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Addendum

Second Evaluation Round

Addendum to the Compliance Report on the United Kingdom

Adopted by GRECO
at its 41st Plenary Meeting
(Strasbourg, 16-19 February 2009)

I. INTRODUCTION

1. GRECO adopted the Second Round Evaluation Report on the United Kingdom at its 20th Plenary Meeting (27-30 September 2004). This report (Greco Eval II Rep (2004) 2E), which contains 7 recommendations addressed to the United Kingdom, was made public on 24 November 2004.
2. The United Kingdom submitted the Situation Report required under the GRECO compliance procedure on 31 March 2006. On the basis of this report, and after a plenary debate, GRECO adopted the Second Round Compliance Report (Greco RC-II (2006) 8E) on the United Kingdom at its 30th Plenary Meeting (9-13 October 2006) and it was made public on 18 October 2006. The Compliance Report concluded that five of the seven recommendations had been implemented satisfactorily or dealt with in a satisfactory manner and that two recommendations had been partly implemented. GRECO requested additional information on the implementation of recommendations i and v. This information was provided by the authorities on 4 November 2008.
3. The purpose of this Addendum to the Second Round Compliance Report is, in accordance with Rule 31, paragraph 9.1 of GRECO's Rules of Procedure, to assess the implementation of recommendations i and v in the light of the additional information referred to in paragraph 2.

II. ANALYSIS

Recommendation i.

4. *GRECO recommended to take measures to encourage wider use of confiscation and civil recovery schemes under the Proceeds of Crime Act (POCA), for instance by reducing the financial thresholds for these schemes.*
5. GRECO recalls that in the Compliance report this recommendation was considered partly implemented as the wider use of confiscation and civil recovery was broadly encouraged in the United Kingdom at the time, but no measures aiming at using civil recovery schemes in corruption cases, where the involved values were below the threshold of £ 10 000, had been reported.
6. The authorities of the United Kingdom now state that the use of confiscation and civil recovery schemes in respect of the proceeds of crime have been further expanded and that there have been a five fold increase in the value of assets recovered from all crime in the five years ending 2006-07 with £125 million (approx. 140 million EUR) in that year. This was followed by the recovery of a further £136 million (approx. 152 million EUR) in 2007-08. These achievements have resulted in the Government setting a new target of £250 million (approx. 280 million EUR) for 2009-10.
7. The authorities also report that in 2007, new legislation was introduced to merge the operational elements of the Assets Recovery Agency (ARA) with the Serious Organised Crime Agency (SOCA), and to extend the civil recovery powers of the ARA to the major prosecuting authorities, in order to mainstream the relevant powers across law enforcement agencies. The merger of the ARA with the SOCA in April 2008, had the objective to maximise the skills and expertise of both agencies and to allow for more flexibility in going after crime assets. The authorities stress that there is no threshold for confiscation following conviction in criminal cases but that the threshold for civil recovery will be maintained as it ensures that the use of this rather costly procedure remains proportionate and linked only to serious crime where significant sums of money are involved.

8. Furthermore, the authorities stress that the Government published in May 2007, for public consultation, an Asset Recovery Action Plan to support its aim of doubling proceeds recovered from all crime. Over 70 responses were received and the Government announced in 2008 that it would bring forward further legislative change to attack criminal assets and improve their recovery and simplification of the process. Further efforts at regional level are planned, such as establishing centres of excellence to promote good practice on confiscation and renewed investment in asset recovery teams.
9. GRECO takes note of the information provided which indicates that a number of concrete measures, including substantial organisational restructuring, have been taken in order to further enhance the possibilities of recovering the proceeds of crime and the figures reported indicate that these measures are increasingly applied. In view of this overall very promising development which complies with the recommendation, GRECO does not find it necessary to challenge the reasons given for maintaining the current threshold applied in civil recovery schemes.
10. GRECO concludes that recommendation i has been implemented satisfactorily.

Recommendation v.

11. *GRECO recommended to enhance, through in-service training programmes at regular intervals, awareness among public officials concerning corruption prevention and their obligations to report corruption.*
12. GRECO recalls that the Compliance report contains information on the adoption of a new Civil Service Code in 2006, which refers to more detailed rules in the Directory of Civil Service Guidance, according to which evidence of unlawful activities should be reported to the police or other appropriate authorities. However, GRECO requested that the norms should be followed up with further in-service training in addition to the existing induction training and concluded that the recommendation had been partly implemented.
13. The authorities of the United Kingdom now report that the Civil Service Code, which sets out the standards of behaviour expected of Civil Servants, is covered in departmental training programmes and that the Government fully recognises the importance of ensuring that the Code maintains a high profile and staff remain aware of the values and provisions set out in the Code throughout their careers. In collaboration with the Civil Service Commissioners, the Government has produced a Best Practice Checklist, launched in June 2007, to help departments and agencies to promote the Code. The Checklist outlines the actions that departments might take at each stage of their interactions with their staff, from recruitment and induction through to training and communications, in particular, that departments should ensure that training on the Code is built into their induction programmes and management training. It is furthermore reported that in May 2008, the Civil Service Commissioners undertook a survey of departments on promotion of the Code, showing that a number of departments had developed practices and initiatives and that the Code was now firmly embedded in the human resources and management practices of many departments. The survey will be repeated on an annual basis and the results will be reported in the Commissioners' annual reports. Moreover, it is, *inter alia*, reported that the Government is currently revisiting its guidance for staff and board members of non-departmental bodies with a view to reissuing it by the end of March 2009 and is currently working with the National School of Government to ensure that the Code features appropriately when training courses are devised and delivered. Finally, the Government published a draft Constitutional Renewal Bill for

pre-legislative scrutiny on 25 March 2008 to enshrine in statute the core values set out in the Civil Service Code.

14. GRECO takes note of the information provided and is pleased that the civil service legislation is complemented by guidelines and training programmes for a proper implementation of the norms – among them the obligation to report corruption – and that regular monitoring of the training is carried out at departmental level. This is to be commended and GRECO encourages the authorities to involve all pertinent departments in this procedure.
15. GRECO concludes that recommendation v has been implemented satisfactorily.

III. CONCLUSION

16. In addition to the conclusions contained in the Second Round Compliance Report on the United Kingdom, and in view of the above, GRECO concludes that recommendations i and v have been implemented satisfactorily. The United Kingdom has thus complied with all recommendations issued in connection with GRECO's Second Evaluation Round.
17. The adoption of the present Addendum to the Compliance Report terminates the Second Evaluation Round compliance procedure in respect of the United Kingdom.
18. GRECO invites the authorities of the United Kingdom to authorise, as soon as possible, the publication of the Addendum.