



Police and Crime Plan Priority: *Reducing Crime and Harm*

Title: *Proceeds of Crime Act*

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Purpose of paper

1. The purpose of this paper is to describe the performance of West Midlands Police (WMP) against the Police and Crime Plan priority, 'Reducing Crime and Harm', specifically the commitments around the use of the Proceeds of Crime Act 2002 (POCA). This paper is for discussion.
2. This paper will explain POCA and how it works in practice within WMP with reference to modern slavery investigations and partnership working arrangements.
3. The paper also provides POCA related performance information, as well as an understanding of the national picture and future direction for financial investigation including the advent of a new financial investigation team within the Economic Crime Unit (ECU).
4. Finally the paper will explore how financial intelligence and financial investigations are being utilised to combat serious and organised crime.
5. This paper should be read in conjunction with the POCA discussion paper submitted to the Strategic Crime and Policing Board in February 2018.

Background

6. POCA makes provision for the confiscation or civil recovery of the proceeds from crime and contains the principal money laundering legislation in the United Kingdom.

7. The Police and Crime Plan identifies that to reduce crime, WMP should do all it can to take profit away from criminality, working in partnership with other agencies such as the National Crime Agency (NCA) and the Crown Prosecution Service (CPS).
8. The Financial Investigation Team (FIT) within the ECU are a dedicated team of detectives and police staff Financial Investigators (FIs) who are charged with the responsibility of conducting POCA investigations.

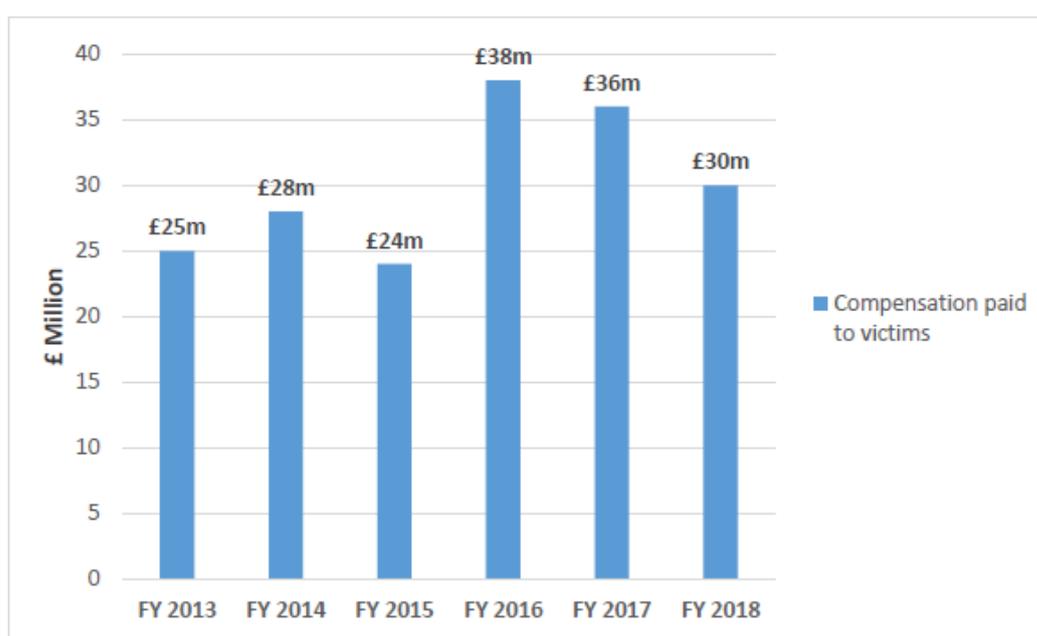
Introduction

9. POCA sets out the legislative scheme for the recovery of criminal assets with three key provisions around:
 - a) Confiscation
 - b) Cash Forfeiture
 - c) Money Laundering

Confiscation

10. A confiscation order is a post-conviction court order, which is value based rather than asset based. It does not confiscate property, but is an order to repay the value of the benefit the criminal has obtained as a result of the criminal offence or lifestyle. This negates the need for the prosecution to link a particular asset to specific criminality.
11. The starting point of any confiscation hearing is for the court to decide whether the defendant has benefited from 'general criminal conduct' (where it can be demonstrated that they meet 'criminal lifestyle' provisions) or 'particular criminal conduct' (from an individual offence).
12. Particular criminal conduct is the benefit specifically gained from the offence for which the defendant has been convicted. For example, if a drug dealer sells £5,000 worth of drugs his benefit from particular criminal conduct will be £5,000. This will be the case regardless of how much he purchased the drugs for or how much profit he made.
13. If the defendant has benefited from general criminal conduct, the court is bound to consider all of their income and expenditure over the previous six years, as well as the assessed value of any property they currently hold, as criminal benefit. Therefore, where general criminal conduct is demonstrated to the court's satisfaction, there is no need for the prosecution to prove that income, expenditure or assets are linked to a specific offence.
14. The defendant is given a set time to pay the order after which they are liable for interest and may be subject to a default custodial sentence for failing to pay.

15. In WMP, all applications for confiscation orders are made via FIT. Applications are made following referrals from investigators for cases where confiscation may be suitable or where cash is seized as part of investigation or other policing activity.
16. POCA also provides for restraint orders, which prevent a person subject to a criminal investigation or criminal proceedings, dealing with any realisable property to prevent the dissipation of assets that may be subject to a confiscation order.
17. In addition to making a confiscation order, a court may also order the offender to pay compensation to the victim of the crime. Victims always take priority if both a compensation order and confiscation order are in place against the subject and they are unable to pay both; any monies collected will be directed to the victims in the first instance¹. The graph below details the national total of compensation paid to victims between financial years 2013/2014 and 2017/2018.



Cash Forfeiture

18. POCA has provision to reclaim the proceeds of crime through civil cash forfeiture proceedings. It permits the recovery of criminal assets where no conviction has been possible, for example because individuals avoided conviction by remaining remote from the commission of the crimes from which they benefited or because they have fled abroad.
19. If the police find £1,000 or more in any type of currency, cheques or bonds, and suspect that it has come from or is intended to be used to commit crime, they can seize and detain the funds and apply for a forfeiture order.
20. Once a confiscation order or civil recovery (cash forfeiture) has been granted, there is no further involvement in the enforcement of that order by WMP ECU. This is

¹ Criminal Finances Team, Asset Recovery Statistical Bulletin Research Report 18/18 (London: Home Office, September 2018)

typically managed by Her Majesty's Court and Tribunal Service (HMCTS) and the regionally based Asset Confiscation Enforcement (ACE) Team.

Money Laundering

21. A person commits a money laundering offence if they:

- conceal, disguise, convert or transfer criminal property or remove it from England and Wales or Scotland or Northern Ireland
- enter into or become concerned in an arrangement which he or she knows or suspects facilitates the acquisition, retention, use or control of criminal property
- acquire, use or have possession of criminal property

22. Money laundering investigations are typically carried out against serious and organised criminals and may run in conjunction with other reactive and proactive investigations as part of a coordinated approach to tackle these criminals.

Asset Recovery Incentivisation Scheme

23. The Asset Recovery Incentivisation Scheme (ARIS) determines the percentage distribution of any monies that are recouped following confiscation or cash forfeiture.

24. The breakdown of percentages is as follows:

a. Confiscation

- i. Home Office 50%
- ii. Investigation 18.75%
- iii. Prosecution 18.75%
- iv. Enforcement 12.5%.

In the case of WMP led investigations therefore, WMP is identified as the 'Investigation' agency and will receive 18.75% of the associated confiscation order receipts with CPS (Prosecution) receiving 18.75% and HMCTS (Enforcement) receiving 12.5%.

b. Cash forfeiture

- i. Home Office 50%
- ii. Relevant Agency 50%

25. It should be noted that a top-slice of 5% of the total national value of recovered assets was taken for investment in key national capabilities, which are of benefit to the entire asset recovery community. However, for the financial year 2018/2019 this percentage has increased to 7%.

26. The money obtained under POCA that is allocated back to WMP is shared between the internal Asset Recovery Fund and the Active Citizen Fund administered by the Office of the Police and Crime Commissioner (OPCC) and distributed to various projects run by the communities of the West Midlands. The internal Asset Recovery Fund is managed within the intelligence department and allows the force to bid in to access the funds, on the proviso that this money is re-invested to support asset recovery in the future.

Difficulties in relation to Proceeds of Crime Investigations

27. In general cash and other assets are regularly seized in evidence following the execution of warrants or premises searches that take place as part of criminal investigations. Confiscation orders do not rely on any physical seizures of property, however do rely on some property that has been seized during the investigation.

28. Typically confiscations and cash forfeiture investigations tend to run smoothly in line with judicial timescales.

29. There are however difficulties in identifying the assets and financial accounts connected with the offenders. Criminals will go to great lengths to conceal and hide their assets. For example, criminals will register property in associate's names and launder the proceeds of their criminal activity through bogus or shell companies. This creates difficulties for the allocated FI and can impact on the length of the financial investigation.

30. The use of crypto-currency can also create difficulties in relation to the seizure, retention and realisation of this type of asset. WMP are currently working through the policy and process in relation to this, incorporating best practise and learning from the region as well as the NCA.

31. The use of pre-paid cards² by criminals has been identified as a potential issue by the ECU. There are no credit checks associated with purchasing these cards and they can be moved around easily, making them an ideal way to carry out illegal money transfer or laundering. There is no central repository with information on who has purchased the cards or the the amount of funds on each card. Therefore law enforcement agencies have little knowledge of funds a person may be in possession of and these amounts cannot therefore not be used as part of any confiscation or forfeiture application. The team are working with Visa Europe to explore what options law enforcement might have to combat the use of the cards for illegal purposes.

32. Standalone money laundering prosecutions can be difficult and extremely time consuming to prove to the criminal standard required in the absence of another substantive offence. This is because money laundering investigations are based

² Typically advocated as a safe way to spend money abroad or to prevent the overspending behaviour that is seen with credit cards

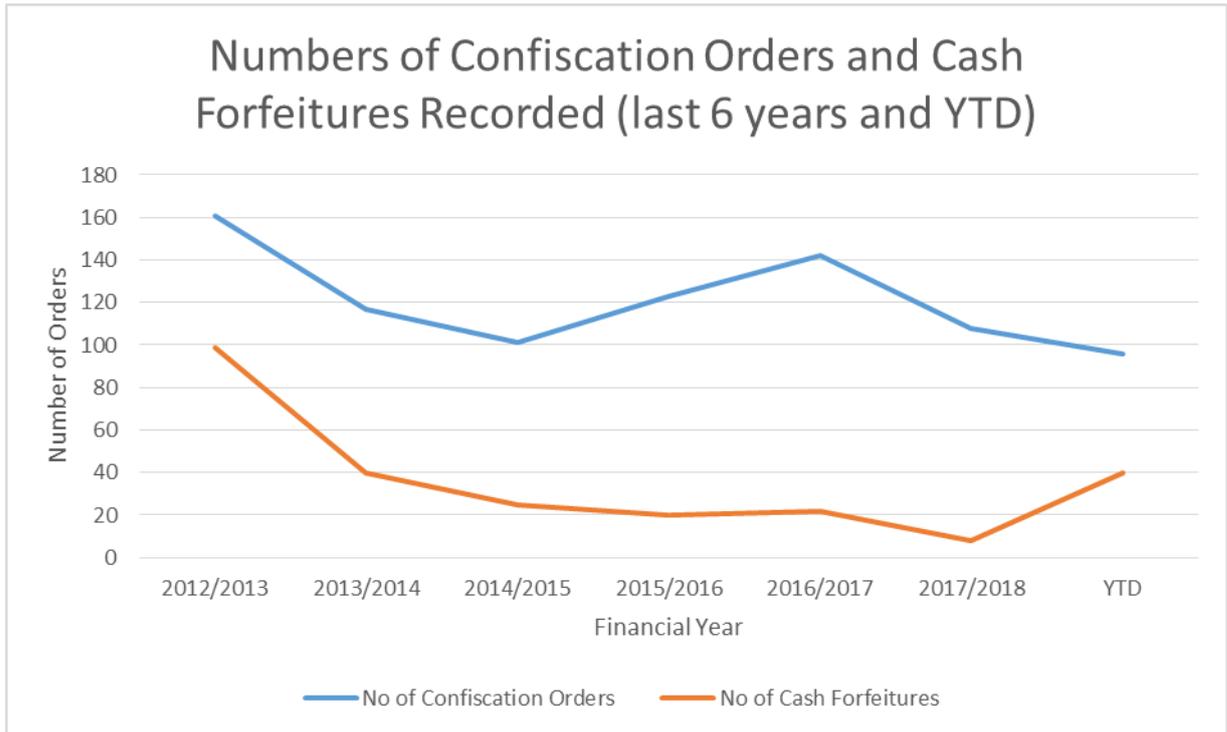
on the inference of the possession of criminal property and thus without the second substantive offence a different layer of complexity is added to the investigation.

33. A final example of difficulties in POCA investigation relates to certain charging decisions made by CPS, as well as the acceptance of prosecution of a lesser offence by CPS and prosecuting counsel at court. There can be significant consequences for the benefit figure determined in any confiscation process based on this decision.
34. One way to prove the general criminal conduct described in paragraphs 10 and 12 above, is to secure a conviction for one of the offences listed under schedule 2 of POCA (full details can be found at Appendix A). If a defendant is convicted of one of these offences then the criminal lifestyle assumptions can be applied. The first such assumption being that any or all of the finances and assets received by the defendant are the proceeds of their criminal activity. The onus then transfers to the defendant to rebut the assumptions and provide evidence that the finances or assets were obtained through legitimate means.
35. For example if the lifestyle provisions apply, and the defendant is convicted of possession with intent to supply £50,000 worth of drugs and he has a further £300,000 in his bank account; unless the defendant can prove the cash came from a legitimate source, the benefit figure for any confiscation order will be £350,000 rather than only £50,000.
36. Therefore if an offence, outside of those described at Appendix A, is chosen as an appropriate charge, and there is an option to charge with a schedule 2 offence, then this severely limits the amount of money available to WMP to recoup by way of confiscation. Ultimately this affects the overall amount that is returned to WMP and the communities of West Midlands via the ARIS process.
37. The ECU are working with CPS to provide awareness to CPS caseworkers of the impact of their decision making.

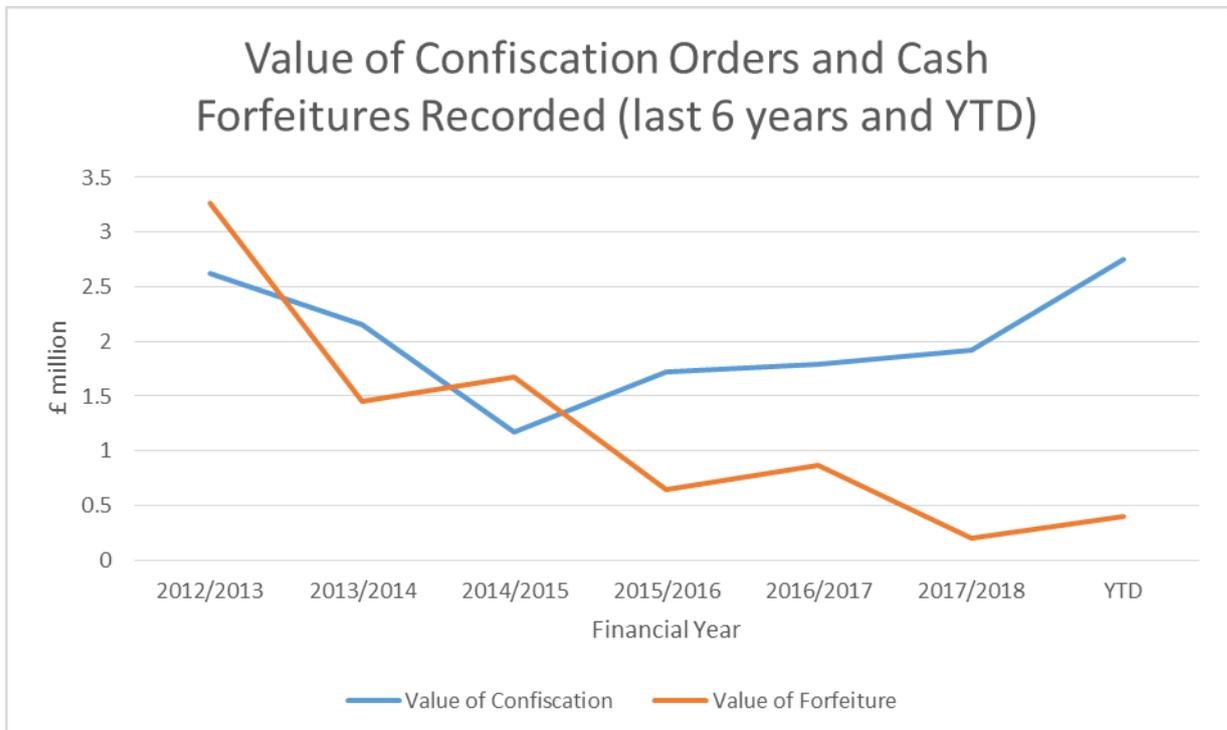
Local Performance

38. The graph overleaf illustrates the ECU performance relating to the *number* of confiscation orders and cash forfeitures granted over the last six years and financial year to date³.

³ Date period: 1 April 2018 to 23 January 2019



39. The graph below illustrates the ECU Performance relating to the *value* of confiscation orders and cash forfeitures granted over the last six years and financial year to date⁴:

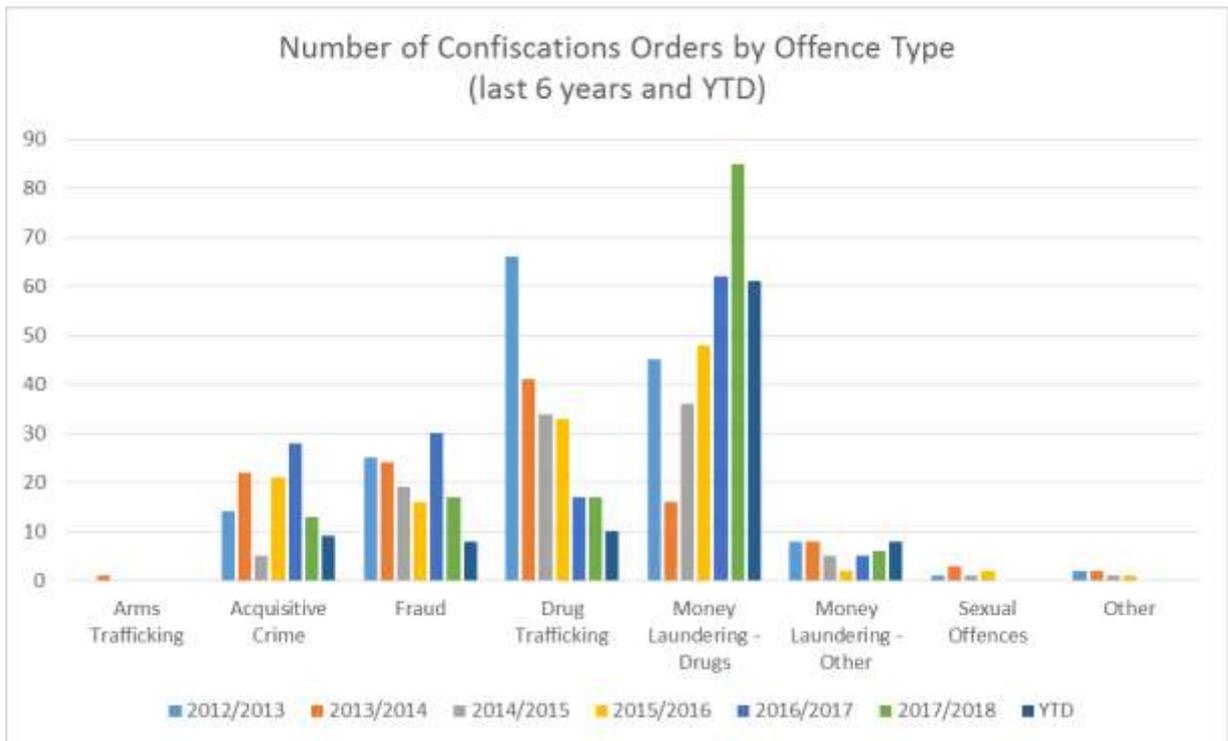


40. The figures are showing healthy signs of improvement in 2018/2019, bearing in mind there are still 11 weeks of the financial year remaining. Although the numbers

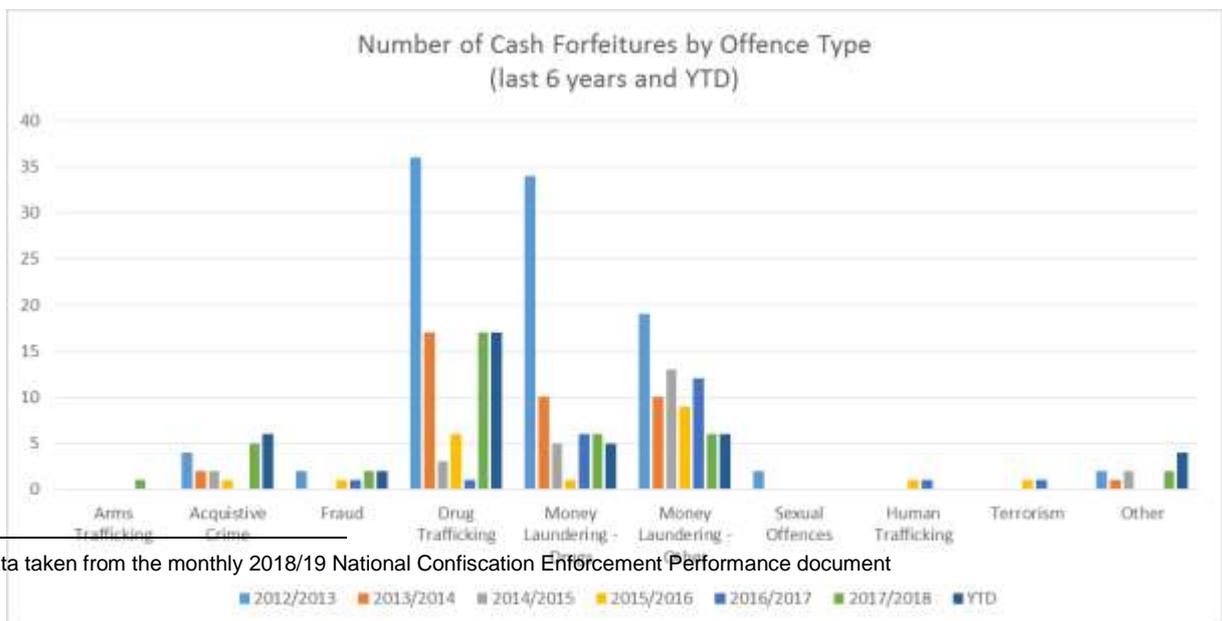
⁴ Date period: 1 April 2018 to 23 January 2019

of confiscation orders granted have reduced, the value of orders has significantly increased by £830,000 year to date compared with the whole of 2017/2018.

- 41. WMP are nationally ranked as third in terms of the amount of money recovered from confiscation enforcement as measured between 1 April and 31 December 2018⁵. During this period, WMP have recovered 116% of the assets recovered during the same period in 2017/2018. This is due to the diligent work of the ACE team in addition to the number and values of confiscation orders obtained by FIT.
- 42. The bar chart below illustrates the number of confiscation orders granted over the last six years broken down by offence type.



- 43. The bar chart below illustrates the number of cash forfeitures granted over the last six years broken down by offence type.



⁵ Data taken from the monthly 2018/19 National Confiscation Enforcement Performance document

44. Drug trafficking or money laundering in relation to drugs still remain the highest generator of assets suitable for confiscation or forfeiture.
45. Acquisitive crime has seen an increase in cash forfeitures year to date. It is likely that the increased force focus on burglary residential and robbery in recent months is a contributing factor to this success.
46. The drive to increase the number and value of confiscations and forfeitures on behalf of the force is one of the key deliverables of the ECU 4P delivery plan. The plan details a number of thematic areas that FIT are concentrating on to improve asset recovery:
- a. Provision of a rolling programme of training and continuous professional development for officers and staff from across the force to improve their understanding of POCA and financial investigation, and to encourage liaison with the ECU to increase the number of referrals made to the unit
 - b. Provision of a three-tiered approach to financial investigation support:
 - i. Tier 1 – provision of general advice and guidance to locally based investigators
 - ii. Tier 2 – allocation of an FI to analyse received financial information to assist locally based investigators
 - iii. Tier 3 – ECU will assume responsibility for financial investigative aspects of a reactive or proactive investigation
 - c. Increased engagement with local Lead Responsible Officers, responsible for organised group management, in order to generate serious and organised crime related referrals to the unit
 - d. Proactively review uplift opportunities⁶ for confiscation orders already obtained in conjunction with the ACE team
 - e. Proactively review detained property to ensure that any cash seizures that are lodged within the system are considered for confiscation or forfeiture proceedings at the earliest opportunity.
 - f. Increase the use of cash forfeiture as an alternative to protracted confiscation enquiries where appropriate.
47. It is the ambition of the unit that these measures will result in a continued improvement in POCA related performance.

New Financial Investigation Team

48. In line with the Police and Crime Commissioner's Drug Policy recommendations, a new financial investigation team is to be established to reduce the harm caused by

⁶ Uplift opportunities are revisit to confiscation orders already obtained where the respondent did not have enough assets available to them to meet the overall benefit figures. Uplifts are possibly if the respondent comes into other assets subsequent to the payment of the original agreed amount to be paid against the order.

serious and organised offenders who benefit most from drugs. The primary aim of the team will be to disrupt organised crime activity by focussing on financial investigation.

49. The team, whose work will be monitored under the auspices of Operation POUND, will consist of three full time FIs and one intelligence analyst post. Recruitment into these posts is ongoing and the team should be in place by April 2019.
50. The project is funded through one off provision of capital by the OPCC for a two year period. Its effectiveness will be subject of rigorous academic evaluation during and towards the end of this period.
51. Performance will be measured in terms of the number and value of confiscations and cash forfeitures obtained by the team during this period. This will be monitored via the Joint Asset Recovery Database. More qualitative analysis will also be conducted with evidence captured in a variety of ways to be determined by the academic evaluator. Following the evaluation, the aspiration is for the team to be self funded from money seized.

Modern Slavery

52. The Police and Crime Plan states that modern slavery is second only to the drug trade in terms of size. The Commissioner has pledged to ensure that POCA is used effectively to ensure assets related to modern slavery are seized.
53. Certain modern slavery offences are listed under POCA schedule 2 (as referenced in Appendix A) and therefore qualify as criminal lifestyle offences, thereby increasing the potential yield during confiscation proceedings.
54. Europol describes people trafficking as operating with 'an increasing level of modernisation, to the point of becoming a corporate business'⁷. The gulf between the estimated proceeds and the recovery of this illicit finance in the UK is vast. For example, annual revenue earned from women trafficked into the UK for sexual exploitation was estimated by the Home Office in 2013, to be £130 million⁸. The much smaller sum of approximately £2 million was recovered from offenders between 2010 and 2014⁹. Trafficking for labour exploitation within the UK has no estimated costs associated with it due to the lack of adequate supporting data¹⁰.
55. The West Midlands area sees a higher number of reported instances of trafficking for labour exploitation than for the purposes of sexual exploitation.
56. The force is also experiencing an increase in the criminal exploitation of children known as 'County Lines' which may also present opportunities due to the revenue

⁷ Europol, 'Situation Report: Trafficking in Human Beings in the EU', p. 13.

⁸ Hannah Mills et al., *Understanding Organised Crime: Estimating the Scale and the Social and Economic Costs – Research Report 73* (London: The Stationery Office, 2013), p. 10.

⁹ HM Government, *Modern Slavery Strategy* (London: The Stationery Office, 2014), p. 38.

¹⁰ Tom Keatinge and Anne-Marie Barry, *Disrupting Human Trafficking: The Role of Financial Institutions* (London: RUSI Whitehall Report 1-17, March 2017)

associated with this activity. Opportunities continue to be explored by the ECU in this area.

57. To date, there have been no cash seizures made in relation to recent modern slavery investigations limiting the use of cash forfeiture. There have been no identified opportunities for confiscation in terms of investigations into reports from single slavery victims at the current time.
58. However, there are a number of long term operations involving multiple victims that have identified assets held by the suspects, often in foreign countries. These operations are being supported either by FIT or the Regional Asset Recovery Team (RART) but no orders have been obtained to date.
59. The majority of these operations are in relation to labour exploitation but one does relate to the exploitation of victims for adult sex work. The suspects in one labour exploitation investigation is known to have used pre-paid cards as a method of moving cash abroad and laundering the proceeds of this criminality.
60. The global nature of this type of offending presents serious difficulties in obtaining information and intelligence regarding the individual's assets and ownership thereof. Therefore the ability of the FIs to identify any relevant assets for confiscation is severely impaired. Joint Investigation Teams are being established in a number of the operations but these are slow to commence and the UK's ability to form such teams with European partners may be severely impaired if a no deal Brexit is enacted.
61. The ECU is continuing to work with the force's modern slavery coordinators and senior investigation officers for such offences to exploit asset recovery opportunities where possible.

Partnership Working

62. The NCA are the regulatory authority for financial investigation and provide training and accreditation for FIs. They are also the lead agency for the receipt of suspicious activity reports (please see the National and Future Landscape section for more detail).
63. Over the last 12 months, the ECU have worked with the NCA in relation to seizures of cash that are then either subject of confiscation or forfeiture led by FIT – a relationship the ECU are looking to develop further over the forthcoming 12 months.
64. The ECU work closely both with CPS and CPS POC. CPS POC are specialist caseworkers who are responsible for obtaining restraints and prosecuting confiscation proceedings.
65. FIT are responsible for completing the investigation, obtaining relevant financial records, the preparation of confiscation statements and attendance at court. CPS

POC are responsible for the review of the case as presented by the FI, the provision of legal advice and instructing counsel.

66. The relationship between FIT and CPS POC is generally positive and the team are part of a wide financial investigation community that regularly meets with each other and CPS POC to discuss any issues that have arisen or best practice that can be shared.

National and Future Landscape

Suspicious Activity Reports

67. POCA requires financial institutions and businesses in the regulated sector to report, to the UK Financial Intelligence Unit (part of the NCA), any suspicions about criminal property or money laundering. Even if a person is not in the regulated sector they must report any suspicions if they come across suspicious activity through their trade, business or profession. These reports are termed Suspicious Activity Reports (SARs) and are communicated to WMP via an electronic system.

68. There are three types of SARs. Those that are submitted for intelligence purposes, those that pertain to disclosure in relation to money laundering (DAML) and 'vulnerability' related SARs. The latter type relates to reports of the suspected financial exploitation of vulnerable people, including exploitation in relation to modern slavery and human trafficking.

69. DAML SARs are considered against the following criteria for refusal:

- a. To prevent criminal property being moved out of the UK and commence restraint proceedings
- b. Where the funds are positively identified as the Proceeds of Crime
- c. If the criminal property is subject to existing restraint/confiscation proceedings
- d. If there is insufficient information to grant consent i.e. funds to be returned to subject but no client confirmation has been carried out.

70. All DAML SARs that recorded are allocated to WMP via the NCA. The reports are then assessed against any known intelligence or information around the subject, which will reveal if there are any historical links to criminality, organised crime groups or anything else notable that would suggest refusal of the request may be appropriate. This assessment is conducted within the seven day moratorium period and NCA advised of the initial decision.

71. Once a DAML SAR is refused then a 31 day period commences in order to progress an investigation and take positive action. Historically the ECU have utilised DAML SARs to identify restraint opportunities and commence money laundering investigations. Whilst this avenue remains open to the team, more and

more throughout 2018, the ECU have sought opportunities to obtain Account Freezing and Forfeiture Orders (AFFOs) as detailed below in paragraph 83.

72. In 2018, the ECU Proactive Investigation Team have provided advice and action for 259 DAML SARs.
73. “Vulnerability” SARs are subject of a similar assessment process and victims are referred into the Economic Crime Victim Care Unit (ECVCU) where appropriate. This type of SAR may also lead to proactive investigation of those involved in exploiting people for financial gain.
74. In 2018, the ECU Proactive Investigation Team and ECVCU have managed 159 vulnerable SARs and taken positive action¹¹ in each case.
75. In 2017, the Law Commission agreed to review and make proposals for reform to a limited aspect of the anti-money laundering provisions made in Part 7 of POCA; some of which relate to the SARs regime. There are identified issues with the current regime such as:
 - a. Significant numbers of low quality SARs
 - b. Onerous compliance burden on the regulated sector
 - c. Risk of financial loss to businesses and individuals who are subject of disclosure as they cannot be told why the transfer of funds are delayed (for fear that the banking institution involved would be guilty of a “tip off” offence)
76. A consultation on proposals for reform concluded in October 2018. The Law Commission’s response to the consultation is expected early in 2019.
77. This will likely impact on the SAR review process conducted by the ECU and the use of the information provided. The ECU eagerly await the response from the Law Commission.

Criminal Finances Act 2017

78. The above Act was given Royal Assent in April 2017 and provides an extension to the powers conferred on FIs. The Act allows for two new civil processes: Unexplained Wealth Orders (UWOs) and AFFOs.
79. A UWO is a High Court order issued against an individual whose wealth (“property”) cannot be accounted for in terms of legitimate sources of income and is therefore suspected of being acquired unlawfully. The property to which a UWO applies can ultimately be confiscated under existing civil recovery powers, if the proprietor cannot (or will not) provide evidence to demonstrate the legitimacy of its

¹¹ For example, made a third party referral, provided police advice or submitted an NFIB referral

origins¹². The orders do not require criminal or civil proceedings to have been initiated beforehand and place the burden of proof on the respondent.

80. In the year ending 31 March 2018, two UWOs were obtained by UK authorities to investigate assets totalling £22 million.
81. RART are currently piloting the use of UWOs against a number of subjects from the region including the WMP area. The applications for these orders has stalled in recent months due to an issue with obtaining HMRC held data, which is crucial to the application, and to which the police have no authority to obtain for civil proceedings. There is now progress on this issue and it is anticipated that the civil recovery will commence this year.
82. The ECU are exploring what opportunities that might be to use UWO legislation within WMP intelligence streams and are keen to exploit the opportunities this aspect of the legislation provides now that a potential solution to the barrier with HMRC has been found.
83. AFFOs allow authorised law enforcement agencies to seek the freezing, and subsequent forfeiture, of monies or funds held in bank and building society accounts that is recoverable property or is intended by any person for use in unlawful conduct (as defined in POCA). The process is very similar to that of cash seizure.
84. In 2018, the ECU Proactive Investigation Team have implemented six AFFOs totalling £231,617. To date £72799.26 has been returned to victims of crime, £16121.06 has been subject to cash forfeiture to WMP and £215,496 remains under investigation.

Serious and Organised Crime Strategy 2018

85. The newly published national Serious and Organised Crime Strategy recognises the huge impact of money laundering on the UK economy and seeks to strengthen the response to economic crime and illicit finance. The above described reform of the SARs regime is one of the key objectives of the strategy. Other key objectives include the promise to utilise all available powers and levers against the most determined criminals exploiting vulnerable people and enhancing the ability to deny criminals and networks access to money, assets and infrastructure.
86. The advent of the National Economic Crime Coordination Centre, whose aim is to provide a collaborative, multi-agency centre to deliver a step change in the response to tackling Economic Crime, will bring a change to investigation of fraud and financial crime. It is not yet known the impact that this will have on locally delivered services.

¹² Tom Phillips, Unexplained Wealth Order Briefing Paper (WMP Strategic Intelligence Team, 2017)

87. The ECUs focus for 2019 will continue to be in line with this strategy and in support of the investigation, prosecution, conviction and disruption of those involved in serious and organised crime.

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APPENDIX A

POCA Schedule 2 Offences

Drug Trafficking

1. An offence under any of the following provisions of the Misuse of Drugs Act 1971 (c. 38)
 - a. section 4(2) or (3) (unlawful production or supply of controlled drugs);
 - b. section 5(3) (possession of controlled drug with intent to supply);
 - c. section 8 (permitting certain activities relating to controlled drugs);
 - d. section 20 (assisting in or inducing the commission outside the UK of an offence punishable under a corresponding law).
2. An offence under any of the following provisions of the Customs and Excise Management Act 1979 (c. 2) if it is committed in connection with a prohibition or restriction on:
 - a. importation or exportation which has effect by virtue of section 3 of the Misuse of Drugs Act 1971
 - b. section 50(2) or (3) (improper importation of goods);
 - c. section 68(2) (exportation of prohibited or restricted goods);
 - d. section 170 (fraudulent evasion).
3. An offence under either of the following provisions of the Criminal Justice (International Cooperation) Act 1990 (c. 5):
 - a. section 12 (manufacture or supply of a substance for the time being specified in Schedule 2 to that Act);
 - b. section 19 (using a ship for illicit traffic in controlled drugs).

Money Laundering

- a. section 327 (concealing etc criminal property);
- b. section 328 (assisting another to retain criminal property).

Directing Terrorism

An offence under section 56 of the Terrorism Act 2000 (c. 11) (directing the activities of a terrorist organisation)

People Trafficking

1. An offence under section 25, 25A or 25B of the Immigration Act 1971 (c. 77) (assisting unlawful [4 immigration etc.).
2. An offence under any of sections 57 to 59 of the Sexual Offences Act 2003 (trafficking for sexual exploitation)
3. An offence under section 4 of the Asylum and Immigration (Treatment of Claimants, etc.) Act 2004 (exploitation).

Arms Trafficking

1. An offence under either of the following provisions of the Customs and Excise Management Act 1979 if it is committed in connection with a firearm or ammunition
 - a. section 68(2) (exportation of prohibited goods);
 - b. section 170 (fraudulent evasion).
2. An offence under section 3(1) of the Firearms Act 1968 (c. 27) (dealing in firearms or ammunition by way of trade or business).

“Firearm” and “ammunition” have the same meanings as in section 57 of the Firearms Act 1968 (c. 27).

Counterfeiting

1. An offence under any of the following provisions of the Forgery and Counterfeiting Act 1981 (c. 45)
 - a. section 14 (making counterfeit notes or coins);
 - b. section 15 (passing etc counterfeit notes or coins);
 - c. section 16 (having counterfeit notes or coins);
 - d. section 17 (making or possessing materials or equipment for counterfeiting).

Intellectual Property

1. An offence under any of the following provisions of the Copyright, Designs and Patents Act 1988 (c. 48)
 - a. section 107(1) (making or dealing in an article which infringes copyright);
 - b. section 107(2) (making or possessing an article designed or adapted for making a copy of a copyright work);
 - c. section 198(1) (making or dealing in an illicit recording);
 - d. section 297A (making or dealing in unauthorised decoders).
2. An offence under section 92(1), (2) or (3) of the Trade Marks Act 1994 (c. 26) (unauthorised use etc of trade mark).

Prostitution and Child Sex

1. An offence under section 33 or 34 of the Sexual Offences Act 1956 (keeping or letting premises for use as a brothel).
2. An offence under any of the following provisions of the Sexual Offences Act 2003
 - a. section 14 (arranging or facilitating commission of a child sex offence);
 - b. section 48 (causing or inciting child prostitution or pornography);
 - c. section 49 (controlling a child prostitute or a child involved in pornography);
 - d. section 50 (arranging or facilitating child prostitution or pornography);
 - e. section 52 (causing or inciting prostitution for gain);
 - f. section 53 (controlling prostitution for gain).

Blackmail

1. An offence under section 21 of the Theft Act 1968 (c. 60) (blackmail).
2. An offence under section 12(1) or (2) of the Gangmasters (Licensing) Act 2004 (acting as a gangmaster other than under the authority of a licence, possession of false documents etc).

Inchoate Offences

1. An offence of attempting, conspiring or inciting the commission of an offence specified in this Schedule.
2. An offence under section 44 of the Serious Crime Act 2007 of doing an act capable of encouraging or assisting the commission of an offence specified in this Schedule.
3. An offence of aiding, abetting, counselling or procuring the commission of such an offence.