

Press release: Crackdown on abuse of UK businesses for foreign money laundering

- New evidence shows certain financial instruments are being exploited by foreign money laundering schemes, one of which moved billions of pounds out of Russia
- Proposals will bring greater transparency and more stringent checks for frontmen going into business in the UK
- Reforms will ensure thousands of legitimate firms can still thrive and contribute £30bn a year of investment to our economy

Measures to crack down on the abuse of a specialised financial arrangement to launder dirty foreign money through the UK will be unveiled tomorrow (30 April), as part of a package of Government reforms.

Scottish Limited Partnerships (SLPs) and Limited Partnerships (LPs) are used by thousands of legitimate British businesses, particularly the private equity and pensions industry, to invest more than £30 billion a year in the UK. SLPs and LPs are business entities created by two or more partners where at least one partner is liable for what they invest.

However, evidence to be published tomorrow shows the growing evidence SLPs have been exploited in complex money laundering schemes, including one which involved using over 100 SLPs to move up to \$80 billion out of Russia. They have also been linked to international criminal networks in Eastern Europe and around the world, and have allegedly been used in arms deals.

Business Minister Andrew Griffiths said:

The UK has taken a leading role in the fight against money laundering and is known internationally as a great place to work, invest and do business.

But Scottish Limited Partnerships are being abused to carry out all manner of crimes abroad – from foreign money laundering to arms dealing.

This simply cannot continue to go unchecked and these reforms will improve their transparency and subject them to more stringent checks to ensure they can continue to be used as a legitimate way for investors and pension funds to invest in the UK.

Figures published for the launch of a government consultation tomorrow, show just five frontmen were responsible for over half of 6,800 SLPs registered between January 2016 and mid-May 2017. By June 2017, 17,000 SLPs, over half

of all SLPs, were registered at just 10 addresses.

The consultation seeks views on a number of reforms to ensure SLPs can continue to be used as a legitimate vehicle for investment and enhance our world-leading business environment – a key part of our modern Industrial Strategy.

The proposals would make it clearer who runs limited partnerships to enable British investors to continue to use them legitimately and invest in the UK while cracking down on their use in unlawful activities. These include:

- requiring a real connection to the UK, including ensuring SLPs do business or maintain a service address in Scotland;
- registering new SLPs through a company formation agent, meaning frontmen will be subjected to anti-money laundering checks;
- new powers for Companies House to remove limited partnerships from the company register if they are dissolved or are no longer operating.

The reforms being proposed will apply to all limited partnerships in the UK and will also include new annual reporting requirements for limited partnerships in England and Wales and Northern Ireland, which will help Companies House ensure they comply with the law.

Last year, the Government introduced laws requiring SLPs to report their beneficial owner and make their ownership structure more transparent, seeing an 80% reduction in the number registered and tomorrow's reforms seek to raise standards further.

The UK is already taking a leading role on the world stage to improve corporate transparency and was recognised by Transparency International as one of only four G20 countries with the highest rating for cracking down on anonymous company ownership.

The UK has worked to improve transparency and tackle money laundering through:

- introducing draft laws this summer for a world-first public register which will require overseas companies that own or buy property in the UK to provide details of their ultimate owners;
- making the UK's company register public in 2015, making it one of the most open and transparency company registers in the world – viewed two billion times last year – meaning company information is under constant scrutiny;
- introducing a register of People of Significant Control in 2016, which now includes 4.6 million names. The register was expanded in 2017 to include Scottish Limited Partnerships;
- the Criminal Finances Act 2017, which provided additional powers to allow law enforcement agencies to identify and recover corrupt and criminal funds from those seeking to hide, use or move them in the UK;
- introducing unexplained wealth orders which can be used to compel individuals to explain the sources of their wealth – so people who we think have links to organised crime have to prove where their assets

come from.

Notes to editors

1. Scottish Limited Partnerships are a business entity provided for in UK law. Limited Partnerships are formed by at least two partners, one of which must be a general partner – who is liable for any debts incurred – and one limited Partner – who has limited liability but cannot play a role in how the partnership is run. Scottish Limited Partnerships differ to Limited Partnerships elsewhere in the UK as they have legal personality, which allows them to enter into contracts, take on debts or own property. In a Limited Partnership in England and Wales or Northern Ireland, this is done by the partners.

[Press release: Parole Board response to Ministry of Justice review](#)

Following the publication of the Ministry of Justice’s Review of Law, Policy and Procedure Relating to Parole Decisions, Chief Executive, Martin Jones said:

“The Parole Board welcomes the change to the Parole Board rule to allow for the greater transparency of the parole process, which we have called for previously.

“We will be carefully considering all the implications of the review and will be responding to the consultation about the potential introduction of a reconsideration mechanism while also preserving the independence of the Parole Board.

“We agree that there is scope for further changes to the Rules to improve the efficiency and effectiveness of the parole process and we will be working closely with the Ministry of Justice to make appropriate changes.”

Notes to Editors:

The Parole Board’s response to the review can be [found here](#)

[Press release: Justice Secretary](#)

announces ambitious first steps in overhaul of Parole Board

Justice Secretary David Gauke ordered a review of Parole Board processes in January, with the purpose of increasing its transparency, restoring public confidence, and improving the treatment of victims. The [findings of the urgent review have been published](#) alongside a comprehensive package of reforms that include:

- Initial legislation to immediately remove the ‘blanket ban’ on transparency and a change in the rules to allow the Parole Board to explain its decisions to victims, media and the public
- Proposals to, for the first time, allow Parole Board decisions to be challenged through a judge-led process that could in some circumstances be open to the public
- Immediate changes to expand the Victim Contact Scheme to include more people and to improve the way the department communicates with victims

One immediate result of this work is the introduction of transparency to the parole process by amending Rule 25 to remove the blanket ban that prevents the Parole Board from disclosing information about its decision-making.

This change will also require the Parole Board to provide an overview of the arguments it heard in a case, the recommendations of expert witnesses, the offender’s progress and risk factors, the evidence provided by the offender and the reasons for the panel’s decision.

The removal of the ‘blanket ban’ and amending Rule 25 is an immediate first step on transparency which ensures compliance with the ruling of the Judicial Review of the Worboys case. But we will not stop there.

The department will carefully assess the impact this has on the Parole Board’s operation, on offenders, and on victims, including whether there are legal challenges, with a view to increasing transparency further, for example potentially automatically publishing summaries online.

We will also consider, as set out in the Terms of Reference for the wider Parole Board Review, whether information about panel members and other details should in some situations be made public.

Increasing transparency was always a priority for the review, but the Justice Secretary has also committed to much wider reforms. This includes a proposal for a new mechanism to force the Parole Board to reconsider a decision, ensuring that victims do not have to resort to Judicial Review to make the Parole Board look at a case again.

This change will be subject to a [consultation](#) launched today, but it is envisaged that the reconsideration would be led by a judge and oral hearings would be open to victims, media and the public.

The Parole Board's decision to release John Worboys made clear the urgent need to overhaul the process of providing information to victims.

As a result, numerous changes will be made to the Victim Contact Service (VCS) service, including extending it to victims of more types of offences, for example road traffic offences resulting in serious injury, and to victims in cases where a serious charge lies on file but has not resulted in a conviction.

Immediate improvements will also be made to the VCS, including new training for Victim Liaison Officers, better working with other agencies to ensure services are more joined up and making it easier for victims to opt in to the scheme at a later stage in the offender's sentence.

At the same time, the department will explore the potential for changing the scheme so that victims are asked at the beginning to opt-out if they don't want to be kept informed, rather than to opt-in if they do.

Justice Secretary David Gauke said:

Today I am announcing a package of measures to reform the Parole Board and introduce transparency of its decisions. But we are going further and consulting on a new way to challenge Parole Board decisions that would be judge-led and could, in some circumstances, be open to the public. And we're not stopping there.

Today I also produce the terms of reference for our comprehensive review of the entire Parole Board, including whether we should in some circumstances name panel members, whether we should define the panel composition and what kinds of further scrutiny measures should be introduced.

We will also improve the process for victims, who in this case were clearly let down. It is my ambition that the outcome of this process will mean victims have more confidence in the system.

We have moved at pace to address the shortcomings of the Parole system which the Worboys case has brought to light. But we must take a balanced approach. I am determined to lead a thorough reform process, the first action of which we launched today.

Also published today are the [terms of reference](#) for the full review of all 27 Parole Board rules. The terms of reference allow for consideration of whether certain panels should include a judge or psychiatrist, how the Board's decisions should be scrutinised internally before a decision is finalised and how further improvements can be made to transparency. The findings of this work will be published later this year.

The [consultation on a re-consideration mechanism for Parole Board decisions](#) will close in July. The department particularly welcomes submissions from victims and those who have experience of the Parole process.

News story: Plans to strengthen NHS cyber security announced

The deal with Microsoft will ensure all health and care organisations are using the latest Windows 10 software with up-to-date security settings to help prevent cyber attacks.

Since 2017 the government has invested £60 million to address cyber security weaknesses. A further £150 million will be spent over the next 3 years to improve the NHS's resilience against attacks. This will include setting up a new digital security operations centre to prevent, detect and respond to incidents.

The centre will:

- allow NHS Digital to respond to cyber attacks more quickly
- allow local trusts to detect threats, isolate infected machines and kill the threat before it spreads

Other measures to improve cyber security include:

- £21 million to upgrade firewalls and network infrastructure at major trauma centre hospitals and ambulance trusts
- £39 million spent by NHS trusts to address infrastructure weaknesses
- new powers given to the Care Quality Commission to inspect NHS trusts on their cyber and data security capabilities
- a data security and protection toolkit which requires health and care organisations to meet 10 security standards
- a text messaging alert system to ensure trusts have access to accurate information – even when internet and email services are down

Health and Social Care Secretary Jeremy Hunt said:

We know cyber attacks are a growing threat, so it is vital our health and care organisations have secure systems which patients trust.

We have been building the capability of NHS systems over a number

of years, but there is always more to do to future-proof our NHS against this threat.

This new technology will ensure the NHS can use the latest and most resilient software available – something the public rightly expect.

Speech: Supporting self-determination of the people of Western Sahara

Thank you Mr President.

The United Kingdom was pleased to vote in favour of this resolution, which we believe sends a strong signal of the support of this Council in three key areas:

First, support for de-escalation.

Second, support for the continuing work of MINURSO.

And finally, supporting the overall goal of progress towards a lasting and mutually acceptable solution that provides for the self-determination of the people of Western Sahara.

With this goal in mind, we encourage the parties to engage now with a political process in a spirit of realism and compromise. The six-month window provided by the resolution is an opportunity and an indication of the importance the international community attaches to achieving progress. Another indication is the appointment of the new Personal Envoy of the Secretary-General, and the commitment he has already shown in his first months to finding a solution. The United Kingdom strongly supports the efforts of Personal Envoy Koehler, as well as the work of MINURSO and its new head, Mr Colin Stewart. We call on all concerned to engage positively over the coming months, in line with both the spirit and the letter of this resolution.

Thank you.