

**WRITTEN QUESTION TO THE MINISTER FOR HOME AFFAIRS
BY DEPUTY J.B. FOX OF ST. HELIER**

ANSWER TO BE TABLED ON TUESDAY, 28th FEBRUARY 2006

Question

On page 26 of the States of Jersey Police Annual Performance Report 2005, under the heading Financial Crime, it states that although both Guernsey and the Isle of Man 'are now in the process of drafting legislation to facilitate civil asset recovery powers, the States of Jersey have yet to reach a decision on the issue. The introduction of such powers locally could yield significant assets in seizures of criminal assets and would pose a major deterrent to criminals.'

Would the Minister –

- (a) advise the Assembly why the States of Jersey have not yet been asked to consider this issue?
- (b) inform members whether seizures made under such powers could increase the income of the States and be used to remove or seriously reduce the current backlog of financial crime cases and, if so, will she agree to take all necessary steps to expedite the preparation of such legislation in order to alleviate the financial pressures that are being experienced at this time?

Answer

- (a) The States was asked to debate civil asset forfeiture on 25th October last year. It was included in P.201/2005, the Criminal Justice Policy, at paragraph 11.44 and in the subsequent action plan. Had the States gone ahead with the debate on the Policy, as I had requested, it is likely that I would have had the States' backing to take this action forward. The introduction of powers by 2008 for the civil confiscation of criminal proceeds is also included in the draft States Strategic Plan.
- (b) Under current Drug Trafficking legislation a Police or Customs officer may seize and detain any money which is imported into or exported from the Island if he has reasonable grounds for suspecting that it directly or indirectly represents any person's proceeds of, or is intended by any person for use in, drug trafficking.

Locally the power has recently been used to good effect at the ports to detain large volumes of cash being exported from the Island destined to purchase more drugs in the UK. The law enforcement authorities have successfully defended seizures in Court and achieved confiscation orders for over one hundred and fifty thousand pounds worth of drug money.

Such 'civil recovery' powers, however, are not available to Police or Customs Officers who discover large volumes of cash where they are unable to show that the funds have either been imported or intended for export from the Island. It is acknowledged that similar legislation dealing with the proceeds of all crimes and the enabling of civil asset recovery powers is required.

The United Kingdom has enjoyed significant success utilising civil asset recovery powers under the Proceeds of Crime Act over the last two years, taking the profit out of crime and placing confiscated assets back into front line resources charged with enforcing such legislation. Law enforcement agencies in the UK are currently securing approximately fifty million pounds of cash per year using such powers.

The extent of assets which may be recovered locally under the proposed new powers would of course depend on the scale of any applications and the view of the courts in response to those applications made. It would be unrealistic to attempt at this time to estimate the potential revenue from cases which have not been brought under a law which does not yet exist.

However, from the information available it appears possible that the proposed new law would release resources which could be recycled into law enforcement and that this could include strengthening the Island's ability to investigate further cases of suspicious transactions. The cash seizures in the UK currently fund the entire Asset Recovery Agency and the Regional Asset Recovery Agencies; and Police Forces also receive a proportion of the confiscated funds. The seizure of large volumes of cash from criminals who are unable to provide a credible and verifiable explanation for the money is now a major tool in combating crime.

Of course members will be aware that the prime purpose of such a law would not be to provide revenue but to openly demonstrate that this government is determined to ensure that the Island should not become a refuge for criminal assets. I hope that I can count on the support of members when these measures are brought forward.