

Organised crime strategy

A closer look

New legislation and increased disruption activity are at the forefront of Home Office's organised crime strategy.

On 28 July 2011 the Home Office published its organised crime strategy entitled 'Local to Global: Reducing the Risk from Organised Crime.' This strategy is intended to make significant steps forward in tackling the effect of organised crime in the UK which it estimates to have a cost of £20 billion to £40 billion per annum and involve 6,000 criminal gangs and 38,000 individuals. So what does the strategy propose?

The proposals are clearly far reaching and include:

- The creation of the National Crime Agency ("NCA") to replace the Serious and Organised Crime Agency (SOCA) from 2013
- Research into the reasons why young people are drawn into organised crime
- A multi-agency approach to address the recruitment of low level criminals into organised crime activities whilst they are in prison
- An increase in spending by the Department for International Development to reduce overseas threats from key jurisdictions
- Greater co-operation between the Home Office and the Ministry of Defence to ensure that organised crime threats are considered when UK forces are deployed overseas
- A greater focus by the UK Border Agency on preventing individuals involved in organised crime entering the UK
- Developing new legislation to meet the challenge of dealing with threats from new and emerging technology
- A further £650 million to be spent on protecting the UK in cyber space with £63 million of this sum to be spent on tackling computer-enabled crime
- Raising awareness of organised crime and its consequences within the general public and in particular with vulnerable individuals

However, the main thrust of the strategy appears to be the disruption of organised crime activities and attacking the finances of those involved in organised crime. In particular, it is proposed to bring in new legislation to assist in the recovery of criminal assets and to make the confiscations process quicker. Confiscation is also to receive an increased priority within all stages of the criminal justice system.

It is also proposed that the use of financial investigations should become part of mainstream investigation as a cost effective means of tackling organised crime. It is even proposed that the potential for using private sector involvement in financial investigations should be considered - perhaps this may finally fulfil Gordon Brown's prediction that, "What the use of fingerprints was to the 19th century and DNA analysis was to the 20th, forensic accounting will be to the 21st Century."¹

A higher emphasis is also to be placed upon professionals and specialists assisting in the laundering of the proceeds of organised crime.

In addition, the Home Office is seeking greater co-operation with the Foreign and Commonwealth Office to assist in the recovery of criminal assets held overseas.

¹Source: Gordon Brown, Chancellor of the Exchequer, speaking on 10 October 2006.

Whilst there will be new powers to assist in the prosecution of organised crime it is also apparent that other ways of preventing financial crime will also become more widely used in an attempt to avoid costs. In fact the strategy states that other available intervention methods should be considered before embarking upon a criminal investigation.

The idea of disruption is mentioned frequently as an alternative to prosecution. For example, it is proposed to increase co-operation across law enforcement agencies to assist in disrupting businesses used as fronts for criminal activity. Such cases may involve HM Revenue and Customs, Trading Standards and the Health and Safety Executive making simultaneous or consecutive challenges against the business. Civil litigation and civil recovery are also proposed as a means of disrupting criminal organisations.

The strategy also tasks the Ministry of Justice ("MOJ") with the modernisation and reform of the criminal justice system and in particular the disclosure regime. The MOJ is also to be involved in the disruption regime with increased use of serious crime prevention orders and financial reporting orders which it proposes as part of the "lifetime management" of those involved in organised crime.

This Home Office's proposals are clearly wide ranging both in scope and geography, however, as the strategy states, they are to be delivered against the backdrop of the government's attempts to reduce the UK budget deficit and the strategy actually forecasts cost savings from the proposals. Whether this is realistic will remain to be seen. We are also at a time when the legal aid budget is facing significant cuts and these proposals are only likely to increase the demand on that budget as the new rules are challenged.

For those working in the prosecution and defence of organised crime and the realisation of criminal assets there are interesting and challenging times ahead. Whatever the future holds it is clear that financial investigations and confiscations are going to become increasingly important and it will be vital for both prosecution and defence teams to be equipped to respond to the challenges.

At RSM Tenon we have extensive in depth experience of working for both the prosecution and defence in the investigation of serious and organised crime. We are regularly instructed in cases involving the alleged laundering of funds by professionals and lay persons as well as being asked to assist in the defence of high value applications for confiscation.

Our recent instructions include cases involving offences of:

- Drug trafficking
- Cultivation of cannabis
- Money laundering
- Theft
- Serious fraud
- Loan sharking
- Trading in counterfeit goods
- Internet fraud
- Property and mortgage fraud
- Solicitors' client account abuse
- Murder
- Offences in anticipation of personal and corporate insolvency
- Living off immoral earnings
- Benefit fraud

Our experience of working for the prosecution enables us to understand how cases are put together and to provide relevant and timely responses to the issues. Our involvement in defence matters has led to financial allegations being dropped, prosecutions being abandoned and confiscations being reduced by up to 90%.

For further information contact on the range of forensic investigation services we are able to offer please contact:

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