
Review of UK agencies responsible for tackling economic crime

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On Monday 13 March the Financial Times, in an article titled 'UK economic crime agencies given fitness test', reported on comments made by the Home Secretary, Amber Rudd, alluding to a review of the agencies tasked with tackling financial crime.¹ The comments were made during a Parliamentary session on 5 December last year, in response to questions posed about the UK's asset recovery regime. When asked how the Home Office planned to strengthen the asset recovery regime, Ms. Rudd responded:

*"Next year we will publish a new asset recovery action plan, and the Cabinet Office will look at the UK's response to economic crime more broadly. This will include looking at the effectiveness of our organisational framework and the capabilities, resources and powers available to the organisations that tackle economic crime."*²

At the time of their making these comments do not appear to have been widely reported. As the Financial Times article points out, there has been no further public comment by the Government on the scope of any review or its terms of reference. The Financial Times does however report that the review covers the Serious Fraud Office, Financial Conduct Authority, Her Majesty's Revenue and Customs, the Competition and Markets Authority and the City of London police (which specialises in financial crime). Moreover, the article suggests that each agency has been asked to complete an extensive questionnaire which covers, amongst other topics, its effectiveness.

It is not unreasonable to interpret Ms. Rudd's comments as an indication that the Government is assessing the future of the agencies that are the target of the review. The Prime Minister Theresa May previously conducted several reviews of the Government's framework for investigating and prosecuting economic crime in her previous post as Home Secretary. Ms. May's reviews attracted some controversy as they aimed to combine the operation of the agencies under a central National Crime Agency. Her proposed reforms were specifically targeted at the SFO. In early 2011 it emerged that Ms. May was considering scrapping the SFO, transferring its investigators to the National Crime Agency and its prosecutors to the Crown Prosecution Service. That proposal was eventually dropped, only to reemerge in late 2014. The proposal was not subsequently pursued.

Despite the zeal the Prime Minister has historically shown for reforming the investigation and

prosecution of complex and serious financial crime, one should hesitate before concluding that Ms Rudd's comments will result in previous proposals resurfacing. The SFO has had some recent success, albeit principally in the area of bribery and corruption, and is expected imminently to make charging decisions on several significant and high-profile cases. Furthermore, it may prove premature and ill-advised for the Government to implement significant reform in this area before gaining some insight into how the framework will be affected by the UK's exit from the European Union. It seems more likely that the review may precipitate changes to the funding of agencies, their remits and, as mentioned in Ms. Rudd's comments, the scope and basis of the powers at their disposal.

¹ <https://www.ft.com/content/cee98dde-05b0-11e7-aa5b-6bb07f5c8e12>

² <https://hansard.parliament.uk/commons/2016-12-05/debates/EFC77AC7-C901-4300-9F47-9FE2EBE53D23/OralAnswersToQuestions>