

Fraud Newsletter No. 63

January 2022



CASES

SENTENCING & CONFISCATION

Realisable assets include net salary and occupational pensions (gross cash equivalent transfer value): [Asplin](#) [2022] EWCA 9 (conspiracy to defraud employers).

Andrewes [2020] EWCA 1055 (Westlaw): D employed as a result of misleading statements re qualifications etc. but gave competent full value service - confiscation based on total earnings: appeal allowed as outcome disproportionate: leave granted to SC: 16 Nov 21.

BILLS, STATUTES & SIS

[Judicial Review and Courts Bill](#) at Report stage: contains measures to realise potential of CVP (see [Fact Sheet pp 1, and 2-3](#)). House of Commons [Research Briefing](#): 12 Oct 21

[Draft Money Laundering and Terrorist Financing \(Amendment\) Regulations 2022](#) come into force on 9 Mar 22 amending the ML, TF and Transfer of Funds (Information on the Payer) Regs 2017.

[National Security and Investments Act 2021](#): in force 4 Jan 22. Establishes regime for government intervention in acquisitions to protect national interest.

[Rating \(Coronavirus\) and Directors Disqualification \(Dissolved Companies\) Act 2021](#): s2 amends s6 Company Directors Disqualification Act 1986 to allow disqualification of directors who dissolve companies to avoid paying their liabilities.

CONSULTATIONS, GUIDANCE, CIRCULARS AND REPORTS

[Nature of crime: fraud and computer misuse](#): (for y/e Mar 21) Office for National Statistics: 27 Jan 22. [Investment fraud jumped 42%]

[Corruption Perceptions Index 2021](#): Transparency International: 25 Jan 22

[Closing the UK's economic crime enforcement gap: Proposals for boosting resources for UK law enforcement to fight economic crime](#): Spotlight on Corruption: 24 Jan 22. (contains useful review of fraud data) [Executive Summary](#)

[2021 Economic Crime Summary](#): BDO UK: 20 Jan 22

[2022 cyber security incentives and regulation review](#): DDCMS: 19 Jan 22.

[Framework for transparent and accountable asset return](#): Home Office: 13 Jan 22: policy and principles providing transparent insight into government decision making on returning proceeds of crime: [Press Summary](#)

[2020 Enforcement of the Anti-Bribery Convention: Investigations, Proceedings, and Sanctions](#): OECD WGB: 23 Dec 21.

[The Challenges and Opportunities Created by Digital Evidence in Criminal Cases](#): Speech by Dame Victoria Sharp published 5 Jan 22.

[Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime etc: Thematic Review re Corporate Liability](#): CoE: 20 Jan 22 (shortfalls etc of UK corporate identification principles).

[Evidence of Attorney General to Justice Committee](#) on 25 Jan 22. Key parts dealing with SFO budget, relationship with Director of SFO, Unaoil judgment and AG's review and Economic Crime Bill are at [15:10 to 15:26]



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NEWS

FCA:

- [THG hands over City 'conspiracy' dossier to financial watchdog](#): Retail Gazette: 10 Jan 22.
- [Criminal proceedings commenced re Collateral \(UK\)](#) (7 Jan 21) re unregulated peer-to-peer lending misrepresentation and alleged illegal diversion of funds: [The Times: 8 Jan 22](#).

SFO:

- [2021 SFO Enforcement Round-Up: Individuals and Corporates](#): Mischon de Reya: 19 Jan 22.
- [What to expect from the SFO in 2022?](#) Mischon de Reya: 19 Jan 22.

HOME:

- [Court approves £5.6m seizure over money laundering](#): BBC 31 Jan 22; [Laundered millions linked to Azeri politician forfeited](#): NCA 31 Jan 22.
- [Mike Lynch's extradition to US on criminal fraud charges approved](#): BBC News: 29 Jan 22. [HP Wins Huge Fraud Case Against Autonomy's Mike Lynch](#): Wired: 28 Jan 22 (High Court ruling that Autonomy executives had fraudulently boosted Autonomy's reported earnings and value re \$11B sale to HP). Current reports that both decisions are to be challenged: *Sunday Times* 30 Jan 22.
- Doubts expressed as to extent of BBLS fraud: *Sunday Times*: 30 Jan 22. [Conservative minister resigns in anger over Covid fraud](#): BBC News: 24 Jan 22. [Treasury writes off £4.3B in Covid payments lost to fraud](#): *The Times* 17 Jan 22.
- [Bans for two directors who abused Bounce Back Loan scheme](#): (10 and 11 years) The Insolvency Service: 20 Jan 22

- [LabVPN takedown: UK server of criminal network offline](#): NCA: 18 Jan 22
- [Prolific romance fraudster jailed as CPS issue warning](#): CPS 14 Jan 22
- [Largest darknet stolen credit card site closes](#): UniCC thanked (criminal) clients for their business, but closing for age and health reasons. Police estimate \$358m receipts since 2013): BBC 14 Jan 22.
- [Tax cheating barrister jailed for £100k VAT fraud](#): SomersetLive 14 Jan 22.
- [UK Finance warns SMEs of increased risk of targeted scams](#) re remote working: 12 Jan 22. £59.2m lost in 1st 6 months 2021.
- [Smith & Nephew India \[SEC\] investigation asks for documents](#): The Times 10 Jan 22.
- [Starling Bank shuns Facebook over scam ads](#): UKTN: 7 Jan 22.
- [Mischon del Reya hit with record fine](#) (£232.5k) from SRA for AML failings: 6 Jan 22.
- [Sir David Green CB QC appointed new Chair of Fraud Advisory Panel](#): ICAEW 6 Jan 22.
- [Cryptocurrency crime hit all time high in 2021](#): Reuters 6 Jan 22.
- [Crack down on directors who dissolve companies to evade debts](#): The Insolvency Service/DBEIS/DLU: 16 Dec 21 (for legislation see Bills, Statutes etc above).
- [Government denies claims it has scrapped crucial economic crimes bill](#): Guardian 26 Jan 22.

EU & ABROAD:

- [Mitigating systemic cyber risk](#). ESRB (European Systemic Risk Board) [Recommendation](#) and [Press Release](#) summary: 27 Jan 22.



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- [*Ex-Deutsche Bank Traders' Libor Convictions Tossed on Appeal*](#): Bloomberg: 27 Jan 22.
- [*N.Y. Attorney General Outlines Pattern of Possible Fraud at Trump Business*](#): *NY Times* 18 Jan 22 re "misleading" statements about the value of at least 6 Trump properties: [*A-G's Full Report*](#) (NYSCEF Doc No. 358 filed 18 Jan 22).
- [*Elizabeth Holmes: Theranos founder convicted of fraud*](#): BBC News 5 Jan 22. Likely to be sentenced in September. Former partner Sunny Balwani to be tried next month.
- [*EBA alerts on the detrimental impact of unwarranted de-risking and ineffective management of money laundering and terrorist financing risks*](#): EBA 5 Jan 22.
- [*Bankers rate "rigging" not criminal says US*](#): BBC 28 Jan 22.

