



Lord Rosser  
House of Lords  
London  
SW1A 0PW

21 April 2017

Dear Richard,

## **CRIMINAL FINANCES BILL: GOVERNMENT AMENDMENTS**

As per my letter of 18 April, I have tabled further amendments for consideration at Report Stage on 25 April.

### Company ownership transparency in the Overseas Territories and Crown Dependencies

The most significant amendment relates to the issue of company ownership transparency in the British Overseas Territories (OTs) with financial centres and Crown Dependencies (CDs). There has been considerable interest in this issue in both Houses and I set out a full explanation of the Government's position when we debated Baroness Stern's amendment in Committee. We are committed to respecting the OTs and CDs constitutional status. The Government is also proud of the UK's leading role in the fight against global corruption and we are making significant progress working with them consensually, rather than forcing legislation upon them.

I am grateful to you, Lady Stern and others for pressing this issue and we have carefully considered the issues raised. In the light of your representations, I have tabled an amendment to require a statutory review of the progress made by these territories against their existing commitments, in order to ensure that we can assess that they have been effectively implemented and will deliver benefits to UK law enforcement agencies. That report will be laid in Parliament so that the House can revisit this issue as appropriate in due course. Given the compressed timetable for the Bill's consideration in advance of prorogation, I hope that you will be satisfied that this approach recognises the valuable points raised in Committee and will ensure that we maintain the pressure to increase transparency in the OTs and CDs in the future.

### Other amendments

The other amendments that I have tabled are minor or technical in nature, amending existing measures in the Bill to ensure that they work effectively. I have attached the full list of amendments tabled and further details follow below. I have also attached a copy of our supplementary Delegated Powers memorandum, which covers the one such additional power within these amendments.

### *Recovery of heritable property and safeguards for tenants*

Following discussions with the Scottish Government, I have tabled amendments (1, 2 and 14 in the attached) in relation to Scotland-specific provisions on the recovery of heritable property. These would ensure that any legitimate tenants receive: (i) fair notice that a recovery order is being sought in respect of the property concerned and that, if granted, they would have to vacate the property within a certain period of time; and (ii) adequate support to safeguard against homelessness.

### *Powers for Scottish and Northern Ireland Ministers to make consequential legislation*

Amendments 3-9 would ensure that Scottish and Northern Ireland Ministers, where they have legislative competence, are able to make consequential amendments upon appropriate provisions in this Bill, including all relevant UK legislation. This is a logical change to allow them to make amendments on devolved issues. In order to avoid the creation of any unforeseen inconsistencies, these amendments will require Scottish and Northern Ireland Ministers to consult the Secretary of State before making any such amendments to UK legislation.

### *HMRC and the Financial Conduct Authority*

Amendments 10-13 would allow HMRC and the Financial Conduct Authority to share information with other relevant bodies (such as the Serious Fraud Office and Crown Prosecution Service) in order to make effective use of the civil recovery powers that they are being given in the Bill. This is a necessary change to ensure these provisions will work effectively.

Finally, further to my commitment in Committee, we have now published draft versions of the additions to the Proceeds of Crime Act 2002 Investigation Powers Code of Practice that will cover Unexplained Wealth Orders and Disclosure Orders. This draft guidance will be available on the Gov.uk website.

As ever, I would be happy to discuss these amendments with you or any other Peer – you can contact my office on 020 7035 8798. I look forward to debating them at Report.

I am copying this letter and its enclosures to all Peers who spoke during Committee and to the Chair and Clerk of the Delegated Powers and Regulated Reform Committee, and will place copies in the Library of the House.



**Baroness Williams of Trafford**

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Government amendments, tabled 20 April 2017

Government amendments, tabled 21 April 2017

Supplementary delegated powers memorandum

Draft additions to the Proceeds of Crime Act 2002 Investigation Powers Code of Practice