



Home Office

Asset Recovery Statistical Bulletin

2011/12-2016/17

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Main Findings

This bulletin presents a 5 year data snapshot on asset recovery, using Proceeds of Crime Act Powers (POCA), from the Joint Asset Recovery Database (JARD) from June 2017, as well as data collected by the Home Office on the use of Asset Recovery Incentivisation Scheme (ARIS). It also contains recent data provided by the National Crime Agency (NCA), relating to progress against priority orders.¹

- In 2016/17, £201m of criminal proceeds were confiscated, representing a 19% increase compared with 2011/12 (£170m).
- Cash forfeiture has remained relatively stable over the same period, averaging around £40m a year for the past 5 years.
- Collection against Priority Orders, which represent the most difficult cases, is £94m of a possible £491m (19%) as of the end of Q4 of 2016/17.
- Since 2011/12, £307m of ARIS monies returned to operational partners have been used to fund further asset recovery work, representing 88% of total reported ARIS spending that is returned.
- Since 2011/12 £174m has been paid in compensation to victims from the proceeds of confiscation.²

Things you need to know about this release

The majority of these statistics are drawn from a live operational database, the Joint Asset Recovery Database (JARD)³, which is managed by the National Crime Agency. JARD entries are provided by law enforcement agencies, including the police, Crown Prosecution Service, Serious Fraud Office and local authorities. As a result, the data are subject to change on a daily basis as cases proceed and new cases are added and resolved. The data presented in this release were extracted from JARD on the 15th of June 2017.

The data relating to Priority Orders, a full explanation of which can be found in [section 3](#), has been provided to the Home Office by the National Crime Agency from JARD. Orders given priority status are subject to change on a daily basis so this bulletin provides a snapshot of the amount collected against orders with priority status as at the end of Q4 2016/2017.

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 the [Methods and Data Quality section](#).

While there is a wide range of legislation relating to the power to seize criminal assets, such as the [Misuse of Drugs Act](#) and the [Modern Slavery Act](#), these fall outside the scope of this report, and in many cases data on the use of these powers is not held centrally.

¹ See relevant [section 3](#) for explanation of Priority Orders.

² The total amount of monies paid to the victims of crime is beyond the scope of this report.

³ Please see the [data and methods](#) section for further information on JARD.

The [data](#) relating to use of proceeds of crime was collected by the Home Office on the 15th June 2017. 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.⁴

These statistics are published as [Experimental Statistics](#) in order to demonstrate to users some of the analyses possible using this data and to seek feedback to inform their future presentation (see future publication section below).

Future publication plans

This bulletin is the first public release using JARD and ARIS data. The main focus has been on producing headline statistics to provide a single reference point for users, with the intention of producing an annual report on asset recovery. We plan to improve the design, coverage and presentation of these statistics over time, including potential future additional requirements for data not produced as part of this initial release. We would welcome any feedback via email at: criminalfinancesact@homeoffice.x.gsi.gov.uk.

⁴ It should be noted that the final use of ARIS funds is entirely decided by the receiving agency. This is considered to be a key part of incentivisation.

1. Introduction

1.1 Background

In line with [recommendations](#) made by the Public Accounts Committee in July 2016 on performance, the Home Office committed to publishing an annual report on asset recovery statistics. This publication would seek to include collection rates and progress on priority orders. The commitment to publish the amount that can realistically be collected from the nominal total value of uncollected confiscation orders is already published in the [HM Courts & Tribunals Service Trust Statement 2016/17](#).

This release provides data on:

- i) Collection rates;
- ii) Priority confiscation orders;
- iii) Use of Asset Recovery Incentivisation Scheme (ARIS) funds; and,
- iv) Compensation to victims from confiscation orders.

We have also outlined future statistics to be published relating to Unexplained Wealth Orders (UWO), as committed to in Parliament during the passage of the Criminal Finances Act (see Annex 2).

1.2 Asset recovery legislation

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

- v) Disrupting criminal networks and the further funding of crime;
- vi) Depriving people of their proceeds of crime;
- vii) Removing criminal role models in society;
- viii) 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 the government's asset recovery policy and in ensuring transparent and effective performance measurement.

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

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 from criminals 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.⁵
- **Civil recovery:** This is a system for confiscating the proceeds of crime, where 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 National Crime Agency, 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 the NCA in their [Annual Report and Accounts](#). Following the expansion of these powers in the [Criminal Finances Act](#) to HMRC and the Financial Conduct Authority, these figures may be published in future editions of this publication.

⁵ The recent Criminal Finances Act expands these powers to include mobile stores of value and money held in bank accounts. However these powers are not in effect at the time of publication and are not reflected in this release.

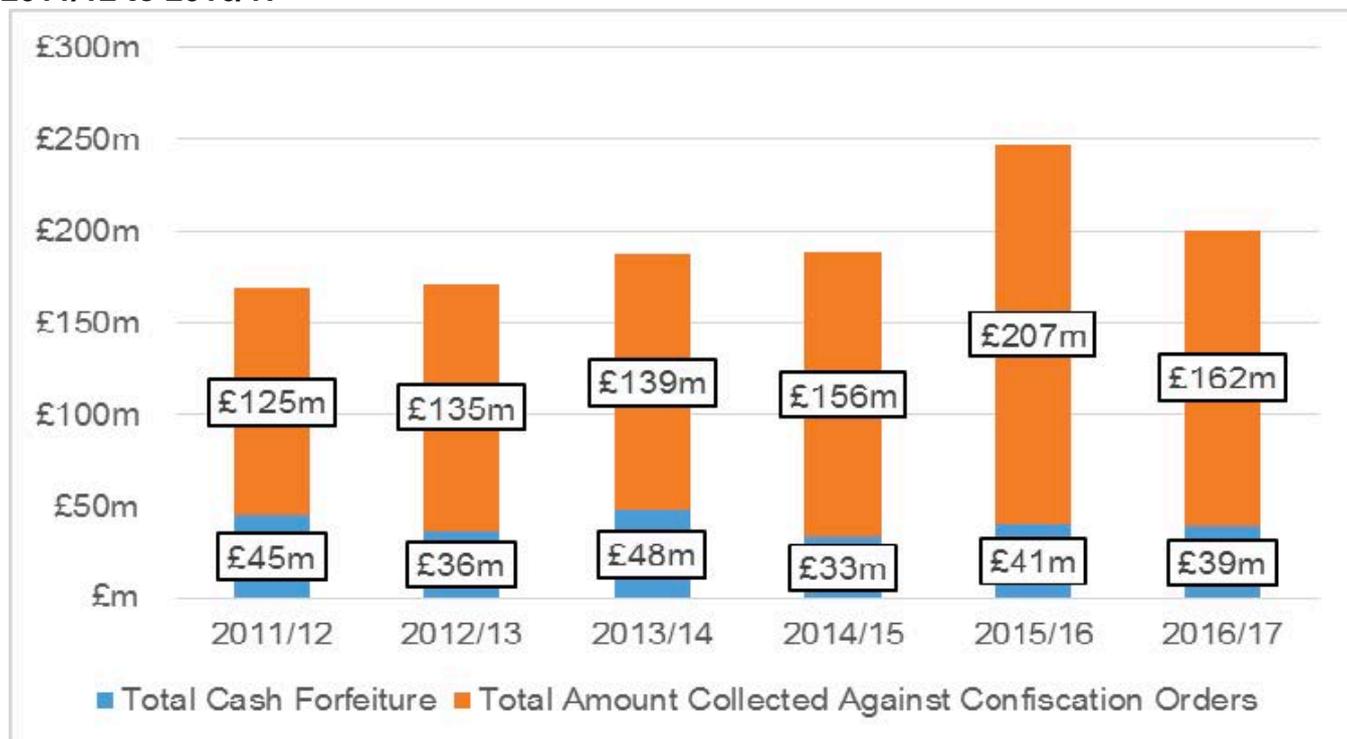
2. Amount Collected: Confiscation orders and Cash forfeiture

Figure 1, below, outlines the total value of proceeds of crime collected each financial year since 2011 using confiscation and cash forfeiture powers. The trends show a steady increase each year in the amount collected from confiscation receipts, with a large increase in 2015/16 (most likely to be due to several unusually large confiscation orders being paid and settled within the same reporting year, as well as large residual payments from previous years).

In 2016/17, £201m of the proceeds of crime were collected, representing a 19% increase compared to 2011 (£170m). This increase in the total amount of money collected between 2011/12 and 2016/17 is driven by a rise in the amount collected from confiscation receipts.

Assets collected from confiscation orders in 2016/17 accounted for the majority (81%) of the total value collected, a higher proportion compared with 2011/12 (74%). By comparison, the amount collected from cash forfeitures remained relatively stable during this 5 year period, averaging around £40m.

Figure 1: Amount of money collected from Cash Forfeiture and Confiscation orders 2011/12 to 2016/17



Source: JARD data collected on the 15th of June 2017.

[Link to data](#)

3. Progress against Priority Orders

Priority order status can be applied to a confiscation order by either the Crown Prosecution Service (CPS), Her Majesty's Courts and Tribunals Service (HMCTS) or Serious Fraud Office (SFO). The criteria for these orders are set out in the text box, along with the criteria for the removal of priority status. While priority orders status is not fixed, this does not mean that it will not be given priority order status again following new intelligence relating to the subject of the order.

Priority orders are those confiscation orders which are considered to be the most complex to investigate and are often investigated by regional Asset Confiscation Enforcement (ACE) teams.⁶

Crown Prosecution Service	Her Majesty's Courts and Tribunals Service	Serious Fraud Office
<ul style="list-style-type: none"> The debt is collectable. The collectable amount exceeds £500,000. 	<ul style="list-style-type: none"> The debt exceeds £250,000 although not readily collectable and further enforcement sanctions may be appropriate. Law enforcement assistance may add value to the enforcement process. 	<ul style="list-style-type: none"> The debt is collectable; and The collectable amount exceeds £500,000.
Shared criteria across agencies		
<ul style="list-style-type: none"> Enforcement will maximise assets removed from serious and organised criminals, in line with the CPS strategy and the Serious Organised Crime strategy. Where failure to enforce might have an adverse impact on public confidence. The case has a significant public interest. 		
Criteria for removal of priority order status		
<ul style="list-style-type: none"> Order paid in full. Position where no realistic prospect of collecting order amount. No current enforcement activity can add value. 		

Orders given priority status are subject to change during the reporting period. The effect of these changes means that yearly comparisons do not reflect progress as each measurement can only provide us with a snapshot of the action against the current list of priority orders. As such the National Crime Agency (NCA) have provided a snapshot of the amount collected against orders with priority status as of the end of Q4 June 2016/17.

The total value of active priority confiscation orders as at the end of Q4 2016/17 was £490m, of which £94m (19%) has been collected by law enforcement agencies.

Table 1: Progress against Priority Orders Q4 2016/17

Progress against Priority Orders	
Number of Active Priority Order cases	131
Total Amount Outstanding	£490,584,629.31
Total Payments against these orders	£94,342,449.17

Source: JARD data provided to the Home Office by the NCA.

[Link to data](#)

⁶ Each Regional Organised Crime Unit (ROCU) has an ACE team embedded.

4. Use of Recovered Criminal Assets

Assets recovered under the mechanisms in the [Proceeds of Crime Act 2002](#) are distributed to operational agencies, (such as the local police force, HM Court Service, and the Crown Prosecution Service) under the Asset Recovery Incentivisation Scheme (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, operational partners may use these funds as they see fit.⁷

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. Furthermore, from April 2014 an arrangement was made between the SFO and HM Treasury (HMT) whereby the SFO pay all of their ARIS monies into central funds and HMT pays them a flat rate which covers the cost of running the Proceeds of Crime Division.

5.1 Use of Asset Recovery Incentivisation Scheme funds

Law enforcement agencies allocated the largest amount of monies received from ARIS to fund future asset recovery work⁸. This was £73m in 2015/16, representing 88% of available funds. The remaining funds supported crime reduction projects (£3m), community projects (£1.5m) and miscellaneous payments (£6m).

The miscellaneous variable captures the money which does not fall within that of the other three categories.

Table 2 shows the use of ARIS funds by operational partners for the years 2011/12 to year ending 2015/16. This is because the process of recording these begins in early July and these statistics are not available until after September. These figures only account for monies and projects where the Home Office have received a return from the law enforcement partner and does not reflect all the ARIS monies that have been distributed in a given year.

Table 2: Use of ARIS Funds 2011/12 to 2015/16

Year	Asset Recovery work	Crime Reduction projects	Community projects	Miscellaneous	Total
2011/12	£47.8m	£7.6m	£1.0m	n/a	£56.4m
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	£83m
2015/16	£72.9m	£3.0m	£1.5m	£5.5m	£83m

Source: Home Office collated ARIS monitoring forms from all ARIS recipients , 2016/17.

[Link to data](#)

⁷ For more detail on how ARIS works please consult the [FAQs](#)

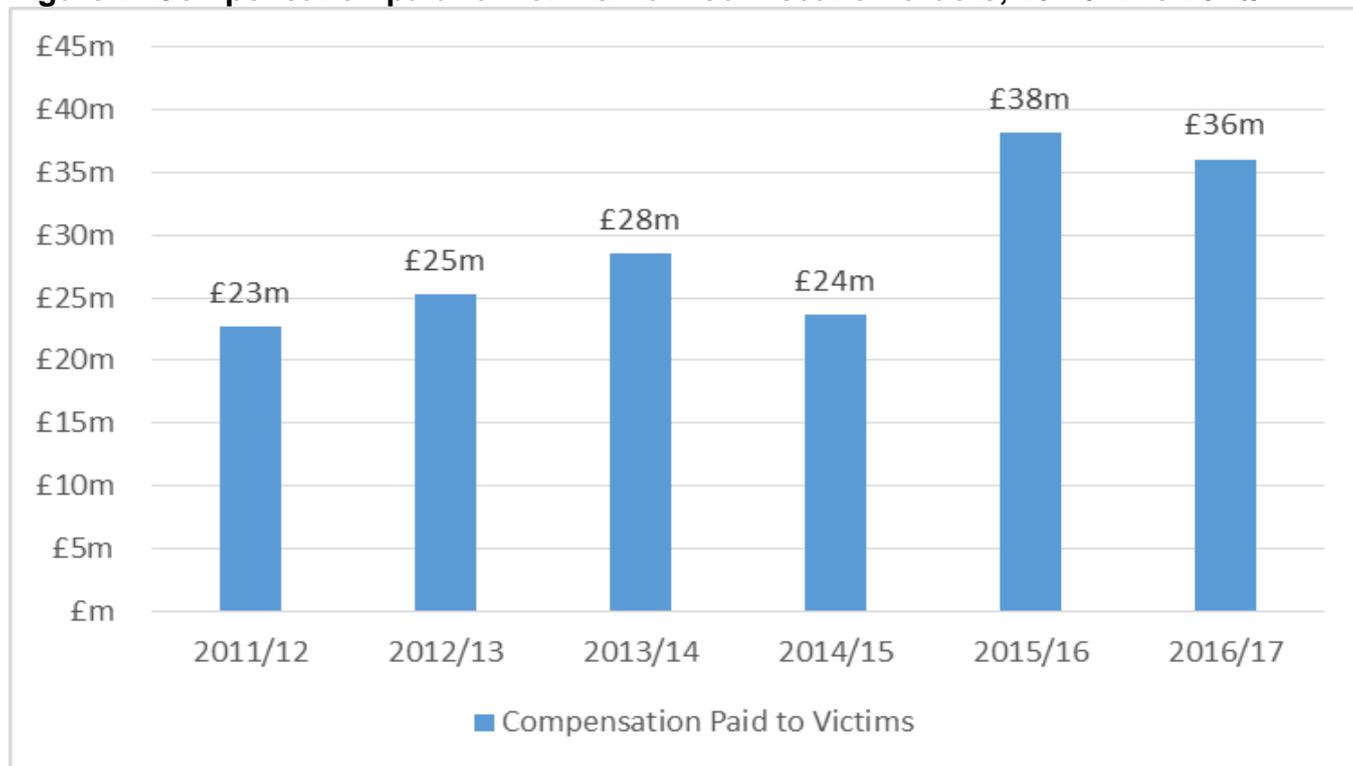
⁸ Such as funding Financial Investigator posts or Forensic Accountants.

5.6 Compensation to victims

In addition to making a confiscation order, a court may also order the offender to pay compensation to the victim of the crime. Victims always take priority⁹ 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.

5.7 Figure 3, below, shows monies allocated to victims in such cases.¹⁰

Figure 2: Compensation paid to victims from confiscation orders, 2011/12 to 2016/17



Source: JARD data collected on the 15th of June 2017.

[Link to data](#)

For the year 2016/17, £36m of the proceeds of crime were paid in compensation to victims. This represents a 36% increase compared with 2011/12 (£23m). Payments showed a steady increase between 2011/12 and 2014/15, which saw a reduction compared to the previous year. The upward trend resumed in 2015/16. Given the slightly lower amount collected in 2016/17, it is too early to say whether the increase seen in 2015/16 represents an ongoing trend for higher payment amounts, or if these are residual payments from 2014/15 being realised in the next financial year.

⁹ As set out under Section 13 of the [Proceeds of Crime Act 2002](#),

¹⁰ 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 1: Methods and Data quality

This document provides data from 2011/12 to 2016/2017 on Asset Recovery performance. The Home Office will be publishing this data on an annual basis, with this report representing the first edition.

The Joint Asset Recovery Database provides a central database for all information relating to the seizure of the proceeds of crime and is funded through the Asset Recovery Incentivisation Scheme, where a £5m “top slice” is taken from the total amount collected.

JARD is a live operational database managed by the National Crime Agency. JARD entries are provided by law enforcement agencies, including the police, Crown Prosecution Service, Serious Fraud Office and local authorities. The quality of data being input on JARD is the responsibility of the NCA Proceeds of Crime Centre.

Figures 1 and 2 and Table 1 are based on finalised data collected from JARD on the 15th of June 2017 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 2001 may not have a payment made against it until 2012. Similarly, cash seized in 2011 may only be forfeited, or converted into a confiscation order, in 2013. 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 2 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.

Annex 2: Unexplained Wealth Orders

Introduced under the Criminal Finances Act, which has reached royal assent but is yet to commence, Unexplained Wealth Orders (UWO) provide the power to compel an individual or company to explain the origin of assets. This is in cases where their assets appear to be disproportionate to their known income *and* if they are suspected of involvement in, or association with serious criminality. A UWO provides these powers to The National Crime Agency, Crown Prosecution Service, Financial Conduct Authority, Serious Fraud Office and HM Revenue and Customs.

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.

The government committed to publishing statistics on the use of UWO, and as part of the consultation process mentioned in the future publication plans [section](#), we are proposing the following data being released:

- Number of Orders Granted.
- Number that lead to civil recovery.
- Number with alternative outcomes.

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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