



Home Office

**Report on the number of unexplained wealth orders made by the High Court in England and Wales during the period, and the number of applications made to that Court by enforcement authorities for such an order during that period for the period May 2023 to May 2024**

December 2024





Home Office

# **Report on the number of unexplained wealth orders made by the High Court in England and Wales during the period, and the number of applications made to that Court by enforcement authorities for such an order during that period for the period May 2023 to May 2024**

Presented to Parliament pursuant to Section 362IA of the Proceeds of Crime Act 2002, as amended by Section 51 of the Economic Crime (Transparency and Enforcement) Act 2022

December 2024



© Crown copyright 2024

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit [nationalarchives.gov.uk/doc/open-government-licence/version/3](https://nationalarchives.gov.uk/doc/open-government-licence/version/3).

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at [www.gov.uk/official-documents](https://www.gov.uk/official-documents).

Any enquiries regarding this publication should be sent to us at [homelandsecuritycriminalfinancesandassetrecoveryunit@homeoffice.gov.uk](mailto:homelandsecuritycriminalfinancesandassetrecoveryunit@homeoffice.gov.uk).

ISBN 978-1-5286-5332-9

E03259691 12/24

Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

# **Report on the number of unexplained wealth orders made by the High Court in England and Wales during the period, and the number of applications made to that Court by enforcement authorities for such an order during that period for the period May 2023 to May 2024.**

## **Unexplained wealth orders**

The Criminal Finances Act 2017 inserts sections 362A to 362T into the Proceeds of Crime Act 2002 which makes provision for the court to make an unexplained wealth order (UWO) to investigate the origins of property.

In March 2022 the Government expedited the passage of the Economic Crime (Transparency and Enforcement) Act 2022 in response to the Russian invasion of Ukraine. That Act reformed the UWO regime to expand the scope of the powers and increase operational confidence in using UWO powers.

An enforcement agency can apply to the High Court for a UWO where there are reasonable grounds for suspecting that a respondent – an individual or organisation – holds property (with a minimum combined value of £50,000); and either that their known sources of lawfully obtained income would have been insufficient to obtain the property in question, or that the property was obtained through unlawful conduct. The UWO requires the respondent to explain their interest in property, how they came to obtain it and any other information required by the order.

UWOs may be served on two categories of respondent:

1. Politically Exposed Persons (PEPs) as defined in the Act;
2. Persons reasonably suspected of involvement in, or of being connected with persons involved in, serious crime.

If the respondent is not an individual, a UWO may also be sought in respect of a "responsible officer".

When applying for a UWO, the enforcement authority may also seek an interim freezing order to prevent the property under investigation being sold. Interim freezing orders may remain in existence for up to a maximum of 186 days. This provides enforcement authorities time to review material provided in response to a UWO without a concern that the property in question will be dissipated.

If a respondent fails to respond to a UWO without "reasonable excuse" the property in question will be presumed to be recoverable in civil asset recovery proceedings. Information provided in response to a UWO cannot generally be used in criminal proceedings, except where false or misleading information is provided, in which case, the respondent may be liable to imprisonment or a fine, or both.

## **Statutory commitment to report in the Economic Crime (Transparency and Enforcement) Act 2022**

As well as reforming the operation of the UWO regime, the EC(TE) Act 2022 also introduced a requirement under 362IA of POCA – for the Secretary of State to prepare and publish a report as follows:

### **“Annual Reports**

- (1) The Secretary of State must prepare and publish a report in respect of each relevant period setting out --
  - (a) the number of unexplained wealth orders made by the High Court in England and Wales during that period, and
  - (b) the number of applications made to that Court by enforcement authorities for such an order during that period.
- (2) Each of the following is a “relevant period”—
  - (a) the period of 12 months beginning with the day on which section 51 of the Economic Crime (Transparency and Enforcement) Act 2022 comes into force;
  - (b) each subsequent period of 12 months.
- (3) A report under this section must be prepared and published within the period of 4 months beginning with the end of the relevant period to which the report relates.
- (4) The Secretary of State must lay a copy of each report prepared under this section before Parliament.”

## **Unexplained Wealth Orders applied and obtained for 2023-2024**

This report covers the period 15 May 2023 until 14 May 2024.

**Two** UWOs were applied for during the reporting period. **One** UWO has been obtained and the other had not received a judicial decision during the reporting period. One of the UWOs applied for in the 2022-2023 reporting period, was also obtained in this reporting period.

### **Commentary**

UWO powers are available to five enforcement agencies in England and Wales. The enforcement agencies are operationally independent from Government and cannot be tasked to use UWOs.

The number of UWOs applied for and obtained since the introduction of these powers is low but this must be considered within the wider context of the UK's asset recovery system.

Unexplained Wealth Orders are intended for exceptional and complex cases. UWOs may be most effective where there is no clear link between the property and unlawful conduct and where the respondent has accrued assets that cannot be explained by their known income or employment. They are an investigate tool that aim to assist agencies to gather crucial evidence at the outset of an investigation where they may otherwise be unable to do so.

If there is evidence that the property is gained through unlawful conduct, the enforcement agency can commence to civil recovery without the need for a UWO. £62.9 million was recovered using civil recovery orders in 2022-2023.

Agencies also have a range of alternative powers to use to gather information in support of asset recovery proceedings. UWOs are considered in some cases where they could be used to degrade the support structures of serious criminals and organised crime groups.

UWOs remain powerful tools to investigate those who look to use, move or hide their proceeds of crime in the UK or overseas. Even a single UWO may have a high impact. For instance, a UWO used in one investigation resulted in the subsequent recovery of almost £10 million; while in a separate investigation a UWO resulted in the recovery of £14million.

Agencies continue to review whether cases are suitable for a UWO.

E03259691

978-1-5286-5332-9