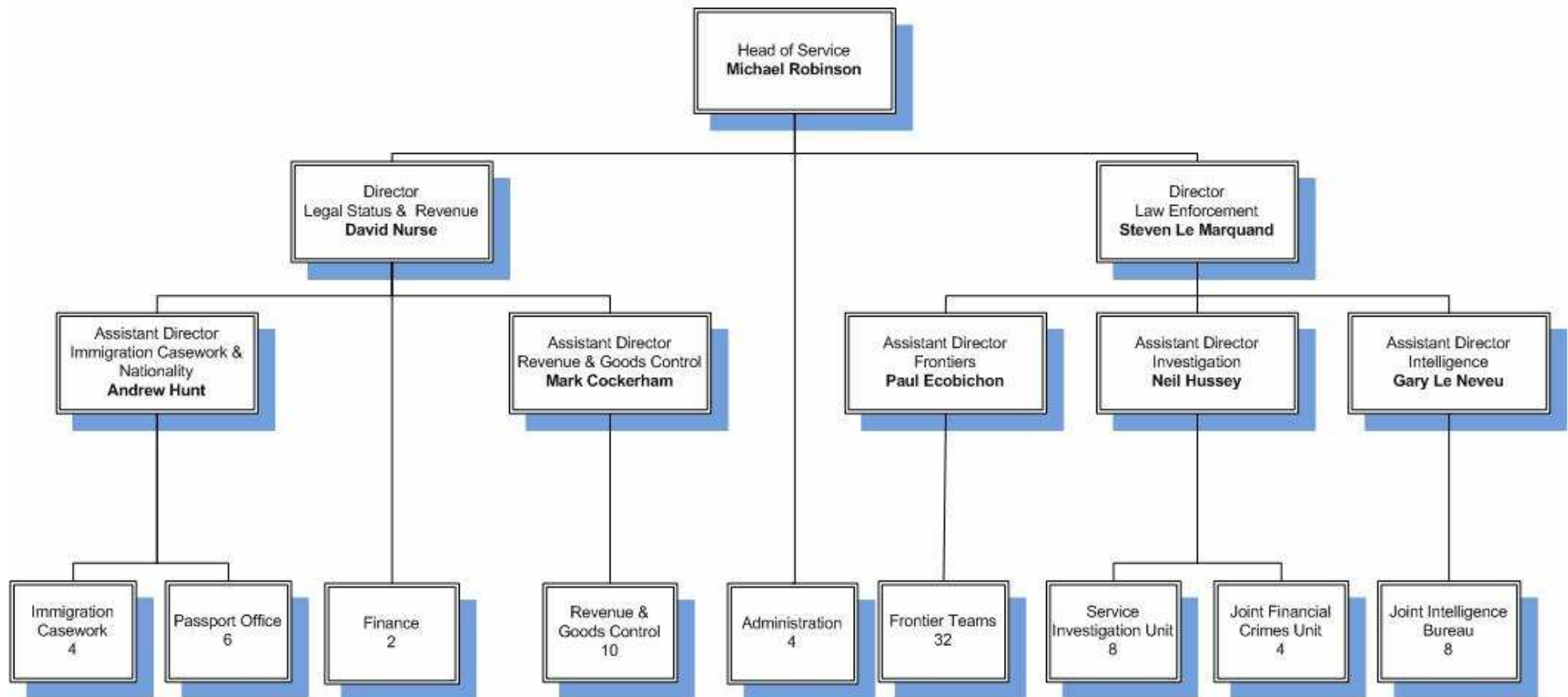
Position	No
Head of Service	1
Directors*	2
Assistant Directors*	5
Senior C&I Officers*	9
C&I Officers*†	36
Trainee C&I Officers*	10
Assistant C&I Officers*	5
Immigration Casework Officer	1
Training and Compliance Officer	1
Intelligence Analyst	1
RGC Office Manager	1
Passport Officer	1
Assistant Passport Officers	4.17
Finance Manager	1
Finance Officer	1
PA to Head of Service	1
Admin. & Secretarial Assistants	2
Vacancy	0.33
<b>Total positions (FTE):</b>	<b>82.5</b>

\* Denotes multi-functional Officers

† The complement of Customs & Immigration Officers is still 3 below minimum operating effectiveness due to enforced savings cuts in previous years.

# RESOURCES

## JERSEY CUSTOMS & IMMIGRATION SERVICE



# RESOURCES

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## Finances

### Net Expenditure 2009

Service Area	£
Revenue Collection (and Goods Control)	905,337
(Law) Enforcement	4,510,103
External Obligations (Immigration and Nationality)	131,109
<b>Total</b>	<b>5,546,549</b>

#### Notes:

- i) The External Obligations expenditure is net of £961,199 fees received from passports, work permits and legalisation of documents.
- ii) Unavoidable costs represent 90% of gross expenditure (staff costs 77%; premises & maintenance 13%).
- iii) The Service had a discretionary spend of £650K (10% of gross expenditure) which was used for everyday business. [Discounting further imposed staff reductions this would be the only budget area that could be realistically examined for future efficiency savings.]