



UNODC

United Nations Office on Drugs and Crime

United Nations Convention against Corruption

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Comments:

Completed self-assessment checklists should be sent to:

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A. General information

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1. General information

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1 Focal point:

Renny Mendoza

2 Institutions consulted:

Home Office, Crown Prosecution Service, Serious Fraud Office, National Crime Agency, Her Majesty's Treasury, Ministry of Justice, Financial Conduct Authority, HM Revenue and Customs, Department for Business, Energy and Industrial Strategy, Department for International Development.

3 Please provide information on the ratification/acceptance/approval/accesion process of the United Nations Convention against Corruption in your country (date of ratification/acceptance/approval of/accesion to the Convention, date of entry into force of the Convention in your country, procedure to be followed for ratification/acceptance/approval of/accesion to international conventions etc.).

UNCAC Ratification

Signature date: 9 December 2003

Ratification date: 9 February 2006

Entry into force date: 11 March 2006

Procedure to be followed for ratification of international conventions:

The United Kingdom (UK) is a 'dualist' state. The UK constitution accords no special status to treaties: rights and obligations created by treaties have no effect in UK law unless legislation is in force to give effect to them. When the UK Government ratifies a treaty - even with Parliamentary involvement - this does not amount to legislating. For a treaty provision to become part of domestic law, the relevant legislature must explicitly incorporate it into domestic law.

Under Part 2 of the *Constitutional Reform and Governance Act 2010*, all treaties that are subject to ratification, acceptance, approval, the notification of completion of procedures, or to which the UK accedes, cannot be ratified unless they have been laid by a Minister of the Crown before Parliament for 21 sitting days without either House having resolved that it should not be ratified.

The Basic Process:

- The Government signs the finalised treaty.
- Parliament makes any necessary domestic legislative changes.
- The Government lays the signed treaty before Parliament in the form of a Command Paper, along with an Explanatory Memorandum to assist Parliamentarians in their consideration of the treaty. Parliament does not ratify treaties. But Parliament does have an important role in scrutinising treaty provisions before the Government takes the formal legally binding step of consent to be bound by a treaty by ratification.
- If either House resolves against ratification during the 21 sitting day period, the Government must explain why it wants to ratify. The House of Commons can effectively block the Government from ratifying the treaty by passing repeated resolutions.
- If there are no outstanding resolutions, the Government can ratify the treaty by the execution and depositing of an instrument of ratification signed by the Secretary of State for Foreign and Commonwealth Affairs.
- The treaty enters into force for the UK according to the provisions in the treaty.

4 Please briefly describe the legal and institutional system of your country.

The UK Model

The UK is a constitutional monarchy and parliamentary democracy. The UK model consists of a constitutional Head of State (Her Majesty the Queen); a sovereign Parliament, comprised of the House of Commons and the House of Lords; an executive power (the Government, led by the Prime Minister) drawn from and accountable to Parliament; and an independent judiciary. The executive power is exercised by the Government, which has a democratic mandate to govern. Members of the Government are normally members of the House of Commons or the House of Lords and government ministers are directly accountable to Parliament.

The United Kingdom does not have a written, codified constitution. There is no single document that describes, establishes or regulates the structures of the State and the way in which these relate to the people. Instead, the constitutional order has evolved over time and continues to do so. It consists of various institutions, statutes, judicial decisions, principles and practices that are commonly understood as "constitutional".

Devolved Administrations

Scotland, Wales and, Northern Ireland have a degree of devolved government with Westminster reserving powers over *inter alia* defence and national security, foreign policy, immigration and tax policy (income rates devolved in Scotland).

Devolution is not uniform across these regions - there are distinctions in *inter alia* legal systems or tax policy (noted above) that vary between the devolved administrations.

International Conventions and UK Law

As noted above, treaties do not, on ratification, automatically become incorporated into UK law. For this reason, the UK only ratifies international conventions once UK law is deemed by the Government to be compliant.

In the UK legal system, there are both overarching laws that cover the entire UK and laws that cover only England and Wales, Scotland, and/or Northern Ireland.

While many provisions of law are statutory in nature, some are contained in the "common law" of England, Wales, and Northern Ireland, which consists of the UK's historical legal traditions that have been interpreted and made binding through judicial precedent.

Scotland has its own independent and in parts clearly different judicial system with own jurisdiction. While closely related, the legal traditions of Scotland, which has a mixed common law/civil law history, differ in some regards to the rest of the UK - particularly in the areas of elections, property or commercial law.

The Crown Dependencies

The Crown Dependencies are the Bailiwick of Jersey, the Bailiwick of Guernsey and the Isle of Man. The Crown Dependencies are not part of the UK but are self-governing dependencies of the Crown. This means they have their own directly elected legislative assemblies, administrative, fiscal and legal systems and their own courts of law. The Crown Dependencies are not represented in the UK Parliament.

The Crown Dependencies have never been colonies of the UK. The constitutional relationship of the Islands with the UK is through the Crown and is not enshrined in a formal constitutional document. The UK Government is responsible for the defence and international relations of the Islands.

The Crown Dependencies are not recognised internationally as sovereign States in their own right but as "territories for which the United Kingdom is responsible". As such they cannot sign up to international agreements under their own aegis but can have the UK's ratification of such instruments extended to them, unless they have been entrusted to do so (as they have been in the case of Tax Information Exchange Agreements, and other agreements relating to taxation that provide for exchange of information on tax matters, with EU Member States, including the UK, the Organisation for Economic Co-operation and Development and the G20 member countries).

The Overseas Territories

The 14 Overseas Territories are largely former colonies and cover a range of regions, from Gibraltar and the Falklands to Anguilla, Turks and Caicos, and the British Virgin Islands in the Caribbean.

Most are largely self-governing with their own constitutions and governments. But the people who live there are British citizens, the Queen is their head of state and Britain is responsible for their defence and security.

Treaties

The long-standing practice of the UK when it ratifies, accedes to, or accepts a treaty, convention or agreement is to do so on behalf of the United Kingdom of Great Britain and Northern Ireland and any of the Crown Dependencies or Overseas Territories that wish the treaty to apply to them. The UK's ratification, accession or acceptance can also be extended at a later date. This means that, when the UK is planning to ratify a particular convention or treaty, it should consult the Crown Dependencies about whether they wish to have it extended to them.

The general practice has been for the Crown Dependencies and Overseas Territories to decide to which treaties they wish to become Party. Likewise, responsibility for implementation, such as ensuring local law is compliant with the conventions and is delivered in practice, is for those individual Governments. When asking for a convention to be extended, the Territories have to complete a transposition table that shows how they believe they have implemented/fulfilled the obligations of the convention.

- 5 In a separate communication addressed and e-mailed to the secretariat (uncac.cop@unodc.org), please provide a list of relevant laws, policies and/or other measures that are cited in the responses to the self-assessment checklist along with, if available online, a hyperlink to each document and, if available, summaries of such documents. For those documents not available online, please include the texts of those documents and, if available, summaries thereof in an attachment to the e-mail. If available, please also provide a link to, or the texts of, any versions of these documents in other official languages of the United Nations (Arabic, Chinese, English, French, Russian or Spanish). Please revert to this question after finishing your self-assessment to ensure that all legislation, policies and/or other measures you have cited are included in the list.**

See email.

- 6 Please provide a hyperlink to or copy of any available assessments of measures to combat corruption and mechanisms to review the implementation of such measures taken by your country that you wish to share as good practices.**

See below.

- 7 Please provide the relevant information regarding the preparation of your responses to the self-assessment checklist.**

In preparation for our response the UK has:

- Commissioned inputs from across government, the Devolved Administrations (Scotland, Northern Ireland, Wales), the Crown Dependencies (Guernsey, Jersey, Isle of Man) and relevant Overseas Territories (British Virgin Islands).
- In the UK response, where measures have been taken by the Devolved Administrations distinct from the rest of the UK, the heading "Devolved Administrations" has been used to clearly indicate this. Where there is no heading, it can generally be assumed that the response applies to the UK as a whole.
- Where examples from specific Devolved Administrations have been provided, these are illustrative and do not represent a comprehensive overview of the situation across all the Devolved Administrations.
- In recognition of the UK's constitutional relationship with the Crown Dependencies (CD), each CD has completed a separate checklist - these have been submitted alongside the UK submission. Whilst should be considered as part of that submission, each CD is ultimately responsible implementation of the Convention and their respective checklists.

- 8 Please describe three practices that you consider to be good practices in the implementation of the chapters of the Convention that are under review.**

The three practices the UK would like to highlight are:

- 1) [The Joint Money Laundering Intelligence Taskforce \(JMLIT\)](http://www.nationalcrimeagency.gov.uk/about-us/what-we-do/economic-crime/joint-money-laundering-intelligence-taskforce-jmlit)
<<http://www.nationalcrimeagency.gov.uk/about-us/what-we-do/economic-crime/joint-money-laundering-intelligence-taskforce-jmlit>>
- 2) [Deferred Prosecution Agreements \(DPAs\)](https://www.sfo.gov.uk/publications/guidance-policy-and-protocols/deferred-prosecution-agreements/)
<<https://www.sfo.gov.uk/publications/guidance-policy-and-protocols/deferred-prosecution-agreements/>>
- 3) [People of Significant Control \(PSC\) Registers](https://www.gov.uk/government/news/keeping-your-people-with-significant-control-psc-register)
<<https://www.gov.uk/government/news/keeping-your-people-with-significant-control-psc-register>>

- 9 Please describe (cite and summarize) the measures/steps, if any, your country needs to take, together with the related time frame, to ensure full compliance with the chapters of the Convention that are under review, and specifically indicate to which articles of the Convention such measures would relate.

N/A

II. Preventive measures

5. Preventive anti-corruption policies and practices

2. Paragraph 1 of article 5

1. Each State Party shall, in accordance with the fundamental principles of its legal system, develop and implement or maintain effective, coordinated anti-corruption policies that promote the participation of society and reflect the principles of the rule of law, proper management of public affairs and public property, integrity, transparency and accountability.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The UK recognises the fundamental importance of setting up clear and coordinated mechanisms for the prevention of corruption.

The UK approach is based on a strong corporate governance framework in both the public and private sectors; a strong architecture of oversight and coordination bodies; and a focus on transparency at all levels. This approach is based on the premise that corruption at the domestic and international level can be tackled only if government, civil society and business work together. This principle of shared responsibility and collaboration is enshrined in our legislation and policy.

UK anti-corruption policy coordination

Anti-corruption policy in the UK sits across several government departments. Domestically, it is covered primarily by the Home Office and its agencies. The Treasury (HMT) leads on money laundering policy; and the Department for Business, Energy and Industrial Strategy (BEIS) leads on corporate integrity. Internationally, the Foreign and Commonwealth Office (FCO) lead on progressing objectives with foreign governments and the Department for International Development (DFID) leads on government, open society and rule of law programmes in countries in receipt of UK development assistance.

The Joint Anti-Corruption Unit (JACU) was created in 2015 to oversee policy coordination between departments and agencies and implementation of international and domestic commitments. JACU represents the UK government at the G20 Anti-Corruption Working Group, UN Convention Against Corruption (UNCAC), and the OECD's Anti-Bribery Working Group. JACU delivered the London Anti-Corruption Summit in May 2016 and engages with business and civil society groups.

The Prime Minister's Anti-Corruption Champion is a personal appointment of the Prime Minister. The Champion is supported by JACU in overseeing the Government's response to both domestic and international corruption. The main elements of the role are to:

- Scrutinise and challenge the performance of departments and agencies.
- Lead the UK's push to strengthen the international response to corruption and to represent the UK at relevant international fora.
- Engage with external stakeholders, including business, civil society organisations, parliamentarians, and foreign delegations making sure that their concerns are taken into consideration in the development of government anti-corruption policy.

Since the role was created in 2004, there have been six Champions. In December 2017 the Prime Minister appointed John Penrose MP to the role.

A dedicated Inter-Ministerial Group (IMG) on Corruption has provided coordinated governance on anti-corruption at the political level. The IMG has brought together Ministers and heads of operational agencies to oversee delivery of anti-corruption commitments and set the direction for the Government's domestic and international anti-corruption activity.

The UK's key anti-corruption commitments are found in a variety of sources. A common feature of these is their cross-governmental nature and their focus on bringing together government, civil society, private sector, and international partners.

In 2013 The UK published an [Open Government Partnership National Action Plan](#) and following this, in 2014, a [UK Anti-Corruption Plan](#) [\(<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388894/UKAntiCorruptionPlan.pdf>](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388894/UKAntiCorruptionPlan.pdf) which specifies the wide ranges of government departments and bodies responsible for each of the 66 actions. A [\(<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/522802/6.1689_Progress_Update_on_the_UK_Anti-Corruption_Plan_v11_WEB.PDF>](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/522802/6.1689_Progress_Update_on_the_UK_Anti-Corruption_Plan_v11_WEB.PDF) [public progress update](#) [\(<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/522802/6.1689_Progress_Update_on_the_UK_Anti-Corruption_Plan_v11_WEB.PDF>](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/522802/6.1689_Progress_Update_on_the_UK_Anti-Corruption_Plan_v11_WEB.PDF) was published in May 2016.

[The Serious and Organised Crime \(SOC\) Strategy](#) [\(<https://www.gov.uk/government/publications/serious-organised-crime-strategy>](https://www.gov.uk/government/publications/serious-organised-crime-strategy) was published by the Home Office in 2013. The strategy highlights the role of bribery and corruption as enablers of serious and organised crime and sets out the Government's commitment to improve our anti-corruption systems. The 2015 [National Security Strategy](#) [\(<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/478933/52309_Cm_9161_NSS_SD_Review_web_only.pdf>](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/478933/52309_Cm_9161_NSS_SD_Review_web_only.pdf) sets out the UK vision for achieving a number of priorities including strengthening the rules-based international system and institutions, encouraging reforms to enable the further participation of emerging powers; and working with our international partners to reduce conflict and to promote stability, good governance and human rights. In May 2016 the UK published the [Action Plan for Anti-Money Laundering and Counter-Terrorist Finance](#) [\(<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/517992/6-2118-Action_Plan_for_Anti-Money_Laundering_web_.pdf>](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/517992/6-2118-Action_Plan_for_Anti-Money_Laundering_web_.pdf). The plan

sets four focus areas for action: stronger partnership with the private sector; enhancing the law enforcement response; improving the effectiveness of the supervisory regime; and increasing our international reach.

In May 2016 the UK coordinated and hosted the [London Anti-Corruption Summit](https://www.gov.uk/government/topical-events/anti-corruption-summit-london-2016) <<https://www.gov.uk/government/topical-events/anti-corruption-summit-london-2016>>. Attendees signed the Global Declaration against Corruption and 40 countries committed to over 600 new actions to tackle corruption in all its forms. The UK made 39 commitments at the Summit. Some of our key achievements are set out below. In addition, the UK, US and World Bank are planning for the inaugural Global Forum for Asset Recovery, an initiative announced at the Summit. Furthermore, at the summit, the UK committed to develop and publish a [new national Anti-Corruption Strategy](https://www.gov.uk/government/publications/uk-anti-corruption-strategy-2017-to-2022) <<https://www.gov.uk/government/publications/uk-anti-corruption-strategy-2017-to-2022>>, to provide a vision and framework for our domestic and international policy priorities. The UK published the strategy in December 2017.

Also following from a summit commitment, the UK will establish a public register of beneficial ownership of overseas legal entities requiring them to provide this information when they own or purchase property in the UK or are participating in central government contracts. This will identify, in a public and easily accessible way, the owners and controllers of overseas legal entities that own property in the UK, increasing transparency and trust in the UK property market and supporting law enforcement in their investigations.

Participation of society:

JACU leads the government's anti-corruption dialogue with wider society.

During the development of the Anti-Corruption Plan, workshops were held with civil society, including the Bond Anti-Corruption Group (a coalition of ten British-based NGOs who work on corruption-related issues), who were encouraged to submit recommendations on policy and process via face-to-face meetings with government officials and through written submissions. Academics and think tanks were engaged bilaterally and through the DFID British Academy research programme. We also engaged the UK's main business associations including the British Bankers Association which has since been integrated into UK Finance, the International Chamber of Commerce (ICC) and the Institute of Directors (IoD).

A number of civil society organisations and businesses were invited to participate in the London Anti-Corruption Summit and a dedicated civil society event on the day before the Summit. Civil society and private sector groups were also involved in the OECD phase 4 review of the UK and took part in the onsite visit in October 2016.

The Prime Minister's Anti-Corruption Champion has been mandated to engage with external stakeholders, including business and civil society organisations. In the past year for example the Champion has attended events and meetings with Transparency International, the Anti Money Laundering Professionals Forum,

International Finance Corporation (IFC) and International Development Committee (IDC). This engagement provides a channel for business and civil society to share their views on the development and implementation of policy.

The UK has collaborated closely with civil society on developing and implementing the commitments set out in our Open Government Partnership National Action Plans. The [UK Open Government Network \(the <http://www.opengovernment.org.uk/>OGN <http://www.opengovernment.org.uk/> <http://www.opengovernment.org.uk/>](http://www.opengovernment.org.uk/) was established by civil society in 2011 in response to the UK joining the Open Government Partnership and since then we have sought to build a broad coalition of active citizens and civil society organisations to secure robust and ambitious open government reforms. For the third National Action Plan, we crowdsourced an Open Government Manifesto: via an online platform and a series of workshops we heard from over 250 members of civil society on their priorities for reform, including opening up public contracting, government budgets, devolution deals, public service delivery, state surveillance and company ownership.

The UK has taken steps to build better cooperation between the public and private sectors on illicit finances, recognising that stronger partnership between governments, regulators, law enforcement, financial intelligence units (FIUs) and business helps to detect and prevent the flow of illicit funds across the globe and enables the private sector to act as a more effective first line of defence. In 2016 the [Joint Money Laundering Intelligence Taskforce <http://www.nationalcrimeagency.gov.uk/about-us/what-we-do/economic-crime/joint-money-laundering-intelligence-taskforce-jmlit>](http://www.nationalcrimeagency.gov.uk/about-us/what-we-do/economic-crime/joint-money-laundering-intelligence-taskforce-jmlit) (JMLIT) was set up in partnership with the financial sector to combat high end money laundering. JMLIT is led by the National Crime Agency (NCA) and includes representatives from the financial sector, City of London Police, Financial Conduct Authority (FCA), HMRC and the Home Office. JMLIT successfully brings together public and private sector expertise to better understand the scale of money laundering and the methods used by criminals to exploit the UK's financial system and terrorists using the financial system to finance attacks. It has identified and implemented actions to address these.

Rule of law

The legal basis for anti-corruption measures in the UK is UNCAC, ratified in 2006, and the OECD Foreign Bribery Convention, ratified in 1998.

The Criminal Finances Act 2017 builds on the Proceeds of Crime Act 2002 and provides key powers to enable the UK to respond to money laundering, tax evasion, corruption, and the financing of terrorism. This legislation gives law enforcement agencies and private sector partners enhanced capabilities and greater powers to recover the proceeds of crime and tackle these threats.

In particular, the creation of Unexplained Wealth Orders will provide law enforcement agencies with a vital new investigative tool. UWOs will require those suspected of serious crime or corruption to explain the sources of their wealth, helping to facilitate the recovery of illicit wealth and stopping criminals using the UK as a safe haven for the proceeds of international corruption. UWOs can also be made in relation to non-EEA foreign officials, even where the link to serious crime

is harder to evidence, given the increased risk that they may be involved in grand corruption.

Non-conviction based confiscation powers, introduced initially under the Proceeds of Crime Act, are now extended via the Criminal Finances Act to the Financial Conduct Authority and to HM Revenue and Customs.

Transparency, accountability and integrity in the management of public affairs and public property

The UK maintains a firm commitment to transparency, integrity and accountability across the public sector and aims to be the most transparent government in the world. The UK is a founding member of the Open Government Partnership, and is currently implementing its third [National Action Plan](https://www.gov.uk/government/publications/uk-open-government-national-action-plan-2016-18/uk-open-government-national-action-plan-2016-18) [<https://www.gov.uk/government/publications/uk-open-government-national-action-plan-2016-18/uk-open-government-national-action-plan-2016-18>](https://www.gov.uk/government/publications/uk-open-government-national-action-plan-2016-18/uk-open-government-national-action-plan-2016-18).

Each central government entity, including departments, agencies, trading funds, NHS bodies, non-departmental public bodies and arm's length bodies, has a strong and transparent corporate governance framework which includes a single accounting officer; internal and external audit processes; an audit committee; and a management board including independent members.

The Accounting Officer is normally the most senior official and takes personal responsibility for accurately recording and publishing the organisation's financial position, transactions and is accountable to Parliament.

Public sector entities must publish an audited combined Annual Report and Accounts each financial year which presents a clear picture of income, expenditure, assets, liabilities and asset management strategy. They must produce Financial Statements that are compliant with the public sector Financial Reporting Manual (FRM) which applies EU adopted International Financial Reporting Standards. Financial reporting must be audited by the relevant auditor: the Comptroller and Auditor General, the Auditor General for Wales, the Auditor General for Scotland or the Comptroller and Auditor General for Northern Ireland.

The Chancellor of the Exchequer presents the annual national Budget to Parliament in the Autumn each year, covering the nation's finances, Government proposals for changes to taxation and forecasts for the economy by the Office for Budget Responsibility (OBR). The Budget is published online and measures are contained in the annual Finance Bill which Parliament debates and scrutinises.

In 2016 the UK became the first G20 country to undertake an IMF Fiscal Transparency evaluation: the report stated that the UK scored highly compared to other countries.

Central government bodies are required to report detected losses from economic crime. This is [published](https://www.gov.uk/government/publications/cross-government-fraud-landscape-annual-report-2017) [<https://www.gov.uk/government/publications/cross-government-fraud-landscape-annual-report-2017>](https://www.gov.uk/government/publications/cross-government-fraud-landscape-annual-report-2017) every year. Local government bodies are required to publish information on economic crime (including detected losses) on their websites. An example can be found [here](http://www.kent.gov.uk/about-the-council/finance-and-budget/spending/fraud-) [<http://www.kent.gov.uk/about-the-council/finance-and-budget/spending/fraud-](http://www.kent.gov.uk/about-the-council/finance-and-budget/spending/fraud-)

[prevention>](#).

The [Nolan Principles of Public Life](#)

[<https://www.gov.uk/government/publications/the-7-principles-of-public-life>](https://www.gov.uk/government/publications/the-7-principles-of-public-life) define the ethical standards expected of public office holders. Published [codes of conduct](#) [<https://www.gov.uk/government/publications/civil-service-code/the-civil-service-code>](https://www.gov.uk/government/publications/civil-service-code/the-civil-service-code) set out the standards expected of Ministers, special advisers and civil servants, and they are also subject to extensive transparency requirements. The Civil Service Commission, Committee on Standards in Public Life, Ombudsmen, the Advisory Committee on Business Appointments, and the central Propriety and Ethics Team in the Cabinet Office all play a role in ensuring the UK government maintains the highest standards of integrity in all areas.

Devolved Administrations

In Scotland - [the Commissioner for Ethical Standards in Public Life](#)

[<http://www.ethicalstandards.org.uk/>](http://www.ethicalstandards.org.uk/) is an independent office-holder who is dedicated to the provisions of high ethical standards in public life in Scotland.

The Commissioner can investigate written complaints about: Councillors, Members of devolved public bodies and Members of the Scottish Parliament (MSPs) who are alleged to have contravened their Code of Conduct (see Article 7.1(a)).

In Wales, the Welsh Government has published [Managing Welsh Public Money](#)

[<http://gov.wales/docs/caecd/publications/160201-managing-money-en.pdf>](http://gov.wales/docs/caecd/publications/160201-managing-money-en.pdf) which sets out the framework and principles which must be applied by the Welsh Government, its sponsored bodies, the NHS in Wales, its commissioners, the Education Workforce Council, Estyn and the Welsh Government's subsidiary bodies. The National Assembly for Wales has its own [Public Accounts Committee](#) [<http://www.assembly.wales/en/bus-home/committees/Pages/Committee-Profile.aspx?cid=441>](http://www.assembly.wales/en/bus-home/committees/Pages/Committee-Profile.aspx?cid=441). The Committee was established on 22 June 2016 to carry out the functions set out in [Standing Orders 18.2 & 18.3](#) [<http://www.assembly.wales/NAFW%20Documents/Assembly%20Business%20section%20documents/Standing_Orders/Tracked_SOs.eng.pdf>](http://www.assembly.wales/NAFW%20Documents/Assembly%20Business%20section%20documents/Standing_Orders/Tracked_SOs.eng.pdf) and consider any other matter that relates to the economy, efficiency and effectiveness with which resources are employed in the discharge of public functions in Wales. There is an independent and objective [Public Sector Ombudsman for Wales](#) [<http://www.ombudsman-wales.org.uk/>](http://www.ombudsman-wales.org.uk/) overseeing the operations of the Welsh Government, which is also subject to independent and objective audit and review by the [Auditor General for Wales](#) [<https://www.wao.gov.uk/about-us/auditor-general-wales>](https://www.wao.gov.uk/about-us/auditor-general-wales) (the head of the Welsh Audit Office).

In Northern Ireland, [the Commissioner for Public Appointments Northern Ireland](#)

[<https://www.publicappointmentsni.org/>](https://www.publicappointmentsni.org/) was established in 1995 to provide guidance for Government departments on procedures for making public appointments; to audit those procedures and report on them annually, and to investigate complaints about appointment processes. Northern Ireland has its own strategy on Open Data (see, Article 10) as well as Codes for Public Officials and Civil Servants (see Article 8).

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The UK's published plans and strategies provide a good indication of the joined up nature of our anti-corruption efforts. As mentioned above, the [UK Anti-Corruption plan](https://www.gov.uk/government/publications/uk-anti-corruption-plan) <<https://www.gov.uk/government/publications/uk-anti-corruption-plan>> was published in 2014 and sets out actions and responsibilities across the whole of government:

An [update](https://www.gov.uk/government/publications/uk-anti-corruption-plan-progress-update) <<https://www.gov.uk/government/publications/uk-anti-corruption-plan-progress-update>> was published in May 2016 showing good progress on implementing the sixty-six actions in the Plan by May 2016, with sixty-two actions (94%) delivered or on track to be delivered.

Action 52 in the Anti-Corruption Plan is an example of practices specifically aimed at preventing corruption. Action 52 relates to a communications campaign targeted at members of the legal sector to deter professionals from partaking in corrupt practices and encouraging the adoption of preventative behaviours in that sector.

At the London Anti-Corruption Summit, countries collectively agreed the [communique](https://www.gov.uk/government/publications/anti-corruption-summit-communique) <<https://www.gov.uk/government/publications/anti-corruption-summit-communique>> and made national commitments: <<https://www.gov.uk/government/publications/anti-corruption-summit-country-statements>>. The UK was among those countries which made a new set of specific and ambitious commitments. A number of these have since been implemented, including:

- Established a public central register of beneficial ownership information;
- Passed the Criminal Finances Act which establishes new anti-corruption tools and powers such as Unexplained Wealth Orders ;
- Launched the International Anti-Corruption Coordination Centre (IACCC);
- Undergone the first IMF Fiscal Transparency Evaluation for a G7 country;
- Launched the 'Contracting 5' (C5) initiative at the Open Government Partnership Global Summit 2016 with Colombia, France, Mexico, and Ukraine;
- Co-hosted, with the Danish Government a high level side event at the UN General Assembly in September on anti-corruption, growth and the Sustainable Development Goals;
- Sport England and UK Sport published A new UK Code for Sports Governance on 31 October 2016. The Code set out the levels of transparency, accountability and financial rigour required from sports bodies in receipt of exchequer and National Lottery funding from 1 April 2017

Example of implementation at the departmental level:

For an example of implementation at a departmental level, Her Majesty's Inspectorate of Constabulary (HMIC) independently assesses and reports on the efficiency and effectiveness of police forces in England and Wales and the NCA and policing from the work of neighbourhood teams to serious crime and the fight against terrorism, in the public interest. This includes the annual PEEL Programme of inspections which inspects all police forces in three strands Efficiency, Effectiveness and Legitimacy. The Legitimacy strands includes inspections in relation to ethics, integrity and corruption, assessing the capability and effectiveness of police forces ability to prevent, detect and respond to corruption.

Examples of implementation at the cross-government level:

Counter Fraud, bribery and corruption awareness training (e-learning) is available to all public sector staff who use Civil Service training. It provides general awareness and understanding of the risks and issues relating to bribery and corruption.

Examples of implementation at the public sector level:

A bribery and corruption assessment template was published in December 2016 to support government to set a high standard on our response to bribery and corruption. The template directly supports all Departments, Agencies and Arm's Length Bodies to establish a comprehensive understanding of their bribery and corruption risks, which is essential in order to effectively manage and mitigate this threat. It encourages departments to carry out a self-assessment against four key areas: Counter-Corruption Culture; Counter-Corruption High Level Risk Assessment; Counter-Corruption procedures and tools; and Counter-Corruption Awareness, Training and Communications. The template is published on gov.uk for all sectors to adopt and adapt for use, see link [here](https://www.gov.uk/government/publications/bribery-and-corruption-assessment-template) <<https://www.gov.uk/government/publications/bribery-and-corruption-assessment-template>>.

[The Centre for the Protection of the National Infrastructure](https://www.cpmi.gov.uk/) <<https://www.cpmi.gov.uk/>>, the government authority for protective security advice to the UK national infrastructure, provides advice and tools on reporting and reducing the risk of corrupt insiders in critical national infrastructure sectors. Advice and resources, for example the 'It's OK to Say' education programme, are available on their website for access and use by a broader range of sectors. Recognising the risk in vulnerable sectors:

[The National Strategic Assessment of Serious and Organised Crime 2017](http://www.nationalcrimeagency.gov.uk/publications/807-national-strategic-assessment-of-serious-and-organised-crime-2017/file) <<http://www.nationalcrimeagency.gov.uk/publications/807-national-strategic-assessment-of-serious-and-organised-crime-2017/file>> includes a chapter on bribery and corruption. The report states that the UK performs well against most standard measures of corruption but there are certain sectors, such as borders and prisons, that are known to carry a higher risk; and that the UK needs to keep working to meet those risks.

Open Government Partnership

The UK has published [progress reports](https://www.opengovpartnership.org/documents/united-kingdom-additional-progress-report-on-first-six-months-2016-18) <<https://www.opengovpartnership.org/documents/united-kingdom-additional-progress-report-on-first-six-months-2016-18>> against our OGP commitments on the OGP website. We welcome the independent assessment of our performance, undertaken and published by the OGP Independent Review Mechanism. UK OGP National Action Plan (NAP) commitments are developed and implemented in partnership with civil society. The OGP's Independent Review Mechanism (IRM) noted that the second UK NAP was "an ambitious action plan that involved civil society organisations closely in the process."

UK OGP anti-corruption commitments and examples of implementation include:

1. [Commitment 6 \(Second NAP 2013-15\)](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/255901/ogp_uknationalactionplan.pdf) <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/255901/ogp_uknationalactionplan.pdf> - The UK government will, for the first time, bring together all of the UK's anti-corruption activities into one cross-government Anti-Corruption plan.

Implementation: The UK Anti-Corruption Plan <<https://www.gov.uk/government/publications/uk-anti-corruption-plan>> was published in December 2014 with 66 actions to tackle corruption including introducing a new criminal offence of police corruption for those police officers who have acted corruptly; establishing a new International Corruption Unit in the National Crime Agency, to recover funds stolen from developing countries and prosecute those responsible; and abolishing bearer shares, to make it harder for criminals to launder the proceeds of corruption.

In its end-of-term IRM report on the UK's second NAP it was noted that "the commitment is undoubtedly a significant strategic step forward in tackling corruption nationally and internationally, with a comprehensive series of suggestions stretching from government to Parliament and private companies."

2. Commitment 7 (Second NAP 2013-15)
<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/255901/ogp_uknationalactionplan.pdf> - The UK government will lead by example by creating a publicly accessible central registry of company beneficial ownership information. The registry will contain information about who ultimately owns and controls UK companies.

Implementation: Since July 2016, UK companies, limited liability partnerships and 'Societates Europaeae' (a public company registered in accordance with the corporate law of the European Union, introduced in 2004 with the Council Regulation on the Statute for a European Company) are required to provide information for the Central Register of People with Significant Control (PSC register) <<http://www.legislation.gov.uk/ukpga/2015/26/contents/enacted>> at Companies House. The UK was the first G20 country to implement a public beneficial ownership register. The IRM report noted "the policy has so far met its ambitious aims and is one of the central achievements of the UK NAP."

3. Commitment 3 (Third NAP 2016 - 18)
<<https://www.gov.uk/government/publications/uk-open-government-national-action-plan-2016-18/uk-open-government-national-action-plan-2016-18>> - To develop, in consultation with civil society, and publish, a new Anti-Corruption Strategy ensuring accountability to Parliament on progress of implementation.

Implementation: The UK published the strategy in December 2017.
<<https://www.gov.uk/government/publications/uk-anti-corruption-strategy-2017-to-2022>>

- Commitment 5 (Third NAP 2016 - 18)
<<https://www.gov.uk/government/publications/uk-open-government-national-action-plan-2016-18/uk-open-government-national-action-plan-2016-18>> - To implement the Open Contracting Data Standard (OCDS) in the Crown Commercial Service's operations by October 2016; we will also
1. begin applying this approach to major infrastructure projects, starting with High Speed Two, and rolling out OCDS across government thereafter.

Implementation: The approach was successfully trialled in the High Speed Two rail project, and since November 2016 the Crown Commercial Service is [releasing its data <https://www.gov.uk/government/publications/open-contracting>](https://www.gov.uk/government/publications/open-contracting) in compliance with the Open Contracting Data Standard.

3. Paragraph 2 of article 5

2. Each State Party shall endeavour to establish and promote effective practices aimed at the prevention of corruption.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The UK approach to preventing corruption includes building a strong legal framework to deter and punish corrupt practices, providing access to preventative tools, increasing transparency measures, and providing access to education and training.

Legal framework

The 2014 [Anti-Corruption Plan](#)

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388894/UKantiCorruptionPlan.pdf (see 5.1 above) formed an assessment of the existing legal and institutional framework to prevent and sanction acts of corruption.

The [Criminal Finances Act 2017](#)

<http://www.legislation.gov.uk/ukpga/2017/22/contents/enacted> builds on the [Proceeds of Crime Act 2002](#)

<https://www.legislation.gov.uk/ukpga/2002/29/contents> and provides key powers to enable the UK to respond to money laundering, tax evasion, corruption, and the financing of terrorism. This legislation gives law enforcement agencies - and private sector partners - enhanced capabilities and greater powers to recover the proceeds of crime and tackle these threats.

In particular, the creation of Unexplained Wealth Orders will provide law enforcement agencies with a vital new investigative tool. UWOs will require those suspected of serious crime or corruption to explain the sources of their wealth, helping to facilitate the recovery of illicit wealth and stopping criminals using the UK as a safe haven for the proceeds of international corruption. UWOs can also be made in relation to non-EEA foreign officials, even where the link to serious crime is harder to evidence, given the increased risk that they may be involved in grand corruption.

Non-conviction based confiscation powers, introduced initially under the Proceeds of Crime Act, are now extended via the Criminal Finances Act to the Financial Conduct Authority and to HM Revenue and Customs.

Preventative tools:

A [bribery and corruption assessment template](#)

<https://www.gov.uk/government/publications/bribery-and-corruption->

[assessment-template](#) was published in December 2016 to support all Departments, Agencies and Arm's Length Bodies to establish a comprehensive understanding of their bribery and corruption risks, which is essential in order to effectively manage and mitigate this threat. It encourages departments to carry out a self-assessment against four key areas: Counter-Corruption Culture; Counter-Corruption High Level Risk Assessment; Counter-Corruption procedures and tools; and Counter-Corruption Awareness, Training and Communications. The template is published on gov.uk for all sectors to adopt and adapt for use. Sport England and UK Sport published the new **UK Code for Sports Governance** on 31 October 2016. This sets out the levels of transparency, accountability and financial rigour required from sports bodies in receipt of exchequer and National Lottery funding from 1 April 2017. The Code applies to any organisation, regardless of size and sector, including national governing bodies of sport, clubs, charities and local authorities. The requirements are tiered and proportionate, expecting more of organisations that wish to seek larger public investment. Sport England and UK Sport are working together to provide support to funded organisations to help them achieve compliance, for example, through providing guidance on diversity action plans, legal support to check Article changes, and provision of template documents, and have already achieved some 'big wins' with some major National Governing Bodies. Compliance will be an ongoing process, with sports encouraged to strive towards excellent governance and to continue to make any necessary changes within their organisations.

Transparency measures

The UK Government is proud to be one of the most transparent in the world. We have taken steps to publish more data than ever before and are pleased to be recognised as a world leader in transparency.

The UK implemented a public beneficial ownership register in June 2016, the first G20 country to do so. UK companies, limited liability partnerships and Societates Europaeae are now required to provide information for the [Central Register of People with Significant Control \(PSC register\)](#) <http://www.legislation.gov.uk/ukpga/2015/26/contents/enacted> held at Companies House.

In the National Anti-Corruption Plan, Action 4 commits the Cabinet Office to work with government departments, civil society organisations and academics to identify data held by the Government which could be published to improve transparency and reduce opportunities for corruption. The Cabinet Office has worked with civil society organisations and others to identify datasets that could be published, for example the government grants data which was published in October 2017: <https://www.gov.uk/government/news/government-releases-100bn-of-grant-data-in-push-for-greater-efficiency-and-transparency>.

Education and training

In response to Action 52 in the National Anti-Corruption Plan, the Home Office, in partnership with the Solicitors Regulation Authority, Law Society and National Crime Agency, delivered targeted communications to approximately 130,000 members of the legal sector from October 2014 to February 2015, resulting in a

20% increase in suspicious activity reporting from the legal sector. The Home Office launched phase two of the campaign in November 2015, working with the Accountancy Affinity Group, to extend its reach to the accountancy as well as the legal sector.

[The Centre for the Protection of the National Infrastructure <https://www.cpni.gov.uk/>](https://www.cpni.gov.uk/) provides advice and tools to reduce risk to corrupt insiders for critical national infrastructure sectors. These are also widely available on their website for access and use by a broader range of sectors. Counter Fraud, bribery and corruption awareness training is mandatory for all civil servants and provides awareness and understanding of the risks and issues relating to bribery and corruption. It is available online via the Civil Service Learning portal.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The 2016 Anti-Corruption Plan [progress update <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/522802/6.1689_Progress_Update_on_the_UK_Anti-Corruption_Plan_v11_WEB.PDF>](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/522802/6.1689_Progress_Update_on_the_UK_Anti-Corruption_Plan_v11_WEB.PDF) confirms implementation of Actions 4 and 52. Of the 2014 Anti-Corruption Plan. The [Criminal Finances Act 2017 <http://www.legislation.gov.uk/ukpga/2017/22/contents/enacted>](http://www.legislation.gov.uk/ukpga/2017/22/contents/enacted) builds on the [Proceeds of Crime Act 2002 <https://www.legislation.gov.uk/ukpga/2002/29/contents>](https://www.legislation.gov.uk/ukpga/2002/29/contents) to create a strong legal framework to deter corruption.

The UK has established the world's first [public central register <https://www.gov.uk/government/news/people-with-significant-control-companies-house-register-goes-live>](https://www.gov.uk/government/news/people-with-significant-control-companies-house-register-goes-live) of beneficial ownership information.

The UK regularly publishes government [transparency data <https://www.gov.uk/government/policies/government-transparency-and-accountability>](https://www.gov.uk/government/policies/government-transparency-and-accountability) and the [2002 Freedom of Information Act <https://www.legislation.gov.uk/ukpga/2000/36/contents>](https://www.legislation.gov.uk/ukpga/2000/36/contents) guarantees access to government data for citizens.

The UK has created and published tools to help the public sector recognise and mitigate corruption risks including the 2016 [bribery and corruption assessment template <https://www.gov.uk/government/publications/bribery-and-corruption-assessment-template>](https://www.gov.uk/government/publications/bribery-and-corruption-assessment-template)

The UK is committed to providing adequate training on corruption risks for public sector workers and to making training information available for wider audiences where possible. [The Centre for the Protection of the National Infrastructure <https://www.cpni.gov.uk/>](https://www.cpni.gov.uk/) for example provides advice and tools to reduce risk to corrupt insiders for critical national infrastructure sectors. These are available on their website for access and use by a broader range of sectors.

4. Paragraph 3 of article 5

3. Each State Party shall endeavour to periodically evaluate relevant legal instruments and administrative measures with a view to determining their adequacy to prevent and fight corruption.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The UK regularly updates both primary and secondary legislation, as shown by the amount of legislation on our [legislation.gov.uk](http://www.legislation.gov.uk/) <<http://www.legislation.gov.uk/>> website.

The performance of the relevant substantive criminal law statutes, the Bribery Act 2010, the Fraud Act 2006, the Theft Act 1968, and the common-law offence of misconduct in public office are, in keeping with generally applicable criminal law policy, subject to continual monitoring and where necessary proactive review. In addition, statutory criminal law is subject to a post-legislative scrutiny process.

The Law Commission is a statutory independent body, which aims to:

- ensure that the law is as fair, modern, simple and as cost-effective as possible
- conduct research and consultations in order to make systematic recommendations for consideration by Parliament, and
- codify the law, eliminate anomalies, repeal obsolete and unnecessary enactments and reduce the number of separate statutes.

Recent examples of our endeavours to periodically evaluate legislation and measures relating to corruption are:

1. Criminal Finances Act 2017

The UK is committed to ensuring that crime does not pay and that proceeds of crime and corruption are recovered effectively. The Criminal Finances Act, which received Royal Assent on 27 April 2017, gives law enforcement agencies, prosecutors and partners, enhanced capabilities and greater powers to recover the proceeds of crime, tackle money laundering, tax evasion and corruption, and combat the financing of terrorism. Specifically this includes the creation of Unexplained Wealth Orders, which will mean those suspected of corruption or other serious crime will be required to explain the sources of their wealth, helping to facilitate the recovery of illicit wealth and stopping criminals using the UK as a safe haven for the proceeds of international corruption.

Following on from the successes of the Bribery Act (2010). The Criminal Finances Act introduces two corporate failure to prevent the facilitation of tax evasion offences; a domestic and an overseas offence. We know that in order to stamp out corruption, we need to work across borders. The overseas element of these provisions is especially important to guard against corporations facilitating tax evasion in developing countries that may not have the capacity to detect, investigate and prosecute complex international fraud cases.

In addition, the Act creates a statutory requirement for a review into the effectiveness of the implementation of the Exchanges of Notes in the Overseas Territories with a financial center and the Crown Dependencies.

2. Code of Practice in relation to the Proceeds of Crime Act 2002 (POCA)

The Attorney General is responsible for issuing a Code of Practice in relation to the Proceeds of Crime Act 2002 (POCA) as used by the CPS and SFO prosecutors and investigators. The Home Secretary must consult the Attorney General on certain 'POCA Codes' that she issues. As part of measures to implement the Criminal Finances Act, Attorney General's Office (AGO), in partnership with the HO have undertaken a consultation on the Codes of Practice that will help law enforcement officers confiscate valuable items and other assets acquired using the proceeds of crime. The Codes will include updated guidance on the exercise of investigation powers under POCA to include new and extended powers relating to unexplained wealth orders and disclosure orders; and updated guidance for prosecutors on investigation powers, including who can apply for orders, time limits in conducting searches and the seizure of materials.

3. Whistleblowing

The UK is committed to providing effective protections for whistleblowers and has made recent legislative changes so that Prescribed Persons have a duty to report annually on the whistleblowing disclosures they receive. We have plans in place to review recent changes to the whistleblowing framework in 2018/19.

The UK Government has already undertaken significant reforms to the Whistleblowing Framework, working to improve the environment for whistleblowers.

This includes:

- **Introducing the 'public interest' test**, so that protections designed for genuine whistleblowers cannot be used instead by those whose grievance against their employer is personal in nature;
- **Improved guidance for individuals**, employers and prescribed persons on how whistleblowing works in practice. This includes a non-statutory code of practice which we will review this year. This aims to ensure that more employers follow good practice when responding to

disclosures;

- **Bringing the prescribed persons list up-to-date**, including designating MPs as prescribed persons;
- **Taking steps to protect whistleblowers** as job applicants in the health sector and in child protection;
- **Introducing a new requirement for 'prescribed persons' to report annually** on the whistleblowing disclosures that they have received and what has happened as a result. This will help to address a concern among whistleblowers that little or no action seems to result when they report wrongdoing to whistleblowers, by increasing transparency about how disclosures are investigated and handled. It will also improve consistency across different bodies in the way they respond to disclosures.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

1. **The Criminal Finances Act** received Royal Assent on 27 April 2017. Since then, we have been working with key stakeholders, including other government departments, law enforcement agencies, devolved administrations and the regulated sector, to support their efforts to prepare for the commencement of the Act's provisions which are being phased in from September 2017.

The Home Office and Ministry of Justice are working to ensure that the necessary Secondary Legislation, including Codes of Practice and Court Rules are in place for commencement of the Act's provisions.

As part of the post legislative scrutiny process, the Act will be reviewed by Parliament within 3-5 years. This scrutiny process is intended to assess the implementation of the Act and whether the Act is operating as intended.

As part of the implementation of changes to POCA under the Criminal Finances Act, the AGO and Home Office are consulting on the Code of Practice for prosecutors and investigators:

<<https://www.gov.uk/government/consultations/proceeds-of-crime-act-2002-and-anti-terrorism-crime-and-security-act-2001-codes-of-practice>>2<<https://www.gov.uk/government/consultations/proceeds-of-crime-act-2002-and-anti-terrorism-crime-and-security-act-2001-codes-of-practice>> A recent innovation is the **Deferred Prosecution Agreement (DPA)** which can be used by the Crown Prosecution Service (CPS) and Serious Fraud Office (SFO). DPAs were introduced on 24 February 2014, by Ministry of Justice, under the provisions of Schedule 17 of the Crime and Courts Act 2013. They are available in England and Wales to the CPS and the SFO. A Code of Practice for Prosecutors was published jointly by the SFO and CPS on 14 February 2014 after a public consultation.

<https://www.cps.gov.uk/publications/directors_guidance/dpa_cop.pdf> DPAs act

as a mechanism for changing corporate behaviour and prevention of corruption, short of bringing a prosecution. Since implementation, the SFO have agreed four DPAs.

3. **Whistleblower protection** - If an employee decides to blow the whistle to a prescribed person rather than their employer, they must make sure that they have chosen the correct person or body for their issue. For example, if they are blowing the whistle on broadcasting malpractice they should contact the Office of Communications (Ofcom). There is a list of the [prescribed persons and bodies](https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies) <<https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies>> who employees can make a disclosure to. There is also a brief description about the matters they can report to each prescribed person.

Guidance has been published for (1) [prescribed persons](https://www.gov.uk/government/publications/whistleblowing-guidance-for-prescribed-persons) <<https://www.gov.uk/government/publications/whistleblowing-guidance-for-prescribed-persons>>, (2) [employers](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/415175/bis-15-200-whistleblowing-guidance-for-employers-and-code-of-practice.pdf) <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/415175/bis-15-200-whistleblowing-guidance-for-employers-and-code-of-practice.pdf>, and (3) [individuals](https://www.gov.uk/whistleblowing) <<https://www.gov.uk/whistleblowing>>.

4. Following a public Call for Evidence the Government is currently undertaking an assessment of the law governing the attribution of **corporate liability for economic crime, including fraud and money laundering**.

5. The Law Commission launched its second [public consultation into](http://www.lawcom.gov.uk/project/misconduct-in-public-office/) <<http://www.lawcom.gov.uk/project/misconduct-in-public-office/>> **misconduct in public office** <<http://www.lawcom.gov.uk/project/misconduct-in-public-office/>> on 5 September 2016. This will decide whether the existing offence of misconduct in public office should be abolished, retained, restated or amended and to pursue whatever scheme of reform is decided upon.

6. The Fraud Act 2006 was subject to [post legislative scrutiny](http://www.justice.gov.uk/downloads/publications/corporate-reports/MoJ/2012/post-legislative-assessment-fraud-act-2006.pdf) <<http://www.justice.gov.uk/downloads/publications/corporate-reports/MoJ/2012/post-legislative-assessment-fraud-act-2006.pdf>> in 2012.

7. The Bribery Act 2010 will undergo post legislative scrutiny in the next 24 months.

5. Paragraph 4 of article 5

4. States Parties shall, as appropriate and in accordance with the fundamental principles of their legal system, collaborate with each other and with relevant international and regional organizations in promoting and developing the measures referred to in this article. That collaboration may include participation in international programmes and projects aimed at the prevention of corruption.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

2016 Anti-Corruption Summit - see 5.1 above

The UK currently participates in the Council of Europe Groups of States against Corruption (GRECO) process of peer evaluations.

In June 2017, the UK was the first member state to be evaluated under GRECO's fifth round evaluation on the UK's efforts to prevent corruption and promote integrity in central government's (top executive functions) and law enforcement agencies. This is likely to conclude at the end of 2017.

The UK currently participates in the European Commission's anti-corruption experience sharing programme. This takes the form of workshops on anti-corruption topics where national experts from each country are invited to participate and share learning. These are held approximately four times a year.

Tackling corruption lies at the heart of the UK's international development assistance work. The UK recognises that this is multi-faceted and frequently cross-border in nature. It requires action in three interconnected spheres: (i) within collaborating partner countries, (ii) within the UK and (iii) internationally, to strengthen the global 'architecture'. Assistance is predominantly provided on a grant basis.

The UK continues to cooperate with multilateral organisations and countries in the fight against corruption through the Anti Corruption Programme of the UK Prosperity Fund which is worth £43m (USD 58m) over five years. In 2017, we supported the UN to hold regional UNCAC workshops in South East Asia and East Africa which were well received. Follow up technical work is being planned, and additionally a workshop in Latin America is planned for 2018.

The UK worked closely with the OECD to fund the [2017 Integrity Forum](https://www.oecd.org/cleangovbiz/integrity-forum-2017.htm) which brought together over 1,000 Anti-Corruption practitioners from all spectrums over two days in Paris in March 2017. We will continue to fully support the 2018 Integrity Forum as well as the development of a web portal and partnerships working to build capacity and share expertise in non OECD countries. The UK works bi-laterally through a number of embassies to support their host governments in a range of anti-corruption activity.

Collaborating partner countries

UK International Anti-Corruption efforts predominantly form part of its [Overseas Development Assistance <https://www.gov.uk/government/collections/official-development-assistance-oda--2>](https://www.gov.uk/government/collections/official-development-assistance-oda--2) (ODA). UK assistance programmes in partner countries offer a wide array of institution-strengthening to help bear down on corruption. This ranges across the spectrum of needs encompassed by UNCAC. Prevention work seeks to strengthen the integrity and accountability of a collaborating partner's public service, particularly the management of the civil service, public finances, public procurement and the delivery of public services; ensure the efficient functioning of oversight mechanisms, such as Auditors-General and Public Accounts Committees of parliaments; ensure an impartial, effective and reliable judiciary, and sound regulation of the private/corporate sector and financial institutions. The role of civil society in fostering change and strengthening accountability of governments to their citizens is also especially important, and is a key component of the UK's empowerment and accountability initiatives.

In most assistance programmes, a significant anti-corruption contribution is being made through support for public financial management reform. Many programmes have supported national audit offices (eg Ghana, Ethiopia, Sierra Leone, Tanzania, Uganda and Vietnam). The UK has assisted many anti-corruption commissions or similar entities (including Malawi, Nigeria, Sierra Leone, Zambia and Jamaica), and supported greater scrutiny of public expenditure through parliamentary oversight and civil society engagement provided in countries such as Bangladesh, Ghana and Kenya.

Assistance for stronger enforcement action is an increasing part of UK's assistance. This includes international legal co-operation, law enforcement-to-law enforcement collaboration and assistance on drafting relevant legislation or for developing investigatory capacity and effectively prosecution, eg, in Nigeria and Tanzania.

Action in the UK

The UK development assistance programme provides funding for dedicated law enforcement capacity in the UK to investigate aspects of international corruption affecting developing countries: the tracing, seizing and recovery of illicit flows into the UK from such countries, and bribery by UK companies or individuals in such countries. The UK believes it is unique in providing development assistance domestically for such purposes.

International Action and the global 'architecture'

The UK was a strong advocate of injecting a strong preventive theme in UNCAC during the convention negotiations. It has provided critical support to UNODC in Vienna to assist in the effective implementation of the Convention. For example, UK funded the development of UNODC's UNCAC legal library, making available comparative information on legal provisions on corruption in states Parties to the Convention. The UK also contributed to civil society training programmes run by UNODC which enabled citizens to be involved in peer reviews. The UK has provided further voluntary contributions to the funding of the review mechanisms.

The UK has contributed strongly to developing the global architecture for asset recovery. It provided expertise to establish the joint World Bank/UNODC Stolen Asset Recovery Initiative (StAR). It was a founding funder of the International Centre for Asset Recovery (ICAR) at the Basel Institute of Governance which provides practical case management advice to countries pursuing asset recovery.

These two bodies have transformed the global framework for asset recovery in recent years.

Through contributions to both the World Bank and International Monetary Fund anti-money laundering technical assistance programmes, the UK has helped a range of developing countries to strengthen their anti-money laundering regimes.

The UK is now internationally acknowledged to be a leader in international efforts to increase transparency in extractive industries which can be drivers of large-scale corruption in developing countries. The UK has supported the Extractive Industries Transparency Initiative (EITI) since its launch in 2002.

The UK has been instrumental in catalysing action in other commercial-related areas where corruption is a major concern. It was a leading sponsor of the Construction Sector Transparency Initiative (CoST) and the Medicines Transparency Alliance (MeTA), both of which work in innovative partnerships with industry and civil society to improve transparency and accountability in the infrastructure and medicines sectors.

To ensure development assistance practitioners can access the best evidence, knowledge and research on anti-corruption, the UK has been a leading force in creating (in 2001) and developing a unique multi-donor resource centre initially as a partnership under the 'Utstein Four' initiative (of UK, Netherlands, Norway and Germany) and now supported by nine donors overall (with Australia, Belgium, Canada, Denmark and Sweden). U4 has become a globally recognised source and is mostly freely available as a global public good.

The UK also pursues objectives around strengthening the international anti-corruption processes through the G7 and G20 and is an active member of the Open Government Partnership.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

Examples of development assistance programmes provided by the UK which assist partner countries to implement provisions of UNCAC are available in the publicly accessible UK Aid Tracker

database: <<https://devtracker.dfid.gov.uk/>> <<https://devtracker.dfid.gov.uk/>>

6. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.
- None.

1530 Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0** (NO) No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.
- None.

6. Preventive anti-corruption body or bodies

7. Paragraph 1 of article 6

1. Each State Party shall, in accordance with the fundamental principles of its legal system, ensure the existence of a body or bodies, as appropriate, that prevent corruption by such means as:

- (a) Implementing the policies referred to in article 5 of this Convention and, where appropriate, overseeing and coordinating the implementation of those policies;
- (b) Increasing and disseminating knowledge about the prevention of corruption.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

- 1** Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

6.1 (a)

Anti-corruption policy responsibility is shared by the Joint Anti-Corruption Unit (JACU) which leads on the UK contribution to international anti-corruption processes, working closely with the Home Office anti-corruption team, which leads on coordinating domestic anti-corruption policy. Both of these teams work closely with operational partners to improve the UK response to corruption threats, and with a mature network of anti-corruption policy leads across other government departments and agencies which lead on specific areas of anti-corruption policy. For examples of coordination and implementation of anti-corruption policies, see response to Article 5.1, above.

6.1 (b)

The UK continues to make a leading contribution both at home and abroad to promulgating evidence, knowledge and research on anti-corruption:

Internationally:

- As host of the 2016 Anti-Corruption Summit (see 5.1 above)
- By supporting the establishment of an OECD anti-corruption and integrity initiative to strengthen the impact and coherence of existing OECD anti-corruption work
- As a key driver of the U4 initiative (see 5.4)
- Funding the development of UNODC's UNCAC legal library (see 5.4)
- Contributing to civil society training programmes run by UNODC (see 5.4)
- Via the NCA International Corruption Unit's outreach programs
- Bilaterally via assistance programs which use knowledge building as an essential element of strengthening institutions in partner countries.

Domestically:

Section 1 of

2014<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388894/UKAntiCorruptionPlan.pdf> [UK Anti-Corruption Plan](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388894/UKAntiCorruptionPlan.pdf)
<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388894/UKAntiCorruptionPlan.pdf> (see 5.1, above) - 'Understanding and Raising Awareness of the Risks from Corruption' - contains 6 preventative actions, which cover *inter alia*:

- o Improving public awareness of how to report corruption
- o Developing a reporting mechanism for allegations of corruption
- o Working with government departments, civil society organisations and academics to identify data held by the Government which could be published to improve transparency and reduce opportunities for corruption.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

As previously noted:

- 2016 Anti-Corruption Summit (see 5.1 above)
- Anti-corruption plan progress update (see 5.1 above)
- U4 Resource Centre -<<http://www.u4.no/>>
<<http://www.u4.no/>>
- Examples of development assistance programmes provided by the UK which assisting partner countries to implement provisions of UNCAC are available in the publicly accessible UK Aid Tracker database:<<https://devtracker.dfid.gov.uk/>>
<<https://devtracker.dfid.gov.uk/>>

8. Paragraph 2 of article 6

2. Each State Party shall grant the body or bodies referred to in paragraph 1 of this article the necessary independence, in accordance with the fundamental principles of its legal system, to enable the body or bodies to carry out its or their functions effectively and free from any undue influence. The necessary material resources and specialized staff, as well as the training that such staff may require to carry out their functions, should be provided.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

All public office holders in the UK are expected to adhere to [The Seven Principles of Public Life](https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2) (<https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2>) These include a duty to act with Integrity, Objectivity and Accountability.

Those principles are defined as follows:

Integrity:

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work.

Objectivity:

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability:

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

The Nolan Principles have been influential in standard setting across sectors both domestically and abroad.

The seven Principles are promoted by [the Committee on Standards in Public Life](https://www.gov.uk/government/organisations/the-committee-on-standards-in-public-life) (<https://www.gov.uk/government/organisations/the-committee-on-standards-in-public-life>) (CSPL) which advises the Prime Minister on ethical standards across the whole of public life in England. It monitors and reports on issues relating to the standards of conduct of all public office holders.

CSPL is an independent advisory non-departmental public body. It's secretariat and budget are provided by the Cabinet Office.

Ministerial Code

All Ministers of the Crown are subject to the **Ministerial Code** <https://www.gov.uk/government/publications/ministerial-code> and they must comply with the law. This Code, which is publicly available, sets out the principles and standards of behaviour expected of all Ministers. Ministers are also expected to observe the *Nolan Principles*, which are appended to Ministerial Code. <https://www.gov.uk/government/publications/ministerial-code> The Code covers a wide range of integrity related issues.

Paragraph 5 makes provisions for the impartiality of civil service departments and their staff:

5.1 states:

Ministers must uphold the political impartiality of the Civil Service, and not ask civil servants to act in any way which would conflict with the Civil Service Code and the requirements of the Constitutional Reform and Governance Act 2010.

And 5.2 :

Ministers have a duty to give fair consideration and due weight to informed and impartial advice from civil servants, as well as to other considerations and advice in reaching policy decisions..

Civil Service Code

The **Civil Service Code** <http://civilservicecommission.independent.gov.uk/code/>, forms part of the terms and conditions of every civil servant. It was first introduced in 1996 and has been updated several times since. This highlights the core values of the civil service: Honesty, Integrity, Impartiality and Objectivity. It describes the standards of behaviour expected of individual civil servants against each of these four values.

If a civil servant is asked to do something which conflicts with the values in the Code, or is aware that another civil servant is acting in conflict with the values, he or she can raise a concern within their own department.

Their department will investigate their concern. If they are dissatisfied with the outcome of the investigation they may bring a complaint to the Civil Service Commission. The Commission may also hear a complaint direct.

The Civil Service Commission has two roles in relation to the Civil Service Code. The Commission hears complaints under the Code from civil servants. The Commission also works with Departments to help them with their promotion of the Code.

As the Civil Service Code is about the core values of the Civil Service it does not cover areas outside this forum such as:

- personnel management grievances
- disagreements about the merits of policy

· disagreements about management decisions

Such matters can be pursued through channels within the department.

Allocation of resources

JACU currently receives its financial allocation out of the Cabinet Office budget. The Head of JACU is responsible for the administration of the budget, reporting to the Cabinet Office finance directorate.

Counter fraud profession

The UK Government is considering plans for developing a Profession for those working in Counter Fraud. Counter Fraud covers wider economic crime including fraud, bribery and corruption. This will set skill standards and provide extensive guidance for specialised staff working in counter fraud, and a professional infrastructure in which they will operate. The government has already defined the variety of skill sets needed to effectively manage economic crime under the 'Counter Fraud Framework' and created six sets of skills standards, including for bribery and corruption. These are available online. The Framework includes traditional investigative and intelligence and newer skill sets such as risk assessment and the use of data and data analytics. This will formalise the training that is received for counter fraud specialists across central government and ensure it meets the standards.

Financial Conduct Authority

The Financial Conduct Authority (FCA) was created on 1st April 2013, as part of a new regulatory framework for financial services[1]. It operates independently of the UK government.

The FCA is funded by fees levied on the firms it supervises. Anti-Money Laundering (AML) is a responsibility for all supervisory staff, with over 700 line supervisors supported by a specialist Financial Crime Department (FCD) of 50 supervisors dealing with the highest priority and most complex issues.

An authorisations function plays a vital role in ensuring that firms and individuals that operate in financial services understand their regulatory obligations and meet certain standards, including being honest, capable and competent.

When serious misconduct is suspected, an enforcement function investigates and considers whether the FCA should take appropriate action under the Financial Services & Markets Act 2000[2] (FSMA) or the Money Laundering Regulations[3] (MLRs) in relation to adequate AML systems and controls in firms.

It is also supported by an enforcement function, which considers whether the FCA will take civil action under the Financial Services & Markets Act 2000[2] (FSMA) or the Money Laundering Regulations[3] (MLRs) in relation to adequate AML systems and controls in firms. Enforcement will also consider whether it may be appropriate for the FCA to criminally prosecute firms or individuals under the

MLRs.

In 2016/17, the FCA operating budget was £502.9m. It is not possible to say what amount was spent on Anti-Money Laundering (AML) supervision, as the FCA operates both integrated and dedicated AML supervision strategies.

A Financial Crime Specialist Supervisor is required to have a high level of skills, qualifications and expertise. In addition, supervisors are required to complete a bespoke training programme successfully. This is a two year programme and covers a wide variety of classroom, on the job and e-learning training.

The training includes modules about conduct risk, file reviews and reporting suspicions of money laundering. The majority of Financial Crime Specialist Supervision staff also undertake qualifications, such as the Diplomas in Financial Crime Prevention.

Serious Fraud Office

The SFO is an independent specialist authority which investigates and prosecutes top-level serious or complex fraud, bribery and corruption. It is headed by Director David Green CB QC. SFO is part of the UK criminal justice system with jurisdiction in England, Wales and Northern Ireland.

The SFO was established in 1988 and operates under the superintendence of the Attorney General who represents the SFO's interests in Parliament. It was set up and given its powers under the Criminal Justice Act 1987 following the Roskill report (of the Fraud Trials Committee), published in 1986.

The SFO can investigate any suspected offence within its jurisdiction which appears, on reasonable grounds, to involve serious or complex fraud, bribery or corruption. We take on a small number of large economic crime cases which call for the multi-disciplinary approach and legislative powers available to the SFO. In considering whether to take on an investigation, the Director applies his statement of principle which includes consideration of:

- whether the matter undermines UK commercial / financial plc in general and in the City of London in particular;
- whether the actual or potential loss involved is high;
- whether actual or potential harm is significant;
- whether there is a very significant public interest element and;
- whether there is new species of fraud

The Director therefore has the discretion under his statutory authority to ". . . investigate any suspected offence which appears to him on reasonable grounds to involve serious or complex fraud".

The exercise of his functions (and the independence of his investigation and prosecution decisions) are protected by the Protocol between the Attorney general and the prosecuting departments - see here

<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15197/Protocol_between_the_Attorney_General_and_the_Prosecuting_Departments.pdf>

Other than in a few exceptional cases (described in the protocol), decisions to prosecute or not to prosecute are taken entirely by the Director.

Crown Prosecution Service

The Crown Prosecution Service (CPS) was set up in 1986 under the auspices of the Prosecution of Offences Act 1985. This Act guaranteed a separation of decision making between investigators (mainly the police) and prosecutors for the vast majority of decisions to prosecute. The CPS either:

- * makes the decision whether to charge a suspect in a case (in all the most serious cases and for around 40% of the total caseload); or
- * independently reviews the decision of the investigator to charge before the case reaches the court.

In order to come to a decision on whether to charge or not, or to proceed with the case, all CPS prosecutors use a Code for Crown Prosecutors. This is produced by the Director of Public Prosecutions (DPP - the head of the CPS) and is updated by DPPs as required to reflect changes in society and prosecutorial practice. This sets out a two-stage process: first there must be sufficient evidence for a reasonable prospect of conviction; secondly it must be in the public interest to prosecute. Whilst subject to widespread public consultation, the Code is produced independently of Government and is presented to Parliament by the DPP.

In order to protect against the risk of political interference, the DPP has a different relationship with the responsible Government Minister - the Attorney General (AG)- than other comparable public officials have with their Ministers. Instead of being directly accountable to the AG for the casework decisions made by the CPS, the DPP and the CPS are instead "superintended" by the Attorney General. The DPP is solely responsible for all of the individual case decisions made by the CPS. In order to protect independence of decision making in individual cases, subject to a small number of exemptions, all CPS decisions are taken without the involvement of the AG. Whilst the Attorney reports to Parliament on the overall performance of the CPS, and can enquire about particular cases, the final decision rests with the DPP (with decision making powers delegated by her to individual prosecutors)

[1] <http://services.parliament.uk/bills/2012-13/financialservices.html>

[2] <http://www.legislation.gov.uk/ukpga/2000/8/contents>

[3] MLRs refers to either the Money Laundering Regulations 2007 or the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Civil Service Learning

The Cabinet Office requires every employee to take the **Responsible for Information** course at least once a year. This course contains sections looking at

the impact of fraud, how to spot fraud and report it, as well as how bribery can occur and the consequences.

There are also two finance/commercial courses that cover corruption-related material:

- **10 questions about finance you're too senior to ask.** Two of the main principles of this programme are to help non-financial SCS better interpret numbers, so they would be better equipped/more confident to spot possible issues, and to help them to ask the right questions of their experts and therefore be better able to spot corruption.
- **Commercial Skills for Leaders.** Whilst corruption is not specifically covered, propriety and ethics are. These are an integral part of the decision making and governance around the management of large contracts. Issues like conflict of interest and transparency, when making contract awards, would be covered.

The Home Office implements a number of measures to ensure the integrity of government officials at the Border including:

- rigorous recruitment, vetting and after care checks are carried out on our staff and contractors;
- a three lines of defence assurance model with specific attention to security of information;
- clear operating mandates and standard operating procedures;
- a wide range of engagement and stakeholder networks to educate and to raise awareness about security and integrity;
- regular anti-corruption, anti fraud awareness campaigns;
- risk assessments in relation to new projects and granular advice on high-risk projects;
- a mature risk assessment regime throughout the Home Office,
- robust physical controls;
- effective confidential reporting mechanisms to report wrongdoing or whistle-blowing;
- a mature lessons learned process;
- regular review of the anti-corruption strategy, policy and response plan to ensure that these reflect all necessary measures to maintain integrity.
- the Home Office has an Integrity Risk Steering Group which comprises our major stakeholders and provides strategic direction and oversight on Home Office policy and control measures to mitigate the risks from the insider.

9. Paragraph 3 of article 6

3. Each State Party shall inform the Secretary-General of the United Nations of the name and address of the authority or authorities that may assist other States Parties in developing and implementing specific measures for the prevention of corruption.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1528

1 Has your country provided the information as prescribed above? If so, please also provide the appropriate reference.

Notification submitted to UNODC secretariat via UK Mission on 19 July 2017.

10. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530 Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0** (NO) No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

7. Public sector

11. Paragraph 1 of article 7

1. Each State Party shall, where appropriate and in accordance with the fundamental principles of its legal system, endeavour to adopt, maintain and strengthen systems for the recruitment, hiring, retention, promotion and retirement of civil servants and, where appropriate, other non-elected public officials:

(a) That are based on principles of efficiency, transparency and objective criteria such as merit, equity and aptitude;

(b) That include adequate procedures for the selection and training of individuals for public positions considered especially vulnerable to corruption and the rotation, where appropriate, of such individuals to other positions;

(c) That promote adequate remuneration and equitable pay scales, taking into account the level of economic development of the State Party;

(d) That promote education and training programmes to enable them to meet the requirements for the correct, honourable and proper performance of public functions and that provide them with specialized and appropriate training to enhance their awareness of the risks of corruption inherent in the performance of their functions. Such programmes may make reference to codes or standards of conduct in applicable areas.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

7.1(a)

The **Constitutional Reform and Governance Act 2010** puts the UK civil service on a statutory footing. This legislation includes a section on selections for appointments to the civil service which explicitly states that "a person's selection must be on merit on the basis of fair and open competition." All three elements have to be met for the appointment to be lawful.

This legislation also creates an independent **Civil Service Commission** which regulates recruitment into the civil service. Section 11 requires the Commission to produce "Recruitment Principles", explaining and interpreting the legal requirements.

The Recruitment Principles can be found [here](http://civilservicecommission.independent.gov.uk/wp-content/uploads/2017/01/RECRUITMENT-PRINCIPLES-April-2015-as-of-January-2017.pdf)
<<http://civilservicecommission.independent.gov.uk/wp-content/uploads/2017/01/RECRUITMENT-PRINCIPLES-April-2015-as-of-January-2017.pdf>>

The Principles state that departments are responsible for designing and delivering selection processes which meet the requirements. There is no single "right" process for all appointments; processes can and should vary and be proportionate to the nature of the appointment. The process must enable a panel to decide the relative merit of candidates against the skills and experience required.

The document describes the essential steps which must be followed, the information that must be provided to applicants, the process of assessing candidates and how the final decision is made. There are additional processes for recruiting senior managers (Permanent Secretaries) which are also described.

The Commission can hear complaints from anyone who believes a Government department has breached the requirements of the Recruitment Principles. In the first instance, the matter should be raised with the department concerned. If the person who raises the concern is not satisfied with the department's response, they may bring their complaint to the Commission.

Civil Service Commissioners chair selection panels for all external recruitment competitions for Directors, Director Generals and Permanent Secretary levels. Commissioners also chair internal competitions at SCS pay band 3 and Permanent Secretary level under the terms of the Senior Appointment Protocol, agreed with the Head of the Civil Service.

[<http://www.legislation.gov.uk/ukpga/2010/25/contents>](http://www.legislation.gov.uk/ukpga/2010/25/contents)

[<http://civilservicecommission.independent.gov.uk/>](http://civilservicecommission.independent.gov.uk/)

The Constitutional Reform and Government Act also makes provision for the Civil Service Code. The Code sets out the standards of behaviour expected of all civil servants and the core values of the civil service: integrity, honesty, objectivity and impartiality.

[<https://www.gov.uk/government/publications/civil-service-code/the-civil-service-code>](https://www.gov.uk/government/publications/civil-service-code/the-civil-service-code)

The Civil Service Management Code outlines the terms and conditions for civil servants, including on pay; moving jobs and redeployment; and on leaving the civil service.

<https://www.gov.uk/government/publications/civil-servants-terms-and-conditions>

7.1(b)

For positions where access to 'Secret' or 'Top Secret' information is required, a higher level of security clearance is required. It is for the hiring department to select the appropriate level of security clearance.

There are 3 security levels:

- Counter Terrorist Check (CTC): is carried out if an individual is working in proximity to public figures, or requires unescorted access to certain military, civil, industrial or commercial establishments assessed to be at particular risk from terrorist attack.
- Security Check (SC): determines that a person's character and personal circumstances are such that they can be trusted to work in a position which involves long-term, frequent and uncontrolled access to SECRET assets.

- Developed Vetting: (DV) in addition to SC, this detailed check is appropriate when an individual has long term, frequent and uncontrolled access to 'Top Secret' information. There is also Enhanced DV.

It is the responsibility of individual departments to ensure that their recruitment processes are suitable for the role. The department may include psychometric testing as part of their recruitment process, and plan interview questions around the output of this testing.

7.1(c)

[HM Treasury <https://www.gov.uk/government/organisations/hm-treasury>](https://www.gov.uk/government/organisations/hm-treasury) has overall responsibility for the government's public sector pay policy. This includes defining the overall parameters for civil service pay uplifts each year in the pay guidance, to ensure that civil service pay awards are consistent with the government's overall objectives.

[Cabinet Office <https://www.gov.uk/government/organisations/cabinet-office>](https://www.gov.uk/government/organisations/cabinet-office) has responsibility for civil service management. It works with departments and agencies on workforce and reward strategies to encourage greater consideration of workforce needs and properly tailored reward policies.

Departments have responsibility for implementing civil service pay policy for their workforce in a way that is consistent with the civil service pay guidance but also reflects the needs of their business and their labour market position. All pay remits must be approved by a Secretary of State or responsible minister, and each department, through its accounting officer, is responsible for the propriety of the pay award to staff

All departments and their sponsored bodies, are expected to implement the policy announced in the 2013 budget that public sector pay awards will be limited to an average of up to 1%.

In the 2013 Spending Round the government also announced that Departments will be putting in place plans to end automatic time-served progression pay in the civil service.

7.1(d)

The UK Civil Service has introduced an Internal Fraud Policy and Hub. This covers economic crime in its widest sense (fraud, bribery and corruption). Under the policy all investigations into potential fraud must be completed, regardless of whether the subject resigns. Any investigations that are closed must be signed off by the most senior official in the department (the Permanent Secretary) and reported centrally.

All civil servants who are investigated for fraud and subsequently dismissed are placed on the Internal Fraud Hub. All recruitment into organisations using the hub are then checked against this hub. Anyone who is placed on the hub is banned from working in the public sector for a period of 5 years. The policy and hub are

in place across 81% of the Civil Service.

See also Counter Fraud Profession in response to Article 6.2.

Devolved Administrations

Scotland

a) Public Appointments

The Commissioner for Ethical Standards in Public Life in Scotland regulates appointments to the boards of many of Scotland's public bodies. The appointment process is run by civil servants on behalf of the Scottish Government. The responsibility for making appointments fairly, openly and based on merit lies with the Scottish Government.

The Commissioner is wholly independent of the Scottish Parliament and the Scottish Government. He regulates appointments in three main ways:

- he produces a Code of Practice for Ministerial Appointments to Public Bodies in Scotland. The Scottish Government has to follow the Code when making regulated appointments.
- he oversees a selection of appointment processes by assigning a Public Appointments Adviser
- he conducts audits and thematic reviews

The principle of appointing on merit, as set out in the Commissioner's Code of Practice, requires that where one candidate best meets the selection criteria as set out in the person specification then only that candidate is recommended to Scottish Ministers for appointment, ensuring the integrity and transparency of the process.

Scottish Government has developed a Core Skills Framework that helps selection panels to clearly define what is sought on a body's board at a given point in time. It facilitates the production of a person specification which contains clear and unambiguous criteria for selection and a set of transparent descriptors that articulate what evidence that meets the criteria will look like.

All vacancies are advertised openly on the dedicated Scottish Government public appointments website Appointed for Scotland.

The Scottish Government has well-established resourcing policies and procedures in place to help ensure that we meet organisational needs whilst complying with relevant employment legislation and the Civil Service Commission's Recruitment Principles. We encourage our managers to participate actively in the process and operate the policy in a fair and open manner.

The resourcing policy applies to recruitment and resourcing in the Scottish Government and its agencies and associated departments for all grades below Senior Civil Service which is reserved to UKG. An appeals process is in place where circumstances may have affected a candidate's ability to complete the application or undertake assessment or interview. For external candidates we have a robust, effective complaints handling procedure and candidates also have recourse to the Civil Service Commission. Our selection processes are fair, open and transparent, consistent, relevant and competency-based. All our successful

candidates have to meet the baseline personnel security standard.

We base our selection decisions on the merit of the candidate and their ability to do the job - nothing else. These key principles apply equally to our internal recruitment and promotion as well as recruitment from the external market. Our policies and processes are regularly reviewed in order to improve efficiencies for the business and/or to comply with legislative change.

b) Training

The UK Government vetting policy applies to Scottish Government.

There is a bespoke online course on Fraud available for all staff. In addition, all staff must complete an online course on managing information on an annual basis. Topics covered by this course include how to protect information in the workplace, on the move, and online; how to spot fraud, how to report it and its impact; how bribery can occur and the consequences. Online guidance for staff is also available. This promotes our Counter Fraud Strategy, Policy and Response Plan -backed up by the questions in the annual Certificates of Assurance checklist questions on fraud. These questions are put to all Deputy Directors as part of the annual assurance process, summarised here under the requirements section. These expectations are set out in our scheme of delegation, issued to all budget holders every year and contains several references to fraud.

In broader terms, across the public sector in Scotland, we have agreed an overarching counter fraud strategy, this has agreed objectives and approach.

c) remuneration

- Governance arrangements around pay are set out in Scottish Ministers' Public Sector Pay Policy. Pay ranges for each body are published on their vacancy websites.
- Guidance on Pay Policy is available on the SG website: www.gov.scot/publicsectorpay.
- This covers staff, Chief Executives and public appointments. The Pay Policy is set annual by Scottish Ministers and supported by Technical Guides.
- To ensure consistency and fairness, there are Frameworks for pay and daily fees within which staff, Chief Executives and public appointments should conform.
- There is also guidance on other pay and non-pay benefits
- Chief Executive and staff pay is underwritten by objective job evaluations. Pay proposals for staff, Chief Executives and public appointments are generally considered by a group under delegated authority from Scottish Ministers (the Remuneration Group), which is chaired by an external Non-Executive Director and has external observers: <http://www.gov.scot/Topics/Government/public-sector-pay/RemunerationGroup>. The Remuneration Group would also consider pay and grading reviews for staff of organisations and reviews of pay for Chief Executives and public appointments.
- The Senior Civil Service is reserved to the UK Government. To ensure transparency:
 - In addition to annual accounts (where relevant), names and salary

details of senior personal (including civil servants) are accessible via the following page on the SG website:

<http://www.gov.scot/Topics/Government/public-sector-pay/disclosure-of-salaries>

- Pay data for other staff in public bodies is also made available on the SG website: <http://www.gov.scot/Topics/Government/public-sector-pay/additionalinfo>
- Links to information regarding pay in other Scottish public bodies / sectors are also available from the SG website: <http://www.gov.scot/Topics/Government/public-sector-pay/bodies-not-covered>
- Links to other information, such as Equality Impact Assessments and the Acceptance and remuneration of Non-Executive Directorships is also available from: <http://www.gov.scot/Topics/Government/public-sector-pay/additionalinfo>
Staff of the majority of public bodies subject to Ministerial control are subject to the Scottish Public Finance Manual (SPFM): <http://www.gov.scot/Topics/Government/Finance/spfm/Intro>

d) Programmes

We have developed a Scottish Government board member induction workshop. We offer this three times a year, gathering together all new appointees for a day to hear from a Minister, senior civil servant, the Commissioner for Ethical Standards in Public Life in Scotland and Audit Scotland. This complements induction offered by individual boards. The dates of recent and forthcoming workshops are offered online: <http://www.gov.scot/Topics/Government/public-bodies/NewBoardMemberSupport>

HR - As Article 7(b).

Northern Ireland

a) Public Appointments

The Northern Ireland Civil Service (NICS) has an obligation and is committed to avoiding unlawful direct and indirect discrimination in its recruitment/promotion and selection procedures. Therefore, the selection procedures that are in place in the NICS comply with the legislative framework, the guidelines set out in the published codes of practice and the NICS Equality diversity and inclusion policy statement. In addition the NI Civil Service Commissioners are appointed to uphold and maintain the principle that recruitment to the NICS should be on the basis of merit through fair and open competition.

Other NI public sector bodies are required to comply with the NI Public Bodies Guide. This guidance advises that all staff are recruited/selected on merit under fair and open competition and that the HR policies/procedures/systems supporting these selection procedures are in line with relevant employment legislation and best practice.

b) Training

The selection of staff either by direct recruitment or internal promotion is based on the "Civil Service Commissioners Recruitment Code". Additionally the appointment of public appointments to public sector boards is carried out in line with the "Commissioner for Public Appointments Code of Practice".

The identification of training needs and the appropriate rotation of staff is a matter for consideration by the relevant Department and public bodies. Anti-fraud policy guidance highlights the need for consideration to be given to these issues.

c) Remuneration

All Public Bodies in Northern Ireland are required to adhere to NI Executive Pay Policy, which is consistent with HM Treasury Pay Policy. Public Bodies are required to submit a business case to their parent departments showing clearly the pay proposals for each pay round.

Departments must also take account of the Executive's approach to public sector pay when considering the establishment of new public bodies, when negotiating salaries or contracts of employment for new staff in existing public bodies or when re-negotiating salaries or contracts of employment for existing staff in public bodies. In advance of approving posts the Department of Finance will expect to be provided with benchmarking evidence that the level of remuneration being proposed is reasonable within the context of public and private sector comparators in Northern Ireland, and where necessary and appropriate, in comparison with similar posts in GB/RoI. The NI Executive is committed to ensuring that pay systems in the public sector are fair, non-discriminatory, reflecting the contribution of the individual, and complying with all relevant legislation.

The overall remit for the pay of the Northern Ireland Civil Service is determined by the Finance Minister in line with public sector pay policy. The Department of Finance then enters into negotiations on an annual pay settlement with the trade unions taking into account the terms and conditions set out within the NICS HR Handbook.

An annual Equal pay review is also undertaken by the Department of Finance to help inform the process.

d) Programmes

Northern Ireland Civil Service Centre for Applied learning (CAL) offer and provide Leadership and Management Programmes for all civil servants which include the Senior Civil Servants (SCS) cadre of staff. These programmes contain information and guidance on the Northern Ireland Civil Service Code of ethics and Standards of Conduct. Individual Departments also provide specific training, including induction training for all new staff which supports their individual business needs.

Additionally other NI public sector bodies are required have in place appropriate HR systems; terms and conditions of employment; Codes of Conduct for staff; disciplinary and performance management systems. Staff induction and ongoing training ensures that staff are aware of the standards of conduct they are

expected to comply with, while anti-fraud policies and response plans highlight the roles and responsibilities of staff and management to prevent and detect fraud/corruption.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

The Internal Fraud Policy and Hub have been implemented across 81% of the Civil Service. Documents, including minutes of the board that oversee it will be made available for review online.

Devolved Administrations

Scotland

- a) Appointments are advertised openly:

In 2016 there were 40 regulated appointment rounds for public bodies in Scotland - 12 for chair (or equivalent) positions and 28 for board members (general and specialist).

A total of 99 new appointments to public bodies were made - 11 to chair positions and 88 board members.

There were 1,790 applications in total for the regulated public appointment rounds in 2016. Of the applications, 129 were for chair positions and 1,661 were for board members.

Scottish Government publishes the analysis of the diversity of the applicant pool annually: <http://www.appointed-for-scotland.org/about-public-bodies/diversity/>

The Commissioner publishes his findings in an annual report which is laid before parliament every September:
<http://www.ethicalstandards.org.uk/site/uploads/publications/4bbac3ff88405f5958a87bb1b6485990.pdf>

- d) The session at board member induction events delivered by the Commissioner requires attendees to consider case studies with reference to the Code of Conduct for their board. Each public body included in the ethical standards framework must submit a Code of Conduct for its members to the Scottish Ministers for approval. In order for the Scottish Ministers to approve the Code of Conduct for that body, the Code of Conduct for that public body must have regard to the Model Code of Conduct. Some variations to the Model can be reviewed and approved by Scottish Ministers, however, these must be kept as minimal as possible and have some particular relevance to the work or nature of the body itself to warrant inclusion.

The Codes of Conduct are based on 9 key principles (which are also contained within the Codes). The key principles, which are the same for both Councillors and

Members of Devolved Public Bodies, are:

1. Duty
2. Selflessness
3. Integrity
4. Objectivity
5. Accountability & Stewardship
6. Openness
7. Honesty
8. Leadership
9. Respect

12. Paragraph 2 of article 7

2. Each State Party shall also consider adopting appropriate legislative and administrative measures, consistent with the objectives of this Convention and in accordance with the fundamental principles of its domestic law, to prescribe criteria concerning candidature for and election to public office.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Candidates at a UK Parliamentary Election must be at least 18 years old and either a British citizen, a citizen of the Republic of Ireland or an eligible Commonwealth citizen. **Currently a**At local elections, candidates can also be a citizen of any member state of the European Union, and additional rules apply requiring a link to the local authority in which an individual is standing.

Certain post-holders are disqualified from becoming a Member of Parliament including, for example, civil servants, members of police forces and armed forces, and judges. This is set out in the<<http://www.legislation.gov.uk/ukpga/1975/24/section/1>> [House of Commons Disqualification Act 1975](http://www.legislation.gov.uk/ukpga/1975/24/section/1) <<http://www.legislation.gov.uk/ukpga/1975/24/section/1>> (as amended).

The<<http://www.legislation.gov.uk/ukpga/1983/2>> [Representation of the People Act 1983](http://www.legislation.gov.uk/ukpga/1983/2) <<http://www.legislation.gov.uk/ukpga/1983/2>> disqualifies individuals from holding elected office if they have been convicted of a corrupt or illegal electoral practice or an offence relating to donations. Disqualification can last for three or five years and practices covered include providing information known to be false in nomination papers and violation of rules on elections expenses. There are also rules disqualifying individuals subject to certain bankruptcy orders from standing as candidates.

The<<http://www.legislation.gov.uk/ukpga/1981/34/contents>> [Representation of the People Act 1981](http://www.legislation.gov.uk/ukpga/1981/34/contents) <<http://www.legislation.gov.uk/ukpga/1981/34/contents>> disqualifies individuals who are serving a custodial sentence of more than one year from becoming a Member of Parliament, whilst they are detained.

At local elections, a person is disqualified from standing if they have, within the previous five years, been convicted of an offence and sentenced to imprisonment of three months or more. For Police and Crime Commissioners, candidates are disqualified if they have ever been convicted of an imprisonable offence.

Devolved Administrations

Wales

With respect to elected public office, the following legislation is applicable:

- The [Government of Wales Act 2006](#) [\(<https://www.legislation.gov.uk/ukpga/2006/32/contents>](https://www.legislation.gov.uk/ukpga/2006/32/contents), combined with Assembly standing orders, regulates the election of Assembly Members (AMs) to sit in the National Assembly for Wales.
- Local Government in Wales is covered by -
 - [Local Government \(Wales\) Measure 2011](#) [\(<https://www.legislation.gov.uk/mwa/2011/4/contents>](https://www.legislation.gov.uk/mwa/2011/4/contents) (relating to the Independent Remuneration Panel for Wales and the survey of councillors and unsuccessful candidates)
 - [Local Government \(Democracy\) \(Wales\) Act 2013](#) [\(<http://www.legislation.gov.uk/anaw/2013/4/contents/enacted>](http://www.legislation.gov.uk/anaw/2013/4/contents/enacted) (relating to electoral reviews).

However, election to public office is not a matter which is currently devolved to Wales: elections to the National Assembly for Wales and local government in Wales are both subject to and covered by UK electoral law, as set out above.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

The system operates by requiring candidates to declare that they meet the criteria on their nomination papers and the fact that it is an offence to make a false declaration.

There have been examples at a local level of individuals having to stand down from posts they were elected to after details emerged that disqualified them. The Electoral Commission publishes [\(<https://www.electoralcommission.org.uk/find-information-by-subject/electoral-fraud/data-and-analysis>](https://www.electoralcommission.org.uk/find-information-by-subject/electoral-fraud/data-and-analysis) [analysis of alleged reports of electoral malpractice](#) [\(<https://www.electoralcommission.org.uk/find-information-by-subject/electoral-fraud/data-and-analysis>](https://www.electoralcommission.org.uk/find-information-by-subject/electoral-fraud/data-and-analysis), which contains full details of individual cases and any police action taken.

In August 2016, the then Anti Corruption Champion, Sir Eric Pickles, undertook an independent review on electoral fraud. His [final report](#) [\(<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/545416/eric_pickles_report_electoral_fraud.pdf>](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/545416/eric_pickles_report_electoral_fraud.pdf) includes recommendations about how the government can prevent such crimes in the UK. The [Government published its response](#) [\(<https://www.gov.uk/government/publications/a-democracy-that-works-for-everyone-a-clear-and-secure-democracy>](https://www.gov.uk/government/publications/a-democracy-that-works-for-everyone-a-clear-and-secure-democracy) to this in December 2016.

13. Paragraph 3 of article 7

3. Each State Party shall also consider taking appropriate legislative and administrative measures, consistent with the objectives of this Convention and in accordance with the fundamental principles of its domestic law, to enhance transparency in the funding of candidatures for elected public office and, where applicable, the funding of political parties.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The Political Parties, Elections and Referendums Act 2000 (PPERA) sets rules about donations to political parties. PPERA also established the Electoral Commission, an independent body whose responsibilities include acting as the regulator of political party finances.

PPERA provides the legal definition of a donation (briefly, a gift or service over £500). Donations to political parties can only be accepted from a 'permissible donor' and parties are required to verify the source of any donations. It is an offence to accept a donation from an impermissible source and the Electoral Commission can apply to order its forfeiture.

Donations to a political party over £7,500 (or over £1,500 to a particular accounting unit) must be reported to the Electoral Commission. These are published on a quarterly basis. In the period immediately before a General Election political parties must submit weekly reports of donations.

Public funding is available for political parties through Policy Development Grants (funding to support the formulation of policies for manifestos), Short Money (funding to support opposition parties in their parliamentary work) and Cranborne Money (funding for opposition parties in the House of Lords). Details of these schemes are made public.

Donations to candidates are governed by the Representation of the People Act 1983. This defines a donation to a candidate as a gift or service, worth over £50, for the purpose of meeting election expenses incurred by or on behalf of the candidate. Donations may only be accepted from permissible sources and must be reported to the returning officer following the election.

1525

1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The Electoral Commission publishes the details of donations to political parties on a quarterly basis or, in the run up to a General Election, on a weekly basis. The most recent figures ahead of the 2017 General Election can be found [here](https://www.electoralcommission.org.uk/i-am-a/journalist/electoral-commission-) [<https://www.electoralcommission.org.uk/i-am-a/journalist/electoral-commission-](https://www.electoralcommission.org.uk/i-am-a/journalist/electoral-commission-)

[media-centre/news-releases-donations/general-election-sixth-and-final-weekly-set-of-donations-and-loans-to-political-parties-published>.](#)

A full database, containing records of private donations and public funding, can be found on the Electoral Commission's website.

Papers detailing the forms of public funding for political parties can be found on the Houses of Parliament and Electoral Commission websites, including briefing papers on Short Money, Cranborne Money and Policy Development Grants.

14. Paragraph 4 of article 7

4. Each State Party shall, in accordance with the fundamental principles of its domestic law, endeavour to adopt, maintain and strengthen systems that promote transparency and prevent conflicts of interest.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

As stated above the UK is committed to being the most transparent government in the world.

1. In implementing the **Open Government Partnership's** third National Action Plan, departments are required to regularly release key open data sets to ensure transparency for the public. These include: details of gifts to Ministers and senior officials; names, grades, job titles and annual pay rates for senior officials; and government spending over £25,000; details of Ministerial and special advisers' meetings, overseas travel and hospitality given and received.

2. [The Civil Service Management Code](https://www.gov.uk/government/publications/civil-servants-terms-and-conditions) <<https://www.gov.uk/government/publications/civil-servants-terms-and-conditions>> sets out the high level terms and condition for civil servants, including declaring private interests. The Code states that civil servants must not misuse their official position or information acquired in the course of their official duties to further their private interests or those of others. Where a conflict of interest arises, civil servants must declare their interest to senior management so that senior management can determine how best to proceed. Civil servants must declare to their Department or agency any business interests or shareholdings which they or their immediate family hold which they would be able to further as a result of their official position and comply with any subsequent instructions from their department or agency regarding the retention, disposal or management of such interests. <https://www.gov.uk/government/publications/civil-servants-terms-and-conditions>

3. Under the terms of the Ministerial Code, Government Ministers must ensure that no conflict arises or could reasonably be perceived to arise between their public duties, financial or otherwise. On appointment they provide a list of interests to their Departmental Permanent Secretaries. This is reviewed by the Permanent Secretary, the Propriety and Ethics team in the Cabinet Office and by the Independent Adviser on Ministers' Interests who will provide advice on handling as appropriate. A public statement covering Ministers' interests is published twice yearly.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/579752/ministerial_code_december_2016.pdf

4. The Freedom of information Act (FOIA) provides public access to information held by public authorities, see also response to Article 10 (a), below.

5. The Office of the Registrar of Consultant Lobbyists was set up following the [Transparency of Lobbying, Non-Party Campaigning and Trade Union Administration Act 2014](#) http://www.legislation.gov.uk/ukpga/2014/4/pdfs/ukpga_20140004_en.pdf, in order to create and administer the statutory Register of Consultant Lobbyists. The Government's intention behind the introduction of the Register was to enhance the transparency of those seeking to lobby Ministers and Permanent Secretaries on behalf of a third party.

Devolved Administrations

Scotland

All applicants for a public appointment are asked the following question as part of their application form, and conflicts of interest are further explored at interview as part of the fit and proper person test: Are you aware of anything that might call into question your ability to demonstrate integrity or probity or of any possible conflict of interest which might arise either personally, in relation to your employment or in relation to your connections with any individuals or organisations should you be appointed?

Guidance around effective governance is set out for staff. All Civil Servants are subject to the Civil Service Code. Additional guidance is provided to Scottish Government staff in relation to Standards of Propriety and guidance on when to register interests.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

A public statement of Ministers' Interests is published twice yearly.

<https://www.gov.uk/government/publications/list-of-ministers-interests>

The Government publishes details of Ministers and Special Advisers' gifts, hospitality, overseas travel and meetings.

<https://www.gov.uk/government/collections/ministers-transparency-publications>

Devolved Administrations

Scotland

Judgement from the Standards Commission for Scotland on a board member's failure to declare an interest:

http://www.standardscommissionscotland.org.uk/uploads/files/1460542409160412FINALSCS_Press_release.pdf

15. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530 Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0** (NO) No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

8. Codes of conduct for public officials

16. Paragraph 1 of article 8

1. In order to fight corruption, each State Party shall promote, inter alia, integrity, honesty and responsibility among its public officials, in accordance with the fundamental principles of its legal system.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The Constitutional Reform and Government Act 2010 makes provision for a Civil Service Code. The Code sets out the standards of behaviour expected of all civil servants and the core values of the civil service: integrity, honesty, objectivity and impartiality.

<http://www.legislation.gov.uk/ukpga/2010/25/contents>

<https://www.gov.uk/government/publications/civil-service-code/the-civil-service-code>

The Civil Service Management Code, which outlines the terms and conditions for civil servants, includes a more detailed section on conduct and standards of behaviour.

<https://www.gov.uk/government/publications/civil-servants-terms-and-conditions>

The legislation also provides for a Code of Conduct for Special Advisers.

<https://www.gov.uk/government/publications/special-advisers-code-of-conduct>

The Cabinet Office has a central Propriety and Ethics team, staffed by civil servants, whose primary role and function is to update and maintain Codes of Conduct for Government Ministers, Special Advisers and Civil Servants and to provide advice on how they are applied. The Permanent Secretary in each Government Department is responsible for ensuring adherence to these standards within their own Departments. The Propriety and Ethics team oversees regular transparency publications relating to Government Ministers and special advisers, including for Ministers: gifts and hospitality received, overseas travel, meetings with external organisations, and senior media figures. For special advisers: gifts and hospitality received and meetings with senior media figures.

In addition, the Seven [Principles of Public Life](#)

<https://www.gov.uk/government/organisations/the-committee-on-standards-in-public-life> apply to anyone who works as a public office-holder (see 6.2, above). This includes people who are elected or appointed to public office, nationally and locally, and all people appointed to work in:

- the civil service
- local government
- the police
- the courts and probation services
- non-departmental public bodies
- health, education, social and care services

The principles also apply to all those in other sectors that deliver public services.

Devolved Administrations

Scotland

Civil Servants are subject to the Civil Service Code. Codes of conduct also exist for local authority councillors; members of devolved public bodies. Each public body included in the ethical standards framework must submit a Code of Conduct for its members to the Scottish Ministers for approval. In order for the Scottish Ministers to approve the Code of Conduct for that body, the Code of Conduct for that public body must have regard to the Model Code of Conduct. Some variations to the Model can be reviewed and approved by Scottish Ministers, however, these must be kept as minimal as possible and have some particular relevance to the work or nature of the body itself to warrant inclusion. A supplementary Guidance Note to Devolved Public Bodies and their members has been published by the Standards Commission and is available to provide help in interpreting the Code.

Northern Ireland

The Northern Ireland Civil Service (NICS) Standard of Conduct Policy provides the principles and rules covering all NICS staff and includes the following:

- **Code of Ethics** - The values and standards of behaviour expected from NICS staff are set out in this code
- **Public Interest Disclosure (Whistleblowing)** - Staff have the right to make a disclosure of information in the public interest.
- **Membership of organisations (Non-political)**-Staff may be involved in work or activities, subject to certain conditions contained in this section, that are not connected to their role in the NICS.
- **Rules on acceptance of outside business appointments, employment or self-employment civil servants after leaving the service** - Under these rules staff may have to get permission in order to take up another appointment up to 2 years after they leave the service.
- **The acceptance of gifts, hospitality and rewards** - There is NI-specific guidance on the acceptance and offering of gifts and hospitality which must be complied with by all public sector organisations. This

guidance advises staff that they must not do anything that may give the impression that they have been or may have been influenced by a gift or consideration to show bias either for or against any person or organisation while carrying out their official duties.

In addition individual Departments within the NICS have created more detailed guidance and procedures which deals specifically with their individual business needs.

NI Public Bodies Guide - Those staff employed in other NI public sector bodies are required to comply with the NI Public Bodies Guide.

- This guidance advises that all bodies must put in place appropriate HR systems; terms and conditions of employment; Codes of Conduct for staff; disciplinary and performance management systems. HR policies and procedures must be in line with relevant employment legislation and best practice.
- All organisations are required to have in place appropriate anti-fraud policies and response plans. These set out the responsibilities of staff and management for preventing and detecting fraudulent activity including bribery and corruption.
- The codes of conduct of public bodies set out the need for staff to declare/register private and personal interests.

Code of Conduct for Board Members of Public Bodies - In addition public appointees of public body boards are required to comply with https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/409604/code-of-conduct_tcm6-38901.pdf the Code of Conduct for Board Members of Public Bodies.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/409604/code-of-conduct_tcm6-38901.pdf This covers the declaration and management of private/personal interests. All newly appointed public body Board members are required to attend appropriate training within 6 months of their appointment.

Wales

The following Codes exist to cover matters of conflicts of interest and receipt and giving of gifts or benefits:

- [Ministerial Code \(July 2017\) - for Welsh Ministers, issued by the First Minister of Wales. <http://gov.wales/docs/dfm/publications/160602-ministerial-code-en.pdf>](http://gov.wales/docs/dfm/publications/160602-ministerial-code-en.pdf)
- Internal codes of conduct and policies and procedures of individual public bodies concerning the reporting of conflicts of interest or gifts and hospitality, under the principles of the UK Civil Service Code, public service principles and UK Nolan Principles.

However, corrupt practices are offences under UK legislation as law and order are not devolved to Wales.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The annual release of Civil Service Statistics the Office for National Statistics publishes a range of detailed pay information, including: numbers of staff by responsibility level and gender, median and mean salaries by gender, gender pay gap data, the number of staff earning over £100,000 and other pay information. The latest release is available at:

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/publicsectorpersonnel/datasets/civilservicestatistics>

As noted above and at Article 7 a public statement of Ministers' Interests is published twice yearly.

[<https://www.gov.uk/government/publications/list-of-ministers-interests>](https://www.gov.uk/government/publications/list-of-ministers-interests)

In addition, since 2010 the Government has published an annual list of individuals in departments, agencies and Non-departmental Public Bodies earning £150,000 and above. Departments also publish organograms every six months that include individualised salary information for their most senior staff.

Devolved Administrations

Northern Ireland

NICS Code of Conduct - <http://www.nicscommissioners.org/wp-content/uploads/2011/06/CodeofEthics11.pdf>

17. Paragraph 2 and 3 of article 8

2. In particular, each State Party shall endeavour to apply, within its own institutional and legal systems, codes or standards of conduct for the correct, honourable and proper performance of public functions.
3. For the purposes of implementing the provisions of this article, each State Party shall, where appropriate and in accordance with the fundamental principles of its legal system, take note of the relevant initiatives of regional, interregional and multilateral organizations, such as the International Code of Conduct for Public Officials contained in the annex to General Assembly resolution 51/59 of 12 December 1996.

1521 Is your country in compliance with these provisions?

0 (Y) Yes

1523

- 1** Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with these provisions of the Convention.

The Constitutional Reform and Government Act 2010 makes provision for a Civil Service Code. The Code sets out the standards of behaviour expected of all civil servants and the core values of the civil service: integrity, honesty, objectivity and impartiality.

<http://www.legislation.gov.uk/ukpga/2010/25/contents>

<<https://www.gov.uk/government/publications/civil-service-code/the-civil-service-code>>

The Civil Service Management Code, which outlines the terms and conditions for civil servants, includes a more detailed section on conduct and standards of behaviour.

<<https://www.gov.uk/government/publications/civil-servants-terms-and-conditions>>

The legislation also provides for a Code of Conduct for Special Advisers.

<<https://www.gov.uk/government/publications/special-advisers-code-of-conduct>>

There is also a Ministerial Code which sets out the principles and standards of conduct that apply to all Government Ministers.

<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/579752/ministerial_code_december_2016.pdf>

These Codes are in line with the principles outlined in the International Code of Conduct for Public Officials in the annex to General Assembly resolution 51/19 and the Standards of Conduct for the International Civil Service (General Assembly Resolution 56/244).

The Cabinet Office has a central Propriety and Ethics team whose primary role

and function is to update and maintain Codes of Conduct for Government Ministers, Special Advisers and Civil Servants and to provide advice on how they are applied.

The Permanent Secretary in each Government Department is responsible for ensuring adherence to these standards within their own Departments, seeking advice from the Propriety and Ethics team as necessary. Government Departments translate the principles set out in these Codes into their own policies and procedures.

Devolved Administrations

Scotland

(See response for 7.1 and 8.1)

Northern Ireland

See 8.1 above

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

UK - See 2., above

Devolved Administrations

Scotland

Example Code of Conduct: Scottish Fire and Rescue Service:

http://www.firescotland.gov.uk/media/426941/sfrs_corporate_governance_members_code_of_conduct.pdf

Example Code of Conduct: Creative Scotland

http://www.creativescotland.com/__data/assets/pdf_file/0018/25236/Creative-Scotland-Code-of-Conduct-for-Board-Members-May-2015.pdf

18. Paragraph 4 of article 8

4. Each State Party shall also consider, in accordance with the fundamental principles of its domestic law, establishing measures and systems to facilitate the reporting by public officials of acts of corruption to appropriate authorities, when such acts come to their notice in the performance of their functions.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

All Civil Service departments across the UK have a 'whistleblowing' policy and procedure in place. Whistleblowing is defined as the process by which an individual raises a concern about a perceived past, current or future wrongdoing in an organisation or body of people. In the Civil Service this includes breaches of the Civil Service Code, i.e. honesty, integrity, objectivity and impartiality, and the standards of behaviour expected by all civil servants.

Although the whistleblowing guidance does not explicitly state that acts of corruption are included in the definition of 'perceived wrongdoing', the process can and would be used for those purposes, where required. Information specifically relating to Civil Service departmental processes in relation to anti corruption is not held centrally. However, some organisations will have specific procedures in place dependant on nature of their business.

The whistleblowing procedures ensure that employees are afforded protection as detailed in the [Public Interest Disclosure Act 1998 \(PIDA\)](http://www.legislation.gov.uk/ukpga/1998/23/contents) [<http://www.legislation.gov.uk/ukpga/1998/23/contents>](http://www.legislation.gov.uk/ukpga/1998/23/contents). PIDA was enacted in recognition that the public interest is served by having wrongdoing brought to light and that those who raise concerns in a responsible way should be protected from negative treatment.

Departments have a number of different channels to allow civil servants to 'blow the whistle' or report a concern. These include:

- Raising the concern direct with their line manager
- Dedicated confidential hotlines/email boxes
- Raising a concern with a 'Nominated Officer'
- Contacting the Civil Service Commission directly

Outside of the Civil Service, [The Prescribed Persons Order 2014](http://www.legislation.gov.uk/uksi/2014/2418/made) [<http://www.legislation.gov.uk/uksi/2014/2418/made>](http://www.legislation.gov.uk/uksi/2014/2418/made) sets out a list of over 60 organisations and individuals that a worker may approach outside their workplace to report suspected or known wrongdoing. The organisations and individuals on the list have usually been designated as prescribed persons because they have an authoritative or oversight relationship with their sector, often as a regulatory

body. By reporting to a prescribed person a worker will qualify for protection from detriment or dismissal from work if the individual reasonably believes that the information disclosed is substantially true and that the matter falls within the remit of the prescribed person's responsibility.

The Counter Fraud Centre of Expertise within the Cabinet Office at the centre of the UK government has introduced a set of Functional Standards, which detail the minimum that public bodies should have in place to fight fraud and economic crime. Included in these functional standards are a requirement for all organisations to have in place a process for both internal and external sources to report allegations of fraud. In addition all organisations have whistleblowing arrangements.

Devolved Administrations

Scotland

Guidance <<http://saltire/my-workplace/conduct-and-discipline/standards-of-conduct/Pages/whistleblowing0128-778.aspx>> is available to staff on the Public Interest Disclosure Act 1998 which covers the UK.

Police Scotland have undertaken an assessment of vulnerabilities within public sector organisations which has been born out of previous case studies and intelligence. Thereafter vulnerable departments and risky business areas are mapped. Areas involved in money transfer and sensitive information are usually targeted. Vulnerabilities include poor policies, lack of training, non-segregation of duties, lone workers, access to multiple computer systems, power to authorise release of funds, specialist knowledge employees, out of hour's employees, poor building security measures and access to sensitive information. The highest risky business areas for public sector corruption include procurement, ICT, licensing, estates management, building maintenance, HR, development planning, residential care, roads maintenance and waste disposal.

Police Scotland runs a public sector investigators course which invites public sector delegates to attend a 3 day training course. Delegates are generally involved in screening roles such as fraud investigation, internal audit, finance, procurement, service heads, HR and legal. The course covers money laundering, information sharing and security, bribery, investigative tactics, insider threat, assessing vulnerabilities, service integrity, research of open source, internet and email, vetting, procurement and provides case studies to highlight corruption risks. The course concludes with a hypothetical corruption scenario which prompts syndicate groups to respond effectively using the knowledge gained from the course through the formation of an integrity group.

Deter measures include having an overarching anti-corruption policy that includes risk management, employee screening, secondary employment, conflicts of interest, gifts, gratuities, hospitality and sponsorship, bribery, fraud, cybercrime, information security and whistleblowing. Elements of the course are proposed to

be delivered at local authority conferences with their own internal inputs to accompany policing prevention messages. Police and public sector organisations have information sharing protocols that combat serious organised crime in procurement, landlord registration and licensing. A procurement fraud checklist has been developed to target harden public sector organisations by prompting internal checks for red flags that would require further scrutiny.

The approach adopted in Scotland in relation to corruption in Local Authorities, particularly with regard to procurement, is now advocated by the Home Office for the rest of the UK as outlined in Organised Crime Procurement Pilots, Final Report in December 2016. This incorporates use of a Serious Organised Crime (SOC) checklist for Local Authority senior management which provides a high level overview of the serious and organised crime risks. A balanced assessment of their exposure to the risks and development of an improvement plan for managing that risk, as well as capturing areas of good practice. In addition a Local Authority SOC internal audit framework is a methodology that allows Local Authority Internal Audit teams to scrutinise business operations to establish where there may be vulnerabilities to serious and organised crime. This is to be used in conjunction with 'products' such as the Declaration of Non-Involvement in Organised Crime in procurement processes, as well as the Business Exploitation Document, which highlights to procurement managers the top risk sectors (normally cash rich businesses) for enhanced checks to be carried out.

In addition to the below checklist produced for the private sector by the Scottish Business Resilience Centre, checklists have also been developed by Safer Communities for the 3rd sector and broader public sector. This is complemented by the recently development of the Public Sector Corruption Prevention course ran by Safer Communities and proposed setting up of a forum for practitioners, raising awareness of trends and threats, providing relevant case studies and tactics to increase resilience.

Northern Ireland

All public sector bodies in NI are required to have in place whistleblowing arrangements through which staff can raise such concerns.

Staff Northern Ireland Civil Service have the right to make a disclosure of information (Whistleblowing) in the public interest (the detailed provisions are contained in the [Public Interest Disclosure \(NI\) Order 1998](http://www.legislation.gov.uk/nisi/1998/1763/contents/made) <<http://www.legislation.gov.uk/nisi/1998/1763/contents/made>>). The Public Interest Disclosure (Whistleblowing) policy and procedures encourages staff to raise their concerns. Whilst individual Departments have their own reporting arranging the policy does include five named nominated officers that staff can approach.

Those staff employed in other NI public sector bodies are required to comply with the [NI Public Bodies Guide](https://www.finance-ni.gov.uk/publications/public-bodies-guidance-including-board-guide-and-public-bodies-guides) <<https://www.finance-ni.gov.uk/publications/public-bodies-guidance-including-board-guide-and-public-bodies-guides>>. All organisations are required to have in place appropriate anti-fraud policies and

response plans. These set out the responsibilities of staff and management for preventing and detecting fraudulent activity including bribery and corruption.

Additionally departments and public bodies are required to have in place anti-fraud policies and response plans. These policies set out the responsibilities of staff to prevent, detect and report fraud including bribery and corruption.

1525

1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The number of reports made by Civil Service employees specifically on acts of corruptions is not available however; perceived wrongdoing is reported by civil servants using the whistleblowing process. Over 200 cases were reported from 1 April 2015 to 31 March 2016.

Nominated Officers have been appointed in Civil Service departments to provide support and advice on issues raised through the whistleblowing procedures. Training has been provided to those civil servants who are carrying out the Nominated Officer role. There are over 100 Nominated Officers in departments across the Civil Service.

Nominated Officers act as a central, impartial point of contact for the individual raising a concern. Their role includes providing reassurance about the protection afforded by following the whistleblowing procedure and advising individuals how to take a concern forward.

<<https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2/whistleblowing-list-of-prescribed-people-and-bodies>> If an employee decides to blow the whistle to a prescribed person rather than their employer, they must make sure that they have chosen the correct person or body for their issue. For example, if they are blowing the whistle on broadcasting malpractice they should contact the Office of Communications (Ofcom).

There is a list of the prescribed persons and bodies who employees can make a disclosure to. There is also a brief description about the matters they can report to each prescribed person.

Guidance for Prescribed persons is available on Gov.UK.

<https://www.gov.uk/government/publications/whistleblowing-guidance-for-prescribed-persons>

<<https://www.gov.uk/government/publications/whistleblowing-guidance-for-prescribed-persons>>

The functional standards are available to review, including a self assessment from the main public bodies of whether they have the required reporting lines in place.

A bribery and corruption assessment template was published last year (December 2016) to support government to set a high standard on our response to bribery and corruption. The template is published on gov.uk for all sectors to adopt and

adapt for use, see link<<https://www.gov.uk/government/publications/bribery-and-corruption-assessment-template>>[here](#)
<<https://www.gov.uk/government/publications/bribery-and-corruption-assessment-template>> (see 5.1, above).

19. Paragraph 5 of article 8

5. Each State Party shall endeavour, where appropriate and in accordance with the fundamental principles of its domestic law, to establish measures and systems requiring public officials to make declarations to appropriate authorities regarding, inter alia, their outside activities, employment, investments, assets and substantial gifts or benefits from which a conflict of interest may result with respect to their functions as public officials.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The Civil Service Management Code sets out the high-level terms and conditions for civil servants, including on issues of conduct. The relevant principles in relation to managing conflicts of interest include:

- civil servants must not misuse their official position or information acquired in the course of their official duties to further their private interests or those of others. Where a conflict of interest arises, civil servants must declare their interest to senior management to determine how best to proceed.
- civil servants must not receive gifts, hospitality or benefits of any kind from a third party which might be seen to compromise their personal judgement or integrity.
- Civil servants must declare to their department or agency any business interests (including directorships) or holdings of shares or other securities which they or members of their immediate family hold, to the extent which they are aware of them, which they would be able to further as a result of their official position. They must comply with any subsequent instructions from their department or agency regarding the retention, disposal or management of such interests.

Departmental HR will need to provide detail on how this is applied in practice.

Under the terms of the Ministerial Code, Government Ministers must ensure that no conflict arises, or could reasonably be perceived to arise between their public duties and their private interests, financial or otherwise. A public statement covering Ministers' relevant interests is published twice yearly. On appointment Ministers must provide their Permanent Secretary with a full list of all interests, which might be thought to give rise to a conflict. This is reviewed by the Propriety and Ethics team in the Cabinet Office, the Permanent Secretary of the relevant Government Department and by the Prime Minister's Independent Adviser on Ministers' Interests who will provide advice on handling as appropriate.

If there is an allegation of a breach of the Ministerial Code - including on interests,

it is for the Prime Minister, as the ultimate judge of the standards of behaviour expected of a Minister, to decide the appropriate consequences. If the Prime Minister, having first consulted with the Cabinet Secretary, feels that the matter warrants further investigation, she will refer the matter to the independent adviser on Ministers' interests.

Devolved Administrations

Scotland

A register of interests for the board members of public bodies with regulated public appointments will be published on their website.

A number of policies and associated guidance are in place for staff within SG which cover the requirements to register outside interests; how to deal with potential conflicts of interest; political activity; guidance on offering and acceptance of gifts and hospitality; business appointment rules after leaving the Civil Service.

Northern Ireland

The Northern Ireland Civil Service has a range of robust policies/ procedures/ systems in place which requires its staff to make declarations regarding their outside activities, employment, investments assets gifts or benefits from which a conflict of interest may result - see 8.1, above.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

For Ministers there is a published list of Ministers' Interests and the Ministerial Code.

<https://www.gov.uk/government/publications/list-of-ministers-interests>

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/579752/ministerial_code_december_2016.pdf

Devolved Administrations

Scotland

Register of interests for Historic Environment Scotland board:
<https://www.historicenvironment.scot/media/3376/register-of-declared-interests-2016-17.pdf>

Register of interests for Scottish Enterprise board (offered as part of each member profile not a collated document): <https://www.scottish-enterprise.com/about-us/our-leadership/board-members/bob-keiller>

20. Paragraph 6 of article 8

6. Each State Party shall consider taking, in accordance with the fundamental principles of its domestic law, disciplinary or other measures against public officials who violate the codes or standards established in accordance with this article.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Neither the Civil Service Code nor the Civil Service Management Code sets the central framework for conduct and discipline. Instead Government Departments and agencies are responsible for their own dismissal, disciplinary and grievance arrangements. They must reflect the principles and standards of behaviour in their policies and procedures and ensure staff are aware of them

It is for departments and agencies to define the circumstances in which initiation of disciplinary procedures may be appropriate. It is not necessary to attempt to define every circumstance. However departments' and agencies' rules for staff must make clear the circumstances in which the application of the disciplinary procedures may be considered, and these must include:

- a.** breaches of the organisation's standards of conduct or other forms of misconduct
- b.** any other circumstances in which the behaviour, action or inaction of individuals significantly disrupts or damages the performance or reputation of the organisation;

Ministers only remain in office for so long as they retain the confidence of the Prime Minister. She is the ultimate judge of the standards of behaviour expected of Ministers and the appropriate consequences of a breach of those standards.

Since 2006 there has been an Independent Adviser on Ministers' Interests, appointed by the Prime Minister. The Adviser's primary function is to: provide advice to individual Ministers and their Departmental Permanent Secretaries, including how best to avoid potential conflict between a Minister's private interests and their Ministerial responsibilities; and investigate -when the Prime Minister, advised by the Cabinet Secretary, decided that this would be appropriate - allegations that an individual Minister may have breached the Ministerial Code of Conduct.

The internal fraud policy and hub (see 7.1 response) also counts for this area.

Devolved Administrations

Scotland

(See response to Article 7.4)

All applicants for a public appointment are asked the following question as part of their application form, and conflicts of interest are further explored at interview as part of the fit and proper person test: Are you aware of anything that might call into question your ability to demonstrate integrity or probity or of any possible conflict of interest which might arise either personally, in relation to your employment or in relation to your connections with any individuals or organisations should you be appointed?

Staff who fail to comply with the Civil Service Code or other internal policies may be subject to disciplinary action in line with the Discipline Policy.

Northern Ireland

Staff who work in the Northern Ireland Civil Service are required to comply with the policies and procedures detailed in the NICS Standard of Conduct Policy. Those staff who are found to have breached the terms and condition of their employment will be disciplined using the provisions set out in the NICS Disciplinary policy.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

In relation to Ministers - we do not collate statistics, but cases investigated by the independent Adviser are a matter of public record.

Devolved Administrations

Scotland

Judgement from the Standards Commission for Scotland on a board member's failure to declare an interest:

[<http://www.standardscommissionscotland.org.uk/uploads/files/1460542409160412FINALSCS_Press_release.pdf>](http://www.standardscommissionscotland.org.uk/uploads/files/1460542409160412FINALSCS_Press_release.pdf)

21. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530 Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0** (NO) No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

9. Public procurement and management of public finances

22. Paragraph 1 of article 9

1. Each State Party shall, in accordance with the fundamental principles of its legal system, take the necessary steps to establish appropriate systems of procurement, based on transparency, competition and objective criteria in decision-making, that are effective, inter alia, in preventing corruption. Such systems, which may take into account appropriate threshold values in their application, shall address, inter alia:

(a) The public distribution of information relating to procurement procedures and contracts, including information on invitations to tender and relevant or pertinent information on the award of contracts, allowing potential tenderers sufficient time to prepare and submit their tenders;

(b) The establishment, in advance, of conditions for participation, including selection and award criteria and tendering rules, and their publication;

(c) The use of objective and predetermined criteria for public procurement decisions, in order to facilitate the subsequent verification of the correct application of the rules or procedures;

(d) An effective system of domestic review, including an effective system of appeal, to ensure legal recourse and remedies in the event that the rules or procedures established pursuant to this paragraph are not followed;

(e) Where appropriate, measures to regulate matters regarding personnel responsible for procurement, such as declaration of interest in particular public procurements, screening procedures and training requirements.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

As a Member State of the EU the UK has transposed the EU Procurement Directive 2014/24/EU and the Remedies Directive (2007/66/EC) into the Public Contracts Regulations 2015 and the Public Contracts Regulations (Scotland) 2016. These regulations require the publication of procurement documentation with the competition notice including details of the selection and award criteria, and adherence to timescales.

For procurements that are subject to these regulations suppliers have to declare that they have not breached any of the listed exclusion grounds. The exclusion grounds include convictions for;

- participation in a criminal organisation,
- corruption,
- fraud,
- bribery
- money laundering
- breach of obligations to pay tax.

Suppliers that have breached these exclusion grounds have to be excluded from the procurement unless they can provide evidence that proves they have taken sufficient measures to rectify the situation.

Suppliers also have to confirm, amongst other grounds, that they have not taken actions that may distort the competition or unduly influence the decision making process.

Public procurements below the EU threshold are required to be advertised on e-notification systems and details of contracts published post award.

The procurement regulations also contain an effective set of remedies. The remedies regulations are supported by routes for complaints to be raised, and a clear legal recourse.

Strategies to increase procurement capability have been published.

Devolved Administrations

Scotland

In Scotland we have transposed the European procurement Directives into national law. This suite of legislation applies to public contracts valued at or above the European threshold values. These Regulations are as follows

- o Public Contracts (Scotland) Regulations 2015
- o Utilities Contracts (Scotland) Regulations 2016
- o Concessions Contracts (Scotland) Regulations 2016
- o Corruption within the meaning of section 1(2) of the Public Bodies Corrupt Practices Act 1889 or section 1 of the Prevention of Corruption Act 1906, where the offence relates to active corruption as defined in Article 3 of the Council Act of 26th May 1997 and Article 3(1) of Council Joint Action 98/742/JHA or bribery or corruption within the meaning of sections 68 and 69 of the Criminal Justice (Scotland) Act 2003, where the offence relates to active bribery or corruption - they must be excluded from the procurement procedure.

- o Through the Procurement Reform (Scotland) Act 2014, the Scottish Government has established a national legislative framework for sustainable public procurement that builds on its work to improve the way procurement operates in Scotland. The Act introduced a number of measure to help improve the transparency of procurement activity:

- The Act requires all contract opportunities including those at and above the European threshold values and those of a lower value (£50,000 for goods and services and £2,000,000 for works contracts) to be advertised through Public Contracts Scotland, Scotland's procurement advertising portal.
- The Act also requires public bodies to publish and maintain a public contracts register setting out such details as the name of the contractor, the subject matter of the contract and the estimated value of the contract.
- And requires a public body with procurement spend of £5 million or more per annum to prepare and publish a procurement strategy, setting out how it intends to carry out procurements, and publish an annual report against it.

- o Through the Procurement (Scotland) Regulations 2016, the Scottish Government has taken a robust approach to the selection of tenderers. These Regulations extend the provisions on the exclusion of tenderers, including

corruption offences, that apply to public contracts at or above the European threshold values to lower value contracts (£50,000 for goods and services and £2,000,000 for works contracts)

Northern Ireland

(a) [Northern Ireland Public Procurement Policy <https://www.finance-ni.gov.uk/topics/procurement/public-procurement-policy-northern-ireland>](https://www.finance-ni.gov.uk/topics/procurement/public-procurement-policy-northern-ireland) (NIPPP) requires Departments, their Agencies, NDPBs and public corporations to carry out their procurement activities by means of documented Service Level Agreements with Central Procurement Directorate or a relevant Centre of Procurement Expertise (CoPE). All procurement is processed through a single portal, [eTendersNI <https://etendersni.gov.uk/epps/home.do>](https://etendersni.gov.uk/epps/home.do). This portal publishes tender opportunities for contracts for goods, services and works for Northern Ireland government departments, agencies and arms-length bodies which have a value of more than £30k. It also publishes details of contracts awarded by contracting authorities in Northern Ireland.

(b) When tendering opportunities are published on the eTendersNI portal, supporting documentation is accessible to all interested parties detailing instructions for participation, selection/award criteria and the tendering rules.

(c) Evaluation criteria and associated weightings are advertised on the eTendersNI portal with each invitation to tender. Decisions for setting the criteria and weightings are recorded in procurement documentation.

(d) [The Public Contracts Regulations 2015 <http://www.legislation.gov.uk/ukxi/2015/102/contents/made>](http://www.legislation.gov.uk/ukxi/2015/102/contents/made) provides economic operators with the right to seek remedy through the high court if it is not satisfied with a procurement procedure. In addition each CoPE is required to have a complaints procedure that allows for investigation and resolution of complaints both during a tender process and post award in relation to service standards.

(e) CoPEs maintain a register of interests for staff members for early identification of potential conflicts of interest. NIPPP requires that procurement processes are managed by an adequate resource of qualified procurement/construction professional.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Adverts over the EU thresholds are advertised in OJEU and on national e-notification portals e.g. [Contracts Finder <https://www.contractsfinder.service.gov.uk/Search>](https://www.contractsfinder.service.gov.uk/Search), [PCS <https://www.publiccontractsscotland.gov.uk/search/search_mainpage.aspx>](https://www.publiccontractsscotland.gov.uk/search/search_mainpage.aspx), [Value Wales <https://www.sell2wales.gov.wales/>](https://www.sell2wales.gov.wales/) and [eSourcing NI <https://e-sourcingni.bravosolution.co.uk/web/login.shtml>](https://e-sourcingni.bravosolution.co.uk/web/login.shtml).

Contract notices for sub EU threshold competitions can be located on [Contracts Finder](https://www.contractsfinder.service.gov.uk/Search) <<https://www.contractsfinder.service.gov.uk/Search>>, [PCS](https://www.publiccontractsscotland.gov.uk/search/search_mainpage.aspx) <https://www.publiccontractsscotland.gov.uk/search/search_mainpage.aspx>, [Value Wales](https://www.sell2wales.gov.wales/) <<https://www.sell2wales.gov.wales/>> and [eSourcing NI](#).

The UK has implemented the European Single Procurement Document (ESPD). The ESPD provides a mechanism for organisations to provide a self-declaration on whether any of the grounds for excluding a bidder from a procurement process, as laid down in the Directive and in the Member State's implementing legislation (criminal convictions, grave professional misconduct, etc), apply and whether the selection criteria set by the buyer (i.e. financial, economic and technical capacity) are fulfilled by the bidder.

Contract registers are available online e.g. [London Contracts Register](http://www.londoncouncils.gov.uk/who-we-are/committees-and-networks/london-councils-capital-ambition-programme/about-capital-ambiti-1) <<http://www.londoncouncils.gov.uk/who-we-are/committees-and-networks/london-councils-capital-ambition-programme/about-capital-ambiti-1>>. UK central government contracting authorities have to publish contracts above £10,000, and sub central contracting authorities and NHS Trusts above £25,000, on Contracts Finder (see [Procurement Policy Note 07/16](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/539104/Procurement_Policy_Note_Legal_requirement_to_publish_on_Contracts_Finder_1.pdf) <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/539104/Procurement_Policy_Note_Legal_requirement_to_publish_on_Contracts_Finder_1.pdf>)

In addition to the remedies laid out in the Regulations services are available for complaints to be raised on public procurement process (see [CCS Mystery Shopper Service](#)) and the Courts provide guidance for practitioners (see [Technology and Construction Court Guide](http://www.eversheds-sutherland.com/documents/services/commercial/TCC-Guidance-Note-on-Public-Procurement-Cases%20final.pdf) <<http://www.eversheds-sutherland.com/documents/services/commercial/TCC-Guidance-Note-on-Public-Procurement-Cases%20final.pdf>>).

Strategies are in place to increase the professionalism of those responsible for public procurement. See [Government Commercial Function](https://www.gov.uk/government/organisations/government-commercial-function) <<https://www.gov.uk/government/organisations/government-commercial-function>> and [Procurement people](http://www.gov.scot/Topics/Government/Procurement/Capability) <<http://www.gov.scot/Topics/Government/Procurement/Capability>>.

The UK has brought greater transparency to public procurement by implementing various policy measures, including:

- Implementing the Open Contracting Data Standard (OCDS) in the Crown Commercial Service's operations and a large rail infrastructure project (High Speed 2); and committing to apply this approach more widely. **The UK is the first G7 country to implement the OCDS.**
- Publishing a set of general transparency principles that require public procurers to proactively disclose contract and related information that may previously have been withheld on the grounds of commercial confidentiality.
- Introducing policy and guidance on Open Book Contract Management (OBCM), detailing its benefits and the actions departments need to take to implement it. OBCM is the scrutiny of a supplier's costs and margins through the reporting of, or accessing, accounting data, ensuring that Government has transparency of prices charged by suppliers.
- Publishing the second iteration of the UK Government Commercial

Operating Standards. These define how all government departments should operate to ensure strong commercial behaviours and get value for money.

- Launching the “[Contracting 5 <https://www.open-contracting.org/wp-content/uploads/2016/12/C5declaration.pdf>](https://www.open-contracting.org/wp-content/uploads/2016/12/C5declaration.pdf)”, an initiative announced at the London Anti-Corruption Summit that brings together countries with the greatest ambition to increase transparency in public procurement. Other members are France, Mexico, Colombia and the Ukraine.
- Cabinet Office and the UK Government Digital Service published the Supplier Standard for consultation. These are six principles, including transparent contracting, designed to help tech and IT companies do business with government.
- At the 2016 Global Anti-Corruption Summit in London, the UK committed to introducing a conviction check process to prevent corrupt bidders with relevant convictions from winning public contracts. The purpose of the conviction check is to act as a deterrent and help prevent public money and contracts being used to support corruption. This is being piloted in the Crown Commercial Service in Autumn 2017 with a view to rolling out a new policy on debarment thereafter.

Devolved Administrations

Scotland

We do not hold centrally statistics or data in respect of the application of exclusion grounds in respect of corruption. The Public Procurement Reform Programme 2006-2016 - Achievement and Impact report, reflects on the achievements, impacts and overall progress of the Public Procurement Reform Programme for its whole lifecycle from 2006 to 2016.

[<http://www.gov.scot/Resource/0050/00509536.pdf>](http://www.gov.scot/Resource/0050/00509536.pdf)

Scottish Ministers have no control over other public bodies' procurement activities; they are responsible for running their own tendering exercises and for the decisions they take as part of those exercises. Ministers do not have any formal powers to investigate suppliers' concerns or change decisions taken by another public body.

Northern Ireland

A register of active and settled legal cases, updated on a quarterly basis, is held centrally within CPD and reviewed by the Procurement Board. The Procurement Board has responsibility for the development, dissemination and co-ordination of public procurement policy and practice for the Northern Ireland public sector. The Board is responsible to the Executive and accountable to the Northern Ireland Assembly.

23. Paragraph 2 of article 9

2. Each State Party shall, in accordance with the fundamental principles of its legal system, take appropriate measures to promote transparency and accountability in the management of public finances. Such measures shall encompass, inter alia:

- (a) Procedures for the adoption of the national budget;
- (b) Timely reporting on revenue and expenditure;
- (c) A system of accounting and auditing standards and related oversight;
- (d) Effective and efficient systems of risk management and internal control; and
- (e) Where appropriate, corrective action in the case of failure to comply with the requirements established in this paragraph.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

- 1** Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

(a) Procedures for the adoption of the national budget;

The Budget, or Financial Statement, is a statement made to the House of Commons by the Chancellor of the Exchequer in November each year, on the nation's finances and the Government's proposals for changes to taxation. The Budget also includes forecasts for the economy by the [Office for Budget Responsibility \(OBR\)](http://budgetresponsibility.org.uk/) <<http://budgetresponsibility.org.uk/>>. The Budget is published after the Chancellor has made the announcements and is available on line. The first part of the statement typically begins with a review of the nation's finances and the economic situation. The statement then moves on to proposals for taxation. These measures are then contained in the annual Finance Bill which Parliament debates and scrutinises.

(b) Timely reporting on revenue and expenditure;

Public sector entities must publish an audited combined annual report and accounts (ARAs) document covering the financial year. The administrative deadline to publish and lay the ARAs in Parliament is 30th June which is 3 months after the end of the reporting period and before the statutory deadline of 31st January after the year end.

The document should present a clear picture of the entity's aims, activities, functions and performance and services delivered over the period linked with income and expenditure. Within the ARAs, entities must also report on the assets and liabilities and its asset management strategy. A Statement of Parliamentary Supply is also prepared which reports the outturn for the departmental group against the final annual spending limits authorised through a vote by Parliament

(c) A system of accounting and auditing standards and related oversight;

[The Financial Reporting Manual \(FReM\)](#)

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/577272/2016-17_Government_Financial_Reporting_Manual.pdf is the technical accounting guide for the preparation of financial statements in the public sector. It applies EU adopted International Financial Reporting Standards adapted and interpreted for the public sector and to those entities consolidated within the Whole of Government Accounts. Reporting entities must comply with the FReM and any other guidance issued by HM Treasury as the relevant authority. Those entities within the public sector that are not required to follow the FReM, for example, local government and NHS Trusts, follow relevant guidance that is compliant with the FReM other than agreed divergences.

All entities are required to have their financial statements audited by the auditor named in the relevant legislation or other legislation or governing statute. The general presumption is that the auditor will be the Comptroller and Auditor General, the Auditor General for Wales, the Auditor General for Scotland or the Comptroller and Auditor General for Northern Ireland.

Auditors shall apply [International Standard on Auditing \(UK and Ireland\) 700](#) [https://www.frc.org.uk/getattachment/a08b0906-f40c-4735-bbc7-45908bee2b32/ISA-\(UK\)-700-Revised-June-2016_final.pdf](https://www.frc.org.uk/getattachment/a08b0906-f40c-4735-bbc7-45908bee2b32/ISA-(UK)-700-Revised-June-2016_final.pdf) and other relevant guidance in carrying out their audits and in arriving at the form and content of their opinion. The precise form of the audit opinion will depend on the results of the audit and is the responsibility of the auditor.

(d) Effective and efficient systems of risk management and internal control; and

Individual reporting entities have governance arrangements which includes appropriate asset and risk management strategies. These arrangements include a review of processes and practices by a Board of Directors (both executive and non-executive members) and established methods to evaluate risk indicators. Such arrangements and performance of the arrangements are reported in the Governance Statement within the ARAs.

(e) Where appropriate, corrective action in the case of failure to comply with the requirements established in this paragraph.

Where an entity fails to comply with budget controls, financial reporting requirements and risk management procedures, the audit opinion may be affected accordingly. For central government entities, this will be reported to Parliament and may also require the entity to take corrective action.

Devolved Administrations

Northern Ireland

a) When the UK Chancellor announces changes to the Northern Ireland (NI) allocation these are applied to NI Budgets, at aggregate level, in line with the HM Treasury timetable. A NI Budget process is required for this high level budget to be allocated by the NI devolved administration to NI departments.

b) All reporting to HM Treasury of income and expenditure, on the budget structure, is completed in line with HM Treasury requirements, both for monthly in-year returns and at year end. NI also contributes to the Whole of Government Accounts reporting process. Additionally individual departments, agencies and other NI public sector bodies are required to produce and financial accounts on an annual basis.

c) NI operate in line with the [HM Treasury Government Financial Reporting Manual](#) [\(<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/577272/2016-17_Government_Financial_Reporting_Manual.pdf>](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/577272/2016-17_Government_Financial_Reporting_Manual.pdf) (FReM) which applies IFRS based [Generally Accepted Accounting Practices](#) [\(<https://www.gov.uk/government/publications/accounting-standards-the-uk-tax-implications-of-new-uk-gaap>](https://www.gov.uk/government/publications/accounting-standards-the-uk-tax-implications-of-new-uk-gaap) to the accounts of departments, agencies and other relevant NI public sector arm's length bodies. This ensures that financial statements give a true and fair view of the state of affairs of the reporting entity or reportable activity at the end of the financial year and of the results for the year.

FReM requires the accounts of public sector bodies to be audited by an auditor as named in relevant legislation or the governing statute. In NI the [Northern Ireland Audit Office \(NIAO\)](#) [\(<https://www.niauditoffice.gov.uk/>](https://www.niauditoffice.gov.uk/) are the financial external auditors of most NI public sector bodies. The NIAO carry out their work in line with the International Standards on Auditing. The annual report and accounts of bodies are laid in the NI Assembly on completion.

d) Under normal accountability arrangements as set out in [Managing Public Money NI](#) [\(<https://www.finance-ni.gov.uk/articles/managing-public-money-ni-mpmni>](https://www.finance-ni.gov.uk/articles/managing-public-money-ni-mpmni) the designated Accounting Officer of each department is responsible for ensuring that an appropriate risk management process and system of internal control is put in place within their organisation. Risk management processes are operated in line with guidance contained within 'HM Treasurys Orange Book' [\(<https://www.gov.uk/government/publications/orange-book>](https://www.gov.uk/government/publications/orange-book). Internal Audit, operating in line with [UK Public Sector Internal Audit Standards](#) [\(<https://www.gov.uk/government/publications/public-sector-internal-audit-standards>](https://www.gov.uk/government/publications/public-sector-internal-audit-standards), provide assurance to the Accounting Officer, as does the relevant Audit and Risk Assurance Committee. The Accounting Officer reports annually on the system of internal control and risk management within the Governance Statement which is part of the annual report and accounts.

e) Not applicable.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

See links, above.

24. Paragraph 3 of article 9

3. Each State Party shall take such civil and administrative measures as may be necessary, in accordance with the fundamental principles of its domestic law, to preserve the integrity of accounting books, records, financial statements or other documents related to public expenditure and revenue and to prevent the falsification of such documents.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Each organisation in central government - department, agency, trading fund, NHS body, non-departmental public body or arm's length body - must have an accounting officer. This person is usually its senior official.

The accounting officer should ensure that the organisation and any of the arm's length bodies it sponsors, operates effectively and to a high standard of probity. The accounting officer takes personal responsibility for regularity and probity and accounting accurately for the organisation's financial position and transactions to ensure that its published financial information is transparent and up to date and that the organisation's efficiency in the use of resources is tracked and recorded.

Devolved Administrations

Northern Ireland

As noted above, Northern Ireland bodies apply the HM Treasury Government Financial Reporting Manual (FReM) which applies IFRS based Generally Accepted Accounting Practices so ensuring that financial statements give a true and fair view.

Accounting Officers are appointed to oversee the running of bodies and are required to assure the Northern Ireland Assembly and the public of high standards of probity in the management of public funds. They are also annually required to sign the financial statements to confirm that they give a true and fair view. Under FReM these financial statements, and the financial transactions which underpin them, are audited in line with International Standards on Auditing by the NIAO.

Finance records are held for the current year plus six years accounting records from the end of the accounting period. This is the normal custom and practice within NI bodies and is in line with the [Finance Act 1998 paragraph 21\(2\)](http://www.legislation.gov.uk/ukpga/1998/36/schedule/18/paragraph/21) <<http://www.legislation.gov.uk/ukpga/1998/36/schedule/18/paragraph/21>> and with the [Companies Act 2006 paragraph 388 \(4\)\(b\)](https://www.legislation.gov.uk/ukpga/2006/46/section/388) <<https://www.legislation.gov.uk/ukpga/2006/46/section/388>>. Additionally bodies maintain their own information/record Retention and Disposal Schedules which reflect this requirement and the requirement of other related legislation e.g. Public Records Act (NI) 1923 and the Disposal of Documents Order (S.R. & O. 1925 No.167).

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

See links, above.

25. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530 Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0** (NO) No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

10. Public reporting

26. Subparagraph (a) of article 10

Taking into account the need to combat corruption, each State Party shall, in accordance with the fundamental principles of its domestic law, take such measures as may be necessary to enhance transparency in its public administration, including with regard to its organization, functioning and decision-making processes, where appropriate. Such measures may include, inter alia:

(a) Adopting procedures or regulations allowing members of the general public to obtain, where appropriate, information on the organization, functioning and decision-making processes of its public administration and, with due regard for the protection of privacy and personal data, on decisions and legal acts that concern members of the public;

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

As noted above at 5.1 the UK is committed to being the most transparent government in the world. It has established and comprehensive [Freedom of Information legislation](https://www.legislation.gov.uk/ukpga/2000/36/contents) [<https://www.legislation.gov.uk/ukpga/2000/36/contents>](https://www.legislation.gov.uk/ukpga/2000/36/contents), periodically publishes details of Minister interests and party election finance (see, 7.3, 7.4 and 8, above), and is a founding member of the Open Government Partnership (see 5.1, above) .

Freedom of Information

The Freedom of information Act (FOIA) provides public access to information held by public authorities. Anyone can make a FOI request. In responding the public authority must:

(i) confirm whether or not the information is held, and;

(ii) if it is, provide that information to the requestor, unless that information is exempt from disclosure (sometimes this will be because it would cost too much or take up too much staff time to deal with the request, or if the request is vexatious or repeats a previous request from the same person).

There are also a number of exemptions (some absolute, others subject to a public interest balancing test) which allows a public authority to withhold information from a requester. Some relate to a particular type of information, for instance, information relating to government policy. Other exemptions are based on the harm that would arise or would be likely arise from disclosure, for example, if disclosure would be likely to prejudice a criminal investigation or prejudice someone's commercial interests.

Information Commissioner

The Information Commissioners Office (ICO) <<https://ico.org.uk/>> upholds information rights in the public interest, promoting openness by public bodies and data privacy for individuals.

Among its actions the ICO:

- Keeps a [register of data controllers](https://ico.org.uk/about-the-ico/what-we-do/register-of-data-controllers/) <<https://ico.org.uk/about-the-ico/what-we-do/register-of-data-controllers/>> which includes details of organisations that process personal data.
- Handling enquiries, written concerns and complaints.
- Taking action to improve behaviours of those that process personal information.
- Taking action to improve compliance with freedom of information, environmental information, INSPIRE and re-use laws.
- The ICO has an international role, including working with organisations in Europe and elsewhere.
- The grants programme supports independent research and the development of privacy enhancing solutions.

Devolved Administrations

Scotland

[The Freedom of Information \(Scotland\) Act 2002 \(FOISA\)](http://www.legislation.gov.uk/asp/2002/13/contents) <<http://www.legislation.gov.uk/asp/2002/13/contents>> provides a statutory right of access to recorded information held by a Scottish public authority, except where an exemption or other reason for refusal (eg the authority doesn't hold the information, or compliance would exceed the upper cost limit) applies. FOISA also requires authorities to have a publication scheme and to publish information in accordance with that scheme.

[The Environmental Information \(Scotland\) Regulations 2004 \(EIRs\)](https://www.legislation.gov.uk/ssi/2004/520/contents/made) <<https://www.legislation.gov.uk/ssi/2004/520/contents/made>> provide a similar right of access to 'environmental information'.

Anyone, anywhere can request information under either FOISA or the EIRs. Under both regimes, personal data is specifically exempt from disclosure.

In addition, [The Scottish Information Commissioner](http://www.itspublicknowledge.info/home/ScottishInformationCommissioner.aspx) <<http://www.itspublicknowledge.info/home/ScottishInformationCommissioner.aspx>> promotes and enforces both the public's right to ask for information held by Scottish public authorities and good practice by authorities. Through her work she supports the openness, transparency and accountability of public bodies.

FOISA also allows for the development of model publication schemes which can be adopted by more than one authority. The Scottish Information Commissioner's [Model Publication Scheme](http://www.itspublicknowledge.info/ScottishPublicAuthorities/PublicationSchemes/TheModelPublicationScheme.aspx) <<http://www.itspublicknowledge.info/ScottishPublicAuthorities/PublicationSchemes/TheModelPublicationScheme.aspx>> provides guidance on this.

Northern Ireland

An [Open Data Strategy for Northern Ireland](https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/Open-Data-Strategy-2015-18.pdf) <<https://www.finance-ni.gov.uk/sites/default/files/publications/dfp/Open-Data-Strategy-2015-18.pdf>> was created in 2015 and endorsed by the Northern Ireland Executive. The strategy states that all public sector data is open by default unless it falls under one of the exceptions (such as identifiable personal data, commercially sensitive data, data impacting on national or public security & safety). It also states that if we withhold data that we will be transparent about the reasons why we do so.

An open data portal - [OpenDataNI](https://www.opendatani.gov.uk/) <<https://www.opendatani.gov.uk/>> was established in November 2015 to facilitate the publication and dissemination of public sector data. The portal also has the capability for the public to suggest datasets for publication.

One of the main aims of the strategy and the portal is to improve the transparency and accountability of government as well as driving innovation from its reuse.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Monitored bodies received 45,415 requests for information in 2016. Of those 33,337 were valid requests under the legislation. Information was released in 20,895 of those cases. In 4,926 cases the cost of locating information would exceed the appropriate limit set out in legislation (currently 3.5 days). In 7,172 cases the information engaged an exemption and was not released.

If individuals are not content with the response to their request they are able to appeal first internally with the relevant public authority, and then to the UK regulator (the Information Commissioner, see 2., above). Requesters and public authorities have the right to appeal decisions of the Information Commissioner to a tribunal. This appeal route extend to the Supreme Court. There are currently 168 cases on-going in relation to this appeal against a decision of the Information Commissioner.

Devolved Administrations

Scotland

The Scottish Government's FOI Annual Reports provide statistics and other information about the handling of information requests made to the Scottish Government - see: <http://www.gov.scot/About/Information/FOI/Reporting>.

Detailed statistics for all Scottish public authorities are published on the Scottish Information Commissioner's website at: <https://stats.itspublicknowledge.info/>.

The SG now publishes all information released under FOISA and the EIRs at: <https://beta.gov.scot/publications/?publicationTypes=foi> <<https://beta.gov.scot/publications/?publicationTypes=foi>> <<https://beta.gov.scot/publications/?publicationTypes=foi>> .

27. Subparagraph (b) of article 10

Taking into account the need to combat corruption, each State Party shall, in accordance with the fundamental principles of its domestic law, take such measures as may be necessary to enhance transparency in its public administration, including with regard to its organization, functioning and decision-making processes, where appropriate. Such measures may include, inter alia:

...

(b) Simplifying administrative procedures, where appropriate, in order to facilitate public access to the competent decision-making authorities; and

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

In the UK the Freedom of Information Act (FOIA) and the Information Commissioner fulfil this role - see 10 a), above.

As noted above information on Ministerial interests and party election finance are made available, see Articles 7.3, 7.4 and 8.

Devolved Administrations

Scotland

In April 2016 Scotland was selected by the Open Government Partnership (OGP) as one of 15 Pioneer governments around the world to join a programme to bring new leadership and innovation into the OGP at all levels of government. The Scottish Action Plan, launched in December 2016, was developed in partnership with civil society and contains five commitments which aim to improve transparency, helping people living in Scotland to better understand how government works so that they can have real influence and more effectively hold government to account:

1. Financial Transparency: to clearly explain how public finances work, so people can understand how money flows into and out of the Scottish Government, to support public spending in Scotland
2. Measure Scotland's progress: by making understandable information available through the National Performance Framework, which will be reviewed to reflect our commitments to Human Rights and the Sustainable Development Goals
3. Deliver a Fairer Scotland: through implementation of the Actions developed with civil society in the Fairer Scotland action plan
4. Participatory budgeting: to empower communities through direct action ensuring they have influence over setting budget priorities
5. Increasing participation: improving citizen participation in local democracy and developing skills to make sure public services are designed with input from users and with user needs to the fore

Northern Ireland

See 10 a) - above.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

Information about the Freedom of Information Act and details on how to make a request for information can be found on:

The Information Commissioner's website

<<https://ico.org.uk/for-the-public/official-information/>>
And the Government's website:

28. Subparagraph (c) of article 10

Taking into account the need to combat corruption, each State Party shall, in accordance with the fundamental principles of its domestic law, take such measures as may be necessary to enhance transparency in its public administration, including with regard to its organization, functioning and decision-making processes, where appropriate. Such measures may include, inter alia:

...

(c) Publishing information, which may include periodic reports on the risks of corruption in its public administration.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The Freedom of information Act (FOIA) see 10 a) above.

Public Administration

There are numerous public documents that provide insight into how Government operates, including decision making:

- The Ministerial Code (see Article 8, above). The Code sets out the principle of collective responsibility which allows Ministers to express their views frankly in the expectation that they can argue freely in private while maintaining a united front when decisions have been reached.
- The Cabinet Manual, which acts as a guide to the laws, conventions and rules on the operations of Government.
<https://www.gov.uk/government/publications/cabinet-manual>
- The list of Cabinet Committees, which sets out the various sub-committees of Cabinet and their membership. Both Cabinet and Cabinet Committees are made up of groups of Ministers that can take decisions that are binding across Government. <https://www.gov.uk/government/publications/the-cabinet-committees-system-and-list-of-cabinet-committees>
- The List of Ministerial Responsibilities, updated regularly - it sets out the Ministers in each Government Department with a summary of their portfolios. <https://www.gov.uk/government/publications/government-ministers-and-responsibilities>
- List of Ministers' Interests:
<https://www.gov.uk/government/publications/list-of-ministers-interests>

Summary details of Ministerial and Special Adviser meetings with external organisations, any gifts and hospitality received and details of overseas travel are published on a quarterly basis.

The audited Annual Reports and Accounts of each Government Department are presented to Parliament each year. These present a clear picture of the Department's aims, activities, functions and performance.

<https://www.gov.uk/government/collections/cabinet-office-annual-reports-and-accounts> (This is an example from the Cabinet Office , other departments also available via Gov.uk)

Fraud and Error Levels - Every year, the UK government publishes information on fraud and error levels in the tax (through the [Tax Gap Assessment <https://www.gov.uk/government/news/uk-tax-gap-falls-to-65-as-hmrc-targets-the-dishonest-minority>](https://www.gov.uk/government/news/uk-tax-gap-falls-to-65-as-hmrc-targets-the-dishonest-minority)) and [welfare system \(fraud and error statistics\) <https://www.gov.uk/government/statistics/fraud-and-error-in-the-benefit-system-financial-year-201617-preliminary-estimates>](https://www.gov.uk/government/statistics/fraud-and-error-in-the-benefit-system-financial-year-201617-preliminary-estimates). In addition, from 2017 the UK government will publish annual information on the detected fraud and corruption within central government bodies. This will be published at aggregate level (i.e. overall fraud and economic crime, rather than separating out fraud and corruption). All UK government bodies report detected levels of economic crime to the centre of government against a common typology, which includes economic crime as a result of corruption.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Links to public documents included above.

Quarterly transparency releases for Ministers and Special Advisers can be found via Gov.uk: <https://www.gov.uk/government/collections/ministers-transparency-publications> (this is an example - Cabinet Office. Other departments also available via Gov.uk)

Monitored bodies received 45,415 requests for information in 2016. Of those 33,337 were valid requests under the legislation. Information was released in 20,895 of those cases. In 4,926 cases the cost of locating information would exceed the appropriate limit set out in legislation (currently 3.5 days). In 7,172 cases the information engaged an exemption and was not released.

If individuals are not content with the response to their request they are able to appeal first internally with the relevant public authority, and then to the UK regulator (the Information Commissioner). Requesters and public authorities have the right to appeal decisions of the Information Commissioner to a tribunal. This appeal route extend to the Supreme Court. There are currently 168 cases on-going in relation to this appeal against a decision of the Information Commissioner.

29. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.
- None.

1530 Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0** (NO) No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.
- None.

11. Measures relating to the judiciary and prosecution services

30. Paragraph 1 of article 11

1. Bearing in mind the independence of the judiciary and its crucial role in combating corruption, each State Party shall, in accordance with the fundamental principles of its legal system and without prejudice to judicial independence, take measures to strengthen integrity and to prevent opportunities for corruption among members of the judiciary. Such measures may include rules with respect to the conduct of members of the judiciary.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Judicial Independence and Constitutional position

The rule of law and judicial independence are longstanding constitutional principles in the UK. They are both acknowledged as such in statute (The Constitutional reform Act 2005).

Judicial Independence is secured in both institutional and individual terms as the judiciary are required by statute to be provided with, and are provided with, sufficient resources by the Executive to administer justice effectively and through being able to exercise the judicial function without interference from litigants, the State, the media or powerful individuals or companies. Decisions must be made on the basis of the facts of the case and the law alone.

Judicial independence is, particularly, secured through the following:

- Government, Parliament, any other institutions and individuals (including senior judges) are not permitted to and do not seek to improperly influence the decisions made by judges;
- Senior Judges can only be removed from office by Parliament, they have fixed terms and conditions of office and cannot be sued for judicial decisions they make. Removal from office for other judges is subject to agreement by the Lord Chancellor and Lord Chief Justice, following an independent disciplinary investigation.
- Members of the judiciary are precluded from taking part in political activities or make political comments;
- Members of Parliament do not criticise individual judges for specific judicial decisions;
- The State ensures that court judgments are properly enforced; and Judges are appointed on merit, following the recommendation of an independent appointment Commission.

Specific Measures

The following measures are in place:

- Only individuals of established good character, drawn from the legal professions which also operate a good character requirement, are capable of appointment to the judiciary, Constitutional Reform Act 2005, s.63(3)
<<http://www.legislation.gov.uk/ukpga/2005/4/section/63>>;
- The Constitutional Reform Act 2005 mandates that there is a Judicial Appointments Commission. This body, which selects candidates for judicial office, provides guidance on how it assesses good character:
<<https://jac.judiciary.gov.uk/good-character>>
- Judges are required to take the judicial oath, Promissory Oaths Act 1868, s.4 < <http://www.legislation.gov.uk/ukpga/Vict/31-32/72/section/4>>;
- All judges are subject to the Guide to Judicial Conduct:
<https://www.judiciary.gov.uk/wp-content/uploads/JCO/Documents/Guidance/judicial_conduct_2013.pdf>;
- Judicial conduct can be subject to investigation and disciplinary measures by the Judicial Conduct and Investigations Office:
<<https://judicialconduct.judiciary.gov.uk/>>;
- The Constitutional Reform Act 2005 also mandates that there is a Judicial Appointments and Conduct Ombudsman. This independent body investigates the handling of complaints involving judicial discipline or conduct by 'first-tier' bodies such as the Judicial Conduct and Investigation Office:
<<https://www.gov.uk/government/organisations/judicial-appointments-and-conduct-ombudsman>>
- Senior judges may be removed from office for failing to maintain 'good behaviour', either as a breach of their terms and conditions of appointment or via an Address to Parliament, Senior Courts Act 1991, s.11(3)
<<http://www.legislation.gov.uk/ukpga/1991/54/section/11>>.

Devolved Administrations

Scotland

The relationship between the judiciary and the other branches should be one of mutual respect, each recognising the proper role of the others. The Judiciary and Courts (Scotland) (Act) 2008 enshrines judicial independence in law.

The Act introduced a duty on Scottish Ministers, the Lord Advocate and members of the Scottish Parliament to uphold the continued independence of the judiciary, barring them from trying to influence the judiciary through any special access to judges. Judicial independence is important for a fair trial, for adjudication of disputes, for respect for decisions and because the judges may have to decide disputes between the executive, the legislature and an individual or the public at large.

A salaried judicial office holder may be removed from office only if

unfit for office by reason of inability, neglect of duty or misbehaviour. Each judge shall also on appointment take two oaths - oath of allegiance and the judicial oath. The judicial oath provides:

"I will do right to all manner of people after the laws and usages of this Realm, without fear or favour, affection or ill-will."

The Scottish judiciary has an honourable tradition in attainment of high standards of judicial conduct. The adoption of a widely accepted framework of judicial ethics (Statement of Principles of Judicial Ethics for the Scottish Judiciary: <<http://www.scotland-judiciary.org.uk/21/0/Principles-of-Judicial-Ethics>> <<http://www.scotland-judiciary.org.uk/21/0/Principles-of-Judicial-Ethics>>), helps to ensure that both judges and the public are aware of the principles by which judges are guided in their personal and professional life.

Northern Ireland

The Lord Chief Justice's Office maintains "[A Statement of Ethics for the Judiciary in Northern Ireland](https://www.nijac.gov.uk/sites/nijac/files/media-files/A%20Statement%20of%20Ethics%20for%20the%20Judiciary%20in%20Northern%20Ireland.pdf) <<https://www.nijac.gov.uk/sites/nijac/files/media-files/A%20Statement%20of%20Ethics%20for%20the%20Judiciary%20in%20Northern%20Ireland.pdf>>" which is disseminated to members of the judiciary on appointment. This document sets out the standards required of the judiciary in relation to matters such as judicial independence, impartiality, integrity and propriety.

The Lord Chief Justice, as the Head of the Judiciary in Northern Ireland, has sole responsibility for determining complaints about the conduct of judicial office holders, the procedure for which is set out in [a Code of Practice](http://www.courtsni.gov.uk/sitecollectiondocuments/northern%20ireland%20courts%20gallery/about%20us/code-of-practice.pdf) <<http://www.courtsni.gov.uk/sitecollectiondocuments/northern%20ireland%20courts%20gallery/about%20us/code-of-practice.pdf>> issued by the Lord Chief Justice under [Section 16 of the Justice \(Northern Ireland\) Act 2002](https://www.legislation.gov.uk/ukpga/2002/26/section/16) <<https://www.legislation.gov.uk/ukpga/2002/26/section/16>>.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The only instance of a judge being removed from office for corruption was Jonah Barrington, a judge of the Irish High Court of Admiralty. He was removed by Address to Parliament in 1830 (see S. de Smith & R. Brazier, Constitutional and Administrative Law, (Penguin, 8th edition, 1998) at 381).

The only other known instance of a judge being subject to investigation and disciplinary matters for serious misconduct occurred in 2014, where the Senior Master of the Queen's Bench Division was found to have made 'misleading entries' in his Outlook Diary. The nature of the misconduct was found to be serious and would have resulted in removal from office if the judge had not already resigned: see, <https://s3-eu-west-2.amazonaws.com/jcio-prod-storage-1xuw6pgd2b1rf/uploads/2014/03/Senior_Master_Whitaker_press_statement__2_.pdf>.

Annual Reports of the Judicial Conduct and Investigations Office summarise the nature and type of disciplinary investigations carried out each year:
<<https://judicialconduct.judiciary.gov.uk/reports-publications/>>.

Devolved Administrations

Scotland

The Courts and Judiciary (Scotland) Act 2008 provides a statutory basis for the Lord President to make provision for rules in connection with the investigation and determination of any matter concerning the conduct of judicial office holders. As such the Lord President put in place such rules, which can be found here: <<http://www.scotland-judiciary.org.uk/15/0/Complaints-About-Court-Judiciary>> <<http://www.scotland-judiciary.org.uk/15/0/Complaints-About-Court-Judiciary>>

<<http://www.scotland-judiciary.org.uk/15/0/Complaints-About-Court-Judiciary>>
Each year a report is produced on the number of complaints received and the outcome of the complaints. The reports can be found at: <<http://www.scotland-judiciary.org.uk/52/0/Publications>> <<http://www.scotland-judiciary.org.uk/52/0/Publications>>.

There is also statutory legislation in place to investigate and report on a judicial office holder's fitness for office (Act of Sederunt (Fitness for Judicial Office Tribunal Rules) 2015).

The Act of Sederunt sets out the procedure to be followed should the Lord President request that the First Minister of Scotland constitute a tribunal to investigate and report on whether a person holding a judicial office is unfit to hold office by reason of inability, neglect of duty or misbehavior.

It is open to the Lord President to suspend a member of the judiciary pending the outcome of an investigation by tribunal constituted to consider fitness for office, see section 36 of the Courts and Judiciary (Scotland) Act 2008 <<http://www.legislation.gov.uk/asp/2008/6/section/36>> <<http://www.legislation.gov.uk/asp/2008/6/section/36>>.

There have been no instances since the provisions in the Courts and Judiciary (Scotland) Act 2008 came into force where Lord President has had to request that the First Minister convene a fitness for office tribunal.

It is also open to the Lord President to suspend a member of the judiciary if he considers it necessary for the purpose of maintaining public confidence in the judiciary, see section 34 of the Courts and Judiciary (Scotland) Act 2008: <<http://www.legislation.gov.uk/asp/2008/6/section/34>> <<http://www.legislation.gov.uk/asp/2008/6/section/34>>

<<http://www.legislation.gov.uk/asp/2008/6/section/34>> Where there exists some reason, apart from pecuniary interest, why a judge should not handle a case on its objective merits, or may reasonably appear to be unable to do so, the statement of principles of judicial ethics notes that "he or she should recuse himself or herself". Thus, for example, a meaningful acquaintance with a litigant,

or a person known to be a significant witness in the case might constitute such an objection. In all cases where a judge recuses themselves, the matter is reported and a note of who recused themselves and the reasons for doing so are published, maintaining full transparency and openness. Full details can be found at: <<http://www.scotland-judiciary.org.uk/68/0/Judicial-Recusals>>
<<http://www.scotland-judiciary.org.uk/68/0/Judicial-Recusals>>

31. Paragraph 2 of article 11

2. Measures to the same effect as those taken pursuant to paragraph 1 of this article may be introduced and applied within the prosecution service in those States Parties where it does not form part of the judiciary but enjoys independence similar to that of the judicial service.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Constitutional and Legal Framework

The CPS and SFO are non-ministerial government departments. The CPS was formed under the Prosecution Offences Act 1985. The Director of Public Prosecutions (DPP) was established under that statute. Similarly the SFO was established under the Criminal Justice Act 1987 and the role of the Director of the SFO (DSFO) is part of that statute. The DPP and DSFO therefore operate independently.

Attorney General

The CPS and SFO are superintended, though not directed by, the Attorney General (AG) who is answerable for their activities in parliament. A<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15197/Protocol_between_the_Attorney_General_and_the_Prosecuting_Departments.pdf> [protocol](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15197/Protocol_between_the_Attorney_General_and_the_Prosecuting_Departments.pdf) <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/15197/Protocol_between_the_Attorney_General_and_the_Prosecuting_Departments.pdf> is in place that sets out the parameters of superintendence. The AG is responsible for safeguarding the independence of prosecutors in taking prosecution decisions. The AG, acting in the capacity of a Law Officer, independently of government, may issue guidance to prosecutors on the conduct of their functions generally, after consulting the relevant Director(s).

Prosecutors exercise their powers regarding the institution and conduct of proceedings under the direction of their Director. They take casework decisions and conduct individual cases applying the law and the framework of principles set out in the<https://www.cps.gov.uk/publications/docs/code_2013_accessible_english.pdf> [Code for Crown Prosecutors](https://www.cps.gov.uk/publications/docs/code_2013_accessible_english.pdf) <https://www.cps.gov.uk/publications/docs/code_2013_accessible_english.pdf>, together with any supplementary guidance issued by the Directors, or the AG. This means that a decision to prosecute in every case is taken using the same criteria: is there sufficient evidence to provide a realistic prospect of conviction and, if so, is prosecution needed in the public interest. The AG is not informed of, nor has any involvement in, the conduct of the vast majority of individual cases around the country.

However, for certain offences, Parliament has decided that the AG's consent is needed to bring a prosecution. It is a constitutional principle that when taking a decision whether to consent to a prosecution, the AG acts independently of government, applying the principles of evidential sufficiency and public interest.

The AG's responsibilities for superintendence and accountability to Parliament mean that he, acting in the wider public interest, needs occasionally to engage with a Director about a case because it:

- is particularly sensitive, and/or;
- has implications for prosecution or criminal justice policy or practice, and/or;
- reveals some systemic issues for the framework of the law, or the operation of the criminal justice system.

The AG may additionally ask for information about an individual case in order to perform another of the AG's functions, such as considering potential contempt of court, making references on a point of law, or deciding whether to refer an unduly lenient sentence.

Civil Service Code

Members of the SFO and CPS are bound by the [the Civil Service Code](https://www.gov.uk/government/publications/civil-service-code/the-civil-service-code) [which summarises the constitutional and ethical framework within which all civil servants work \(see Article 8, above\).](https://www.gov.uk/government/publications/civil-service-code/the-civil-service-code)

The SFO also has internal policies and guidance with respect to the conduct of its members, including:

- **SFO Code of Conduct**

Aims to ensure that employees are demonstrably honest and impartial in the exercise of their duties. The Code of Conduct Policy sets out regulations to ensure that all employees of the SFO are guided in their conduct. Records are kept of information relating to points in the policy, including complaints made and responses sent, gifts and gratuities received and a register of interests.

- **SFO Anti-Fraud Policy**

The SFO requires all staff at all times to act honestly and with integrity and to safeguard the public resources for which they are responsible. The SFO does not accept any level of fraud or corruption; consequently, any case will be thoroughly investigated and dealt with appropriately. The Anti-Fraud Policy sets out the responsibilities on the SFO and particular members, such as the Accounting Officer, Chief Financial Officer and Heads of Division.

- **Managing Misconduct Policy**

The SFO has a zero tolerance to any behaviour relating to acts of

dishonesty which would have a significant impact on an employee's integrity and/or credibility if called as a prosecution witness in an SFO case. Zero tolerance means that managers will:

- o Treat all such allegations seriously
- o Always investigate such allegations
- o Take the appropriate disciplinary action.

Whistleblowing Policy

This policy provides protection for staff who raise any genuine concerns that they have about any malpractice or behaviour that compromises the integrity of the SFO. This policy applies to all those who work for the SFO, whether full-time or part-time, employed through an agency, or as a volunteer. The SFO will investigate all complaints concerning the victimisation of a whistleblower.

The AG's responsibilities for superintendence and accountability to Parliament mean that he, acting in the wider public interest, needs occasionally to engage with a Director about a case because it:

- is particularly sensitive; and/or
- has implications for prosecution or criminal justice policy or practice; and/or
- reveals some systemic issues for the framework of the law, or the operation of the criminal justice system.

The AG may additionally ask for information about an individual case in order to perform another of the AG's functions, such as considering potential contempt of court, making references on a point of law, or deciding whether to refer an unduly lenient sentence.

Codes of conduct to ensure independent operational decisions

Prosecutors exercise their powers regarding the institution and conduct of proceedings under the direction of their Director. They take casework decisions and conduct individual cases applying the law and the framework of principles set out in the [Code for Crown Prosecutors](https://www.cps.gov.uk/publications/docs/code_2013_accessible_english.pdf) [<https://www.cps.gov.uk/publications/docs/code_2013_accessible_english.pdf>](https://www.cps.gov.uk/publications/docs/code_2013_accessible_english.pdf), together with any supplementary guidance issued by the Directors, or the AG. This means that a decision to prosecute in every case is taken using the same criteria: is there sufficient evidence to provide a realistic prospect of conviction and, if so, is prosecution needed in the public interest. The AG is not informed of, nor has any involvement in, the conduct of the vast majority of individual cases around the country.

The Code sets out the basis upon which prosecutions are reversed, refused, discontinued or proceeded with. It is intended to ensure that decisions about prosecutions are fair, independent, objective and consistent and that the prosecutions themselves are fair and effective. Whilst each case is unique and must be considered on its own facts and merits, there are general principles that

apply to the way in which Crown Prosecutors must approach cases.

The decision whether to prosecute a case is governed by the Code for Crown Prosecutors and the DPP's Guidance on Charging. The police apply the same principles in deciding whether to start criminal proceedings against a person in those cases for which they are responsible for the charging decision.

Recruitment and staff conduct

Members of the SFO and CPS are bound by the [Civil Service Code](https://www.gov.uk/government/publications/civil-service-code/the-civil-service-code) [<https://www.gov.uk/government/publications/civil-service-code/the-civil-service-code>](https://www.gov.uk/government/publications/civil-service-code/the-civil-service-code) (see Article 8, above).

All recruitment by the CPS and SFO is dealt with in line with internal policies and the Civil Service Commissioners Principles. All of which ensure transparency and accountability.

The CPS has a number of internal policies in place regarding staff conduct including:

- The CPS operates a disciplinary and poor performance policy and procedure that has been designed to meet UK employment law standards and fits with the ACAS code of practice. UK employment law has been informed by European Directives
- CPS operates under the wider Civil Service Code, which informs our Departmental code of conduct. This provides direction on items such as Fraud, conflicts of interest and behavioural principles. Wider ethical considerations for Prosecutors in particular would sit with the Head of the Legal Profession - Director of Legal Services.
- With regard to transparency for issues of performance management and dismissal, these are all conducted under our trade union agreed processes which are published and freely available on the Infonet. The processes are therefore transparent and action transparent to the subject of the process.
- The CPS Code of Conduct requires all employees to declare an interest or a conflict that may be seen to influence or have a potential bearing on their role, duties or professional objectivity. These will be reported to their line manager in the first instance who would then be in a position to mitigate such conflict or escalate for wider consideration.
- Cases involving CPS employees are dealt with by a special unit called Special Crime Division. This is to ensure independence.

Recent developments include:

- CPS undertook a full review of the recruitment process which resulted in improvements to all aspects of the process.
- CPS was subject to an audit by the Commissioners and subsequently received an amber green RAG rating by KPMG.

Devolved Administrations

Scotland

In relation to the Crown Office and Procurator Fiscal Service, there is a long history of independent prosecution in the public interest. The Lord Advocate, as head of the prosecution service is legally protected from political interference with decision making.

Prosecutors are not allowed to take on other paid employment/work without permission. All staff within prosecution service must report if they or close family member are accused of or are victim of crime. Prosecutors must report if they are declared bankrupt.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

In the interests of transparency, the SFO<<https://www.sfo.gov.uk/publications/corporate-information/transparency/>> publishes <<https://www.sfo.gov.uk/publications/corporate-information/transparency/>> certain information on its website, including:

- Annual reports and accounts
- Responses to Freedom of Information requests
- Director and senior management team expenses
- Non-Executive Directors - Declaration of interests
- Government Procurement Card spend over £500
- Procurement spend over £25,000
- Non-consolidated performance related pay
- Workforce management information
- Exceptions to spending moratoria applied for by the Serious Fraud Office
- Prompt payment data
- Civil Service People Surveys

The SFO is required to report information on internal whistleblowing cases to Civil Service Employee Policy which is part of the Cabinet Office. Data is collected and analysed on a six monthly basis.

The SFO also maintains a register of interests. Everyone (including contractors and temporary staff) at AO grade and above must complete the register of interests in order to avoid potential conflicts of interest, and staff working on cases are required to record any shareholdings or other interests that they might have in the company, or its subsidiaries, associates or connected persons, being investigated. There are currently 115 declarations from staff/Counsel of potential conflicts of interest on the Register.

Devolved Administrations

Scotland

Section 48(5) - independence of the Lord Advocate in making prosecutorial decisions

<<http://www.legislation.gov.uk/ukpga/1998/46/section/48>>

32. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.
- None.

1530 Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0** (NO) No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.
- None.

12. Private sector

33. Paragraphs 1 and 2 of article 12

1. Each State Party shall take measures, in accordance with the fundamental principles of its domestic law, to prevent corruption involving the private sector, enhance accounting and auditing standards in the private sector and, where appropriate, provide effective, proportionate and dissuasive civil, administrative or criminal penalties for failure to comply with such measures.

2. Measures to achieve these ends may include, inter alia:

- (a) Promoting cooperation between law enforcement agencies and relevant private entities;
- (b) Promoting the development of standards and procedures designed to safeguard the integrity of relevant private entities, including codes of conduct for the correct, honourable and proper performance of the activities of business and all relevant professions and the prevention of conflicts of interest, and for the promotion of the use of good commercial practices among businesses and in the contractual relations of businesses with the State;
- (c) Promoting transparency among private entities, including, where appropriate, measures regarding the identity of legal and natural persons involved in the establishment and management of corporate entities;
- (d) Preventing the misuse of procedures regulating private entities, including procedures regarding subsidies and licences granted by public authorities for commercial activities;
- (e) Preventing conflicts of interest by imposing restrictions, as appropriate and for a reasonable period of time, on the professional activities of former public officials or on the employment of public officials by the private sector after their resignation or retirement, where such activities or employment relate directly to the functions held or supervised by those public officials during their tenure;
- (f) Ensuring that private enterprises, taking into account their structure and size, have sufficient internal auditing controls to assist in preventing and detecting acts of corruption and that the accounts and required financial statements of such private enterprises are subject to appropriate auditing and certification procedures.

1521 Is your country in compliance with these provisions?

0 (Y) Yes

1523

- 1** Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with these provisions of the Convention.

The UK is an established international leader in corporate governance. Our organisations have strong systems which facilitate effective management and control. For the private sector this includes the [Corporate Governance Code](https://www.frc.org.uk/getattachment/ca7e94c4-b9a9-49e2-a824-ad76a322873c/UK-Corporate-Governance-Code-April-2016.pdf) [ad76a322873c/UK-Corporate-Governance-Code-April-2016.pdf](https://www.frc.org.uk/getattachment/ca7e94c4-b9a9-49e2-a824-ad76a322873c/UK-Corporate-Governance-Code-April-2016.pdf) for our largest listed companies as well as high standards for corporate reporting and audit, which encourage companies to have strong financial controls and make it harder to disguise illicit activity.

Integrity across the private sector is also supported by the supervisory bodies of key professions. The government is also promoting a culture of responsible business conduct, promoting and encouraging more businesses to adopt internationally recognised standards, such as the UN Global Compact and ISO 26000, and doing more to disseminate examples of good practice wherever we see it.]

Legislation

Criminal law legislation is used to incentivise the private sector to make prevention of corruption an integral part of corporate good governance. Guidance has been published (see 3.) by the UK Government on bribery prevention for commercial organisations, designed to assist organisations in implementing bribery prevention regimes that are proportionate to the size and structure of the company and the degree of bribery risk that it faces. The Government also undertakes research to monitor awareness raising.

The Bribery Act

Section 7 of the Bribery Act 2010 provides corporate failure to prevent liability in respect of any bribery perpetrated by a person associated with a commercial organisation with the intent to obtain business or an advantage in the conduct of business. The strict liability offence is subject to a full due diligence defence, under which an organisation will not be guilty of the offence if it can show that despite the instant offence it has put in place adequate procedures to prevent bribery.

This model of corporate liability has been successful in incentivising businesses to assess the bribery risks they face and to put in place proportionate measures to mitigate those risks. The Government published guidance to assist businesses in the task of implementing the proportionate bribery prevention measures. <<https://www.justice.gov.uk/downloads/legislation/bribery-act-2010-guidance.pdf>> <<https://www.justice.gov.uk/downloads/legislation/bribery-act-2010-guidance.pdf>>

The FCA

The Financial Conduct Authority (FCA) has the power, pursuant to section 137A of the [Financial Services and Markets Act 2000 \(FSMA\)](#) <<http://www.legislation.gov.uk/ukpga/2000/8/contents>>, to make rules with respect to the carrying on of regulated activities by banks and other financial services firms. These rules are contained in the 'FCAs Handbook' <<https://www.handbook.fca.org.uk/handbook/>>.

In particular, firms are required to conduct their business with integrity (Principle 1 of the 'FCAs Principles for Businesses' <<https://www.handbook.fca.org.uk/handbook/PRIN.pdf>>), to maintain adequate risk management systems (Principle 3) and to manage conflicts of interest fairly (Principle 8).

Specific rules require firms to establish and maintain effective systems and controls for countering the risk that they might be used to further financial crime ([SYSC 3.2.6R and SYSC 6.1.1R](#) <<https://www.handbook.fca.org.uk/handbook/SYSC/>>).

This includes the risk of corruption as well as bribery. Breaches of these rules may be punishable by the imposition of financial penalties, pursuant to section 206 of FSMA and/or suspending or restricting a firm's permission to conduct regulated activities, pursuant to section 206A of FSMA.

DPAs

Deferred Prosecution Agreements (DPAs) were introduced by the Courts and Crime Act 2013. The legislation provides for court approved agreements between corporate bodies alleged to have committed economic crime offences, including bribery, fraud, false accounting & money laundering, and prosecution agencies. Under such an agreement the company agrees to comply with several terms for a specified number of years and in return the charges against the company are suspended, subject to reinstatement if the terms of the DPA are seriously breached. The availability of a DPA incentivises businesses to adhere as much as possible to compliance standards to enhance their chances of agreeing a DPA should any relevant offence take place. In addition a DPA would typically include terms designed to improve corporate good governance.

a) Cooperation with private sector and between law enforcement agencies

As part of the NCA International Corruption Unit's co-ordination role, it maintains a register of foreign bribery cases both under investigation and being assessed by the various UK agencies, including the SFO. To ensure a coordinated response, the NCA chairs a monthly Bribery and Corruption Intelligence Clearing House meeting where the relevant agencies carry out a high-level assessment of all new leads, referrals and intelligence with a view to agreeing which agency is best placed to take responsibility for subsequent action. These meetings help deconflict foreign bribery cases and ensure there is not a duplication of effort.

Since 2010 the FCA has convened and run a Money Laundering Reporting Officer (MLRO) risk and policy forum. This takes place quarterly and is attended by MLROs from the largest retail and investment banks. The forum addresses various topics, including the sharing of best practice on risk management.

In 2011 and 2013, the FCA (and its predecessor the Financial Services Authority) held Financial Crime Conferences. Both conferences made ABC a key topic and used the platform to outline its role in the ABC landscape, its approach and its expectations of firms.

In December 2014, the FCA was a guest speaker at the British Banking Association's (BBA) Bribery and Corruption conference. The BBA is a trade association for the UK banking sector, with 200 member banks headquartered in over 50 countries and operations in 180 jurisdictions worldwide (the BBA is now integrated into UK Finance - a new trade body which represents nearly 300 of the leading firms providing finance, banking, markets and payments-related services in or from the UK). The conference highlighted emerging best practice in ABC systems and controls and looked at genuine efforts to comply with global obligations. During the speech, it set out its approach along with its expectations on governance and risk management within firms.

Additionally in 2015, the FCA held two webinars on ABC. The webinar, which had over 900 unique viewers, discussed the findings of the 2014 thematic review.

b) Promoting standards

Under FSMA, all individuals and firms that carry out regulated activity in the UK (this includes dual-regulated firms) must be regulated by the FCA, unless they are exempt .

Dual regulated firms, including banks, credit unions and insurance firms are regulated by the FCA for the way they conduct their business, and by the Prudential Regulation Authority (PRA) for prudential requirements.

The FCA publishes and maintains a Financial Services Register. This is a public record of firms, individuals and other bodies that are, or have been, regulated by the PRA and/or FCA.

Firms seeking authorisation are required to disclose who has control or influence over their business. FCA approval is required before a person can become a controller of a regulated firm. PRA approval is also required for a dual regulated firm.

FSMA requires that any changes in controller are notified to, and must be approved by the FCA. If a controller ceases or decreases control in a firm, they are required to notify the FCA in writing the date this took place.

It is a criminal offence under FSMA section 191F to:

- Acquire or increase control without notifying the FCA first;
- Fail to obtain prior approval in such circumstances.

As part of the FCA authorisations process, individuals are required to meet its fitness and propriety test. Each application is considered on a case-by-case basis. There are several factors the FCA considers when assessing the fitness and propriety of an individual candidate, including the individual's integrity.

The FCA also screens candidates against internal and external financial intelligence databases.

The FCA has published a [Financial Crime Guide](https://www.handbook.fca.org.uk/handbook/document/fc/FC1_FCA_20160703.pdf) <https://www.handbook.fca.org.uk/handbook/document/fc/FC1_FCA_20160703.pdf>, providing guidance to firms subject to financial crime rules in the FCA Handbook, on reducing their financial crime risk. This includes a specific section dedicated to bribery and corruption, with guidance on governance, risk assessment, policies and procedures and dealing with third parties. Part 2 of the Guide also contains the outcomes of thematic reviews of anti-bribery and corruption in commercial insurance broking (2010 and an update in 2014) and investment banks (2012).

The FCA's rules include requirements for firms to conduct their business with integrity (Principle 1 of the FCA's Principles for Businesses), to manage conflicts of interest fairly (Principle 8) and to disclose to the FCA anything of which the FCA would reasonably expect notice (Principle 11). A code of conduct, with similar rules, applies to employees of banks and insurers and separate rules to all senior managers of regulated firms. The names of all senior managers of regulated firms

are published on a [publicly-available register <https://register.fca.org.uk/>](https://register.fca.org.uk/).

Banks are required to maintain procedures for the internal reporting of concerns by whistle-blowers (SYSC 18). The FCA has implemented [confidential procedures <https://www.fca.org.uk/firms/whistleblowing>](https://www.fca.org.uk/firms/whistleblowing) for being notified directly of misconduct by any regulated firm and maintains a dedicated team for handling whistleblowing intelligence.

When an individual takes up any new paid or unpaid appointment within 2 years of leaving ministerial office or Crown service, they must apply for advice on the suitability of the new post. The [Advisory Committee on Business Appointments \(ACOPA\) <https://www.gov.uk/government/organisations/advisory-committee-on-business-appointments>](https://www.gov.uk/government/organisations/advisory-committee-on-business-appointments) considers applications under [the business appointment rules <https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/579754/Business_appointment_rules_for_former_ministers.pdf>](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/579754/Business_appointment_rules_for_former_ministers.pdf) about new jobs for former ministers and senior civil servants. The purpose of the rules is to avoid:

- any suspicion that an appointment might be a reward for past favours;
- the risk that an employer might gain an improper advantage by appointing a former official who holds information about its competitors, or about impending government policy;
- the risk of a former official or minister improperly exploiting privileged access to contacts in government.

Applications from all other levels of Crown servant are handled by their employing departments in line with the 'Cabinet Offices guidelines <<https://www.gov.uk/guidance/crown-servants-new-jobs-and-business-appointments>> for departments and their own internal processes.

For details of internal auditing requirements, see response to 12.3.

Devolved Administrations

Northern Ireland

Operational work by law enforcement in Northern Ireland is complemented by the strategic [Organised Crime Task Force \(OCTF\) <http://www.octf.gov.uk/>](http://www.octf.gov.uk/), established in 2000. The OCTF brings law enforcement agencies, Government Departments, the Public Prosecution Service (PPS), the Northern Ireland Policing Board and business and community interests together to set priorities, develop strategies and agree actions to tackle organised crime.

The OCTF has a Criminal Finance Sub Group, chaired by the Head of the PSNI Economic Crime Unit with representation from law enforcement, agencies with financial investigation functions and the PPS, to focus on financial crime and emerging trends and collaborate on relevant action. Other relevant sub groups include the Cyber Crime Sub Group and the Immigration and Human Trafficking Sub Group.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

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Cases concluded by DPAs:

<<https://www.sfo.gov.uk/cases/standard-bank-plc/>>

<<https://www.sfo.gov.uk/2016/07/08/sfo-secures-second-dpa/>> <<https://www.sfo.gov.uk/cases/rolls-royce-plc/>>

<<https://www.sfo.gov.uk/cases/rolls-royce-plc/>>

In 2015 the Government published the results of research into levels of awareness of the Bribery Act and Ministry of Justice guidance on bribery prevention for commercial organisations.

<https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/440661/insight-into-awareness-and-impact-of-the-bribery-act-2010.pdf>

The FCA

As noted in section 4.5 of the current Memorandum of Understanding on Tackling Foreign Bribery and Corruption[1], a key role of the FCA is to require firms authorised under FSMA to put in place and maintain policies and processes to prevent bribery and corruption. The Memorandum of Understanding, in the same section, also notes that the FCA does not enforce obligations under the Bribery Act 2010.

To support this, the FCA's Financial Crime: a guide for firms provides practical assistance and information for firms of all sizes and across all FCA supervised sectors, on actions they can take to counter the risk that they might be used to further financial crime, including bribery and corruption.

Paragraphs 6.2. and 6.3 of Part 1 of the Guide makes clear that firms which are subject to FCA rules[2] SYSC 3.2R and SYS 6.1R are under a separate, regulatory obligation to establish and maintain effective systems and controls to mitigate financial crime risk.

Responsibility for AML supervision for Payment Institutions which provide money transmission services sits with HMRC, however e-money institutions and payment institutions must satisfy the FCA that they have robust governance, effective risk procedures and adequate internal control mechanisms.

In 2013, the FCA published its E-Money approach document[3]. This sets out the role of the FCA under the EMRs. Section 11 details the financial crime requirements, including applications, systems and controls and policies and procedures.

Financial crime risk includes the risk of corruption as well as bribery. The FCA may

take action against a firm with deficient anti-bribery and corruption systems and controls regardless of whether or not bribery or corruption has taken place. Principle 1 of the FCA Principles for Business also requires authorised firms to conduct their business with integrity. The FCA's guidance urges firms to take this into account when considering the adequacy of their anti-bribery and corruption systems and controls.

Concluded Anti-Bribery & Corruption (ABC) cases

To date, the FCA (formerly FSA) has published four cases that were specifically focused on authorised firms' systems and controls in relation to anti-bribery and corruption. Details of these cases and the financial penalties imposed are set out below.

Aon Limited (Final Notice dated 6 January 2009)

A financial penalty of £5.25m (£7.5m before settlement discount) was imposed on AON Limited ("Aon") for breaching Principle 3 between 14 January 2005 and 30 September 2007. Aon did not take reasonable care to establish and maintain effective systems and controls for countering the risks of bribery and corruption associated with making payments to non FSA-authorised overseas third parties who assisted Aon in winning business from overseas clients, particularly in high risk jurisdictions.

Willis Limited (Final Notice dated 21 July 2011)

A financial penalty of £6.895m (£9.85m before settlement discount) was imposed on Willis Limited ("Willis") for breaching Principle 3 and SYSC 3.26R between 14 January 2005 and 31 December 2009. Willis did not take reasonable care to establish and maintain effective systems and controls for countering the risks of bribery and corruption associated with making payments to overseas third parties who helped Willis win and retain business from overseas clients.

JLT Specialty Limited (Final Notice dated 19 December 2013)

A financial penalty of £1,876m (£2.684m before settlement discount) was imposed on JLT Specialty Limited ("JLT") for breaching Principle 3 between 19 February 2009 and 9 May 2012. JLT did not take reasonable care to establish and maintain effective systems and controls for countering the risks of bribery and corruption associated with making payments to overseas third parties who helped JLT win and retain business from overseas clients.

Besso Limited (Final Notice dated 17 March 2014)

A financial penalty of £315,000 (£450,000 before settlement discount) was imposed on Besso Limited ("Besso") for breaching Principle 3 between 14 January 2005 and 31 August 2011. Besso did not take reasonable care to establish and maintain effective systems and controls for countering the risks of bribery and corruption associated with making payments to parties who entered into commission sharing agreements with Besso or assisted Besso in winning or retaining business.

Other cases

At the time of writing in October 2017 the FCA had three ongoing Enforcement investigations relating to ABC systems and controls.

Thematic Work

The FCA has carried out four thematic reviews on ABC. A thematic review is used to assess a current or emerging risk regarding an issue or product across a number of firms in a sector or market.

ABC in commercial insurance brokers^[4] (2010)

This reviewed the way commercial insurance broker firms in the UK addressed the risks of becoming involved in corrupt practices such as bribery. It visited 17 broker firms and, although this report focused on commercial insurance brokers, it stressed when it published its findings, that they were relevant to other sectors.

The report examined standards in managing the risk of illicit payments or inducements to, or on behalf of, third parties in order to obtain or retain business. It identified that many firms' approach towards high-risk business was not of an acceptable standard and that a number of firms were not able to demonstrate that adequate procedures were in place to prevent bribery from occurring.

The report also identified a number of common concerns including weak governance and a poor understanding of bribery and corruption risks among senior managers, as well as very little or no specific training and weak vetting of staff. It also identified that there was a general failure to implement a risk-based approach to bribery and corruption and very weak due diligence and monitoring of third-party relationships and payments, including where foreign public officials were involved.

As a result of this review and FCA concurrent casework, it commissioned a skilled persons report to assess past payments to third parties made by a firm and issued a formal private warning to another after it became aware of a number of third party payments which were made without an adequate business case being established and documented.

ABC in investment banks[6] (2012)

This reviewed ABC systems and controls in investment banking. It visited 15 investment banks and firms carrying on investment banking or similar activities in the UK to assess how they were managing bribery and corruption risk. Although the report focused on investment banking, its findings were relevant to other sectors.

It identified that although some investment banks had completed a great deal of work to implement effective anti-bribery and corruption controls, the majority of them had more work to do and some firms' systems and controls fell short of their regulatory obligations. The main weaknesses it identified were: limited understanding of the applicable legal and regulatory regimes; incomplete or inadequate bribery and corruption risk assessments; lack of senior management oversight; and failure to monitor the effective implementation of, and compliance with, ABC policies and procedures.

The SFO

The Serious Fraud Office, (SFO), is a specialist prosecuting authority tackling the top level of serious or complex fraud, bribery and corruption. It is responsible for 8 of the 13 successfully concluded foreign bribery related cases since March 2012, including the first conviction of a company for foreign bribery and the first conviction of a company for failure to prevent bribery. These convictions send a strong message that UK companies must take full responsibility for the actions of their employees and in their commercial activities act in accordance with the law.

Rolls Royce - Deferred Prosecution Agreement

In January 2017 the SFO entered into a Deferred Prosecution Agreement (DPA) with Rolls-Royce PLC. The DPA included a financial penalty of £497.25m plus interest and required Rolls Royce to pay the SFO's costs of £13m. The resolution is the highest ever enforcement action against a company in the UK for criminal conduct. The resolution reflected the gravity of the conduct, the full cooperation of Rolls-Royce PLC in the investigation, and the programme of corporate reform and compliance put in place by new leadership at the top of the company. The agreement with the company followed a four-year investigation into bribery and corruption. The indictment, which has been suspended for the term of the DPA, covers 12 counts of conspiracy to corrupt, false accounting and failure to prevent bribery. The conduct spanned three decades and a number of Rolls Royce businesses.

<<https://www.sfo.gov.uk/cases/rolls-royce-plc/>>

Sweett Group PLC - Guilty Plea

Construction and professional services company Sweett Group PLC pleaded guilty in December 2015 to a charge of failing to prevent an act of bribery intended to

secure and retain a contract with Al Ain Ahlia Insurance Company (AAAI), contrary to Section 7(1)(b) of the Bribery Act 2010. The SFO's investigation into Sweett Group PLC, which commenced on 14 July 2014, uncovered that its subsidiary company, Cyril Sweett International Limited had made corrupt payments to Khaled Al Badie, the Vice Chairman of the Board and Chairman of the Real Estate and Investment Committee of AAAI to secure the award of a contract with AAAI for the building of the Rotana Hotel in Abu Dhabi.

The company was sentenced and ordered to pay £2.25 million as a result. The amount is broken down as £1.4m in fine, £851,152.23 in confiscation. Additionally, £95,031.97 in costs were awarded to the SFO.

<<https://www.sfo.gov.uk/cases/sweett-group/>>

34. Paragraph 3 of article 12

3. In order to prevent corruption, each State Party shall take such measures as may be necessary, in accordance with its domestic laws and regulations regarding the maintenance of books and records, financial statement disclosures and accounting and auditing standards, to prohibit the following acts carried out for the purpose of committing any of the offences established in accordance with this Convention:

- (a) The establishment of off-the-books accounts;
- (b) The making of off-the-books or inadequately identified transactions;
- (c) The recording of non-existent expenditure;
- (d) The entry of liabilities with incorrect identification of their objects;
- (e) The use of false documents;
- (f) The intentional destruction of bookkeeping documents earlier than foreseen by the law.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

- 1** Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Accounting and reporting: (1) Part 15 of the Companies Act 2006; (2) The Large and Medium Sized Companies (Accounts and Reports) Regulations 2008; (3) The Small Companies (Accounts and Directors' Report) Regulations 2008.

The Accounting framework under the Companies Act 2006 provides for the preparation and publication (on the Companies House register) of accounts for all UK limited companies. Preparation of accounts, for use by the general public, is viewed as an obligation applicable in recognition of the granting of limited liability via upon incorporation. Accounts must be prepared, audited (for all small companies apart from those associated financial services provision) and filed on a strict annual timetable subject to a system of civil and criminal penalties. Extended non-compliance can result in a company being "struck off" of the Companies House register.

The quality of accounting is enforced primarily through the statutory audit framework. However for those small companies (and a small number of specific other types) that can take up audit exemption, criminal investigation is possible for fraudulent accounting. For large companies and those with financial securities listed on the UK's markets, a system of enforcement also operates whereby the UK's accounting regulator, the Financial Reporting Council, can seek the rectification of accounts that have not complied with the applicable accounting standards.

Accounting standards are set by the Financial Reporting Council for use by most companies. The standards must comply with the requirements of the Companies Act 2006 and the accounting regulations made under that Act. Meanwhile those companies in the UK required to produce consolidated accounts for a group of companies must do so in accordance with International Financial Reporting Standards as adopted for use in the European Union. Other companies may also choose to follow these standards.

Chapter 2 of Part 15 of the Companies Act 2006 places duty on every company to keep adequate accounting records and specifies where and for how long these records are to be kept. If a company fails to comply with these provisions, an offence is committed by every officer of the company in default. A person found guilty of an offence under these provisions may be liable to a term of imprisonment up to two years or a fine or both.

More specifically the accounting records must:

- i. disclose with reasonable accuracy, at any time, the financial position of the company at that time;
- ii. 2. enable the directors to ensure that any accounts required to be prepared comply with the requirements of the Companies Act and, where applicable, of Article 4 of the [IAS Regulation <http://www.icaew.com/en/members/regulations-standards-and-guidance/members-in-business/financial-and-accounting-duties-of-directors-definitions?letter=i>](http://www.icaew.com/en/members/regulations-standards-and-guidance/members-in-business/financial-and-accounting-duties-of-directors-definitions?letter=i);
- iii. 3. contain entries from day-to-day of all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure take place; and
- iv. 4. contain a record of company assets and liabilities.

In the case of a company dealing in goods, the accounting records must also:

- v. 5. contain statements of stock held by the company at the end of each financial year;
- vi. 6. contain statements of stock-takings from which any statement prepared under (5) above is made; and
- vii. 7. except when the sale is an ordinary retail sale, contain statements of all goods sold and purchased showing the goods and the buyers and sellers in sufficient detail to enable the goods and the buyers and sellers to be identified.

In addition to the statutory requirement to keep adequate accounting records, the directors have an overriding responsibility to ensure that they have adequate information to enable them to discharge their responsibility

to manage the company's business.

The duty to promote the success of the company will involve ensuring that adequate control is kept over its records and transactions, for example: cash; debtors and creditors; stock and work in progress; capital expenditure; and major contracts.

To restrict the possibility of actions for wrongful trading, directors will need constantly to be aware of the company's financial position and progress, and the accounting records should be sufficient to enable them to be provided with the information required for drawing conclusions on these matters. The directors should also be satisfied that proper systems to provide them with regular and prompt information are in place.

Audit: (4) Part 16 of the Companies Act 2006; (5) Part 42 of the Companies Act 2006; (6) The Statutory Auditors and Third Country Auditors Regulations 2016; (7) The Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008.

If an auditor is of the opinion that adequate accounting records have not been kept or if the auditor has not obtained all the information or explanations which he believes necessary for his audit, this must be reported by exception in his report.

A company auditor has the statutory right to access at all times the company's books, accounts and vouchers and may require any officer, employee or subsidiary of the company to provide him with such information and explanations as he thinks necessary. It is a criminal offence for a person to knowingly or recklessly provide an auditor with information which is misleading, false or deceptive.

The responses to Articles 12(1) and 12(2) are also relevant here.

Whistleblowing: The FRC is designated by Public Interest Disclosure (Prescribed Persons) Order 2014 and the Public Interest Disclosure (Prescribed Persons) Order (Northern Ireland) 1999 as the recipient of "whistle-blowing complaints" about auditors and company accountants. The framework provides that whistle-blowers who are workers are protected when making complaints or other disclosures about audit, accounting, and reporting misconduct in Great Britain and Northern Ireland.

(1)<<http://www.legislation.gov.uk/ukpga/2006/46/part/15>>
<<http://www.legislation.gov.uk/ukpga/2006/46/part/15>>(2)<<http://www.legislation.gov.uk/uksi/2008/410/contents/made>> <<http://www.legislation.gov.uk/uksi/200>

[8/410/contents/made> *](#)

(3)<<http://www.legislation.gov.uk/uksi/2008/409/contents/made>> <<http://www.legislation.gov.uk/uksi/2008/409/contents/made>> *

(4)<<http://www.legislation.gov.uk/ukpga/2006/46/part/16>>

<<http://www.legislation.gov.uk/ukpga/2006/46/part/16>> (5)<<http://www.legislation.gov.uk/ukpga/2006/46/part/42>>

<<http://www.legislation.gov.uk/ukpga/2006/46/part/42>> (6)<<http://www.legislation.gov.uk/uksi/2016/649/contents/made>> <<http://www.legislation.gov.uk/uksi/2016/649/contents/made>> *

(7)<<http://www.legislation.gov.uk/uksi/2008/489/contents/made>> <<http://www.legislation.gov.uk/uksi/2008/489/contents/made>> *

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Ravelle

A chartered accountant was convicted of three counts of fraudulent trading in a £3.25m fraud scandal. Jeremy Greene, a director of collapsed second hand computer parts supplier Ravelle, was found guilty of playing a key part in an invoicing fraud by a Judge at Manchester Crown Court. The fraud centred around the creation of false sales documents and a complex web of intercompany transactions which misled IBM Global Financing and Barclays Sales Finance into bankrolling Ravelle, using fictitious orders as collateral. The case was referred to the SFO (Serious Fraud Office) by Greater Manchester Police after Ravelle's receivers raised serious concerns in 2001. According to the SFO, the company used 'fresh air' invoicing which involved fabricating IOUs and pretending these represented real orders, and 'circular trading' which allowed 'a continuing systematic deception of the factoring company'. The circular trading involved Ravelle pretending it had an order from outside businesses, which were termed as 'friendly' companies. These were Trackteck Industries Limited, Mad Macs Limited and Cheap Internet Access Limited. The factoring company was informed of the order and lent money against the invoice. In due course the factoring company expected the 'friendly' company to pay for the goods it ordered so the loan could be repaid. If the transactions had been genuine, the funds to repay the loan would have to come from the relevant 'friendly' company, but Ravelle set up an intricate system which tricked the creditors into believing that the money had come from the outside businesses. IBM Global Financing lost £1,600,000 whilst Barclays Sales Finance lost £654,857. Other creditors lost approximately £1,000,000.

<https://frc.org.uk/Our-Work/Enforcement/Enforcement.aspx>

Xclusive

The SFO, together with the Metropolitan Police, investigated the affairs of "the Xclusive companies". These companies sold tickets or hospitality packages online for a wide variety of events including the Beijing Olympics and various 2008 summer music festivals in the UK. Over £5 million worth of tickets were not supplied or the full service was not provided. On 11th July 2011:

- Terrence ('Terry') Shepherd was sentenced to eight years' imprisonment and disqualified from acting as a company director for 15 years, having been convicted of money laundering, two counts of fraudulent trading and two counts of acting as a company director whilst disqualified. A Serious Crime Prevention Order was also obtained in respect of Shepherd.
- Alan Scott was sentenced to seven years' imprisonment and disqualified from acting as a company director for 10 years. A Serious Crime Prevention Order was also obtained in respect of Scott.
- Allan Schaverien was sentenced to two years and eight months' imprisonment having been convicted of aiding and abetting fraudulent trading.

Terry Shepherd is a ticket tout with a history of insolvent company liquidations. He had twice been disqualified from being a director or being concerned in the formation or management of any company, and was disqualified at the time Xclusive was set up and for much of the time it was trading. No doubt for this reason, he was not appointed as a director of any of the Xclusive companies. It was the prosecution case that he was the driving force behind Xclusive and the principal architect of the fraud.

Alan Scott was the sole director of the Xclusive companies when they went into liquidation. Scott was at the centre of the collapse of the company. He acted as lieutenant to Shepherd, collecting and carrying out his instructions. Scott dealt with the liquidators and provided the false explanation that the company's insolvency was caused by the failure of Xclusive's supplier, Peters Ticketing, to provide the tickets that Xclusive had ordered (and paid for in cash).

Allan Schaverien, a 'Certified Chartered Accountant', had a long association with Terry Shepherd. Until his bankruptcy in November 2004 Allan Schaverien was working as a sole trader under the name Allan Schaverien and Co. After his bankruptcy he worked one day a week at Xclusive; he acted as the companies' accountant. As the company's accountant, he knew the truth behind the façade of Peters Ticketing. Schaverien orchestrated the liquidation of the Xclusive group and was instrumental in creating the false document trail at the time of the 'collapse' of Xclusive.

This was Schaverien's second conviction; in October 2008, he was sentenced in Guildford Crown Court to 2 years' imprisonment suspended for 2 years for offences of obtaining money transfers by deception and false accounting following an investigation by Surrey Police.

35. Paragraph 4 of article 12

4. Each State Party shall disallow the tax deductibility of expenses that constitute bribes, the latter being one of the constituent elements of the offences established in accordance with articles 15 and 16 of this Convention and, where appropriate, other expenses incurred in furtherance of corrupt conduct.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

UK law disallows both income tax and corporation tax deductions for any payment which constitutes a criminal offence. A UK deduction is also disallowed for payments made outside the UK that would constitute a criminal offence if made in the UK.

The UK provides publically available guidance on GOV.UK in HMRC's Business Income Manual. This covers an overview of the crime related payments legislation with specific sections on the Terrorism Act, Bribery, Blackmail and Extortion. The introduction advises that no deduction from trade profits is allowed for expenses incurred in making a payment which constitutes a criminal offence, or for payments made outside the UK if a corresponding payment would constitute a criminal offence in the UK. The guidance advises that the restriction extends to any incidental costs of making the criminal payment.

The section on bribery includes an overview of the Bribery Act 2010 and states that payments which constitute an offence under the Bribery Act are disallowable as criminal payments. This section also states that if offences are outside the territorial scope of the Bribery Act the payments are still disallowable as criminal payments if they would constitute an offence if paid in the UK.

The guidance is available to HMRC staff and includes general case handling advice and information about the legal gateway for HMRC to share information with other enforcement authorities in the Anti-Terrorism, Crime and Security Act.

In addition, the Property Income Manual which is also available on GOV.UK advises that deduction cannot be claimed for payments which are criminal.

Links below:

Property income manual:

<https://www.gov.uk/hmrc-internal-manuals/property-income-manual/pim2060>
The legislation is S55 ITTOIA 2005 for income tax:

<http://www.legislation.gov.uk/ukpga/2005/5/section/55>

s1304 CTA 2009 for corporation tax:

<http://www.legislation.gov.uk/ukpga/2009/4/section/1304>

There's publically available guidance on the crime related payments legislation in the business income manual BIM 43100 to BIM 43185, including a section on bribery. Link below to the overview and index for this section:

<https://www.gov.uk/hmrc-internal-manuals/business-income-manual/bim43100>

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

See links above for legislation.

There aren't any tribunal cases on the tax treatment of bribes.

36. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530 Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0** (NO) No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

13. Participation of society

37. Paragraph 1 of article 13

1. Each State Party shall take appropriate measures, within its means and in accordance with fundamental principles of its domestic law, to promote the active participation of individuals and groups outside the public sector, such as civil society, non-governmental organizations and community-based organizations, in the prevention of and the fight against corruption and to raise public awareness regarding the existence, causes and gravity of and the threat posed by corruption. This participation should be strengthened by such measures as:

- (a) Enhancing the transparency of and promoting the contribution of the public to decision-making processes;
- (b) Ensuring that the public has effective access to information
- (c) Undertaking public information activities that contribute to non-tolerance of corruption, as well as public education programmes, including school and university curricula;
- (d) Respecting, promoting and protecting the freedom to seek, receive, publish and disseminate information concerning corruption. That freedom may be subject to certain restrictions, but these shall only be such as are provided for by law and are necessary:
 - (i) For respect of the rights or reputations of others;
 - (ii) For the protection of national security or ordre public or of public health or morals.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

- 1** Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Historically the UK long has been an advocate of the critical role NGOs and civil society plays in combating corruption - without close collaboration our efforts would be less effective.

Regular engagement with groups such as Transparency International, Corruption Watch and the Bond Group is essential to the work of JACU.

13.1 a)

As noted at 5.1, 10 the UK is resolute in its commitment to transparency. It is a founding member of the Open Government Partnership, and is currently implementing its third [National Action Plan](https://www.gov.uk/government/publications/uk-open-government-national-action-plan-2016-18/uk-open-government-national-action-plan-2016-18) [<https://www.gov.uk/government/publications/uk-open-government-national-action-plan-2016-18/uk-open-government-national-action-plan-2016-18>](https://www.gov.uk/government/publications/uk-open-government-national-action-plan-2016-18/uk-open-government-national-action-plan-2016-18). At the 2016 London Anti-Corruption Summit, it also launched the National Action Plan. The National Action Plan was co-created with civil society to ensure that the UK can develop cutting edge and innovative commitments that will deliver real change in government. This includes commitments to produce a cross-government [Anti-corruption Strategy](https://www.gov.uk/government/publications/uk-open-government-national-action-plan-2016-18/uk-open-government-national-action-plan-2016-18) [<https://www.gov.uk/government/publications/uk-open-government-national-action-plan-2016-18/uk-open-government-national-action-plan-2016-18>](https://www.gov.uk/government/publications/uk-open-government-national-action-plan-2016-18/uk-open-government-national-action-plan-2016-18) (The UK published the strategy in December 2017. [<https://www.gov.uk/government/publications/uk-anti-corruption-strategy-2017-to-2022>](https://www.gov.uk/government/publications/uk-anti-corruption-strategy-2017-to-2022)). The commitments on anti-corruption were co-created with

created by key officials from the UK government working with representatives from civil society groups (Bond Anti-Corruption Group, Campaign for Freedom of Information, International Budget Partnership, mySociety, Natural Resource Governance Institute, and Publish What You Pay UK). The group aimed to build on the success of the first UK Anti-Corruption Plan, published in December 2014. The Anti-Corruption Strategy commitment brings together the UK's current and up-to-date anti-corruption efforts in one place. [The UK published the strategy in December 2017. <https://www.gov.uk/government/publications/uk-anti-corruption-strategy-2017-to-2022>](https://www.gov.uk/government/publications/uk-anti-corruption-strategy-2017-to-2022)

13.1 b)

The UK has released over 40,000 datasets as open data. This is available on data.gov.uk <<https://data.gov.uk/>> for the public to access and use.

Monitored bodies received 45,415 requests for information in 2016. Of those 33,337 were valid requests under the legislation. Information was released in 20,895 of those cases. In 4,926 cases the cost of locating information would exceed the appropriate limit set out in legislation (currently 3.5 days). In 7,172 cases the information engaged an exemption and was not released.

If individuals are not content with the response to their request they are able to appeal first internally with the relevant public authority, and then to the UK regulator (the Information Commissioner). Requesters and public authorities have the right to appeal decisions of the Information Commissioner to a tribunal. This appeal route extend to the Supreme Court. There are currently 168 cases on-going in relation to this appeal against a decision of the Information Commissioner.

13.1 d)

As above.

38. Paragraph 2 of article 13

2. Each State Party shall take appropriate measures to ensure that the relevant anti-corruption bodies referred to in this Convention are known to the public and shall provide access to such bodies, where appropriate, for the reporting, including anonymously, of any incidents that may be considered to constitute an offence established in accordance with this Convention.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

There are several avenues for members of the public to report corruption in the UK:

1) Reporting Directly to the Police

The Police offer two telephone reporting services;

- 999 provides an emergency number to report a crime in progress or if someone is in imminent danger;
- 101 provides a number to report crimes that are not an emergency to the police.

Both services offer a telephone and text relay service.

The Home Office in conjunction with Police Forces on a yearly basis have carried out numerous 101 awareness campaigns. These campaigns together with forces local initiatives, now mean that there are 35 million members of the public using this system. In every 101 campaign reference on when to use 101 and 999 is promoted.

The Police offer online reporting through their website<<http://www.police.uk>>[Police.uk](http://www.police.uk) <<http://www.police.uk>>.

2) Reporting to Crimestoppers

Crimestoppers are an independent charity offering a confidential and anonymous helpline for members of the public with information relating to a crime. Crimes can be reported either by phone (0800 555 111) or through their online form ([Crimestoppers-uk.org](http://www.crimestoppers-uk.org) <<http://www.crimestoppers-uk.org>>).

Crimestoppers carry out general promotions on the services they provide which are not crime specific, ranging from local community presentations to social media activity.

3) Reporting to the Serious Fraud Office (SFO)

The SFO is a specialist prosecuting authority tackling the top level of serious or complex fraud, bribery and corruption.

The SFO has a 'public facing' on-line reporting tool that can be accessed through its [website <https://www.sfo.gov.uk/>](https://www.sfo.gov.uk/). This portal allows individuals and legal representatives for corporate clients to directly report allegations of fraud, bribery and corruption.

The reporting tool contains a "decision tree" reporting form, which guides users to provide information about possible fraud, bribery and corruption to the authority best placed to deal with it. It also provides useful information and links to other agencies if the matter does not fall within the SFO's statutory remit.

The tool enables anonymous reporting and the SFO to treat whistleblower reports as confidential sources of information and has provided increased confidence to whistleblowers especially those reporting alleged foreign bribery matters. The tool uses a software to encrypt the messages in order to protect the information contained within. The SFO will also receive reports via post.

The SFO assesses every report that it receives against the Director's Statement of Principle and on its own merits and particular facts.

The website is also used as a tool to update victims or witnesses about cases or to publish appeals for people with information on a particular case to come forward.

4) Reporting to the National Crime Agency's International Corruption Unit (NCA ICU)

The NCA ICU investigates international bribery and corruption and related money laundering offences.

Members of the public or whistleblowers can report instances of bribery and corruption through their monitored email address (ContactICU@nca.x.gsi.gov.uk).

All allegations are recorded, assessed and where applicable developed for potential law enforcement action.

The NCA ICU has an outreach function in order to raise awareness of bribery and corruption with public and private sector partners leading to an increase in referrals from foreign missions through the FCO and NCA International Liaison Officers' Network.

Planned Development

The UK Anti-Corruption Plan (published in December 2014) committed the Home Office and law enforcement agencies to develop a reporting mechanism for allegations of corruption to make the reporting of bribery and corruption simpler

and more widely known, with an implementation date in 2017/18.

Protection

1) *Whistleblowing*

Whistleblowers in the UK are workers who report certain types of wrongdoing and must be in the public interest. This means it must affect others, e.g. the general public.

Whistleblowers are protected by law and should not be treated unfairly or lose their job as a result. For those not wishing to report their concerns to their employer, other options available are available, such as informing the relative<<https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2>>[prescribed person or body](https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2) <<https://www.gov.uk/government/publications/blowing-the-whistle-list-of-prescribed-people-and-bodies--2>>.

2) *Physical Protection*

Protection measures utilised by law enforcement and other agencies in the UK are based on levels of assessed risk, which influence the response provided to an individual.

British and European legislation places an obligation on the police and other law enforcement agencies to take all reasonable steps to protect a person whose life is in 'real and immediate' danger from the criminal acts of another. In such scenarios protection measures can be utilised by responsible agencies to minimise risk of harm to the individual concerned.

The UK Protected Persons Service (UKPPS) delivers protection and care to individuals who are considered by law enforcement agencies to be at risk of serious harm. Subject to an individual meeting the acceptance criteria, a typical protection package can involve a permanent identity change for the individual (and often also their immediate family) and relocation to a region where they are not known.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Serious Fraud Office

The volume of reports received by the SFO for the last financial year is 1,396. This represents all reports to the SFO, including allegations which would not come within the SFO's remit.

Public facing developments or milestones in a case such as a decision to bring charges is usually communicated by the SFO to the UK media via a news release. These releases are then uploaded to the SFO's external website as a matter of routine.

The SFO's website, as at 24 June 2017, generated 131,160 unique users to its website since the start of the year. The largest spike in SFO website visits (by far), occurring on 20 June 2017, corresponded with the timing of the Barclays Qatar charging decision. The second largest spike occurred on 28 March 2017, which corresponded with the timing of the confirmation of the Tesco Deferred Prosecution Agreement announcement.

National Crime Agency's International Corruption Unit

In the 12 month period to 6 July, the International Corruption Unit received submissions by 53 separate members of the public (some of these submissions were anonymous and while it is possible they originated from the same individual it has been assessed that they are distinct persons). Some members of the public made multiple submissions.

Of the submissions made 15 were of sufficient quality or relevance to allow further intelligence development. Reasons for not developing submissions included: No UK nexus; No specific allegation of bribery and corruption; Information submitted did not relate to fact or reality; Information related to activity which is not within the remit of the ICU.

One submission made within the 12 month period has been tasked as an investigation, several others are being submitted for tasking currently.

Statistics on the number of people who have made reports of corruption leading to protection being provided are not held centrally. Decisions about the type of protection provided would be made on a case-by-case basis and would be individually tailored to reflect the assessed level of risk to the individual. It is the UK ICU policy not to discuss publicly individual protection packages.

39. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530

Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0 (NO)** No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

14. Measures to prevent money-laundering

40. Subparagraph 1 (a) of article 14

1. Each State Party shall:

(a) Institute a comprehensive domestic regulatory and supervisory regime for banks and non-bank financial institutions, including natural or legal persons that provide formal or informal services for the transmission of money or value and, where appropriate, other bodies particularly susceptible to money-laundering, within its competence, in order to deter and detect all forms of money-laundering, which regime shall emphasize requirements for customer and, where appropriate, beneficial owner identification, record-keeping and the reporting of suspicious transactions;

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Money Laundering Regulations

The UK's international footprint as a global financial centre is acknowledged. The UK has a comprehensive anti-money laundering regulatory and supervisory regime. This includes the Money Laundering Regulations, which bring the UK's AML regime into line with Financial Action Task Force global standards. The regulations cover financial institutions and] designated non-financial businesses and professions (DNFBPs). The regulations impose customer due diligence requirements (chapters 1-3) ensuring that financial institutions and DNFBPs are able to identify their customers and beneficial owners, and requirements for record keeping (Regulation 40).

Under Financial Services and Markets Act 2000 (FSMA), all individuals and firms that carry out regulated activity in the UK (this includes dual-regulated firms) must be regulated by the FCA, unless they are exempt (i.e. appointed representatives (agents for the authorised principal firm), professional firms, for example solicitors, accountants or actuaries, that run regulated activities alongside their main business and local authorities or some housing groups that run insurance mediation or mortgage activities are exempt from authorisation).

All firms regulated by the FCA under FSMA are supervised for compliance with the FCA Handbook. SYSC 3.2.6R and SYSC 6.1.1R of the Handbook requires firms to establish and maintain effective systems and controls to prevent the risk that they might be used to further financial crime.

SYSC 3.2.20 sets out that a firm must take reasonable care to make and retain adequate records of matters and dealings which are subject to the requirements and standards under the regulatory system.

SYSC 9.1.5 sets out that a firm should retain records for as long as is relevant for the purposes for which they are made.

Regulation 402 of FSMA also gives the FCA specific power to bring about legal

proceedings for certain other offences, including breaches of the Money Laundering Regulations 2007 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs), which replaced the 2007 regulations and came into force on 26 June 2017.

The MLRs also set out that the FCA is the supervisory authority for financial institutions' (including banks, life insurers, asset managers, e-money institutions and consumer credit providers) compliance with Anti-Money Laundering (AML) Requirements. Where those firms also operate as, for example, trust and company service providers or money service businesses, the FCA also supervises those activities (MLRs 7).

The FCA oversees the AML controls of businesses such as those offering finance leases, commercial lenders and providers of safe deposit boxes (collectively known as "Annex I financial institutions").

The FCA supervises payment service providers who are authorised persons; authorised payment institutions; registered small payment institutions; authorised e-money institutions or registered small e-money institutions (MLRs 62). HMRC is responsible for supervising any other payment service providers.

The FCA must register authorised persons and those notifying the FCA that they are acting, or intend to act, as a money service business or a trust or company service provider (MLRs 54). HMRC must register money service businesses (if not with FCA), bill payment service providers and telecoms/digital/IT payment service providers that they supervise.

Records of business relationships or occasional transactions must be kept for a period of 5 years from the date of the transaction or when the business relationship ends (MLRs 40(3)).

The records that must be kept are those that evidence the customer's identity as well as other original documents related to the customer due diligence measures or on-going monitoring (MLRs 28(11)).

Proceeds of Crime Act

Proceeds of Crime Act criminalises (sections 327, 328, 329) all forms of money laundering and creates offences concerning failure to report suspicion of money laundering. Sections 330 and 331 create an obligation on those persons in the regulated sector to report their suspicion or knowledge of another person's money laundering to the National Crime Agency. Failure to report is a criminal offence.

Production orders under Proceeds of Crime Act 2002 (POCA) will require information including customer and transaction records to be made available to competent authorities where appropriate. This is confirmed in POCA, section 345(5) which requires that the information in a production order be served within 7 days of the making of the order.

1525

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.**

There are several cases which demonstrate the effectiveness of the UK's anti-money laundering regulatory and supervisory regime. With respect to the financial sector, the Financial Conduct Authority is the relevant supervisory authority.

Financial Conduct Authority - General approach to supervision of firms - see attached.

41. Subparagraph 1 (b) of article 14

1. Each State Party shall:

...

(b) Without prejudice to article 46 of this Convention, ensure that administrative, regulatory, law enforcement and other authorities dedicated to combating money-laundering (including, where appropriate under domestic law, judicial authorities) have the ability to cooperate and exchange information at the national and international levels within the conditions prescribed by its domestic law and, to that end, shall consider the establishment of a financial intelligence unit to serve as a national centre for the collection, analysis and dissemination of information regarding potential money-laundering.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

See also response for Article 58, for information about the UKFIU based in NCA.

The FCA has a general duty to cooperate with other authorities in the UK and overseas that have functions similar to those of the FCA or in relation to the prevention or detection of financial crime as set out under section 354A of the Financial Services and Markets Act 2000 ("FSMA").

In order to assist overseas regulators the FCA has the power under section 169 of FSMA (in connection to section 165 and sections 171/172 of the same) to compel information and documents from authorised/unauthorised firms, as well as from approved/unapproved persons, and to compel individual to attend interviews.

The FCA is also committed to providing the fullest assistance possible as set out under Paragraph 7(a) of the IOSCO Multilateral Memorandum of Understanding ("IOSCO MMoU") and Article 3 of the ESMA Multilateral Memorandum of Understanding on Cooperation Arrangements and Exchange of Information ("ESMA MMoU").

Information the FCA obtains from firms, as well as from individuals, to assist overseas regulators is confidential and therefore prohibited from disclosure under section 348 of FSMA. However, FSMA (as amended) allows the FCA, when certain requirements are met, to disclose confidential information either in response to a request for assistance or proactively with the purpose of enabling the FCA or the requesting authority to discharge their functions.

If the requested information is being disclosed to assist the requesting authority for the purpose of initiating or terminating a criminal investigation or a criminal proceeding the FCA can rely on Regulation 4. These channels through which confidential information is disclosed to the requesting authority are known as "Gateways".

- 1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

Financial Conduct Authority

Examples of the FCA providing assistance to an overseas authority Example

The request for assistance was sent in September 2016. The assistance sought included providing information on: • files held by the FCA; • bank records (e.g. CDD information, periodic account statements); • various information and documents (quarterly financial statements, minutes of the board of directors on dividend) from several firms and individuals; as well as • facilitating an interview with an individual residing in the UK. According to the request, the requestor was investigating three individuals for money laundering and forgery. The individuals involved acted in their capacity as founder/Chief Investment Adviser and partners/employees of various firms. The FCA provided the assistance sought in accordance with our duty to cooperate. No action was taken by the FCA's enforcement division.

The FCA has sought mutual legal assistance in connection with predicate offences, such as insider dealing, where money laundering formed part of the investigation (e.g. insider dealing, fraud, unauthorised business, etc.).

Devolved Administrations

Northern Ireland

The Police Service of Northern Ireland (PSNI) has an Economic Crime Unit (ECU) which provides a central co-ordinating and investigating function for financial crime within PSNI. PSNI is allocated SARS by UK Financial Intelligence Unit (FIU) and reports on all SARS to FIU in line with UK requirements.

42. Paragraph 2 of article 14

2. States Parties shall consider implementing feasible measures to detect and monitor the movement of cash and appropriate negotiable instruments across their borders, subject to safeguards to ensure proper use of information and without impeding in any way the movement of legitimate capital. Such measures may include a requirement that individuals and businesses report the cross-border transfer of substantial quantities of cash and appropriate negotiable instruments.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The UK operates a written declaration scheme for travellers carrying more than €10,000. European Regulation 1889/2005 (known as the Cash Controls Regulation) was introduced to define controls on the movement of cash. This Regulation was aimed at the movement of cash entering and leaving the European Union. This EU Regulation, places the onus on travellers to declare cash over 10,000 EUR entering or leaving the EU. Therefore, cash carried by any natural person entering or leaving the EU is subject to the principle of obligatory declaration. The obligation to declare applies to the natural person carrying the cash, regardless of whether that person is the owner.

The UK adopted the Regulation in June 2007 under The Control of Cash (Penalties) Regulations 2007 (SI 2007/1509).

1525

1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

See above.

43. Paragraph 3 of article 14

3. States Parties shall consider implementing appropriate and feasible measures to require financial institutions, including money remitters:

- (a) To include on forms for the electronic transfer of funds and related messages accurate and meaningful information on the originator;
- (b) To maintain such information throughout the payment chain; and
- (c) To apply enhanced scrutiny to transfers of funds that do not contain complete information on the originator.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

- 1** Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Article 4 of EU Regulation 2015/847 on information accompanying transfers of funds specifies that the payment service provider of the payer, must obtain information on that payer (including the name of the payer, the payer's payment account number, and the payer's address, official personal document number, customer identification number or date and place of birth) and payee (name of the payee, the payee's payment account number) for transfers of €1000 or more.

For transfers of funds taking place within the European Union, under Article 5 of EU Directive 2015/847, fund transfers must be accompanied by payment account numbers (or the unique transaction reference number). Names of the payer and payee are not required unless the payment service provider of the payee requests it.

Article 6 of EU Regulation 2015/847 on information accompanying transfers of funds specifies that if transferring a batch file from a single payer to several payees outside the Union, the payment account or unique transaction identifier of the payer should be provided, as well as complete and fully traceable information on the payee.

The Regulation is enforced in the UK by The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (SI 2017 No 692)

1525

- 1** Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The UK requires payment service providers to provide specific information when transferring funds. This requirement is in Regulation (EU) 2015/847 on information accompanying transfers of funds (the Fund Transfer Regulation), which came into force in the UK on 26 June 2017.

(a) The information required on the originator includes the name, address, and either the personal document number, customer ID number, or date and place of birth. For transfers within the Union, only payment account numbers or a unique transaction identifier is required.

(b) Intermediary payment service providers are required to ensure that information on payers and payees accompanying a transfer of funds is retained throughout the payment chain. Intermediary payment service providers are also required to have procedures to detect missing information.

(c) The payment service provider of the payee is required to have procedures to detect missing information. If a transfer lacks the required complete payer and payee information, they are required to take a risk-based approach (for example, they may either reject the transfer or make the payment and request the missing information).

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 provide for sanctions for breaches of the Fund Transfer Regulation.

44. Paragraph 4 of article 14

4. In establishing a domestic regulatory regime and supervisory regime under the terms of this article, and without prejudice to any other article of this Convention, States Parties are called upon to use as a guideline the relevant initiatives of regional, interregional and multilateral organizations against money-laundering.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The UK is a founding member of the Financial Action Task Force (FATF) which sets the international standards on combating money laundering and the financing of terrorism.

1525

1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

FATF standards form the basis of EU legislation (for example the Fourth Money Laundering Directive and Fund Transfer Regulation) which is incorporated into various pieces of UK law, predominantly the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (the Regulations) and the Proceeds of Crime Act 2002 (POCA).

45. Paragraph 5 of article 14

5. States Parties shall endeavour to develop and promote global, regional, subregional and bilateral cooperation among judicial, law enforcement and financial regulatory authorities in order to combat money-laundering.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The FCA liaises with law enforcement, prosecutors and other regulators, government departments and international bodies. Examples include the Money Laundering Advisory Committee (MLAC) (jointly chaired by the HM Treasury and Home Office), and targeted groups such as the Anti-Money Laundering Expert Group of the Basel Committee, the Cross-Whitehall group on Anti-Corruption, the Threat Sanctions Evasion and Bribery and Corruption Group, The JMLIT Experts Group on Bribery and Corruption, the National Crime Agency (NCA)' SARS Committee, the Joint Fraud Analysis Centre (JFAC) and Foreign Bribery Clearing House.

The FCA also plays a prominent role in supporting information-sharing between law enforcement agencies (FIN-NET) and between firms and law enforcement (JMLIT). FIN-NET facilitates the sharing of financial crime related intelligence. FIN-NET is based at, but not part of, the FCA.

FIN-NET was established in 1992 as a mechanism to facilitate the sharing of financial crime related information between members. Members must be either public bodies or organisations that provide a public function. Membership has grown over the last twenty-five years and there are now over 100 members within the network, comprising law enforcement, regulators and government departments.

While the majority of members are based within the UK, there are a number of overseas regulators and law enforcement organisations that are now part of the group. FIN-NET is accountable to a Home Office chaired Steering Group, which acts as the management board for FIN-NET and sets the strategic direction.

See also response to Article 58.

1525

1 Please provide examples of the implementation of those measures, including related court or other cases, available statistics etc.

The FCA has developed strong relationships with key foreign authorities through inward and outward secondments, international visits to share best practice, membership of multinational AML/TF groups, hosting training, etc. As part of its strategy, the FCA regularly engages with key international counterparts in order to strengthen relationships and improve cooperation.

For example, the FCA regularly hosts secondments from overseas regulators

interested in developing their AML/CFT expertise. Since 2015, it has received secondees from the Central Bank of Ireland, Dutch National Bank and Banca D'Italia.

The secondees were with the financial crime department and worked collaboratively with their FCA counterparts on a wide variety of AML and CTF related work. This included on-site visits, desk based reviews and thematic work.

This type of cooperation has helped facilitate early engagement between the FCA and foreign authorities, as well as solve potential problems preventing the FCA or the overseas regulators from receiving the assistance sought in a timely and effective manner.

The FCA's joint working with other overseas regulators includes on-going cooperation with the Federal Reserve Banks of Chicago and New York, the Dubai Financial Services Authority and the Hong Kong Monetary Authority. There has also recently been coordination between the FCA and the German Federal Financial Supervisory Authority (BaFin).

Example 1 of the FCA working with an overseas authority

A major UK firm was inspected in 2012, as part of the FCA's Systematic Anti-Money Laundering Programme (SAMLPL). A SAMLPL inspection involves a considerable amount of work by supervisors and can take around six months to complete.

FCA supervisors contacted an overseas authority (OA) as the firm had operations in their country. The OA and the FCA agreed to work collaboratively on the inspection. Cooperation between both regulators was particularly complex due to country banking secrecy laws. A set of principles were agreed, where both parties could meet their regulatory obligations in their respective countries.

Following the inspection, FCA supervisors concluded that the firm had breached regulatory requirements. The breaches were the result of serious weaknesses in AML systems and controls. PEPs had not been subject to adequate levels of enhanced due diligence or consistent sign-off from senior management.

The firm was required to produce a comprehensive plan to address the failings and weaknesses found.

Example 2 of the FCA working with an overseas authority

In 2015, an overseas authority (OA) conducted investigations on a firm within their jurisdiction and found the firm was breaching its AML requirements. The inspection also uncovered regulatory breaches with failings by senior management at the firm. This led the OA to decide to withdraw the firm's ability to operate within its jurisdiction.

This withdrawal came to the attention of financial crime supervisors within the FCA. FCA Intelligence met with National Crime Agency (NCA) colleagues to determine the precise nature of the issues within the UK branch of the firm. The

FCA also contacted the OA, under a Memorandum of Understanding (MoU), to further understand the nature of events and subsequent investigation of the firm.

Given the serious nature of allegations against the firm, in late 2016 FCA supervisors reacted quickly in order to assess the effectiveness of the AML framework of the UK branch and to try and identify the risks arising from the events in the OA's country. The FCA subsequently conducted an inspection of the UK branch.

Financial crime supervisors evaluated the evidence and concluded there were no immediate risks to FCA objectives.

46. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530 Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0** (NO) No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

V. Asset recovery

51. General provision

225. Article 51

1. The return of assets pursuant to this chapter is a fundamental principle of this Convention, and States Parties shall afford one another the widest measure of cooperation and assistance in this regard.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1524

- 1** Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention, including identifying both any legal authorities/procedures for accepting requests for asset recovery and assessing that these requests are reasonably substantiated and supplemented as well as any time frame established under domestic laws and procedures for their execution, taking into account requests received from countries with similar or different legal systems and any challenges faced in this context.

In order to ratify the Convention, the UK introduced The Proceeds of Crime Act (External Requests and Orders) Order 2005 - [UK law on cooperation](http://www.legislation.gov.uk/ukxi/2005/3181/pdfs/ukxi_20053181_en.pdf) [<http://www.legislation.gov.uk/ukxi/2005/3181/pdfs/ukxi_20053181_en.pdf>](http://www.legislation.gov.uk/ukxi/2005/3181/pdfs/ukxi_20053181_en.pdf) [Explanatory Memo](http://www.legislation.gov.uk/ukxi/2005/3181/pdfs/ukxiem_20053181_en.pdf) [<http://www.legislation.gov.uk/ukxi/2005/3181/pdfs/ukxiem_20053181_en.pdf>](http://www.legislation.gov.uk/ukxi/2005/3181/pdfs/ukxiem_20053181_en.pdf).

This provides for international cooperation in the freezing and confiscation of assets on both a conviction and non-conviction basis. It has been subsequently amended to reflect developments in domestic law. One of these amendments, allowing for the freezing of property in advance of a non-conviction based order, was introduced as a specific reaction to an ongoing corruption case.

The UK also has specific financial investigation powers which are made available to other countries in relation to persons and property in the UK for their investigations.

The domestic provisions of UK law can also be used in relation to predicate criminality that occurred outside of the UK. The specific domestic powers used in international corruption cases are the money laundering offences; the predicate offence can occur abroad. Following any prosecution, a consequential confiscation order can be made.

Also, the UK's domestic non-conviction based confiscation powers can, and have, also be used in cases where the criminality was committed in another country.

1526

- 1** Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

The Home Office has produced detailed [MLA guidelines](https://www.gov.uk/government/publications/mla-guidelines-for-foreign-authorities-2012) [<https://www.gov.uk/government/publications/mla-guidelines-for-foreign-authorities-2012>](https://www.gov.uk/government/publications/mla-guidelines-for-foreign-authorities-2012), which are translated into Polish and Turkish, for foreign authorities who wish to make a MLA request to the UK.

In relation to asset sharing and asset repatriation, there is no explicit provision in UK domestic law aside from cases involving EU Member States under The Criminal Justice and Data Protection (Protocol No. 36) Regulations 2014 which requires 50% of assets of 10,000 Euros or more recovered to be shared [2014 EU Regs <http://www.legislation.gov.uk/uksi/2014/3141/contents/made>](http://www.legislation.gov.uk/uksi/2014/3141/contents/made) [2014 EU Regs EM <http://www.legislation.gov.uk/uksi/2014/3141/memorandum/contents>](http://www.legislation.gov.uk/uksi/2014/3141/memorandum/contents).

In relation to asset recovery legislation, any money recovered is paid across to central Government who then distribute receipts. In distributing these moneys, the UK is conscious and is guided by obligations under international law such as article 57 of the UN Convention Against Corruption. The UK is guided by both the word and spirit of international law and would share and repatriate as required without the need for any specific legal provision. The UK views issues of sharing and repatriation as a matter of diplomatic relations between Governments and therefore outside the scope of its domestic law.

226. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530 Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0** (NO) No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

52. Prevention and detection of transfers of proceeds of crime

227. Paragraph 1 of article 52

1. Without prejudice to article 14 of this Convention, each State Party shall take such measures as may be necessary, in accordance with its domestic law, to require financial institutions within its jurisdiction to verify the identity of customers, to take reasonable steps to determine the identity of beneficial owners of funds deposited into high-value accounts and to conduct enhanced scrutiny of accounts sought or maintained by or on behalf of individuals who are, or have been, entrusted with prominent public functions and their family members and close associates. Such enhanced scrutiny shall be reasonably designed to detect suspicious transactions for the purpose of reporting to competent authorities and should not be so construed as to discourage or prohibit financial institutions from doing business with any legitimate customer.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Regulation 28 of the 2017 Money Laundering Regulations (MLRs) sets out Customer Due Diligence (CDD) measures and requires institutions to identify and verify the customer, specifying in 28(18)(a) that this must be done on the basis of document or information obtained from a reliable source which is independent of the customer.

CDD must be undertaken when a relevant person (which includes financial institutions) establishes a business relationship; carries out an occasional transaction (defined as a transaction carried out other than as part of a business relationship and amounting to 15,000 euro or more, whether the transaction is carried out in a single operation or several operations which appear to be linked); suspects money laundering or terrorist financing; or doubts the veracity or adequacy of documents, data or information previously obtained for the purposes of identification or verification (MLRs 27).

Regulation 33(1) requires firms to apply Enhanced Due Diligence (EDD) in addition to CDD in cases including when there is an identified high risk of ML/TF, and if a financial institution or Designated Non-financial Businesses and Professions (DNFBPs) has determined that a customer or potential customer is a Politically Exposed Person (PEP), or family member or known close associate of a PEP. The 2017 MLRs do not distinguish between domestic and foreign PEPs, meaning that the requirements referred to in this section apply equally to both unless otherwise stated.

Regulation 35 sets out specific requirements for firms dealing with PEPs. The Regulation specifies that firms must determine whether a customer or the beneficial owner of a customer is a PEP or a family member or a known close associate of a PEP. Financial institutions are required to check the source of wealth/funds for a PEP and subject their account to enhanced, ongoing monitoring. The 2017 MLRs do not distinguish between domestic and foreign PEPs, meaning that the requirements referred to in the MLRs apply equally to both

unless otherwise stated (MLRs 33(1)).

Financial institutions must not set up an anonymous account or an anonymous passbook for any new or existing customer (MLRs 29(6)).

All firms the FCA regulates under Financial Services and Markets Act 2000 (FSMA) are supervised for compliance with the FCA Handbook. SYSC 3.2.6R and SYSC 6.1.1R of the Handbook requires firms to establish and maintain effective systems and controls to prevent the risk that they might be used to further financial crime.

1526

- 1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.**

See also response to Article 14.1 (a) which sets out the FCA supervisory approach.

The FCA has also published guidance for firms in its Financial Crime: a guide for firms: Part 1.

This provides practical assistance and information for firms of all sizes and across all FCA supervised sectors, on actions they can take to counter the risk that they may be used as a tool to further financial crime, including bribery and corruption.

In 2016, the UK concluded bilateral arrangements, in which relevant Overseas Territories, and Crown Dependencies have committed to establish, where they have not already done so, central registers of beneficial ownership information or similarly effective systems and to give UK law enforcement and tax authorities near real-time access to beneficial ownership information on corporate and legal entities incorporated in their jurisdictions.

The UK government continues to work closely with the OTs and CDs to ensure that the new arrangements run smoothly and effectively. In particular, all participants will review together the operation of these arrangements in consultation with law enforcement agencies six months after they come into force, and thereafter annually.

This is in addition to ongoing monitoring of the practical application of the commitment by all participants, and a UK Statutory Review required by the Criminal Finances Act to take place before 1 July 2019 covering the period to the end of 2018.

228. Subparagraph 2 (a) of article 52

2. In order to facilitate implementation of the measures provided for in paragraph 1 of this article, each State Party, in accordance with its domestic law and inspired by relevant initiatives of regional, interregional and multilateral organizations against money-laundering, shall:

(a) Issue advisories regarding the types of natural or legal person to whose accounts financial institutions within its jurisdiction will be expected to apply enhanced scrutiny, the types of accounts and transactions to which to pay particular attention and appropriate account-opening, maintenance and record-keeping measures to take concerning such accounts; and

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

In July 2017, the Financial Conduct Authority published detailed guidance to help financial institutions to identify PEPs, differentiate between those who pose high risks and those who pose low risks, and calibrate their EDD measures to be proportionate to these risks.

Firms are required by the MLRs to have regard to this guidance when meeting their obligations to apply risk sensitive Enhanced Due Diligence (EDD) when dealing with customers who are PEPs. Key points from the guidance are:

- Firms will need to demonstrate that they are taking a case by case approach to on-boarding PEPs, assessing the risks linked to each customer and applying measures that are appropriate to that risk.
- The guidance provides more detail on the definition of a PEP in the MLRs, including specific guidance on what that means when considering the UK. This means that while MPs, members of the devolved governments and permanent secretaries will be considered as a PEP, local government official or more junior civil servants are not considered a PEP.
- Even where a UK person is a PEP, the guidance requires firms to treat them as lower risk and therefore apply the lowest level of EDD to these people, their family members or known close associates. This will also apply to PEPs in other jurisdictions that are at lower risk of corruption.
- The guidance provides a series of indicators which will help firms decide if a PEP relationship is either potentially higher risk or lower risk, this is a mixture of product, customer or geographic risk.
- The guidance is clear that a firm can take extra measures in relation to lower risk PEPs where there are factors outside of the position that they

hold- for example relationships, business holdings etc- but they must clearly document and justify that reasoning.

- The Government provided in the MLRs that the Financial Ombudsman Service (FOS) will have a remit to consider complaints, if a customer feels that a firm is not treating them in accordance with this guidance.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

A politically exposed person (PEP) is defined by the Financial Action Task Force (FATF) as an individual who is or has been entrusted with a prominent public function.

Assessing how firms manage the risk of PEPs plays a significant part of all FCA supervisory programmes. Article 14.1 (a) sets out the FCA supervisory approach. It has also formed a major part of two thematic reviews: "Banks' management of high money-laundering risk situations (2011)" and "How small banks manage money laundering and sanctions risk - update (2014)".

For example, in June 2011, the FCA (formerly FSA) published the findings of its thematic review of how banks operating in the UK were managing money-laundering risk in higher-risk situations. The FCA focused in particular on correspondent banking relationships, wire transfer payments and high-risk customers including politically exposed persons (PEPs). The FCA conducted 35 visits to 27 banking groups in the UK that had significant international activity exposing them to the AML risks on which the FCA were focusing.

The FCA's main conclusion was that around three-quarters of banks in its sample, including the majority of major banks, were not always managing high-risk customers and PEP relationships effectively and had to do more to ensure they were not used for money laundering purposes. The FCA identified serious weaknesses in banks' systems and controls, as well as indications that some banks were willing to enter into very high-risk business relationships without adequate controls when there were potentially large profits to be made.

The FCA's financial crime Guide part 2 sets out the results of all the FCA thematic reviews, including examples of good and poor practice.

Example of the FCA establishing a comprehensive PEP remediation plan in a firm

The supervised firm provides private banking and wealth management services, including lending, investment management and wealth planning. The firm was inspected in 2014, as part of the FCA's thematic review of anti-money laundering and sanctions controls in smaller banks.

Supervisors uncovered weaknesses in senior management and compliance oversight which allowed a number of AML failings to go undetected and

unresolved in the firm until late 2013.

Weaknesses found were:

- uneven quality of both customer due diligence ('CDD') and enhanced due diligence ('EDD') on high risk and PEP files; adverse material identified during the course of the due diligence process had not been factored into the overall customer risk assessment;
- lack of appropriate levels of source of wealth and source of funds information; and
- most high risk and PEP files reviewed did not have adequate evidence of ongoing monitoring and review before 2013.

The FCA provided feedback to the firm following the inspection and asked it to outline how it planned to address the issues raised. The firm responded with a comprehensive remediation plan, which included recruiting additional resource.

In 2016, the FCA revisited the firm as part of its PAMLP. Supervisors found that the firm had implemented a more effective control framework to manage the AML and sanctions risks it faced. It was highlighted by the firm that the feedback provided to them by the FCA enabled them to better identify and manage the AML and sanction risks they face.

The FCA has imposed financial sanctions in relation to PEPs in a number of cases, in particular Coutts & Co, Standard Bank and Barclays Bank. Article 14.1 (a) sets out all concluded cases since 2012.

Example of FCA intervention: financial penalty

The failings investigated by the FCA relate to a £1.88b transaction that Barclays arranged and executed in 2011 and 2012 for a number of ultra-high net worth clients.

The clients involved were PEPs and should therefore have been subject to enhanced levels of due diligence and monitoring by Barclays.

The Enforcement investigation found that the transaction gave rise to a number of features which, together with the PEP status of the individuals, indicated a higher level of risk. This required Barclays to adhere to a higher level of due skill, care and diligence.

Barclays applied a lower level of due diligence than its policies required for other business relationships of a lower risk profile. Barclays did not follow its own standard procedures, preferring instead to take on the clients as quickly as possible.

The FCA imposed a financial penalty of £72,069,400, comprising disgorgement of £52,300,000 and a penalty of £19,769,400.

This was the largest penalty imposed by the FCA and its predecessor the FSA for financial crime failings at the time, and had a wide impact when it was published.

229. Subparagraph 2 (b) of article 52

2. In order to facilitate implementation of the measures provided for in paragraph 1 of this article, each State Party, in accordance with its domestic law and inspired by relevant initiatives of regional, interregional and multilateral organizations against money-laundering, shall:

...

(b) Where appropriate, notify financial institutions within its jurisdiction, at the request of another State Party or on its own initiative, of the identity of particular natural or legal persons to whose accounts such institutions will be expected to apply enhanced scrutiny, in addition to those whom the financial institutions may otherwise identify.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

In order to facilitate implementation of the measures provided for in paragraph 1 of this article, each State Party, in accordance with its domestic law and inspired by relevant initiatives of regional, interregional and multilateral organizations against money-laundering, shall:

(b) Where appropriate, notify financial institutions within its jurisdiction, at the request of another State Party or on its own initiative, of the identity of particular natural or legal persons to whose accounts such institutions will be expected to apply enhanced scrutiny, in addition to those whom the financial institutions may otherwise identify.

There are a range of ways in which HMG and its agencies make the financial services sector aware of issues of particular concern. Most of these relate to generic threats or typologies, such as the National Risk Assessment for Money Laundering or the Alerts published by the NCA. However, through the mechanism of the Joint Money Laundering Taskforce (JMLIT), there is a route for more tactical and specific intelligence to be shared with the sector. The Joint Money Laundering Intelligence Taskforce (JMLIT) is a public / private partnership between law-enforcement and the financial sector to exchange and analyse information relating to money laundering and wider economic threats. The taskforce consists of over 30 financial institutions; the Financial Conduct Authority; Cifas; and five law-enforcement agencies, including the NCA and HMRC. Collaboration and partnership are at the heart of the JMLIT model.

The JMLIT shares information through an **Operational Working Group** and several **Expert Working Groups**. The Operations Group is dedicated to assisting ongoing money laundering investigations, and exchanges live tactical intelligence using the Section 7 gateway of the

Crime and Courts Act 2013, strengthened by an information sharing agreement.

The Expert Working Groups provide a platform for members to discuss current or emerging threats, and to discover new and innovative ways of collectively combating these threats. These groups are attended by relevant experts from across both the private and public sectors. The Experts groups are aligned to the following **JMLIT priority areas**:

- Trade Based Money Laundering
- Money Laundering Through Markets
- Terrorist Financing
- Organised Immigration Crime /
- Human Trafficking
- Bribery and Corruption

1526

- 1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.**

This has been a successful model for the UK. From February 2015 to July 2017, the JMLIT has:

- Developed over 300 cases through the Operations Working Group
- Helped generate over 1200 SARs (many from non-JMLIT banks)
- Identified over 2500 accounts that were not previously known to law enforcement
- Started over 2000 bank-led investigations, resulting in 531 accounts being closed
- Assisted in the identification and restraint of £12m
- Assisted in 88 arrests
- Created 22 Alerts for dissemination to the UK financial sector

230. Paragraph 3 of article 52

3. In the context of paragraph 2 (a) of this article, each State Party shall implement measures to ensure that its financial institutions maintain adequate records, over an appropriate period of time, of accounts and transactions involving the persons mentioned in paragraph 1 of this article, which should, as a minimum, contain information relating to the identity of the customer as well as, as far as possible, of the beneficial owner.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Financial institutions are required to retain all documents and information obtained in order to establish and verify the identity of customers, including PEPs and conduct on-going monitoring of the business relationship and sufficient supporting records of transactions to enable the transaction to be reconstructed. These records must be retained for a period of five years after the business relationship has ended or after the transaction is complete. Where a business relationship continues, CDD measures need only be kept for a maximum of 10 years (MLRs 40).

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

See above.

231. Paragraph 4 of article 52

4. With the aim of preventing and detecting transfers of proceeds of offences established in accordance with this Convention, each State Party shall implement appropriate and effective measures to prevent, with the help of its regulatory and oversight bodies, the establishment of banks that have no physical presence and that are not affiliated with a regulated financial group. Moreover, States Parties may consider requiring their financial institutions to refuse to enter into or continue a correspondent banking relationship with such institutions and to guard against establishing relations with foreign financial institutions that permit their accounts to be used by banks that have no physical presence and that are not affiliated with a regulated financial group.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Financial and credit institutions must not enter into, or continue, a correspondent relationship with a shell bank (MLRs 34(2)). Financial and credit institutions are required to take appropriate EDD measures to ensure that they do not enter into, or continue, a correspondent relationship with a financial institution which is known to allow its accounts to be used by a shell bank. (MLRs 34(3).

The MLRs define the term "shell bank" in line with the definition of that term provided in the FATF Glossary (MLRs 34(4)(b)).

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

See above.

232. Paragraph 5 of article 52

5. Each State Party shall consider establishing, in accordance with its domestic law, effective financial disclosure systems for appropriate public officials and shall provide for appropriate sanctions for non-compliance. Each State Party shall also consider taking such measures as may be necessary to permit its competent authorities to share that information with the competent authorities in other States Parties when necessary to investigate, claim and recover proceeds of offences established in accordance with this Convention.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

In relation to financial disclosure systems for public officials please see response to Articles 7.4, 8.5 and 9(1)(e).

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

The 12th edition of the UK Central Authority (UKCA) guidelines was published in March 2015 to ensure that requests for mutual legal assistance (MLA) received by the UK can be acceded to and executed promptly and efficiently. The 2015 Guidelines are found here:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/415038/MLA_Guidelines_2015.pdf

233. Paragraph 6 of article 52

6. Each State Party shall consider taking such measures as may be necessary, in accordance with its domestic law, to require appropriate public officials having an interest in or signature or other authority over a financial account in a foreign country to report that relationship to appropriate authorities and to maintain appropriate records related to such accounts. Such measures shall also provide for appropriate sanctions for non-compliance.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The Ministerial Code is clear that Ministers must scrupulously avoid any danger of an actual or perceived conflict of interest between their Ministerial position and their private financial interests. A public statement covering Ministers' relevant interests is published twice yearly.

On appointment Ministers are asked to notify their relevant interests in a number of categories: all financial interests (including any interests overseas), directorships and shareholdings, investment property, public appointments, charities and non-public organisations, relevant interests of spouse, partner or close family member. On appointment to each new office, Ministers must provide their Permanent Secretary with a full list of all interests, which might be thought to give rise to a conflict (including the interests of the Minister's spouse or partner and close family which might be thought to give rise to a conflict). This is reviewed by the Propriety and Ethics team in the Cabinet Office, the Permanent Secretary of the relevant Government Department and by the Independent Adviser on Ministers' Interests who will provide advice on handling as appropriate.

Where appropriate, the Minister will meet the Permanent Secretary and the independent adviser on Ministers' interests to agree action on the handling of interests. Ministers must record in writing what action has been taken and provide the permanent secretary and the independent adviser with a copy of that record. The personal information which Ministers disclose to those who advise them is treated in confidence, however a statement covering their relevant interests is published twice yearly. Ministers report any changes in their interests to the Propriety and Ethics team in the Cabinet Office and through then the independent adviser on an ongoing basis.

If there is an allegation of a breach of the Ministerial Code - including on interests, it is for the Prime Minister, as the ultimate judge of the standards of behaviour expected of a Minister, to decide the appropriate consequences. If the Prime Minister, having first consulted with the Cabinet Secretary, feels that the matter warrants further investigation, she will refer the matter to the independent adviser on Ministers' interests.

The Civil Service Management Code sets out the high-level terms and conditions

for civil servants, including on issues of conduct. The relevant principles in relation to managing conflicts of interest include:

- civil servants must not misuse their official position or information acquired in the course of their official duties to further their private interests or those of others. Where a conflict of interest arises, civil servants must declare their interest to senior management to determine how best to proceed.
- civil servants must not receive gifts, hospitality or benefits of any kind from a third party which might be seen to compromise their personal judgement or integrity.
- civil servants must declare to their department or agency any business interests (including directorships) or holdings of shares or other securities which they or members of their immediate family hold, to the extent which they are aware of them, which they would be able to further as a result of their official position. They must comply with any subsequent instructions from their department or agency regarding the retention, disposal or management of such interests.

1526

- 1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.**

The published list of Ministers' Interests and the Ministerial Code -see Art 8, above.

234. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530

Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0 (NO)** No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

53. Measures for direct recovery of property

235. Subparagraph (a) of article 53

Each State Party shall, in accordance with its domestic law:

(a) Take such measures as may be necessary to permit another State Party to initiate civil action in its courts to establish title to or ownership of property acquired through the commission of an offence established in accordance with this Convention;

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

There is no bar to other countries initiating actions in the UK civil courts, in effect as a private litigant.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

In order to freeze assets located in England and Wales, the United States made an ex parte application for a freezing injunction in the High Court of England and Wales under section 25 of the Civil Jurisdiction and Judgments Act 1982 in a case relating to Abacha, former president of Nigeria. The Freezing Injunction was granted at a hearing on 25 February 2014. This injunction has subsequently been discharged due to a prohibition order being obtained as a consequence of a mutual legal assistance request; but this does illustrate that States can initiate civil actions in the UK courts.

236. Subparagraph (b) of article 53

Each State Party shall, in accordance with its domestic law:

...

(b) Take such measures as may be necessary to permit its courts to order those who have committed offences established in accordance with this Convention to pay compensation or damages to another State Party that has been harmed by such offences; and

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The general legislative provision relating to compensation is section 130 of the Powers of Criminal Courts (Sentencing) Act 2000. This allows the courts to make a compensation order following a criminal conviction as part of the sentencing procedure. Under the Proceeds of Crime Act, the courts also have the power to order that money collected under a confiscation order be paid in settlement of a compensation order first if the criminal does not have the financial ability to pay both orders.

There is also a restitution order, restoring property to the rightful owner, under section 148 of the 2000 Act. [Sentencing Act 2000 <about:blank>](#)

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Smith & Ouzman Ltd made corrupt payments, usually through agents, to public officials in a number of African countries in order to influence those officials to award contracts to Smith & Ouzman for the supply of printing materials. Smith & Ouzman Ltd was ordered to pay a confiscation order of £881,158 in addition to a fine of £1,316,799 and £25,000 in costs. On making a confiscation order, the Judge observed that a percentage of the sum payable by the defendants could be returned to the Kenya and Mauritanian governments, if the UK government were agreeable and where it was transferable in a transparent way. Following the conclusion of the case, the Serious Fraud Office and UK Government agreed that the amount of bribes that the company had paid in Kenya and Mauritania should be repaid out of the confiscation order. This amounted to £345,000 in Kenya and £50,000 in Mauritania.

http://www.the-star.co.ke/news/2017/03/17/uk-foreign-secretary-boris-johnson-hands-over-smithouzman-ambulances_c1527206

237. Subparagraph (c) of article 53

Each State Party shall, in accordance with its domestic law:

...

(c) Take such measures as may be necessary to permit its courts or competent authorities, when having to decide on confiscation, to recognize another State Party's claim as a legitimate owner of property acquired through the commission of an offence established in accordance with this Convention.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

This is dealt with in the UK in the same manner as compensation (see answer to article 53(b)).

In cases involving MLA (mutual legal assistance), the operational practice is for the investigators, prosecution agencies and courts to recover assets as part of asset recovery proceedings and for central Government to deal with issues as to legitimate ownership (as it does in relation with compensation and damages). In effect, the UK would repatriate (or share) recovered assets with the other relevant country and allow them to decide on issues such as legitimate ownership.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Case study of Diepreye Alamieseyeseigha, the Governor of Nigeria's Bayelsa State between 1999 and 2005 - in September 2005, following investigations by the Proceeds of Corruption Unit of the Metropolitan Police in the UK and Nigeria's Economic and Financial Crimes Commission, Chief Alamieseyeseigha was arrested in London, questioned and charged with three counts of money laundering. A world-wide criminal restraint order was obtained by the Crown Prosecution Service over his assets. Approximately \$250,000 of cash was seized on his arrest and forfeited in the civil courts without the need for a criminal conviction. This cash was returned to Nigeria.

238. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530

Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0 (NO)** No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

54. Mechanisms for recovery of property through international cooperation in confiscation

239. Subparagraph 1 (a) of article 54

1. Each State Party, in order to provide mutual legal assistance pursuant to article 55 of this Convention with respect to property acquired through or involved in the commission of an offence established in accordance with this Convention, shall, in accordance with its domestic law:

(a) Take such measures as may be necessary to permit its competent authorities to give effect to an order of confiscation issued by a court of another State Party;

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The UK has ensured that it has a comprehensive and effective asset recovery legislative architecture to provide cooperation to overseas cases. This was also developed conscious of the obligations and spirit of the UN Convention Against Corruption; The Proceeds of Crime Act (External Requests and Orders) Order 2005 and The Criminal Justice and Data Protection (Protocol No. 36) Regulations 2014. The first law allows for the recognition, registration and enforcement of a confiscation order issued by an overseas court; the latter allows for the mutual recognition of confiscation orders made by an EU State in relation to criminal proceedings. The POCA Order also allows for the recognition of non-conviction based confiscation orders from all countries. There is separate legislation dealing with the instrumentalities of crime, which cover corruption.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Ao Man Long was the former Secretary for Transport and Public Works of the Macao Special Administrative Region. On 30 January 2008 he was convicted of 40 counts of corruption (bribery); 13 counts of money laundering; two counts of abusing his power; and one count of unjustified wealth. He was sentenced to 27 years imprisonment. The defendant's brother, sister in law and wife were convicted of money laundering.

Ao's assets were ordered to be confiscated by the Macao Court. These included assets then valued at over £27 million in the United Kingdom. The Macao authorities submitted a Mutual Legal Assistance request seeking the UK's help in order to restrain, confiscate and repatriate Ao's UK assets.

On 27 March 2013 the Macao confiscation order was registered in the UK court and enforcement action commenced. Over £28 million has been recovered.

240. Subparagraph 1 (b) of article 54

1. Each State Party, in order to provide mutual legal assistance pursuant to article 55 of this Convention with respect to property acquired through or involved in the commission of an offence established in accordance with this Convention, shall, in accordance with its domestic law:

...

(b) Take such measures as may be necessary to permit its competent authorities, where they have jurisdiction, to order the confiscation of such property of foreign origin by adjudication of an offence of money-laundering or such other offence as may be within its jurisdiction or by other procedures authorized under its domestic law; and

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The UK money laundering offences under Part 7 of the Proceeds of Crime Act (POCA) are wide in scope; to include cases where the predicate offence occurred in another country. The confiscation provisions under Parts 2, 3 and 4 of POCA provide for the recovery of assets from any offence and has no *de minimis* threshold. The confiscation provisions can therefore be used consequent on a conviction of money laundering where the actual predicate offence occurred in a country other than the UK.

The confiscation provisions in POCA provide for the courts to calculate the benefit that a defendant made from their criminality and set that as an amount to pay on the confiscation order. The location of the assets that have been used in the calculation of the amount on the confiscation order does not matter; these can be in another country. A confiscation order in UK law is in persona, a value based order against the individual requiring them to pay that amount to the court.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

The UK's Joint Asset Recovery Database shows that between 2011 and 2017 there have been 42 domestic confiscation orders made by the courts in relation to the crime type recorded as "bribery and corruption". It is important to note that these figures may not include any corruption case that may have been dealt with and recorded as "money laundering" alone or some other crime type - the central records do not hold that level of detail. Also, once the case is entered on the database, the offence cannot subsequently be changed if it comes to light that the offence is corruption.

These 42 orders recorded as "bribery and corruption" have an aggregate value of nearly £8 million. These are in relation to domestic cases in England and Wales following a conviction in our courts. Note that the amounts shown are those ordered by the courts rather than collected.

241. Subparagraph 1 (c) of article 54

1. Each State Party, in order to provide mutual legal assistance pursuant to article 55 of this Convention with respect to property acquired through or involved in the commission of an offence established in accordance with this Convention, shall, in accordance with its domestic law:

...

(c) Consider taking such measures as may be necessary to allow confiscation of such property without a criminal conviction in cases in which the offender cannot be prosecuted by reason of death, flight or absence or in other appropriate cases.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Under Part 5 of the Proceeds of Crime Act 2002, the UK has two schemes of recovery which are not consequential on a criminal conviction. Firstly, civil recovery, which is essentially a procedure to sue for proceeds in the High Court. It is modelled on normal civil procedures with civil standard of proof and the focus is on the property, not on the person who holds it. In these proceedings, it must be shown on the balance of probabilities that the property is the proceeds of crime (either directly or represents such through the civil process of equitable tracing).

There is also the recovery of cash in summary proceedings. This provides power to seize physical cash derived from or intended for use in crime.

Part 6 of the POCA provides for taxation powers to be used in cases. These are available where it may not appropriate to pursue civil recovery - e.g. lack of admissible evidence. The UK's National Crime Agency operate normal taxation powers where they have reasonable grounds to suspect that gain or profits arise from criminal conduct. They may raise assessments for tax where source of income is unclear (unlike normal tax law).

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Case study of Kotova -Operation Supermassive was a criminal investigation into corrupt payment made in July 2009 by Alexander Capelson to Ms. Kotova, to ensure that Vostock Energy Limited obtained the financial support of Ms Kotova's bank, the European Bank for Reconstruction and Development. The police were unable to continue criminal proceedings as Ms Kotova was outside the jurisdiction.

Following referral of the case, a Property Freezing Order, was obtained over a property (valued in excess of £1.4m) and bank accounts. On 5 March 2015 the NCA lodged an application for a Civil Recovery Order. Kotova consented to a recovery order of £1.5 million and has been forced to sell her Mayfair flat and hand over £240,000 contained in UK bank accounts.

242. Subparagraph 2 (a) of article 54

2. Each State Party, in order to provide mutual legal assistance upon a request made pursuant to paragraph 2 of article 55 of this Convention, shall, in accordance with its domestic law:

(a) Take such measures as may be necessary to permit its competent authorities to freeze or seize property upon a freezing or seizure order issued by a court or competent authority of a requesting State Party that provides a reasonable basis for the requested State Party to believe that there are sufficient grounds for taking such actions and that the property would eventually be subject to an order of confiscation for purposes of paragraph 1 (a) of this article;

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

In relation to non-conviction based cases where a final recovery has not been made, the additions made to UK law by The Proceeds of Crime Act (External Requests and Orders) (Amendment) Order 2013 are relevant. [POCA international order 2013 <http://www.legislation.gov.uk/ukxi/2013/2604/contents/made>](http://www.legislation.gov.uk/ukxi/2013/2604/contents/made) [POCA international order 2013 EM <http://www.legislation.gov.uk/ukxi/2013/2604/memorandum/contents>](http://www.legislation.gov.uk/ukxi/2013/2604/memorandum/contents). The provisions in the original 2013 Order provide for conviction based freezing and confiscation cases.

This provided the ability to freeze property in a non-conviction based confiscation case in advance of a final recovery order being obtained in the requesting country. The UK law already provided the ability to freeze property in other scenarios. We have a consciously comprehensive legislative scheme.

It is important to note that the freezing order issued in the other State does not have direct effect in the UK. An order issued in another State can act as the basis of a request to the UK for mutual legal assistance, and the court in the UK can make a freezing order to provide assistance in the case. [Currently, t](#)There is, however, mutual recognition of freezing order in criminal cases among Member States of the European Union.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

In 2011, Griffiths Energy (Chad) Ltd, a subsidiary of a Canadian oil and gas company Griffiths Energy International Inc (GEI), concluded a Production Sharing Contract ("PSC") with the Ministry of Petroleum and Energy of Chad for the exploration and development of two oil blocks in Chad. The PSC provided GEI with the exclusive right to explore and develop oil and gas reserves and resources in those blocks.

Corruption was unearthed when an entirely new (and independent) management team was hired within GEI following the death its Chairman and one of its founding shareholders, in a boating accident in Ontario in July 2011.

Around of the time of the corrupt arrangements, a combined total of 4 million shares in GEI were assigned to the Chadian ambassador's wife (Mrs Niam), a former teacher of the Ambassador's children (Hassan) and the wife of the Deputy Chief of Mission for Chad (Mrs Saleh). The whole of the issued share capital of GEI was then subsequently purchased by Glencore Plc and the funds were held in a London account held by GEI.

In 2013, in Canadian criminal proceedings, GEI pleaded guilty to corruption charges regarding bribery payments made to promote its interests in developing the two oil blocks. The Canadian prosecutors initially sought to forfeit the proceeds of the sale of the shares and Niam, Saleh and Hassan were duly notified. However, the forfeiture proceedings were subsequently withdrawn.

In 2014, the US authorities made an MLA request to the UK to take steps to freeze certain funds held by Niam. This request was executed by the SFO and accordingly the funds have been frozen pending the outcome of the criminal proceedings in the USA.

With regard to Saleh, the SFO acted of its own initiative in issuing proceedings for a civil Property Freezing Order in the High Court in respect of £4,400,000, being the proceeds of the sale of the shares.

243. Subparagraph 2 (b) of article 54

2. Each State Party, in order to provide mutual legal assistance upon a request made pursuant to paragraph 2 of article 55 of this Convention, shall, in accordance with its domestic law:

...

(b) Take such measures as may be necessary to permit its competent authorities to freeze or seize property upon a request that provides a reasonable basis for the requested State Party to believe that there are sufficient grounds for taking such actions and that the property would eventually be subject to an order of confiscation for purposes of paragraph 1 (a) of this article; and

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The Proceeds of Crime Act 2002 (External Requests and Orders) Order 2005 does not require there to have been a freezing order to have been issued in the requesting State in order for the UK to provide assistance. The 2005 Order and its relevant amendments apply where the UK is providing assistance to an overseas cases whether or not a freezing order has been made in that other State.

In relation to mutual recognition of freezing orders between EU States, as provided in UK law by The Criminal Justice and Data Protection (Protocol No. 36) Regulations 2014, there is a need for the court in the requesting State to have issued a freezing order.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

The Central Authority of the United Kingdom ("**UKCA**") received a request for assistance from the Central Authority of the United States. The request relates to an investigation conducted by the US Department of Justice ("US DOJ") and Federal Bureau of Investigations (FBI) to determine whether Mr BAGUDU and Mr Mohammed ABACHA (and others) engaged in a conspiracy to embezzle and defraud funds totalling \$2.2billion from the Federal Republic of Nigeria (FRN). The USCA provided information to show that UK assets held by Mr BAGUDU and Mr Mohammed ABACHA were funded through the fraudulent misappropriation of funds in the Republic of Nigeria during the political tenure of General Sani ABACHA.

In June 2014 there was an application by the National Crime Agency under Part 4A of the Proceeds of Crime Act 2002 (External Requests and Orders) Order for the making of a prohibition order. The prohibition order froze monies in various accounts worth almost £100m.

244. Subparagraph 2 (c) of article 54

2. Each State Party, in order to provide mutual legal assistance upon a request made pursuant to paragraph 2 of article 55 of this Convention, shall, in accordance with its domestic law:

...

(c) Consider taking additional measures to permit its competent authorities to preserve property for confiscation, such as on the basis of a foreign arrest or criminal charge related to the acquisition of such property.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

UK law provides that a restraint order effectively freezing assets can be obtained on the basis a criminal investigation has been started in the country from which the external request was made with regard to an offence. This allows for the preservation of property before an arrest or criminal charge; an investigation needs to have started.

The money laundering provisions are also relevant here. Banks and other businesses in the "regulated sector" are required to report suspicions of money laundering. The National Crime Agency receive reports and in the first instance the business has to freeze the transaction for an initial seven working days; if consent for the transaction is refused there is a further 31 days in which the transaction cannot proceed. This period of time allows law enforcement agencies to take some other action; possibly obtaining a restraint order in order to freeze the relevant bank account.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

An ongoing case concerns a pre-trial investigation being conducted by an overseas jurisdiction. The investigation concerns the actions of a number of family members and others in alleged "squandering" of the assets of a Bank in respect of which one of the family member's was the main shareholder and principal manager, as well as corporate fraud.

Amongst the allegations is that the principal shareholder/director together with two family members, both of whom were officers of the bank, authorised loans from the bank for the purported purpose of property development when in fact the funds were diverted to enable off-shore corporate vehicles to purchase high value London property.

The requesting authorities secured their own domestic freezing orders in respect of these off-shore corporate vehicles' interests in these properties or, where these

have been sold, in the proceeds of the sale. The requesting authority then sought the assistance of the Serious Fraud Office to give effect to the domestic freezing orders against the UK based assets. The request was made pursuant to EU Council Framework Decision 2003/577/JHA of 22 July 2003.

Within four days of receiving the request, the SFO sought registration of the overseas orders under the principle of mutual recognition

245. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530

Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0 (NO)** No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

55. International cooperation for purposes of confiscation

246. Paragraph 1 of article 55

1. A State Party that has received a request from another State Party having jurisdiction over an offence established in accordance with this Convention for confiscation of proceeds of crime, property, equipment or other instrumentalities referred to in article 31, paragraph 1, of this Convention situated in its territory shall, to the greatest extent possible within its domestic legal system:

(a) Submit the request to its competent authorities for the purpose of obtaining an order of confiscation and, if such an order is granted, give effect to it; or

(b) Submit to its competent authorities, with a view to giving effect to it to the extent requested, an order of confiscation issued by a court in the territory of the requesting State Party in accordance with articles 31, paragraph 1, and 54, paragraph 1 (a), of this Convention insofar as it relates to proceeds of crime, property, equipment or other instrumentalities referred to in article 31, paragraph 1, situated in the territory of the requested State Party.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

UK law fully provides for mutual legal assistance under the Crime (International Co-operation) Act 2003 and The Proceeds of Crime Act 2002 (External Requests and Orders) Order 2005

- [Crime \(International Co-operation\) Act \(CICA\)](http://www.legislation.gov.uk/ukpga/2003/32/contents)
<<http://www.legislation.gov.uk/ukpga/2003/32/contents>>
- [Proceeds of Crime Act 2002 \(External Requests and Orders\) Order 200](http://www.legislation.gov.uk/uksi/2005/3181/part/5/chapter/2/crossheading/property-freezing-orders-england-and-wales-and-northern-ireland/made)
<<http://www.legislation.gov.uk/uksi/2005/3181/part/5/chapter/2/crossheading/property-freezing-orders-england-and-wales-and-northern-ireland/made>>

The UK Central Authority ("UKCA") acts as a central point for the receipt of formal requests for mutual legal assistance in England and Wales, in Northern Ireland and, in some cases, in Scotland. It is responsible for:

- Reviewing incoming requests to ensure that assistance can be provided in accordance with UK law, public policy and international obligations.
- Providing advice and guidance on how to request assistance from the UK.
- Deciding how, and by which agency (police, courts, and prosecuting authority) requests might most appropriately be executed.

If the UKCA accepts the request for execution it will refer the request to a relevant prosecution agency, such as the Crown Prosecution Service or Serious Fraud Office to represent the requesting State in court proceedings.

In Scotland, the Crown Office's International Co-operation Unit ("ICU") performs

a similar function to the UKCA where the requesting State recognises Scotland as having a separate central authority. The UKCA will forward requests to the ICU that are suitable to be dealt with in Scotland.

1526

- 1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Table showing number of MLA requests received by the UKCA for restraint and confiscation.

Year	UNCAC	Other Conventions
2015	24	18
2016	23	27

These figures do not include the numbers of requests sent directly to CPS or SFO under mutual recognition provisions.

This information has been provided from local management information and has not been quality assured, as such it should be treated as provisional and therefore subject to change.

The CPS, as of March 2017, was dealing with 75 live incoming requests for restraint under Mutual Legal Assistance, as a result of which £217.3M has been frozen in the UK and £13.2M is pending consideration. There are a further 17 live incoming requests for enforcement under Mutual Legal Assistance with an approx. value of £140.7 million.

Additionally, as of March 2017, the CPS are dealing with 38 live requests for restraint under Mutual Recognition (under the EU Framework Decision 2003/577/JHA). As a result of this £57.5M has been restrained and just over £7.1 million is pending consideration. There are a further 7 live incoming requests for enforcement under Mutual Recognition with a value of approx. £93,000.

Since financial year 2013/14 the CPS has repatriated more than £51M to other jurisdictions as a result of its asset recovery activity, which includes corruption cases.

247. Paragraph 2 of article 55

2. Following a request made by another State Party having jurisdiction over an offence established in accordance with this Convention, the requested State Party shall take measures to identify, trace and freeze or seize proceeds of crime, property, equipment or other instrumentalities referred to in article 31, paragraph 1, of this Convention for the purpose of eventual confiscation to be ordered either by the requesting State Party or, pursuant to a request under paragraph 1 of this article, by the requested State Party.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The UK offers a comprehensive service to trace and investigate the proceeds and instrumentalities of crime through dedicated asset tracing teams whose primary function is to provide timely assistance to international partners seeking to recover stolen assets - there is specific legislation to provide financial investigation powers for both conviction and non-conviction based cases.

The NCA provides a single point for all international requests for tracing stolen assets or the proceeds of criminal activity and, where appropriate, to liaise with the relevant competent domestic authorities such as the UKCA, prosecution agencies and other law enforcement partners to ensure that requesters receive an effective and efficient service.

The UKFIU (Financial Intelligence Unit) is the single point of contact for UK law enforcement with international Financial Intelligence Units (FIUs). The UKFIU participates on behalf of the UK within the Egmont Group of FIUs, (The Egmont Group is an international organisation comprising FIUs from over 150 global jurisdictions. It allows FIU's to securely share financial information with other members for intelligence purposes. Egmont members are able to take advantage of the cooperation and mutual assistance fostered by the group to exchange intelligence) utilising the European FIU system (FIU.NET) on behalf of the UK.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

The UKFIU assists investigators in tracing and identifying the proceeds of crime and other crime related property which may become the subject to subsequent restraint, freezing, seizure or confiscation orders. These would be made by a competent judicial authority in the course of criminal, or as far as possible under the national law of the jurisdiction concerned, civil proceedings. UKFIU facilitates the sharing of information from overseas jurisdictions relating to the funding of serious crime and money laundering.

The UKFIU also processes inbound and outbound requests for

criminal asset tracing intelligence through the:

- Asset Recovery Office (ARO), which aims to make it easier for law enforcement to trace the foreign-based assets of criminals and to share information with other AROs across the EU on where criminals keep their assets and;
- Camden Asset Recovery Inter-Agency Network (CARIN), an informal network of law enforcement and judicial contacts aimed at assisting criminal asset identification and recovery

Intelligence Packages Disseminated to international partners by the UKFIU

ARO Intelligence packages received	
2013	338
2014	297
2015	327
2016	314
Total	1276

Between 2013-2016 UKFIU received 1276 Financial intelligence packages from 28

CARIN Intelligence Packages disseminated	
2013	49
2014	40
2015	96
2016	50
Total	235

Between 2013-2016 UKFIU received 235 Financial intelligence packages from 27

Spontaneous Disseminations received	
2013	261
2014	582
2015	640
2016	475
Total	1958

Between 2013-2016 UKFIU received 1958 Spontaneous Disseminations from 90 Europol

FIU-FIU packages requested and received	
2013	1045
2014	1137
2015	1412
2016	1223
Total	4817

Between 2013-2016 UKFIU requested and received 4817 Financial intelligence packages through FIU to FIU from 128 countries and Europol

(Also see answer to article 55(1))

248. Paragraph 3 of article 55

3. The provisions of article 46 of this Convention are applicable, mutatis mutandis, to this article. In addition to the information specified in article 46, paragraph 15, requests made pursuant to this article shall contain:

- (a) In the case of a request pertaining to paragraph 1 (a) of this article, a description of the property to be confiscated, including, to the extent possible, the location and, where relevant, the estimated value of the property and a statement of the facts relied upon by the requesting State Party sufficient to enable the requested State Party to seek the order under its domestic law;
- (b) In the case of a request pertaining to paragraph 1 (b) of this article, a legally admissible copy of an order of confiscation upon which the request is based issued by the requesting State Party, a statement of the facts and information as to the extent to which execution of the order is requested, a statement specifying the measures taken by the requesting State Party to provide adequate notification to bona fide third parties and to ensure due process and a statement that the confiscation order is final;
- (c) In the case of a request pertaining to paragraph 2 of this article, a statement of the facts relied upon by the requesting State Party and a description of the actions requested and, where available, a legally admissible copy of an order on which the request is based.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

- 1** Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

There is little additional information outside of the Convention required to be included in the request for the UK to be able to execute it. Measures taken to inform requesting State Parties of the procedures to be followed include publishing a simple and comprehensive MLA guidelines:

<https://www.gov.uk/guidance/mutual-legal-assistance-mla-requests#requesting-mla-from-the-uk> <<https://www.gov.uk/guidance/mutual-legal-assistance-mla-requests>>

1526

- 1** Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

To facilitate successful asset recovery MLA by ensuring that countries understand what is required under domestic legislation the UK places specialist advisors in countries to advise on criminal justice and asset recovery. CPS prosecutors are deployed in a number of priority countries - some as Liaison Magistrates / Prosecutors, where their core function is to assist with mutual legal assistance, extradition and EAW (European Arrest Warrant), others as Criminal Justice or Asset Recovery Advisors, deployed to work in more specific crime threats (organised crime/counter terrorism/asset recovery). All, however, are available to assist wherever possible. A list of contact details, which is updated regularly, is available to prosecutors based in the UK, who are encouraged to contact these prosecutors directly where they have any casework linked to any of the relevant countries.

249. Paragraph 4 of article 55

4. The decisions or actions provided for in paragraphs 1 and 2 of this article shall be taken by the requested State Party in accordance with and subject to the provisions of its domestic law and its procedural rules or any bilateral or multilateral agreement or arrangement to which it may be bound in relation to the requesting State Party.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The UK's domestic asset recovery legislation provides that the provisions of this article (and the entirety of the Convention) is fully implemented. The UK undertook a forensic analysis of its legislation to identify any gaps before ratifying the convention.

It is also to be noted that the UK does not require any international law or agreement to support our ability to provide assistance to another country in relation to asset recovery. UK domestic law can apply to any request for assistance in an asset recovery case, regardless of their being any existing underpinning international law. The UK can enter into general and ad hoc arrangements in relation to individual cases if this is a requirement of the other State.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

One of the reasons for the introduction of The Proceeds of Crime Act 2002 (External Requests and Orders) Order 2005 was to place the UK in a position to be able to fully implement the mutual legal assistance asset recovery provisions of the Convention. The same is true of The Criminal Justice (International Co-operation) Act 1990 (Enforcement of Overseas Forfeiture Orders) Order 2005 in relation to the instrumentalities of crime.

The UK routinely draws up case-specific agreements in relation to the return of confiscated assets.

250. Paragraph 5 of article 55

5. Each State Party shall furnish copies of its laws and regulations that give effect to this article and of any subsequent changes to such laws and regulations or a description thereof to the Secretary-General of the United Nations.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1527

1 Please provide a reference to the date these documents were transmitted, as well as a description of any documents not yet transmitted.

Links to the relevant legislation and regulation have been provided. Should hard copies be required, we can print these off for the country visit.

This legislation and regulation is in force.

251. Paragraph 6 of article 55

6. If a State Party elects to make the taking of the measures referred to in paragraphs 1 and 2 of this article conditional on the existence of a relevant treaty, that State Party shall consider this Convention the necessary and sufficient treaty basis.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The UK does not require the existence of a treaty in order to provide international assistance in relation to asset recovery.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Not applicable on the basis that the UK does not require a treaty. The UK is ready to negotiate treaties and other international agreements if this is required by other countries or would aid assistance - e.g. general mutual legal assistance treaties can be negotiated; a recent asset repatriation agreement with Nigeria relating to all returns.

252. Paragraph 7 of article 55

7. Cooperation under this article may also be refused or provisional measures lifted if the requested State Party does not receive sufficient and timely evidence or if the property is of a *de minimis* value.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

There is no *de minimis* value which the UK requires to provide assistance. The UK can provide assistance in asset recovery whatever the offence and regardless of value.

In relation to timely progress of cases; this is in the discretion of the court in an individual case. It is to be noted that under UK law, that if a freezing order (known as a restraint order) is obtained in relation to a criminal case which is at the investigation stage, there is a duty for a report to be made at intervals to the court, so that the court can be satisfied that the case is making reasonable progress.

UK law also requires a restraint order to be discharged if a final confiscation order is not sent to the UK for action within a reasonable time

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

The UK shows flexibility and persistence in ensuring that the maximum amount of cooperation in cases is provided. And to ensure that cases do not fail.

UK prosecutors have centres of excellence who are encouraged, and do liaise with requesting authorities to ensure that sufficient evidence is provided within necessary timeframes. The UKCA also employs asset recovery specialists to advise and liaise with requesting authorities for the same purposes.

253. Paragraph 8 of article 55

8. Before lifting any provisional measure taken pursuant to this article, the requested State Party shall, wherever possible, give the requesting State Party an opportunity to present its reasons in favour of continuing the measure.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

There is an explicit requirement to communicate with the other State in EU cases under regulation 18 of The Criminal Justice and Data Protection (Protocol No. 36) Regulations 2014.

CPS and SFO are committed to consulting with and provide the requesting State Party an opportunity to present its reasons in favour of continuing the measure before a provisional measure is lifted. The lifting of a provisional measure is a judicial function by the UK Courts. If a restraint order is granted, the accused, or anyone else who is affected by the order can apply to the court to for it to be varied or discharged. These applications can be made on as little as two days' notice to the UK prosecutor. Our published guidelines and information provided to State Parties makes it clear that it is important that requesting countries respond promptly to any requests from the UK prosecutor for information or assistance to oppose such an application.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

The UK shows flexibility and persistence in ensuring that the maximum amount of cooperation in cases is provided. And to ensure that cases do not fail.

If there is an application to discharge a restraint order, the UK prosecutor will seek the assistance of the requesting State to defend that application. This will give the requesting State an opportunity to make representations as to the maintenance of the order.

254. Paragraph 9 of article 55

9. The provisions of this article shall not be construed as prejudicing the rights of bona fide third parties.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

There are various provisions under UK law to provide third parties to make representations in relation to cases where they are affected. The law provides that freezing orders and final asset recovery orders can be varied or discharged by the relevant court upon application by any person affected by the order; this includes third parties.

It is to be noted that the 2014 Regulations relating to the mutual recognition of EU order provides that no challenge to the substantive reasons in relation to which an overseas restraint order or confiscation order has been made by an appropriate court or authority in a member State may be considered by the court.

There is the general right of judicial review; a procedure by which a court can review an administrative action by a public body and (in England) secure a declaration, order, or award. It is open to anyone affected by an action by a public body to seek judicial review. This could potentially be an avenue by which third parties could pursue their rights.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Following requests for assistance from the Federal Republic of Nigeria under the UN Convention against Corruption (UNCAC), a decision was taken to bring civil forfeiture proceedings in relation to assets derived from corruption and embezzlement carried out during the regime of General Abacha between 1993 and 1998. There are relevant assets in the UK and in order to restrain assets located in England and Wales, the United States made an ex parte application for a freezing injunction in the High Court of England and Wales under section 25 of the Civil Jurisdiction and Judgments Act 1982 ("the Freezing Injunction"). The Freezing Injunction was granted on 25 February 2014 with a return date of 25 March 2014. The Freezing Injunction was subsequently challenged in the Court of Appeal by two of the respondents. A hearing took place on 15 May 2014.

255. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530

Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0 (NO)** No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

none.

56. Special cooperation

256. Article 56

Without prejudice to its domestic law, each State Party shall endeavour to take measures to permit it to forward, without prejudice to its own investigations, prosecutions or judicial proceedings, information on proceeds of offences established in accordance with this Convention to another State Party without prior request, when it considers that the disclosure of such information might assist the receiving State Party in initiating or carrying out investigations, prosecutions or judicial proceedings or might lead to a request by that State Party under this chapter of the Convention.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

- 1** Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

There is a regular exchange of incoming and outgoing information on a police to police and central authority basis.

If a central authority has information relating to a criminal offence which may lead or relate to an MLA request by a country, the UK may exchange this information with a country without the need for an MLA request. This is possible under UK domestic legislation and under bilateral MLA treaties. Spontaneous exchange of information is also possible via police cooperation routes and will be channelled through the NCA.

1526

- 1** Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

The Guidelines for Authorities Outside of the United Kingdom - 2015 (12th Ed.; March 2015) provides guidance for UK law enforcement in providing and receiving information and evidence. If direct contact between a foreign police force and a UK police force has not already been established, the NCA should be contacted with the request. The NCA acts as the UK Interpol gateway for all incoming and outgoing police enquiries. The NCA will forward requests through the Interpol network to the relevant police force or other law enforcement agency who will then execute the request, subject to any data sharing agreement.

The following UK law enforcement agencies can receive enquiries directly from law enforcement officers in foreign jurisdictions (in some cases this will be subject to a data sharing agreement or memorandum of understanding):

- NCA;
- UK Visas & Immigration;
- HMRC;
- Police Services;
- Financial Intelligence Units;
- Asset Recovery Offices

257. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530

Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0 (NO)** No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

57. Return and disposal of assets

258. Paragraph 1 of article 57

1. Property confiscated by a State Party pursuant to article 31 or 55 of this Convention shall be disposed of, including by return to its prior legitimate owners, pursuant to paragraph 3 of this article, by that State Party in accordance with the provisions of this Convention and its domestic law.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

All money recovered under asset recovery orders is paid to the UK's central Government. The Government then makes decisions on the return and disposal of these assets. They are guided by both the letter and spirit of any obligations under international law, including UNCAC. This will include returning money to prior legitimate owners. It is anticipated that such information so as to identify such owners will be included in the contents of the relevant mutual legal assistance request. The UK may also become aware of such people during the course of any investigation and recovery related to the case - this may include identifying such owners overseas in cases which the UK agencies pursue under their domestic powers (i.e. not at the instigation of a MLA request/case). The UK can return money to the government of another country for them to process such consideration and payments.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

The SFO investigated Standard Bank for its failure to prevent bribery in Tanzania by its Tanzanian sister company Stanbic Bank and two members of that bank's leadership. Tanzanian government officials only accepted a money markets proposal after agreeing with Stanbic, a Tanzanian company called EGMA should receive a fee of \$6 million. The SFO could not identify any service that EGMA provided for this fee.

Standard Bank co-operated fully with the SFO's independent investigation into the transaction. A Deferred Prosecution Agreement will last for three years and imposed the following requirements on the company:

- payment of compensation of \$6 million, plus interest;
- disgorgement of profits of \$8.4 million;
- a financial penalty of \$16.8 million;
- co-operation with the relevant authorities in all matters relating to the conduct subject to the proceedings;
- at its own expense, commissioning and submitting to an independent review of its existing anti-bribery controls and policies; and

payment of the SFO's costs.

259. Paragraph 2 of article 57

2. Each State Party shall adopt such legislative and other measures, in accordance with the fundamental principles of its domestic law, as may be necessary to enable its competent authorities to return confiscated property, when acting on the request made by another State Party, in accordance with this Convention, taking into account the rights of bona fide third parties.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

This issue is addressed following the UK's central Government receiving moneys from an enforced asset recovery order. The Government is guided by obligations of international law and can return money to the government of another country.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

In February 2012, the SFO charged Bruce Hall, who served as CEO of Alba from September 2001 to June 2005, with corruption and money laundering offences. He was the beneficiary of 20 corrupt payments between 2002 and 2005 totalling circa £2.9 million, including 10,000 Bahraini dinars in cash from Sheikh Isa bin Ali Al Khalifa, a member of the Bahraini royal family and at the time Bahrain's minister of finance and Alba's chairman. The payments were made in exchange for his agreement to corrupt arrangements that Sheikh Isa had been involved in before Mr Hall's appointment as CEO. Many of the payments made to Hall were overseas and the companies used were nearly all off-shore. The money laundering related to the proceeds Mr Hall received, some of which was invested in property in the UK. Mr Hall was extradited from Australia and pleaded guilty in June 2012 to one count of conspiracy to corrupt.

In 2014, he was sentenced to 16 month's imprisonment, a confiscation order of £3m and compensation in the amount of £500,010 to Alba.

260. Subparagraph 3 (a) of article 57

3. In accordance with articles 46 and 55 of this Convention and paragraphs 1 and 2 of this article, the requested State Party shall:

(a) In the case of embezzlement of public funds or of laundering of embezzled public funds as referred to in articles 17 and 23 of this Convention, when confiscation was executed in accordance with article 55 and on the basis of a final judgement in the requesting State Party, a requirement that can be waived by the requested State Party, return the confiscated property to the requesting State Party;

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

This issue is addressed following the UK's central Government receiving moneys from an enforced asset recovery order. The Government is guided by obligations of international law.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Following the conclusion of the case of Smith and Ousman, the amount of bribes that the company had paid in Kenya and Mauritania will be repaid out of the confiscation order. This amounts to £345,000 in Kenya and £50,000 in Mauritania.

The SFO had a significant amount of contact and co-operation with the Ethics and Anti-Corruption Commission of Kenya (EACC), who contacted the SFO after becoming aware of the investigation pursuant to the SFO's request for Mutual Legal Assistance in relation to banking material.

Arrangements were made for both payments to be made in a fair and transparent way. In doing so the SFO worked with the UK Government and the World Bank in full co-operation with both Governments on the mechanism of payment. In Mauritania, a country where the relevant corrupt official has been promoted, the money will be added to a World Bank Fund for distribution by the World Bank in essential infrastructure projects. In Kenya, the money was used to purchase ambulances.

261. Subparagraph 3 (b) of article 57

3. In accordance with articles 46 and 55 of this Convention and paragraphs 1 and 2 of this article, the requested State Party shall:

...

(b) In the case of proceeds of any other offence covered by this Convention, when the confiscation was executed in accordance with article 55 of this Convention and on the basis of a final judgement in the requesting State Party, a requirement that can be waived by the requested State Party, return the confiscated property to the requesting State Party, when the requesting State Party reasonably establishes its prior ownership of such confiscated property to the requested State Party or when the requested State Party recognizes damage to the requesting State Party as a basis for returning the confiscated property;

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

This issue is addressed following the UK's central Government receiving moneys from an enforced asset recovery order. The Government is guided by obligations of international law.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

In January 2008 the Macao Court gave Final Judgment in relation to Ao Man Long which identified bribes derived from companies and individuals and set out in detail the chain of financial transactions passing into the accounts held by the defendant and his family with banks in Hong Kong. The Court held that the companies were used solely as vehicles for laundering the proceeds of crime and that the company accounts in the UK, Hong Kong and Macau had been used to attempt to conceal the proceeds of illegal activities. The Court made a number of ancillary orders, including confiscation of assets found to have belonged to Mr Ao. These included 3 Wycombe Square, London (value: £9,300,000) registered in the name of Roselle Court Limited and monies in UK bank accounts controlled by AO, his family or companies (value: £18,000,000).

The CPS preserved the assets and enforced the confiscation orders. The restraint order pierced the corporate veil of the five BVI companies. Bank accounts in the names of Mr Ao, his family and various companies were restrained together with 3 Wycombe Square. Following the making of the confiscation order, a total of £28,718,752.63 was realised and has now been repatriated.

262. Subparagraph 3 (c) of article 57

3. In accordance with articles 46 and 55 of this Convention and paragraphs 1 and 2 of this article, the requested State Party shall:

...

(c) In all other cases, give priority consideration to returning confiscated property to the requesting State Party, returning such property to its prior legitimate owners or compensating the victims of the crime.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

Recovered money is returned and disposed of by the UK Government in accordance with obligations under international law. Otherwise it is distributed in accordance with established UK policy under the Asset Recovery Incentivisation Scheme.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

Please see the example given in the responses to articles 53(b) and other examples given in response to other sub-articles of article 57.

In particular in relation to Ao Man Long, the former Secretary for Transport and Public Works of the Macao Special Administrative Region. On 30 January 2008 he was convicted of 40 counts of corruption (bribery); 13 counts of money laundering; two counts of abusing his power; and one count of unjustified wealth. He was sentenced to 27 years imprisonment. The defendant's brother, sister in law and wife were convicted of money laundering.

Ao's assets were ordered to be confiscated by the Macao Court. These included assets then valued at over £27 million in the United Kingdom. The Macao authorities submitted a Mutual Legal Assistance request seeking the UK's help in order to restrain, confiscate and repatriate Ao's UK assets.

On 27 March 2013 the Macao confiscation order was registered in the UK court and enforcement action commenced. Over £28 million was recovered and we repatriate to Macao in 2015.

263. Paragraph 4 of article 57

4. Where appropriate, unless States Parties decide otherwise, the requested State Party may deduct reasonable expenses incurred in investigations, prosecutions or judicial proceedings leading to the return or disposition of confiscated property pursuant to this article.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

There is no express provision dealing with this matter in legislation; but this can be dealt with on a case-by-case basis. Operational agencies, when executing requests for assistance, will carefully consider the costs of that execution during the progress of the case. At the end of a case, the executing authority will make an assessment of costs, and if those costs are considered appropriate to be deducted, this may be decided between parties before monies are repatriated in full.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

age 14 of the UK's Mutual Legal Assistance Guidelines state - Cost of Executing Requests

Ordinarily the UK will meet the costs of executing a request. Exceptions include:

- fees and reasonable expenses of expert witnesses;
- the costs of establishing and operating video-conferencing or television links in England, Wales and Northern Ireland (Scotland does not charge for television links), and the interpretation and transcription of such proceedings;
- costs of transferring persons in custody;
- costs of obtaining transcripts of proceedings and judges' sentencing remarks; and
- costs of an extraordinary nature agreed with the requesting authority (these will be agreed before costs are incurred);
- costs of legal representation during a suspect interview where the requesting authority states that a defence lawyer must be present.

Also, see answer to Article 57(5).

264. Paragraph 5 of article 57

5. Where appropriate, States Parties may also give special consideration to concluding agreements or arrangements, on a case-by-case basis, for the final disposal of confiscated property.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The UK does not require the existence of a formal agreement in order to provide for asset sharing or asset repatriation. These can be negotiated if required by the other State or because of the individual circumstances of a particular case.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

In relation to a MLA case involving Macao, CPS relied on Article 57.4 and 57.5 which allow for the deduction of costs by agreement.

The CPS agreed with Macao that the CPS would be reimbursed for their legal costs from the frozen assets prior to repatriation under article 58 of the Convention. This was agreed because there was substantial ongoing litigation over part of the assets and Macao indemnified the CPS against litigation costs from those funds. The CPS won the case but did not recover their costs from the opponent. However the CPS own costs were deducted by agreement with Macao prior to repatriation.

Expenses of £116,603.10 relating to the disbursements incurred (including Counsel costs, receiver's fees etc) rather than the time costs of the Crown Prosecution Service.

265. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530

Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0 (NO)** No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

58. Financial intelligence unit

266. Article 58

States Parties shall cooperate with one another for the purpose of preventing and combating the transfer of proceeds of offences established in accordance with this Convention and of promoting ways and means of recovering such proceeds and, to that end, shall consider establishing a financial intelligence unit to be responsible for receiving, analysing and disseminating to the competent authorities reports of suspicious financial transactions.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The UKFIU has national responsibility for receiving, analysing and disseminating financial intelligence submitted through the Suspicious Activity Report (SARs) Regime. It sits at the heart of the regime, providing the gateway to reporters and a repository of data to inform law enforcement.

Reporters can be any organisation or individual who has a suspicion of money laundering and terrorist financing under the Proceeds of Crime Act (POCA) 2002 or Terrorism Act (TACT) 2000.

The UKFIU shares virtually all of the data (SARs) received through a secure network known as ELMER, enabling visibility of just over two million SARs across 71 different UK organisations that can be used to deliver impact against economic crime threats.

The UKFIU International Team, based in NCA, services the international obligations of the UKFIU under the Financial Action Task Force (FATF) and Egmont Group requirements. It is a single point of contact for UK law enforcement wanting to identify and trace assets abroad. The team deals with foreign law enforcement wanting to identify/trace assets held in the UK.

The team also processes inbound and outbound requests for criminal asset tracing intelligence through the.

Asset Recovery Office (ARO), which aims to make it easier for law enforcement to trace the foreign-based assets of criminals and to share information with other AROs across the EU.

Camden Asset Recovery Inter-Agency Network (CARIN), an informal network of law enforcement and judicial contacts aimed at assisting criminal asset identification and recovery.

www.nationalcrimeagency.gov.uk/about-us/what-we-do/economic-crime/ukfiu

1526

- 1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.**

Each member of the EU must have a national FIU to comply with EU regulation and international standards. The Third EU Money Laundering Directive (3MLD), effective from December 2007, required member states to implement 3MLD in national legislation and described the extent of the regulated sector and their obligations. Primary legislation is supported by Money Laundering Regulations. In the UK the latest Money Laundering Regulations brought in via statutory instrument titled 'The Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017' came into force on 26th June 2017. This is referred to as the 4MLD.

For the 2016-17 financial year the UKFIU received over 450,000 SARs from over 5,000 organisations.

267. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530

Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0 (NO)** No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

59. Bilateral and multilateral agreements and arrangements

268. Article 59

States Parties shall consider concluding bilateral or multilateral agreements or arrangements to enhance the effectiveness of international cooperation undertaken pursuant to this chapter of the Convention.

1520 Is your country in compliance with this provision?

0 (Y) Yes

1522

1 Please describe (cite and summarize) the measures/steps your country has taken, if any, (or is planning to take, together with the related appropriate time frame) to ensure full compliance with this provision of the Convention.

The UK does not require the existence of a treaty in order to provide international assistance in relation to asset recovery. The UK does, however, negotiate and conclude agreements on an individual basis or more general basis to both facilitate individual cases and to encourage asset recovery traffic with other States.

1526

1 Please provide examples of the implementation of those measures, including related court or other cases, statistics etc.

On returning money to Macao, the UK negotiated an agreement in relation to the specific case. The UK has also negotiated an asset repatriation agreement with Nigeria that applies to all return of money.

The more general Memorandum of Understanding between the UK and Nigeria from September 2016 is also relevant.

269. Technical Assistance

The following questions on technical assistance relate to the article under review in its entirety.

1529

- 1** Please outline actions required to ensure or improve the implementation of the article under review and describe any specific challenges you might be facing in this respect.

None.

1530

Do you require technical assistance for the implementation of this article? If so, please specify the forms of technical assistance that would be required. For example:

- 0 (NO)** No assistance would be required

1531

- 1** Is any technical assistance already being provided to you? If so, please provide a general description of the nature of the assistance, including donor information.

None.

B. Other information

B. Other information

270. Other information

Please provide any other information you believe is important for the Conference of the States Parties to the United Nations Convention against Corruption to consider at this stage regarding aspects of, or difficulties in, implementing the Convention other than those mentioned above.

511

- 1 Please provide any other information you believe is important for the Conference of the States Parties to the United Nations Convention against Corruption to consider at this stage regarding aspects of or difficulties in implementing the Convention other than those mentioned above

None.