



Home Office

# **Asset Recovery Statistical Bulletin**

2013/14 - 2018/19

England, Wales and Northern  
Ireland

Criminal Finances Team

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# Main Findings

This bulletin presents the latest data on the recovery of criminal assets using [Proceeds of Crime Act 2002 \(POCA\)](#) powers. It shows that:

- In 2018/19, just under £217m of the proceeds of crime were collected, representing a 21% increase compared with 2013/14 (£179m), which represents the starting point for this time series.
- £51m was collected through cash forfeiture in 2018/19 and this represents the highest recorded figure for the years we have complete data for.
- The [Criminal Finances Act 2017 \(CFA\)](#) introduced new powers in the form of Unexplained Wealth Orders (UWOs) and Account Freezing Orders (AFOs). To date, 15 UWOs have been granted across 4 operational cases for property with an estimated total value of just over £143m. In 2018/19, £110m covering over 670 bank and building society accounts, was frozen through the use of AFOs.
- Recipients of Asset Recovery Incentivisation Scheme (ARIS) monies typically allocate the largest portion to investing in future asset recovery work. In 2016/17, the latest period for which data is currently available, the proportion of ARIS money invested in this way accounted for 94% of available funds.
- In 2018/19, just over £36m was paid in compensation to victims from the proceeds of confiscation.<sup>1</sup> This is an increase of 20% on 2017/18 and follows two successive years in which the sum fell. The figure for 2018/19 is slightly below the peak of £38m recorded in 2015/16 and it is a 27% increase on 2013/14 when the time series began.

## About this release

The majority of these statistics are drawn from a live operational database, the Joint Asset Recovery Database (JARD), which is managed by the National Crime Agency (NCA). JARD entries are provided by law enforcement agencies, including the police, the Crown Prosecution Service (CPS), the Serious Fraud Office (SFO) and local authorities. As a result, the data is subject to change on a daily basis as cases proceed and new cases are added and resolved. The data presented in this release was collected from JARD on 27 June 2019.

JARD covers England, Wales and Northern Ireland, while Scotland has an independent asset recovery system which is not included as part of this release. Further details relating to JARD can be found in Annex: Methods and Data Quality.

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<sup>1</sup> The total amount of monies paid to the victims of crime is beyond the scope of this report.

While there is a wide range of legislation relating to the power to seize criminal assets, such as the [Misuse of Drugs Act 1971](#) and the [Modern Slavery Act 2015](#), these fall outside the scope of this report, and in many cases data on the use of these powers is not held centrally. Nor does this release contain data relating to priority orders. Using certain criteria, priority order status can be applied to confiscation orders by the CPS, Her Majesty's Courts and Tribunals Service (HMCTS) or the SFO. Data relating to priority orders is not collected centrally but is subject to regular scrutiny by a senior, multi-agency forum.

The data relating to use of proceeds of crime was collected by the Home Office. This does not provide a full picture of the use of ARIS funds as some contributors to ARIS (such as local authorities) pool payments and cannot specify the final use of these funds.<sup>2</sup>

The data relating to UWOs is collected by the National Economic Crime Centre.

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<sup>2</sup> The final use of ARIS funds is a matter for the receiving agency. This is considered to be a key part of incentivisation.

# Introduction

## Background

In response to [recommendations](#) made by the Public Accounts Committee (PAC) in July 2016 to improve information on the performance of government in relation to the confiscation of criminal assets, the Home Office committed to publishing an annual report on asset recovery statistics. The amount that can realistically be collected from the nominal total value of uncollected confiscation orders is already published in the [HMCTS Trust Statement 2018/19](#).

This release provides data on:

- i) Amount collected from confiscation orders and cash forfeitures;
- ii) Changes introduced in the [Criminal Finances Act 2017 \(CFA\)](#);
- iii) Use of ARIS funds; and;
- iv) Compensation to victims from confiscation orders

## Asset recovery legislation

The Government's overarching aim is to cut crime. Asset recovery powers should be used in such a way to contribute to the reduction of crime. Specifically, asset recovery powers can contribute by:

- disrupting criminal networks and the further funding of crime;
- depriving people of their proceeds of crime;
- removing criminal role models in society; and,
- deterring people from becoming involved in crime.

A number of operational bodies across the criminal justice system are responsible for investigating, prosecuting and enforcing asset recovery. The Home Office has responsibility for leading the government's asset recovery policy and in ensuring transparent and effective performance measurement.

Asset recovery principally takes place using the following asset recovery powers provided by [Proceeds of Crime Act 2002 \(POCA\)](#):

Criminal proceedings which require a conviction:

- **Criminal confiscation:** The confiscation of the proceeds of crime following a criminal conviction. It takes place following conviction but will be started prior to sentencing.

Civil proceedings which do not require a conviction:

- **Cash forfeiture:** This refers to the powers to seize and forfeit cash which is either the proceeds of crime or is intended to fund criminal activities. This is done through a civil process, which requires that there be reasonable grounds to suspect that the cash is the proceeds of crime.
- **Civil recovery:** This is a system for confiscating the proceeds of crime, as a criminal conviction through the civil courts is not possible. It requires that on a balance of probabilities that the asset in question is the result of criminal activity.
- **Taxation:** This power resides with the NCA, and allows them to access revenue powers to tax income which it has reasonable grounds to suspect are the proceeds of crime.

Statistics on the collection of civil recovery and taxation are published by HM Revenue and Customs ([HMRC](#)) and the [NCA](#) in their respective Annual Report and Accounts. The [CFA](#) introduced new powers of forfeiture of certain personal (or moveable) property and money held in bank and building society accounts, and expanded specific civil recovery and taxation powers to the Financial Conduct Authority (FCA) and HMRC.

Assets recovered under the mechanisms in [POCA](#) are distributed to operational agencies, (such as the local police force, HMCTS, and the CPS) under ARIS. Broadly, ARIS divides recovered assets between operational agencies and the Home Office on a 50/50 basis. While the Home Office portion of ARIS is earmarked as part of its core budget, the use of these funds is a matter for the receiving agency.

However, ARIS does not reflect the total amount of money recovered from criminals, as some recovered monies are used to pay compensation to victims or to pay receivers' fees.

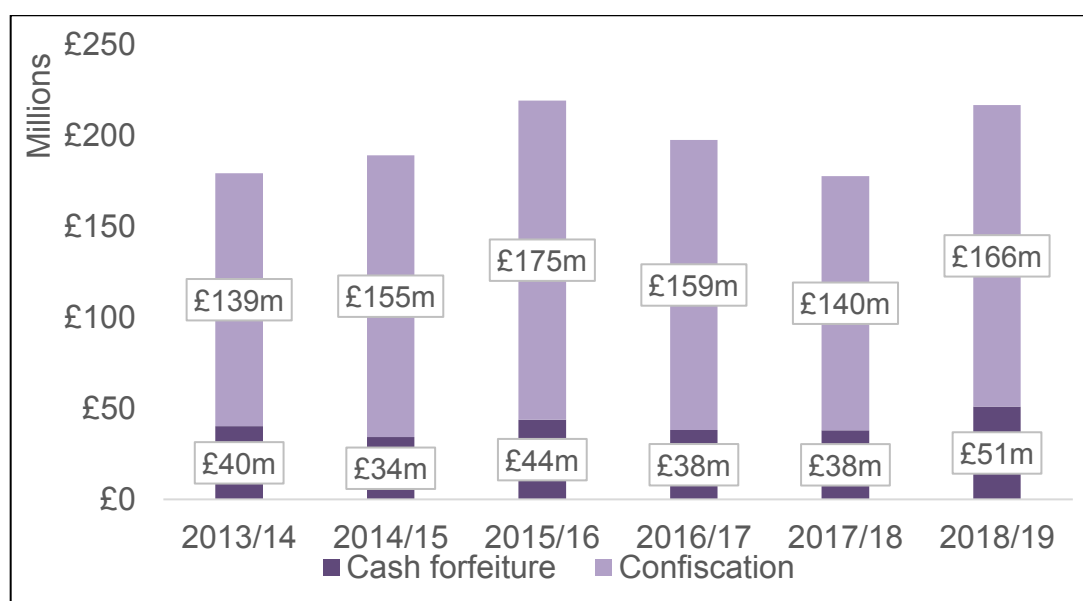
# 1. Amount Collected: Confiscation orders and cash forfeiture

Figure 1, below, outlines the total value of proceeds of crime collected each financial year since 2013/14 using confiscation and cash forfeiture powers.

In 2018/19, just under £217m of the proceeds of crime were collected, representing a 21% increase compared with 2013/14 (£179m), which represents the starting point for this time series.

Assets collected from confiscation orders in 2018/19 accounted for the majority (76%) of the total value collected, a slightly lower proportion compared with 2017/18 (79%). The amount collected from confiscation orders in 2018/19 was second only to the peak recorded in 2015/16, where there were a number of unusually large confiscation orders being paid and settled within the same reporting year. Moreover, the £51m collected through cash forfeiture in 2018/19 represents the highest recorded figure for the years we have complete data for.

**Figure 1: Amount of money collected from confiscation orders and cash forfeiture from 2013/14 to 2018/19**



Source: JARD data collected on 27 June 2019.

All figures have been rounded to the nearest million pounds. Figures for data in previous publications have been revised based on revisions from forces and agencies at the end of 2018/19.

Details for amount collected at a force and agency level is provided along with this document on GOV.UK.

## 2. Changes introduced in the Criminal Finances Act 2017 (CFA)

The [CFA](#) made legislative changes to give law enforcement agencies and partners new capabilities and powers to recover the proceeds of crime, and enhance the overall UK law enforcement response.

These measures came into force on 31 January 2018 and the most prominent of these were UWOs and AFOs.

### Unexplained Wealth Orders (UWOs)

UWOs provide the power to compel an individual or company to explain the origin of assets in cases where the value of these assets appear to be disproportionate to their known income *and* if they are suspected of involvement in, or association with serious criminality.

This power can also be applied to foreign politicians or officials, their family members or close associates, as such people who may pose a particularly high corruption risk. This power, along with the existing civil recovery powers, is subject to safeguards in the form of a decision made by a High Court judge.

If content with the application, the court can issue a UWO. If the individual or company were not able to provide a response to the UWO it would mean law enforcement agencies could try and recover the property through existing civil recovery powers.

UWOs are available to the NCA, CPS, FCA, SFO and HMRC (and, in Scotland, Scottish Ministers).

To date, 15 UWOs have been granted across 4 operational cases for property with an estimated total value of just over £143m.

### Account Freezing Orders (AFOs)

The [CFA](#) makes provision for the freezing and forfeiture of bank and building society accounts, with funds of a minimum value of £1,000, where those accounts contain the proceeds of unlawful conduct or funds intended for use in unlawful conduct.

AFOs and forfeiture can be exercised by constables, HMRC officers, SFO officers or accredited financial investigators. AFOs can be applied without giving the intended recipient notice, where notice of application would negatively impact the outcome of forfeiture. Whilst an AFO is active, withdrawals or payments from the account are prohibited.

In 2018/19, £110m covering over 670 bank and building society accounts, was frozen through the use of AFOs.



### 3. Use of Asset Recovery Incentivisation Scheme (ARIS) funds

Table 1 shows how operational partners used ARIS funds for the last five financial years (2012/13 to 2016/17). Figures for subsequent years are not yet available and we aim to include these in next year's publication.

These figures only account for monies and projects where the Home Office has received a return from law enforcement partners and so may not reflect all the ARIS monies that have been distributed in a given year. 'Miscellaneous' captures the money that does not fall within the other three categories.

Law enforcement agencies were allocated the largest amount of monies received from ARIS to fund future asset recovery work<sup>3</sup> - £56m in 2016/17, representing 94% of available funds and a greater proportion than each of the preceding years.

**Table 1: Use of ARIS Funds from 2012/13 to 2016/17**

Year	Asset Recovery Work	Crime Reduction Projects	Community Projects	Miscellaneous	Total
2012/13	£44.5m	£2.1m	£1.4m	n/a	£47.9m
2013/14	£71.8m	£4.3m	£1.8m	£2.0m	£79.8m
2014/15	£70.4m	£6.3m	£1.9m	£4.5m	£83.0m
2015/16	£72.9m	£3.0m	£1.5m	£5.5m	£83.0m
2016/17	£56.0m	£2.0m	£1.5m	£0.1m	£59.6m

*Source: Home Office collated ARIS monitoring forms from all ARIS recipients.*

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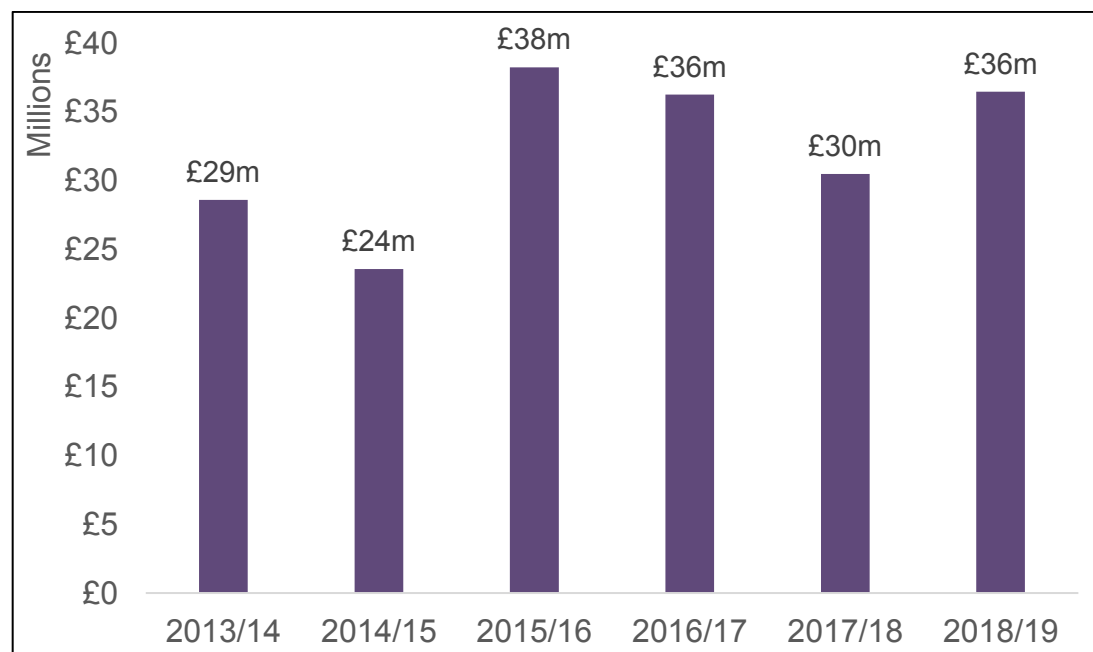
<sup>3</sup> Such as funding Financial Investigator posts or Forensic Accountants.

## 4. Compensation to victims

In addition to making a confiscation order, a court may order the offender to pay compensation to the victim of the crime. Victims always take priority<sup>4</sup> if both a compensation order and confiscation order are in place against the subject and they are unable to pay both; any monies collected will be directed to the victims in the first instance.

Figure 2 below, shows monies allocated to victims through confiscation orders.<sup>5</sup>

**Figure 2: Compensation paid to victims from confiscation orders from 2013/14 to 2018/19**



Source: JARD data collected on 27 June 2019.

In 2018/19, just over £36m was paid in compensation to victims from the proceeds of confiscation. This is an increase of 20% on 2017/18 and follows two successive years in which the sum fell. The figure for 2018/19 is slightly below the peak of £38m recorded in 2015/16 and it is a 27% increase on 2013/14 when the time series began.

<sup>4</sup> As set out under Section 13 of [POCA](#).

<sup>5</sup> These statistics only show the money collected through confiscation orders. There is currently no central database which collects data on all the compensation paid to victims. Furthermore the volume of victims being paid cannot be ascertained from JARD as several victims can be covered under one compensation order.

## Annex: Methods and Data quality

This document provides data from 2013/14 to 2018/19 on asset recovery performance. The Home Office publishes this data on an annual basis: this report represents the third edition.

Figures for data in previous publications have been revised based on revisions from forces and agencies at the end of 2018/19. Figures in this release supersede officially reported figures previously.

JARD provides a central database for all information relating to the seizure of the proceeds of crime and is funded through ARIS, where a £7.5m “top-slice” is taken from the total amount collected.

Figures for cash forfeiture and confiscation for 2018/19 in Figure 1 are based on finalised data collected from JARD on 27 June 2019 and should be interpreted with the following in mind: these figures represent the total amount collected each year as opposed to the total value collected against specific orders or cash seizure. For example, a confiscation order put in place in 2015 may not have a payment made against it until 2017. Similarly, cash seized in 2015 may only be forfeited, or converted into a confiscation order, in 2018. For this reason, comparisons of year on year performance should be treated with caution.

Furthermore, as confiscation orders are subject to legal challenge, future data extracts will be subject to some small differences from previously published figures and other totals. The data for Table 1 is collected by the Home Office on the use of ARIS funds and is generated through manual reporting from the recipients of ARIS. The Home Office collects this data over the course of the year as part of its responsibility for the administration of ARIS.

Other reasons for why these statistics may need to be revised are:

- Changes in sources of administrative systems or methodology.
- Receipt of subsequent information.
- Errors in statistical systems and processes.

Statistical Bulletins are prepared by staff in Home Office Statistics under the National Statistics Code of Practice and can be downloaded from GOV.UK:

<https://www.gov.uk/government/organisations/home-office/about/statistics>

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