Proceeds of Crime recovers record amount

From: Crown Office

PROCEEDS OF CRIME RECOVERS RECORD AMOUNT

More than £25 million worth of proceeds of crime will benefit Scottish communities after being recovered in the past year, the Lord Advocate Frank Mulholland QC announced today.

For the eighth year in succession, the Civil Recovery Unit increased the amount recovered in one year, with over £9 million recovered. During the same period, prosecutors secured confiscation orders worth over £16.5 million against convicted drug dealers, money launderers and fraudsters. The Civil Recovery Unit has also today issued its Annual Report giving further information about its activities during 2010/11.

The record amount recovered by the Crown Office and Procurator Fiscal Service and the Civil Recovery Unit brings the total secured since the commencement of the Proceeds of Crime Act (POCA) in 2003 to nearly £60 million.

Announcing this year’s POCA figures, the Lord Advocate said:

“Securing this record amount from those seeking to benefit from crime is a great achievement and a testament to all those involved in ensuring crime does not pay.

“Two cases which concluded this year, Weir Group and Anatoly Kazachkov have helped boost figures to unprecedented levels, but this is about more than money.

“More important than the sums recovered is the disruption caused to both individual criminals and serious and organised crime groups in Scotland.

“Not only will we seek to recover their assets but we will disrupt their activities, prevent them reinvesting their profits, and wherever possible make it very difficult for them to carry out their criminal enterprises. We will also deter others from a life of crime by demonstrating our commitment to recovering unlawfully obtained cash and property.

“There is no place in Scotland for those who would seek to finance their lifestyles through crime and we will continue to work closely with law enforcement agencies to make our country an increasingly hostile place for them to carry out their operations.

I would also like to welcome the publication today of the Civil Recovery Unit’s Annual Report which provides further information about its activities over the past year.”
Lindsey Miller, Head of the Serious and Organised Crime Division (SOCD) and the new COPFS POCA Champion said:

“The Proceeds of Crime Act allows us to ensure unlawfully obtained assets are recovered and the proceeds used directly to benefit communities across Scotland.

“I am very pleased that we have confiscated and recovered such a significant amount of cash and assets this year which brings our total to nearly £60 million since the introduction of the Act.

“This versatile legislation means that we have powerful and effective tools at our disposal. They allow us to not only target those involved in serious and organised crime such as money laundering and drug dealing but also enable us to tackle those involved in other unlawful activities such as tax and benefit fraud.

“Crime is a business for some people and no business can operate without resources and a steady cash flow. We are committed to working with law enforcement to ensure the disruption and dismantling of criminal business in Scotland.”

Speaking before the Serious and Organised Crime Taskforce meeting today, Cabinet Secretary for Justice Kenny MacAskill said:

“Serious organised crime affects everyone in Scotland, whether it's threatening decent, law-abiding people by selling drugs or harming legitimate businesses through extortion or counterfeit goods.

“Thankfully, Scotland's law enforcement agencies are cracking down hard on gangsters, and having considerable success in seizing their ill-gotten gains. I am delighted to see that success continue with millions more being recovered in the past year, and I congratulate the police and Crown Office in their outstanding efforts.

“The recoveries last year have been boosted considerably by a significant sum recovered from the Weir Group for paying 'kickbacks' for contracts from Saddam Hussein's government in Iraq. By taking this money, our prosecuting authorities have sent out a clear message that any illegal activity - either by individuals or large companies - will not be tolerated in Scotland.

“The money will now be put to good use through our CashBack programme which supports a huge range of activities for young people. From grassroots football to youth groups, hundreds of thousands of youngsters will now benefit from this work.

“As a Government, we will maintain our focus on tackling serious organised crime and will look again at the Proceeds of Crime Act to further refine it and increase its effectiveness in Scotland.”

Ends

Notes to editors:

1. Lindsey Miller, Head of the Serious and Organised Crime Division at COPFS is the new POCA champion. She succeeds Lesley Thomson, who was made Solicitor General last month.

2. The total amount secured through the Proceeds of Crime Act in the 12 month period from 1 April 2010 to 31 March 2011 is £25,856,262.03 which is made up of £16,547,424.03 from criminals convicted of relevant offences and £9,308,838 from cash forfeitures and asset recovery orders granted by the civil courts. Further details are provided in the tables below.
3. The total secured since commencement of the Act in March 2003 and 31 March 2010 is £58,742,909.03 which includes £35,924,036.03 from Serious and Organised Crime Division * and £22,818,873 from the Civil Recovery Unit.

a. The Serious and Organised Crime Division deals with the confiscation of proceeds of crime following conviction and secures money from convicted criminals, eg those who have been convicted of drug dealing, money laundering, or fraud.

b. The Civil Recovery Unit investigates and recovers the proceeds of crime through the civil courts without the need for criminal conviction.

4. The Serious and Organised Crime Division works together with colleagues at the Civil Recovery Unit, and other law enforcement agencies, such as the Scottish Drugs Enforcement Agency, UK Police Forces, HM Revenue and Customs and Department for Work & Pensions (DWP) to identify and recover the proceeds of crime.

5. Proceeds of Crime legislation is also used by the Civil Recovery Unit acting on behalf of Scottish Ministers. The Civil Recovery Unit investigates and recovers, through the civil courts, property obtained through criminal activity. The first Annual Report of the Civil Recovery Unit is now available at [http://www.copfs.gov.uk/Publications/2011/06/Civil-Recovery-Unit-Annual-Report-201011](http://www.copfs.gov.uk/Publications/2011/06/Civil-Recovery-Unit-Annual-Report-201011).

6. Breakdown of Figures – Serious and Organised Crime Division:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total amount of confiscation orders</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003-2004</td>
<td>£1,494,365</td>
</tr>
<tr>
<td>2004-2005</td>
<td>£1,347,599</td>
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<tr>
<td>2005-2006</td>
<td>£3,469,739</td>
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<tr>
<td>2006-2007</td>
<td>£4,424,313</td>
</tr>
<tr>
<td>2007-2008</td>
<td>£2,847,037</td>
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<tr>
<td>2008-2009</td>
<td>£3,508,548</td>
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<tr>
<td>2009-2010</td>
<td>£2,285,011</td>
</tr>
<tr>
<td>2010-2011</td>
<td>£16,547,424.03</td>
</tr>
<tr>
<td>Total</td>
<td>£35,924,036.03</td>
</tr>
</tbody>
</table>

Note: The years are financial years (1 April to 31 March)

6. Breakdown of Figures – Civil Recovery Unit

<table>
<thead>
<tr>
<th>Civil Recovery Cash Seizures Total</th>
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<tbody>
<tr>
<td>2003-2004</td>
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<tr>
<td>2004-2005</td>
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<td>2009-2010</td>
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2010-2011  4  450  1  0  0
Total  12 044  5  10  41  22 1

Note: The ears are financial ears 1 prior to arch.

Further information about the Civil Recovery Unit can be found in its annual Report which is also published today [http://www.copfs.gov.uk/Publications/2011/06/Civil-Recovery-Unit-Annual-Report-201011](http://www.copfs.gov.uk/Publications/2011/06/Civil-Recovery-Unit-Annual-Report-201011].

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[www.copfs.gov.uk](http://www.copfs.gov.uk)

Cashback for Communities
Cashback for Communities is a programme of free participatory and diversionary activities for young Scots aged 10-18 which is funded through money taken from the proceeds of crime.

Since its launch in 2005 more than 40 million has been reinvested back into communities across Scotland through sporting, cultural, youth and third sector organisations. The latest announcement saw more than £5 million invested in Scottish grass roots football.

More information can be found at [www.scotland.gov.uk/cashback](http://www.scotlands.gov.uk/cashback).