Dear Meg,

Home Office responses to outstanding issues from PAC inquiry into tackling serious and organised crime.

Thank you for inviting us to give evidence to the PAC’s inquiry into *Tackling serious and organised crime*. At the evidence session on 17 July, I agreed to follow up in writing with more information on governance of the SOC system and to shine further light on some of the many achievements and performance improvements which have already been delivered under both the 2013 and 2018 SOC Strategies.

The current SOC system governance arrangements are mapped out on page 39 / figure 11 of the NAO report on tackling SOC. During the hearing, Julia Kinniburgh, SOC System SRO noted that she keeps governance arrangements under constant review. This approach ensures that there is consistency across the SOC landscape, different boards within the governance structure are able to feed into each other and means that we can effectively identify areas for streamlining. For example, it was recently agreed that the Modern Slavery and Human Trafficking (MSHT) National Security Strategy Implementation Group (NSSIG) should be subsumed into the NSSIG SOC to rationalise governance and lead to greater efficiencies. Continual oversight of the governing landscape for SOC also allows for the development of sub-boards. These are created as and when required, subject to live priorities, for example a recently created NSSIG SOC sub-board to focus on the Spending Review. As explained during the evidence session, the NSSIG meetings enable the SRO to hold others, across the system, to account for delivery of the elements of the SOC Strategy for which they are responsible. This includes status reports on implementation of the Strategy and performance of the SOC system; which will enable us to measure the impact of our actions on the ground.

I also volunteered to share with the committee more detail of the many successes which have been delivered under the 2013 and 2018 SOC Strategies, including key Home Office achievements. The list below is not exhaustive but provides some important highlights.
Economic crime and anti-corruption

- We passed the Criminal Finances Act 2017, which introduced unexplained wealth orders; made it easier to seize criminals' money from bank accounts; made it harder for criminals to launder money through property, precious metals and stones, and casino chips; and made it possible to confiscate assets from people guilty of gross human rights abuse.
- The Financial Action Task Force (FATF), the international standard setter for anti-money laundering and counter-terrorist finance, assessed the UK in 2018. The FATF Mutual Evaluation Report gave the UK its highest possible rating for four of its central measures, including how the UK understands and coordinates its response to the threat of illicit finance, how it tackles terrorist financing, and how it promotes the effective use of financial sanctions against terrorists and the proliferation of weapons of mass destruction.
- This Government has recovered more criminal assets than ever before. Using Proceeds of Crime Act powers, £1.6bn was taken from offenders from April 2010 and March 2018, with hundreds of millions more frozen.
- The UK has returned £30m of corrupt assets to Macau.
- Expanded our overseas work by creating a policy network of officials working on serious and organised crime and illicit finance (SOCnet) which draws on all our levers (including political, law enforcement, diplomatic, security, and military) to help dismantle the business models of high harm transnational organised crime groups and stop abusers travelling and operating online. This network supports the activity of over 80 overseas posts in prioritising approaches to serious and organised crime in our bilateral engagement with host governments.
- In addition, HMRC, FCA and SFO have recovered more than £3bn more using other powers, such as Deferred Prosecution Agreements, and HMRC tax powers.

Border Force (BF)

- BF seized 582 lethal firearms units and 2,607 of non-lethal firearms units in 2018/19.
- BF seized 15,541 knives and 9,223 offensive weapons in 2018/19.
- In the six months from April 2018, BF made 4,306 seizures of illegal drugs across the UK. This included approximately 8 tonnes of cocaine.
- From April 2018 to September 2018, BF seized 8.4 tonnes of Class A drugs which includes cocaine, heroin, cannabis resin, LSD, ecstasy and morphine.
- From April to September 2018, seized 6.4 tonnes of Class B drugs which includes amphetamines, cannabis plants (units), cannabis resin, cannabis herbal, ketamine and mephedrone.
- BF seizes the majority of drugs by quantity across all government departments. In 2017/18, were responsible for 73% of cocaine and heroin seizures by kg.
- In 2018/19, BF seized 9,392 Kg of very high-risk Class A drugs – heroin and cocaine with an estimated street value of £328.1m.

Modern slavery

- The number of potential victims of modern slavery referred to the UK’s National Referral Mechanism (NRM) has increased year-on-year since the NRM was introduced in 2009:
  - In 2018/19 (financial year), 3,894 potential victims received support through the Victim Care Contract (accommodation, support and advocacy).
- The Modern Slavery Taskforce, continues to drive action to eradicate Modern Slavery both domestically and across the globe. Total direct Government spend
on modern slavery has increased year-on-year, estimated at around £39m in 2017/18 and £61m in 2018/19. The Modern Slavery Taskforce specifically delivers:

- Modern Slavery Police Transformation Unit (MSPTU) – Devon and Cornwall police have been running a successful MSPTU for the last 2 and a half years and has received additional funding until March 2020. The programme was established to set up a foundation for police forces to improve their response to modern slavery through increasing their understanding of the threat and building intelligence.
- Modern Slavery Fund (MSF) – The £33.5 million MSF focuses on high-risk countries from where we know victims are regularly trafficked to the UK. The Fund also includes the £11m Modern Slavery Innovation Fund which tests innovative approaches to tackling modern slavery.
- Victim Care Contract – The Modern Slavery Victim Care Contract is currently held by the Salvation Army. It provides support, subsistence and access to accommodation, where required, to potential and confirmed victims of modern slavery to help them to recover from their exploitation.

Additionally, the Home Office has:

- Piloted the SOC Community Coordinator programme in five areas across England and Wales, which aims to: improve the local partnership response to SOC; build resilience in the community; and fund interventions to help the vulnerable and divert those at-risk of becoming SOC offenders. These have reached thousands of young people in England and Wales and the pilot is now expanding to cover eight areas.
- Launched cybercrime units in each of the 43 police forces across England and Wales. This will enable each force to be capable of investigating cyber-crime, will provide protection and advice for victims, and prevent young vulnerable people from engaging in cyber-criminal activity.
- Published a White Paper which sets out our plans for world-leading legislation to make the UK the safest place in the world to be online and hold companies to account for tackling a wide range of online harms. This includes an overarching statutory duty of care on companies which will be overseen and enforced by an independent regulator: this will place a legal responsibility on companies in scope to take reasonable steps to keep their users safe and tackle illegal and harmful activity on their services.
- In November 2018, we co-hosted a Hackathon with Microsoft, at which leading companies worked to develop a prototype tool to detect online grooming to be provided license-free to small and medium companies worldwide. We urged US-based social networks and other technology companies to promote the use of the new prototype and to encourage further action to tackle sexual abuse of children online.
- In 2018, the WePROTECT Global Alliance achieved the first ever Global Threat Assessment on online child sexual exploitation and abuse in partnership with NCA, Interpol and US Department of Justice. This provides a deeper understanding of the online threat at the global level and how it is evolving and creates a baseline to monitor the positive impact of interventions.

I would be very happy to discuss any questions arising from this letter. As you know, I welcome the NAO / PAC inquiry into Tackling serious and organised crime and wish to ensure that in addition to the seriousness of the SOC threat, and the challenges we face in tackling it, there is broad awareness of the positive actions which are being taken by
partners across the SOC system to tackle the threats head on, and shine a light on successes already delivered.

Yours sincerely,

Philip Rutnam
Permanent Secretary