

Issue 24

# SIA

SARs IN ACTION  
MAGAZINE



**UKFIU**  
UK Financial Intelligence Unit

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A United Kingdom Financial Intelligence Unit publication aimed at all stakeholders in the Suspicious Activity Reports regime

 **NCA**  
National Crime Agency

# Message from the head of the UKFIU



## Vince O'Brien Deputy Director

Hello and welcome to the 24<sup>th</sup> issue of the UKFIU's magazine *SARs in Action*, our opening issue for 2024. This issue is focused on a critical stakeholder in the SARs regime, our reporters.

We open the magazine with an overview of the support that the UKFIU can provide reporters through our Reporter Engagement Team, including virtual presentations, in person workshops, and 1-2-1 feedback and Q&A sessions.

We then go further into the newly developed SARs Best Practice Workshop — a three hour, interactive, face to face workshop which has received highly positive feedback from reporters. Following this, we look at what makes a good SAR, specifically focusing on what a concise SAR looks like. We also provide the latest update on the SAR portal.

Read on to see the changes coming to Companies House as a result of the Economic Crime and Corporate Transparency Act 2023, in relation to information, data sharing, identity verification, and further measures aimed at tackling economic crime.

We also look at the National Investigation Service (NATIS) and its investigations into the misuse of COVID business support grants, and how the SARs regime has played an important role. Finally, we look at the UKFIU's engagement with the Financial Action Task Force in providing training overseas to enhance international compliance standards.

We hope you enjoy issue 24, we will be publishing further issues throughout the year. Follow the UKFIU on [LinkedIn](#) and [X](#) to find out when they become available.

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## ➔ Who is the magazine aimed at?

- All law enforcement; this includes senior investigating officers, frontline police officers and police staff
- Reporters
- Regulators
- Supervisors
- Trade bodies
- Government partners
- International partners

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- ➔ Opinions expressed in articles provided by partners are not necessarily the view of the UKFIU/NCA. The UKFIU exercises the right to edit submitted articles.

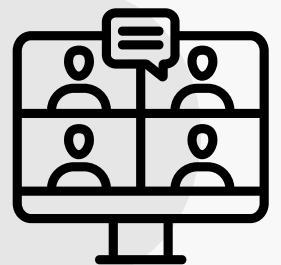
# UKFIU SUPPORT FOR REPORTERS

The UKFIU Reporter Engagement Team (RET) works in collaboration with Suspicious Activity Report (SAR) reporters from across the regulated sectors to improve the quality of SARs and ultimately ensure the SARs regime provides law enforcement with high quality information to support intelligence development and investigations.



## Bringing SARs to Life

A short, virtual presentation for reporters providing an overview of the UKFIU and the SARs regime. These offer a great introduction to the SARs regime for new starters and an important refresher for existing staff. These sessions can also be delivered at conferences and other events.



## SARs Best Practice Workshop

An interactive, in-person workshop for reporters encompassing the Bringing SARs to Life presentation and a number of discussion-based activities designed to improve understanding of what makes a good quality SAR. These workshops help staff from across Anti-Money Laundering (AML) compliance teams to understand the SARs regime and the important role their work plays in this.

## 1-2-1 Feedback and Q&A Sessions

To support reporters with SARs quality and answer specific questions. These sessions are for those holding Nominated Officer and Money Laundering Reporting Officer (MLRO) functions to gain a better understanding of the quality of SARs their organisations are submitting. We undertake a review of recent SARs and provide bespoke feedback.



RET are also available to speak at events and conferences aimed at the regulated sectors. If you would like to request an engagement session, or more information, contact RET on [ukfiuengagement@nca.gov.uk](mailto:ukfiuengagement@nca.gov.uk).

There are also a number of useful guidance documents available on the [NCA website](#) to help reporters submit good quality SARs. Please also follow the UKFIU on [LinkedIn](#) and [X](#) to keep up to date with the latest updates.

# SARs BEST PRACTICE WORKSHOP



The UKFIU's RET works with reporters from all sectors to improve the quality of the thousands of SARs received by the UKFIU every day.

RET have recently developed a SARs Best Practice Workshop. The purpose of the workshop is to provide reporters with an in depth understanding of the SARs regime and what a good quality SAR looks like. The aim is to improve the quality of SARs received, so the intelligence can be effectively exploited by law enforcement.

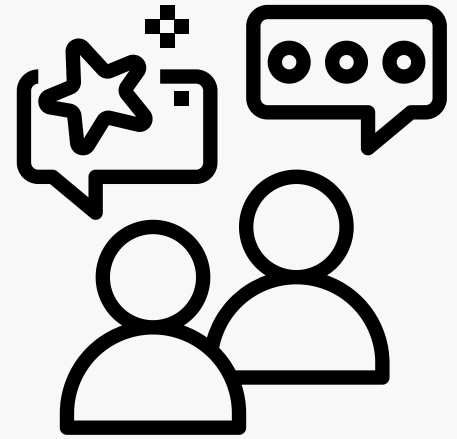
The three-hour, interactive, face to face workshop runs in two halves. The first half of the workshop focusses on the learning (what is a SAR, understanding the legislation, the structure of the UKFIU, its operational processes, and an introduction to best practice).

The second half of the session brings this learning to life, looking at what makes a good quality SAR submission. The workshop incorporates various learning methods, including open discussions, presentations, group activities, video examples and myth busting.



## Feedback from reporters who have received the workshop:

'An excellent opportunity was presented to us when the UKFIU reached out about supplying complementary training on SAR reporting. In the past, the process has involved minimal contact with the NCA/UKFIU so this has been a great initiative that has opened channels of communication and discussions about best practice for both parties. The sessions held for colleagues were informative and engaging, generating greater awareness and healthy conversation around the SAR reporting process. The feedback from colleagues has been extremely positive and really brought SAR reporting to life.'



'Fantastic sessions delivered and amazing feedback from the attendees, so much that we have future session's inline.'

'An extremely informative & interactive presentation. Great examples shared of good quality SARs & what to avoid when reporting. Beneficial for both reporters and the wider financial crime function.'



If you think your organisation could benefit from this workshop, or you would like to hear more, please contact [UKFIUEngagement@nca.gov.uk](mailto:UKFIUEngagement@nca.gov.uk)

# WHAT DOES A CONCISE SAR LOOK LIKE?

Mr Blue first started using PINK Electronic Money Institution (EMI) in July 2014. Mr Blue has an e-money payment account with PINK EMI.



We have been suspicious around activity on Mr Blue's account as there has been large credit transfers in the timescale January 2023 to June 2023. PINK EMI have a transactional monitoring tool, which is called COLOUR MONITORING, which is how the unusual activity was picked up. Alongside Mr Blue's regular activity, which includes a monthly salary from Yellow airport - £1,600pcm, and payments to White superstore - (various amounts ranging from £2.50-£61.30), grey online (various amounts ranging from £15.99- £95), and direct debits with beige (£8.99pcm), pastel (£3.50pcm) and peach (£15pcm), large credit transfers have been made into Mr Blue's e-money payment account. The large credit transfers include:

06/01/2023 - £3,500 credit transfer from A.Purple (Account Number)

09/01/2023 - £1,750 credit transfer from A.Purple (Account Number)

16/01/2023 - £2,000 credit transfer from B.Black (Account Number)

21/01/23 - £1,500 credit transfer from A.Purple (Account Number)

31/01/23 - £6,200 credit transfer from A.Purple (Account Number)

15/02/23 - £3,900 credit transfer from B.Black (Account Number)

28/02/23 - £2,500 credit transfer from B.Black (Account Number)

03/03/23 - £1,650 credit transfer from A.Purple (Account Number)

Prior to January 2023, there has not been any large credit transfers made into Mr Blue's e-money payment account. Mr Blue lives at (ADDRESS).

A member of staff at PINK EMI has made contact with Mr Blue to ask further questions around the transfers. Mr Blue has refused to answer the questions, indicating that it is not the EMIs concern.

Because of the unusual activity on Mr Blue's e-money payment account, PINK EMI have decided to exit the relationship with Mr Blue.

We seek a defence to pay away the £23,600 in account (ACCOUNT NUMBER), to Mr Blue's nominated account (ACCOUNT NUMBER).



**Not concise**

Mr Blue has held a current e-money payment account with PINK EMI since July 2014. Mr Blue works as a baggage handler at Yellow airport and lives at (ADDRESS).



Between January 2023 and June 2023, a series of large credit transfers were made into Mr Blue's e-money payment account (ACCOUNT NUMBER). This was picked up by transactional monitoring. We are suspicious of money laundering as this does not correspond with the subject's previous activity, or behaviour expected of the subject's occupation and lifestyle. Mr Blue has been contacted and refused to answer any questions about the funds, enhancing our suspicions. Credit transfers in this timescale totalled £23,000.

Examples include (full transactional details can be provided on request):

06/01/2023 - £3,500 credit transfer from A.Purple (Account number and location transfer originated from provided)

31/01/23 - £6,200 credit transfer from A.Purple (Account number and location transfer originated from provided)

15/02/23 - £3,900 credit transfer from B.Black (Account number and location transfer originated from provided)

28/02/23 - £2,500 credit transfer from B.Black (Account number and location transfer originated from provided)

PINK EMI believes all of the £23,600 remaining in MR Blue's e-money payment account (ACCOUNT NUMBER) can be considered criminal property.

PINK EMI have decided to exit their relationship with MR BLUE and seeks a defence to pay away the £23,600 held in e-money payment account (ACCOUNT NUMBER), to Mr Blue's nominated account (ACCOUNT NUMBER).



**Concise**



# SAR PORTAL

The SARs Reform Programme has achieved significant milestones by delivering two new reporting channels for organisations to submit SARs, namely:

## SARs Reform Programme

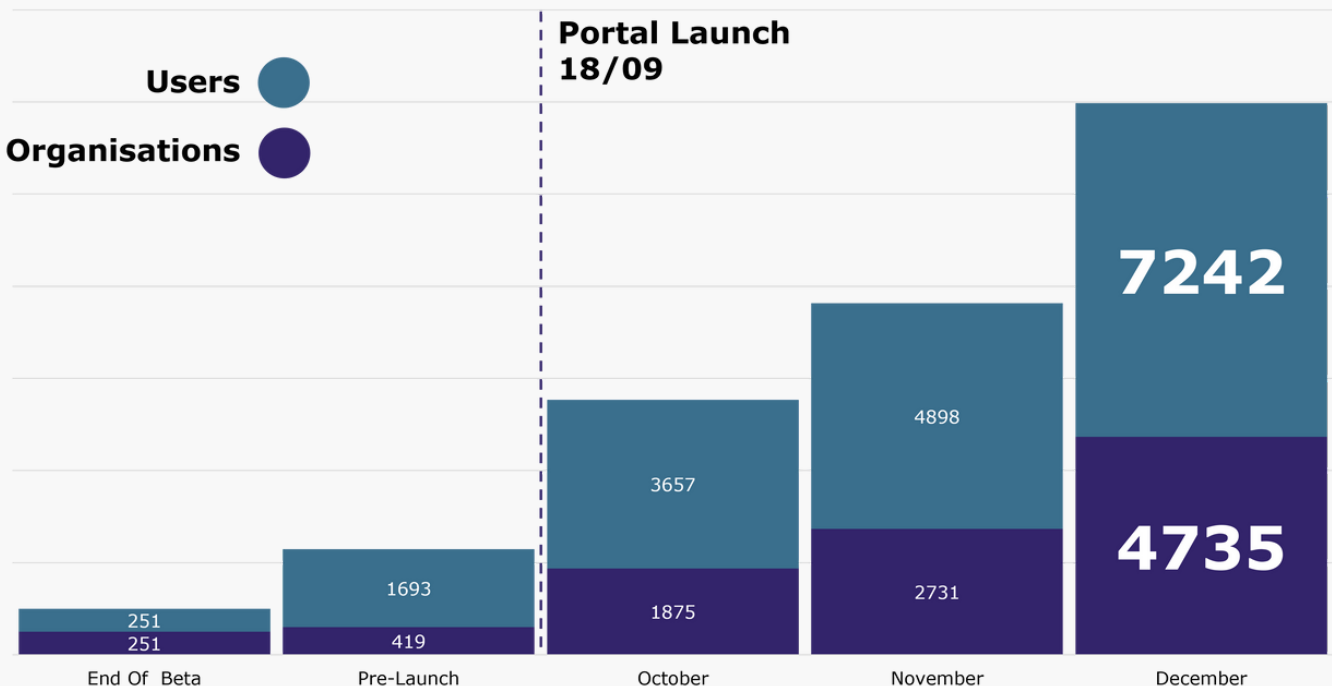
- A new SAR Portal to replace SAR Online, providing a more streamlined, comprehensive, user-friendly means of submitting SARs.
- A bespoke Bulk API, tailored to the needs of highest volume SAR reporting organisations.

Both routes allow users to submit additional information through their enhanced reporting structure, providing additional useful information for law enforcement agencies to target their efforts to combat serious and organised crime.

### SAR Portal Update

Since the SAR Portal was launched to the public in September 2023, over 7,000 individual users from 4,700 organisations have registered to the platform and are currently using the SAR Portal to submit SARs. To date, over 54,000 SARs have been submitted via the new Portal, with submission rates expected to grow in early 2024.

### SAR Portal Post-Launch Growth & Engagement



All reporting organisations should now solely be using the [SAR Portal](#) to submit SARs, as the SAR Online System is due to be decommissioned in early 2024. Additionally, as of 14 December 2023, new organisations and users are no longer able to register to the legacy SAR Online System.

## SARs Digital Service Development

Significant progress has been made in the development of the new SARs Digital Service, with the Programme's development team having created wireframe prototypes to share with UKFIU, law enforcement and government users.

The Programme also hosted a series of walkthroughs with Change Champions from 77 law enforcement agencies and government partners, with users providing valuable insights and feedback, such as:

*"I am excited for what appears to be an easy and user-friendly system. The search facility appears to have been improved and an easy to the eye layout/format."*  
**Wiltshire Police.**

*"The 'case notes' tab sounds very useful; it would be of great help to be able to view actions taken by colleagues/other agencies etc."*  
**Nottinghamshire Police.**

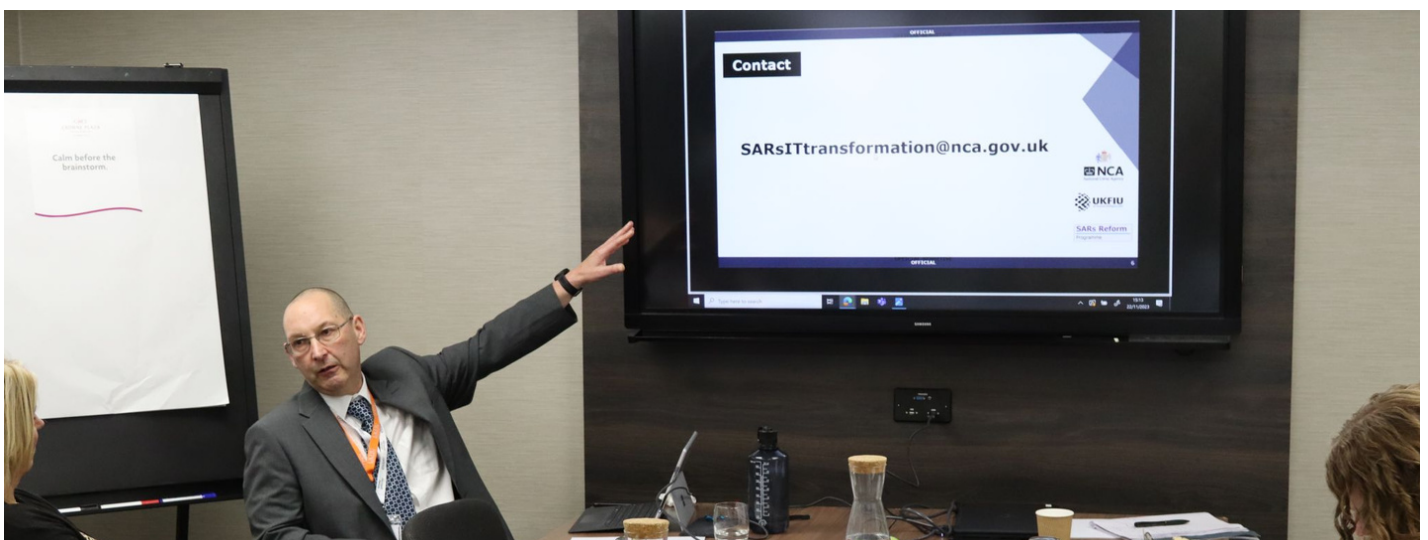
*"The new SARs are easier to read with particular columns for each section. Links to other connected SARs will be very useful."*  
**Hampshire & IOW Constabulary**



**SARs Reform**  
Programme



The team have spent the past two months demonstrating these wireframes to a variety of SAR users, with Product Owner Mike Hides demonstrating these designs at November's SOCEX Economic Crime Conference. Read more about SOCEX in [issue 23](#).



# COMPANIES HOUSE GETS NEW INVESTIGATION, ENFORCEMENT AND DATA-SHARING POWERS

**Martin Swain, Director of Intelligence and Law Enforcement Engagement, Companies House**

The [Economic Crime and Corporate Transparency Act 2023](#) introduces robust new laws to fight corruption, money laundering and fraud.



The Act will cover the entire United Kingdom and builds on the foundations created by the Economic Crime (Transparency and Enforcement) Act 2022, which led to the creation of the Register of Overseas Entities.

Companies House will have more effective investigation and enforcement powers, and new powers to share data with law enforcement agencies and other government departments.

We will also introduce a new identity verification process to help deter those wishing to use companies for illegal purposes. Anyone setting up, running, owning or controlling a company in the UK will need to verify their identity to prove they are who they claim to be.

Some changes will be introduced in early 2024, and others will be implemented in a phased approach over the next few years. Many of the changes will need secondary legislation and system development before they're implemented.



## Power to query information on the register

The measures in the Act that will come into force in early 2024 include greater powers to query information. This means we'll be able to scrutinise and reject information that seems incorrect or inconsistent with information already on the register. In some cases, we'll be able to remove information.

Annotations on the register will let users know about potential issues with the information that's been supplied to us.



There will be a requirement for all companies to confirm they're forming the company for a lawful purpose when they incorporate. Every year, companies will need to confirm that their future activities will be lawful on their confirmation statement.

New rules for registered office addresses will mean all companies must have an appropriate address at all times. They will not be able to use a PO Box as their registered office address. Companies will also be required to supply a registered email address.

## Data sharing

From this year, we will have new powers to share data with other government departments and law enforcement agencies.

We're investing in systems and people to develop our intelligence capability. That will mean we can share information quicker and more easily with our law enforcement partners. We already do some of that, but we'll be much more proactive in the future, playing an enhanced role in supporting the UK's drive to disrupt economic crime and reduce criminality.



## Identity verification

The introduction of Identity verification will make it much harder to register fictitious directors or beneficial owners. This will stop the vast majority of fraudulent appointments from reaching the Companies House register.

Identity verification will be directly through Companies House or via an authorised corporate service provider (ACSPs). The two routes will achieve the same level of identity assurance.

For new companies, all directors and people with significant control (PSCs) will need to complete identity verification.

For existing companies, all directors (or equivalent) and PSCs will have a transition period to verify their identity with Companies House.

Companies House will be given robust powers and the resources to enforce the regime for ACSPs.

## Huge opportunity

The Act is a huge opportunity for us. We've got an important role to play in tackling economic crime, but we've also got to deliver really good services to our customers and support the business environment here in the UK.

Companies House has published a new website to help users understand more about the upcoming changes: <https://changestoukcompanylaw.campaign.gov.uk>



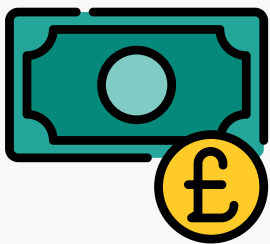
### National Economic Crime Centre, Money Laundering Threat Leadership comment:

“The Economic Crime and Corporate Transparency Act represents the culmination of years of effort by Companies House, Government Departments, and Law Enforcement to introduce significant reforms to the UK’s company formation regime which will make it far harder for UK companies to be abused by serious and organised criminals. The insights provided by the private sector through this process have been a vital part of ensuring reforms are fit for purpose. Much work remains to be done, but the reforms create a huge opportunity for greater collaboration between the public and private sectors to proactively identify and put an end to the abuse of UK corporates in crime.”

**NECC**  
NATIONAL ECONOMIC CRIME CENTRE

# NATIONAL INVESTIGATION SERVICE (NATIS): THE FIGHT AGAINST ORGANISED CRIME GROUPS

In June 2020, recognising the fraud risks connected to COVID business support grants, the Department for Business and Trade (DBT), formerly the Department of Business, Energy, and Industrial Strategy (BEIS), partnered with the National Investigation Service (NATIS) to lead investigations into Organised Crime Groups (OCGs) targeting the business grant scheme administered by local authorities. In September 2020 this was extended to include OCGs targeting the Bounce Back Loan scheme.



NATIS has received more than 9,000 referrals since June 2020, relating to fraud against the COVID stimulus schemes. Since August 2022 NATIS has frozen over £3.8m by way of Proceeds Of Crime Act (POCA) Account Freezing Orders, and as of 31 July 2023 achieved financial recoveries exceeding £11m of public funds.



The first NATIS case court sentencing occurred in July 2023 for money laundering at Southwark Crown Court. The case related to multiple false applications for the Small Business Grant fund at three local authorities who were defrauded, leading to a total loss of £195,000. £155,000 has been recovered and the remainder will now be subject of a confiscation order application post sentence.

NATIS has used its experience in intelligence analysis to review sensitive financial intelligence across the UK and categorise the national threat picture for this fraud attributed to organised crime in the schemes. NATIS can deploy a comprehensive range of expertise to support central and local government normally seen within regular law enforcement agencies, including a digital forensic unit, criminal and civil financial investigations and a dedicated disclosure/criminal justice function.



## Summary of other achievements to date:

- 151 currently open investigations with total fraud value exceeding £57 million;
- 120 people arrested, 48 of which linked to OCGs;
- 229 digital devices forensically examined with combined capacity of.....  
.....1,882,260,000 Gigabytes or more than 112 trillion A4 sheets;
- Disruption of OCGs through the identification and arrest of professional enablers from positions of trust.

NATIS has financial investigation teams comprising 22 Accredited Financial Investigators with supporting Financial Intelligence Officers. 875 DAML SARs have been received from the UKFIU relating specifically to suspicion of laundering funds from these offences. NATIS work closely with UKFIU to promote referrals from the banks and Bounce Back Loan lenders, and where appropriate seek opportunities to recover criminal property using civil recovery powers under POCA legislation.



NATIS also reviews and assesses non-DAML SARs (disclosures) linked to Bounce Back Loan fraud and develops this intelligence as appropriate. This has resulted in criminal investigations being initiated and further POCA civil recovery opportunities being discovered and exploited.

NATIS welcome and encourage any SAR reports to be submitted where funds held in individual or business accounts are suspected to directly relate to Bounce Back Loan fraud.

NATIS also has an interest in any reports where suspected laundered funds cannot be attributed by the reporter directly to Bounce Back Loan fraud or other specific types of criminality, yet previous experience with the customer has led the reporter to form the suspicion there has been a historic or current connection to this type of fraud.

# FATF JOINT ASSESSOR TRAINING PROGRAMME — CAIRO, ARAB REPUBLIC OF EGYPT

Towards the end of 2023, the Financial Action Task Force (FATF), the global money laundering and terrorist financing watchdog, delivered a Joint Assessor Training Programme (JAT course) in Cairo to prepare qualified experts before acting as assessors in country evaluations against the FATF Standards.

The FATF Standards aim to prevent the harm and impact from money laundering and the financing of terrorism and proliferation of weapons of mass destruction globally. The FATF Recommendations set out a comprehensive framework of measures that countries should implement to combat money laundering and terrorist financing, as well as the financing of proliferation of weapons of mass destruction.

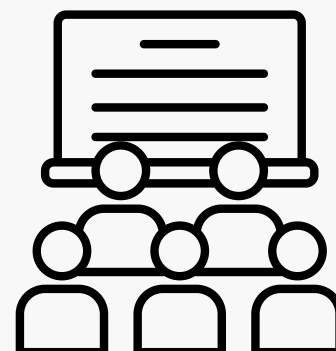
These measures are adapted to each country's national context and to mitigate the specific risks that each country faces. FATF mutual evaluations are country assessments based on analysis of the implementation and effectiveness of the measures.

The JAT course is therefore an important element in FATF's work, as the mutual evaluations are peer reviews, meaning that experts from different countries assess another country. Between six and eight courses are delivered every year jointly with FATF-Style Regional Bodies (FSRBs) or other assessment bodies.



The JAT course in Cairo, hosted by the Egyptian Central Bank, was delivered jointly with the FSRB responsible for the Middle East and North Africa, MENAFATF, and the International Monetary Fund. The UKFIU and the Financial Conduct Authority (FCA) each nominated one delegate to attend this course.

The two UK delegates both arrived in Cairo having completed and passed an on-line assessment and e-learning package. Eager to get started, they joined other delegates from 17 countries to learn about the FATF Standards, their application and to gain the necessary knowledge on how to use the FATF Methodology to assess countries' compliance against the FATF 40 Recommendations, and effectiveness against the 11 Immediate Outcomes.



These set out a comprehensive framework of measures that countries should implement to combat money laundering and terrorist financing, as well as the financing of proliferation of weapons of mass destruction. These measures, among others, range from making laws to establishing specific departments in the government.

Training was delivered over five days and was pretty intense, as you'd expect. Experienced and knowledgeable trainers delivered the class material in a structured and scheduled timetable format and the facilitation of Q&A sessions at the end of each section was invaluable in terms of knowledge sharing and learning opportunities.



Delegates followed a structured and varied daily agenda, being assessed throughout the various activities. These included the drafting of the mock Technical Compliance Annex, and mock in-country interviews culminating in a full mock Plenary on the last day. Nerves were high but all teams reached consensus with the Plenary Panel, and negotiation and communication skills were thoroughly tested.

The next stages include the progression and continuous learning development of the delegates as they move towards becoming involved in observer roles and then moving to mutual evaluation reviews and follow up reviews. Global collaboration and participation is key to ensuring effectiveness in tackling economic crime and financial flows and the role of the Joint Assessor is pivotal.



### **Denise Napper – UKFIU**

“It was such a privilege to be a part of the FATF/MENAFATF Global Network and to have attended and completed the Joint Assessor training. I gained a valuable, in-depth insight into the application of FATF Methodology, Technical Effectiveness measurements and developed and fostered new relationships. Working alongside other FIUs was a great opportunity to share expertise and to enhance my practical working knowledge of combatting illicit finance and associated financial flows, globally. I offer my thanks again to the hosts for their kind hospitality and also to my MENAFATF participants for their warm welcome.”



### **John-Paul Heaney – Office for Professional Body Anti-Money Laundering Supervision, FCA**

“It was a privilege to attend and successfully complete the FATF Joint Assessor training as a UK delegate. The mix of theoretical work and practical application within working groups brought the process to life for me. It reinforced the importance of risk, context and weighting within assessments, and of course the value in the important work of FATF. I look forward to applying the learning within my future work. My sincere thanks to the FATF Secretariat, MENAFATF colleagues in attendance and to our kind hosts for the welcome and hospitality.”



### **Panagiotis Pysllos – FATF Secretariat**

“The FATF Joint Assessor Training Programme is a vital component of FATF’s work. The training equips the FATF Global Network with qualified assessors, who are able to provide the high-quality analysis necessary to identify weaknesses in countries’ measures to detect and prevent illicit financial flows. More importantly, they will be able to formulate recommendations for action to help close these loopholes. The different gamification techniques of the Programme help strengthen participants’ motivation to become an assessor. When they are selected to take part in an assessment, they will have a once in a lifetime opportunity to understand a country’s system in its very essence, but also to connect with experts from other countries. On a personal level, I am always pleased to step into the shoes of the trainer, as it allows me to share knowledge and interact with experts from across the globe.”

**FATF**



# SIA

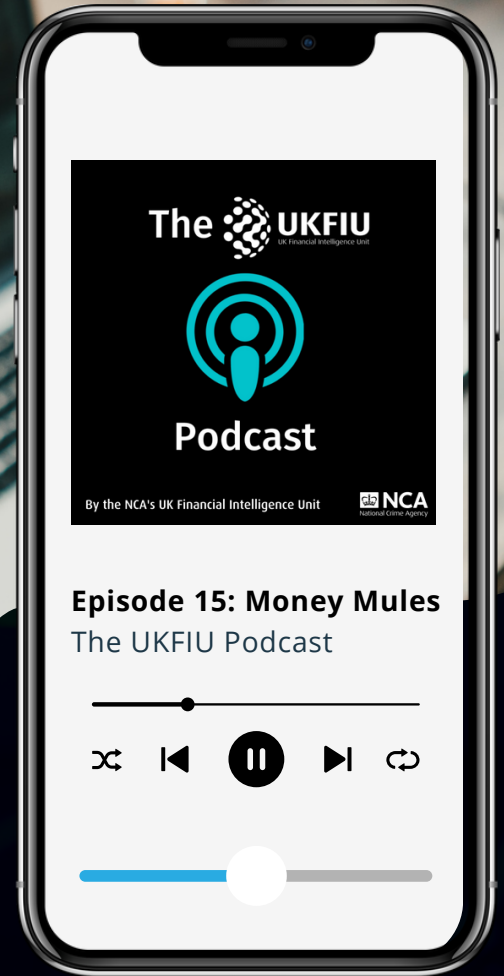
## SARs IN ACTION

You can download previous copies of the SARs IN ACTION magazine from the National Crime Agency's website [www.nca.gov.uk](http://www.nca.gov.uk)



# UKFIU

UK Financial Intelligence Unit



# Episode 15

AVAILABLE HERE

## THE UKFIU PODCAST

Educational podcast series discussing areas of interest related to the SARs regime and economic crime.



Our podcasts can be found on Spotify, Audible, Amazon Music and most streaming sites.



Updates can also be found on our LinkedIn page and on X (formerly Twitter) at [NCA\\_UKFIU](https://twitter.com/NCA_UKFIU).

