



UKFIU
UK Financial Intelligence Unit

UK Financial Intelligence Unit
SARs Annual
Statistical
Report

Suspicious Activity Reports
April 2022 - March 2023

2023

 **NCA**
National Crime Agency

Annual Statistical Report Contents

Page 3

A message from the Head of the UKFIU

Page 4

Headline Statistics

Pages 5 - 6

Engagement

Page 7

Analysis

Pages 8 - 11

DAMLs in Detail

Page 12

Terrorist Finance

Page 13

Intelligence Development

Page 14

International

A message from Deputy Director Vince O'Brien

Welcome to the UKFIU annual statistical report for 2022 - 2023.

It has been another very busy year for the UKFIU, and SARs continue to play a critical role in alerting law enforcement to potential instances of money laundering and terrorist financing. In addition SARs are a vital source of intelligence, not only for tackling economic crime but to help investigate a wide range of criminal activity including identifying fraud victims, sex offenders, murder suspects, missing persons, people traffickers and fugitives.



The total number of SARs received is less than the previous year mainly due to a reduction in SARs from high street banks. DAML SARs have also decreased due to changes in legislation. Despite the number of DAML SARs decreasing, the number of cases where a DAML was refused and assets were restrained has increased by 37%. This has led to £272.7m being denied to suspected criminals. Although this is a reduction on the previous year, this is the second highest amount of funds denied from DAML requests in a single year. In the last two years, more funds have been denied through DAMLs than in the previous 6 years combined. This represents a step change in the effectiveness of asset denial linked to SARs.

In addition to asset denial opportunities from the DAML regime, law enforcement uses SARs in many different ways. There have been large increases in the amount of Vulnerable Person SARs fast-tracked to police forces and, following the invasion of Ukraine, we have received over 5,600 SARs related to sanctions. A notable achievement for the UKFIU has been the roll out of the new SAR portal and the on-boarding of major SAR reporters to the new bulk API technology that is already helping in improving the quality and utility of SARs. We have also substantially increased our staff headcount and are on track to have over 200 staff in the UKFIU by the end of the financial year 2023/24 - compared to 81 staff at the time of the last FATF MER in 2018.

Increased investment through SARs reform in our people and technology has bolstered our capability to deliver against our strategy. We are now better positioned to innovate and adapt our working practices, especially as more new IT capability comes online in the next year. Through SARs reform, engagement with reporters has increased significantly, and a large number of training sessions with specific reporters has helped improve the overall quality of SARs received into the FIU. In addition, we have focused efforts by speaking at sector specific seminars and through our SARs in Action magazine and social media channels to reach out to smaller reporters across the different sectors around how they can spot red flags concerning economic crime. We are also engaging more with our international partners through Egmont, which recognised the UKFIU's outstanding contribution to the work of the organisation at the 2023 Annual Plenary meeting.

I am proud of our excellent officers within the UKFIU who have demonstrated resilience and agility over the last year whilst continuing to provide a high quality service to reporters and law enforcement.

Headline Statistics

TOTAL SARs RECEIVED



FUNDS DENIED FROM DAML REQUESTS*



TOTAL DAMLs RECEIVED**



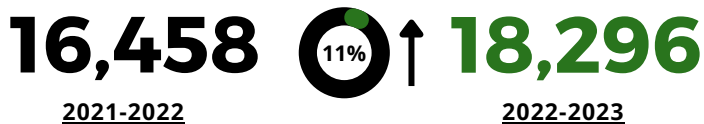
TOTAL DATFS RECEIVED



TOTAL TACT SARs



VULNERABLE PERSON SARs FAST-TRACKED



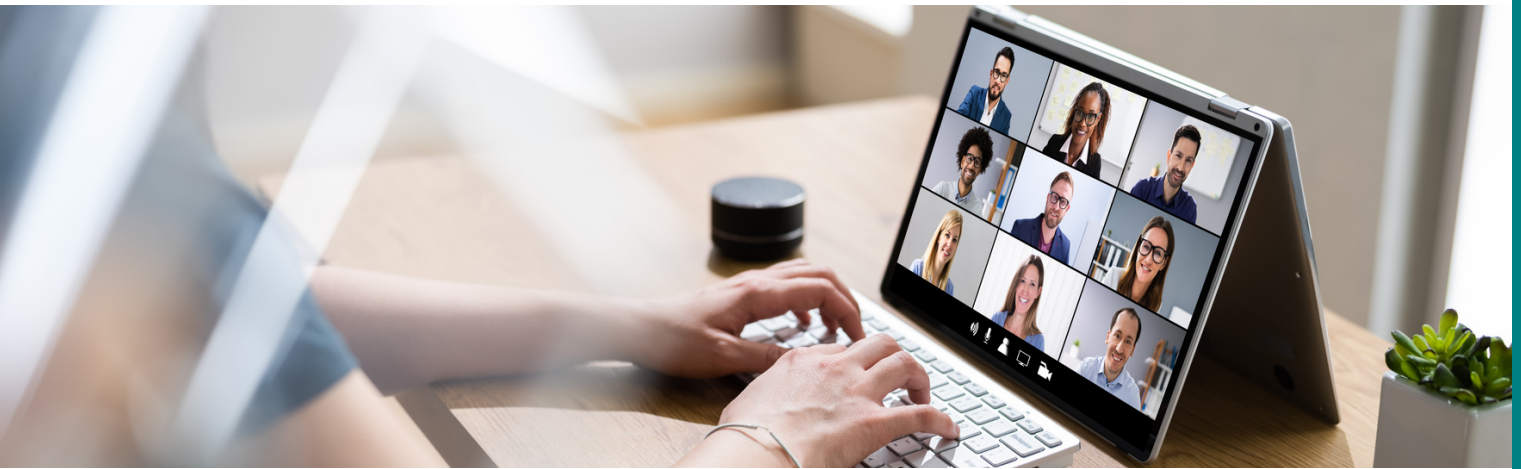
TOTAL BREACHES IN CONFIDENTIALITY



*In the last two years the sum total of funds denied from DAML requests is £578.4m, higher than the total denied in the previous six years at £499m. 2021 – 2022 benefitted from seven cases of asset denial between £10m and £50m, contributing to a very high overall asset denied figure.

**A change to the 'threshold amount' value from £250 to £1,000 was enacted in January 2023 under POCA s339A, which enables deposit taking financial institutions, EMIs and PSPs to 'operate' accounts without seeking a defence for transactions up to £1,000. This may have contributed to a reduction in DAML requests, however there remains an increase in new reporters.

Engagement



Reporter Engagement

2021-2022

2022-2023

23 workshops and webinars delivered to reporters



42 workshops and webinars delivered to reporters

7 webinars hosted for 'other stakeholders'
E.g. internal departments or partners



3 webinars hosted for 'other stakeholders'
E.g. internal departments or partners

36 engagement events participated in
E.g. SAR best practice presentations, case studies, Q&A sessions



46 engagement events participated in
E.g. SAR best practice presentations, case studies, Q&A sessions

76 one-to-one engagements
E.g. Reporter submission queries, 1-2-1 feedback



79 one-to-one engagements
E.g. Reporter submission queries, 1-2-1 feedback

146 queries assessed relating to SAR disclosure



108 queries assessed relating to SAR disclosure

Digital Engagement

Podcasts

Total (to 2023)

Episodes

12

Listens

7,000



Available on most streaming sites



The UKFIU has 20,000+ followers on LinkedIn

Since joining in Q4 2020

SARs in Action Magazine

Issues published on NCA website (to 2023)

Issues

18

Downloads

159,245



To access the SARs in Action magazines, **scan the QR code** to directly access the **UKFIU section of the NCA website**. Note: Links to magazines are found at the bottom of the web page.



Law Enforcement Engagement

63

ARENA TRAINING SESSIONS

delivered to 702 officers in 2022-2023

1,915

TOTAL ARENA REGISTRANTS

of which 1,236 are new in 2022-2023



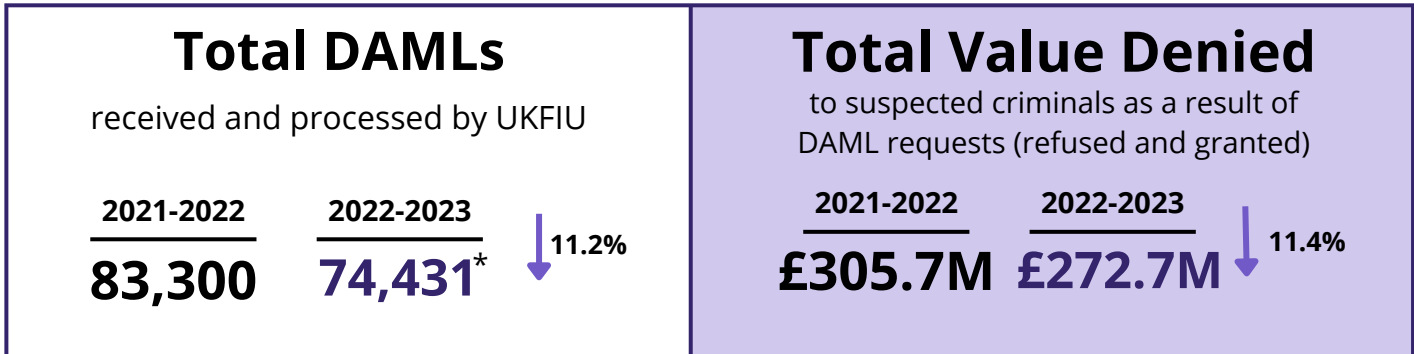
SARs submitted per Reporting Sector

The UKFIU makes no comment as to the relative volume of reports from different sectors. It is for the sectors and their supervisors to assess if the volume of SARs submitted is proportionate to the risks their sectors face.

Industry	April 21 - March 22	% of total	% comparison to 20-21	April 22 - March 23	% of total	% comparison to 21-22
Credit institution – banks	637,776	70.77%	15.75%	561,610	65.31%	-11.94%
Credit institution – building societies	56,931	6.32%	90.80%	56,268	6.54%	-1.16%
Credit institution – others	14,113	1.57%	37.88%	18,018	2.10%	27.67%
Financial institution – money service businesses	27,397	3.04%	13.28%	26,654	3.10%	-2.71%
Financial institution – others	113,246	12.57%	13.01%	144,815	16.84%	27.88%
Accountants and tax advisers	5,863	0.65%	25.47%	6,053	0.70%	3.24%
Independent legal professionals	2,859	0.32%	29.07 %	2,526	0.29%	-11.65%
Trust or company service providers	140	0.02%	53.85%	64	0.01%	-54.29%
Estate agents	780	0.09%	14.71%	950	0.11%	21.79%
High value dealers	304	0.03%	-7.88%	312	0.04%	2.63%
Not under Money Laundering Regulations (MLRs)	35,494	3.94%	179.24%	36,580	4.25%	3.06%
Gaming/ leisure (incl. casinos and some not under MLRs)	6,352	0.70%	3.60%	6,055	0.70%	-4.68%
Total	901,255	100%	21.41%	859,905	100%	-4.59%

For a detailed breakdown of SARs submitted by industry sector please see the annexes [here](#).

Defence Against Money Laundering SARs



*Changes in legislation between 2021-2022 and 2022-2023 led to a decrease of received DAMLs.



**DAMLs are granted on a case by case basis where full DAML criteria are satisfied, as set out in published UKFIU guidance.

Outstanding Moratorium Extension Amounts

For 2021/22 to go in the **2022-2023 reporting year** | **£8.77M**

The majority of Moratorium Extensions conclude within the relevant reporting year, however a number extensions commence in the reporting year, are still live at the end of March in that year, and conclude in the following reporting year. The Outstanding Moratorium Extension Amount shows the value of the assets denied as a result of cases commenced in 2021/2022 which concluded in 2022/23. The assets need to be accounted for as they are often the result of long investigations and can't be added to the published figure for the previous year.

Of the refused DAMLs...

Cases that had immediate asset denial action taken (where NCA was notified by law enforcement agencies of actions taken including Account Freezing Orders [AFOs], forfeits, restraints, confiscation uplifts or cash seizures)

2021 - 2022

1,206

1,190 AFO, forfeits or restraints

15 confiscation uplifts

1 cash seizure

2022 - 2023

1,659

1,639 AFO, forfeits or restraints

15 confiscation uplifts

5 cash seizures

DAMLs subsequently granted*	2021-22	2022-23
		700

*Although immediate asset denial was not taken on these DAMLs, they could still have led to further operational activity.



DAMLs in Depth

In 2022 -2023 there is a 38.9% increase in the volume of cases and a 46.6% increase in the value of assets denied, between £0 and £500k. This category represents the hard work of financial investigators across law enforcement who investigate criminality linked to DAMLs and deny criminals benefitting from the proceeds of their crimes. Account Freezing Orders continue to be increasingly used by law enforcement.

A decrease in cases over £10m, was offset by a significant increase in the value of assets denied in the £5m - £10m category. You can see a breakdown of all refused cases where immediate asset denial action was taken in the table below.

Refused	Number of Cases		Total Value	
	2021-2022	2022-2023	2021-2022	2022-2023
£0-£500K	1,146	1,592	£60,229,252	£88,313,221
£500K-£1M	25	33	£17,604,660	£22,942,077
£1M-£5M	22	26	£44,119,414	£49,606,672
£5M-£10M	6	7	£29,463,069	£59,591,977
£10M-£50M	7	1	£141,161,201	£11,727,488
Totals	1,206	1,659	£292,577,596	£232,181,435

Of these refused cases where immediate asset denial action was taken...

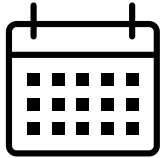
99 cases required 1 or more **moratorium extensions** from...
22 different **law enforcement agencies**. As a result...
£69.3m was **denied to criminals**

107 cases required 1 or more **moratorium extensions** from...
22 different **law enforcement agencies**. As a result...
£13.36m was **denied to criminals**

These figures represent the effective and increasing use of moratorium period extensions (MPEs) under the Criminal Finances Act 2017 in the pursuit of Account Freezing Orders by law enforcement to deny assets. Assets denied will fluctuate yearly, dependant on the value of the DAMLs for the relevant reporting period.

Key DAML Metrics

Average turnaround time for decisions for all DAML requests. The NCA has a statutory 7 working day period to consider all DAML requests.



<u>2021-2022</u>	3.1 days
<u>2022-2023</u>	3.11 days

↑ **0.3%**

Refused cases by law enforcement as a result of a DAML where there was no previous or existing law enforcement investigation known.



<u>2021-2022</u>	623
<u>2022-2023</u>	1,119

↑ **80%**

As a result of these refused cases...

<u>2021-2022</u>	<u>2022-2023</u>
£114M	£121M
restrained or AFO/forfeiture ↑ 6.1%	



Terrorist Finance

Defence against Terrorist Finance (DATF) Summary

# DATF SARs received* <table> <tr> <td><u>2021-2022</u></td> <td><u>2022-2023</u></td> <td rowspan="2">↓ 4.5%</td> </tr> <tr> <td>358</td> <td>342</td> </tr> </table>		<u>2021-2022</u>	<u>2022-2023</u>	↓ 4.5%	358	342	# DATF SARs refused** <table> <tr> <td><u>2021-2022</u></td> <td><u>2022-2023</u></td> <td rowspan="2">↓ 47.5%</td> </tr> <tr> <td>80 (20.3%)</td> <td>42 (12.6%)</td> </tr> </table>		<u>2021-2022</u>	<u>2022-2023</u>	↓ 47.5%	80 (20.3%)	42 (12.6%)
<u>2021-2022</u>	<u>2022-2023</u>	↓ 4.5%											
358	342												
<u>2021-2022</u>	<u>2022-2023</u>	↓ 47.5%											
80 (20.3%)	42 (12.6%)												
Value of DATF SARs refused <table> <tr> <td><u>2021-2022</u></td> <td><u>2022-2023</u></td> <td rowspan="2">↓ 93.9%</td> </tr> <tr> <td>£15,262,016***</td> <td>£926,923.56</td> </tr> </table>		<u>2021-2022</u>	<u>2022-2023</u>	↓ 93.9%	£15,262,016***	£926,923.56	£ Restrained or forfeited following interventions from refused DATF requests <table> <tr> <td><u>2021-2022</u></td> <td><u>2022-2023</u></td> <td rowspan="2">↓ 79.8%</td> </tr> <tr> <td>£811,238</td> <td>£480,365.54</td> </tr> </table>		<u>2021-2022</u>	<u>2022-2023</u>	↓ 79.8%	£811,238	£480,365.54
<u>2021-2022</u>	<u>2022-2023</u>	↓ 93.9%											
£15,262,016***	£926,923.56												
<u>2021-2022</u>	<u>2022-2023</u>	↓ 79.8%											
£811,238	£480,365.54												

*The UKFIU does not comment on the number of DATFs, as this is a matter for counter-terrorism policing.

**This includes requests which are either currently under refusal or have subsequently been granted.

***This figure was higher than usual, in large part caused by a series of 10 linked transactions totalling \$17M.

Significant Terrorist Finance (TF) Analysis - Outputs

The below table summarises all the additional analysis that has been undertaken to support the Counter Terrorism Policing (CTP) Network and partners across HMG and internationally.

Metric	2021 - 2022	2022 - 2023	Change
# TACT and POCA SARs identified (using UKFIU capabilities) and disseminated to CTP Network for review	1,644	1,350	↓ 17.9%
# Partners search requests	3,709	2,874*	↓ 22.5%
# International reports reviewed for links to terrorism**	557	44	↓ 92.1%
# International reports disseminated to relevant partners domestically and internationally**	102	38	↓ 62.7%

*The decrease is due to receiving fewer requests from CTP.

**The decrease in international reports reviewed and disseminated is due to the UKFIU receiving fewer inbound requests.

Intelligence Development

The UKFIU analyses SARs daily to identify those that should be fast-tracked to law enforcement agencies to ensure maximum exploitation of the intelligence.

SARs read and triaged

for potentially significant intelligence

SARs disseminated

to UKFIU law enforcement partners

Vulnerable Person SARs

The UKFIU fast-tracks a vulnerable person (VP) SAR to an LEA on the basis that there is an immediate risk to a vulnerable individual's wellbeing or safety through exploitation.

2021-2022 **61,489**

2022-2023 **82,642**



16,458 2021-2022

18,296 2022-2023

Politically Exposed Person SARs

2021-2022 **24,032**

2022-2023 **37,074**



1,437 2021-2022

1,530 2022-2023

Integrity Related SARs

(Knowledge or suspicion of money laundering and/or terrorist financing that concerns an employee of an LEA or the civil service)

2021-2022 **36,024**

2022-2023 **45,265**



732 2021-2022

765 2022-2023

SARs and Cash Declaration Data

The UKFIU continued to match **cash declaration data received from HMRC** against the SAR database. In 2022- 2023 the UKFIU **generated 9 intelligence development referrals** from HMRC. Another **intelligence report** was sent out to partners **relating to the Combatting Kleptocracy Cell (CKC)**.

INTELLIGENCE REFERRALS

10

2021-2022



10

2022-2023

International

Inbound ←

<u>2021-2022</u> 1,760	<u>2021-2022</u> 333	<u>2021-2022</u> 1,693
<u>2022-2023</u> 1,559	<u>2022-2023</u> 299	<u>2022-2023</u> 1,929
inbound requests received by the UKFIU	asset tracing requests received	inbound spontaneous disseminations received



Outbound →

<u>2021-2022</u> 831	<u>2021-2022</u> 1,316
<u>2022-2023</u> 1,229	<u>2022-2023</u> 1,144
outbound requests made via the UKFIU	outbound spontaneous disseminations actioned

As well as processing inbound and outbound requests, some **examples of other activity** the **International Team** is responsible for include:

- International operational working groups
- Intelligence support to key NCA functions
- Capacity building for engagement with, and support to, global partner FIUs
- Intelligence development
- Representation in international networks
- Compliance with FATF and Egmont membership

Combating Kleptocracy Cell (CKC)

The CKC was formed within the NCA following the invasion of Ukraine in 2022. Since then, it has dealt with over 5,600 SARs related to sanctions; received, assessed and disseminated around 500 international reports; and read and assessed over 31,500 SARs.



Key Resources and Contacts



For a more detailed breakdown of SARs submitted by industry sector, see the NCA website [here](#).



If you have any feedback on the new report format, please contact UKFIUFeedback@nca.gov.uk



Follow us on X (formerly Twitter) [@NCA_UKFIU](#)



Follow us on LinkedIn - **UK Financial Intelligence Unit (UKFIU)**