

Impact Assessment, The Home Office

Title: Reforms to Unexplained Wealth Orders (Economic Crime Bill 2022)

Date: 28 February 2022

Stage: FINAL

IA No: HO0412

Intervention: Domestic

Other departments or agencies:

Measure: Primary Legislation

Enquiries:

EconomicCrimeEngagement@homeoffice.gov.uk

RPC Opinion:
RPC Opinion Status

Business Impact Target: Not a regulatory provision

Cost of Preferred (or more likely) Option (in 2022 prices)

| Net Present Social Value | 0.0 | Business Net Present Value | 0.0 | Net cost to business per year EANDCB (£m) | 0.0 |
|--------------------------|-----|----------------------------|-----|---|-----|
|--------------------------|-----|----------------------------|-----|---|-----|

What is the problem under consideration? Why is government intervention necessary?

Unexplained Wealth Orders (UWO) are a powerful tool which place a legal requirement on those subject to an order to explain the source of their wealth, helping to investigate dirty money and disrupt criminal activity. Reform is needed to ensure the UWO regime can be used to maximum effect. For the powers to work more effectively in relation to property held via complex ownership structures, clarity is required to ensure that UWOs can be raised on directors or officers based in the UK or overseas. Operational improvements are also required to increase the time allowed to investigate an UWO and the costs associated in raising a UWO for enforcement agencies. Government has to intervene to amend legislation so UWOs operate effectively and efficiently.

What are the policy objectives and the intended effects?

The strategic objective is to recover proceeds of crime. To deliver the Government's ambitious economic crime agenda and target more kleptocrats and corrupt elites, enforcement authorities must be equipped to investigate with the appropriate powers. Legislative reform is required to strengthen and reinforce the UWO regime to have maximum effect, particularly to ensure property held via complex ownership structures and trusts is within scope of the regime. This is key to preventing criminals hiding behind anonymous ownership structures laundering the proceeds of criminal activity and its effect on the security of the UK.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

Option 1: 'Do-nothing' – this does not meet the Government's objectives.

Option 2: 1) enable UWOs to be raised on directors or officers of the respondent, 2) amend the current provisions of POCA 2002 to apply the 'income requirement', 3) increase the maximum statutory time period afforded to enforcement authorities to review material provided in response to a UWO, and 4) reform the costs rules to limit an enforcement authority's liability to meet the legal costs of the respondent. **Option 2 is the Government's preferred option.**

Main assumptions/sensitivities and economic/analytical risks

Discount rate (%)

3.5

The available data surrounding UWOs is limited. Since the CFA 2017 was commenced in 2018, only four UWOs cases have occurred, one resulted in civil recovery, and two are still ongoing. Some data and assumptions from the previous IA in 2017 are used even though these may be out of date.

Will the policy be reviewed? It will not be reviewed. If applicable, set review date: Month/Year

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister: Janis Klis Date: 27 February 2022

Summary: Analysis & Evidence

Policy Option 2

Description: Reforms to Unexplained Wealth Orders (Economic Crime Bill 2022)

FULL ECONOMIC ASSESSMENT

| | | | | | | | | |
|--|------------|---------|---------|---------|-----------|-----------------------|------------|---|
| Year(s): | Price Base | 2021/22 | PV Base | 2021/22 | Appraisal | 1 | Transition | 1 |
| Estimate of Net Present Social Value NPSV (£m) | | | | | | Estimate of BNPV (£m) | | |
| Low: | 0.0 | High: | 0.0 | Best: | 0.0 | Best BNPV | 0.0 | |

| COSTS, £m | Transition Constant Price | Ongoing Present Value | Total Present Value | Average/year Constant Price | To Business Present Value |
|---------------|------------------------------|--------------------------|------------------------|--------------------------------|------------------------------|
| Low | 0.00 | 0.0 | 0. | 0.0 | 0.01 |
| High | 0.38 | 0.0 | 0.38 | 0.0 | 0.27 |
| Best Estimate | 0.05 | 0.0 | 0.05 | 0.0 | 0.03 |

Description and scale of key monetised costs by 'main affected groups'

Transition costs are estimated in the range of **£0.01 to £0.38 million**, with a central estimate of **£0.05 million**. The total ongoing costs to enforcement agencies and courts are not monetised due to the high degree of uncertainty in the volume of UWO cases, instead, a unit cost per UWO case is provided, estimated in the range of **£11,000 to £2.0 million**, with a central estimate of **£1.0 million** per UWO case.

Other key non-monetised costs by 'main affected groups'

UWOs are ultimately investigative orders which require individuals to provide evidence about the source of their property. Compliance with such orders will require an amount of unknown costs such as emotional costs of responding and having property frozen and reputational damage, if assets are proven to have been accumulated lawfully.

| BENEFITS, £m | Transition Constant Price | Ongoing Present Value | Total Present Value | Average/year Constant Price | To Business Present Value |
|---------------|------------------------------|--------------------------|------------------------|--------------------------------|------------------------------|
| Low | 0.00 | 0.00 | 0.00 | 0.00 | 0.0 |
| High | 0.00 | 0.00 | 0.00 | 0.00 | 0.0 |
| Best Estimate | 0.00 | 0.00 | 0.00 | 0.00 | 0.0 |

Description and scale of key monetised benefits by 'main affected groups'

The total benefits from assets recovered are not monetised due to the high degree of uncertainty in the volume of UWO cases, instead, the average value of assets per UWO case is provided. These are estimated in the range of **£5 million to £20 million**, with a central estimate of **£10 million** per UWO case.

Other key non-monetised benefits by 'main affected groups'

The monetary value of the recovered receipts does not include the wider potential to disincentivise and disrupt criminal activity. Society as a whole would benefit from additional work to expose kleptocrats and strip them of their ill-gotten gains. Enforcement authorities may also receive an efficiency benefit from the clarification of the law.

BUSINESS ASSESSMENT (Option 2)

| | | | | | | | | | | |
|---|-----|-------------|-------|---------|---------|-----|-------------|-----|-------|---|
| Direct impact on business (Equivalent Annual) £m: | | | | | | | | | | |
| Cost, £m | 0.0 | Benefit, £m | 0.0 | Net, £m | 0.0 | | | | | |
| Score for Business Impact Target (qualifying provisions only) £m: | | | | | 0.0 | | | | | |
| Is this measure likely to impact on trade and investment? | | | | | N | | | | | |
| Are any of these organisations in scope? | | | Micro | Y | Small | Y | Medium | Y | Large | Y |
| What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent) | | | | | Traded: | N/A | Non-Traded: | N/A | | |

PEOPLE AND SPECIFIC IMPACTS ASSESSMENT (Option 2)

| | | | |
|---|---|---|---|
| Are all relevant Specific Impacts included? | Y | Are there any impacts on particular groups? | N |
|---|---|---|---|

Evidence Base (for summary sheets)

A. Strategic Overview

A.1 Strategic objective

1. The strategic objective is to recover proceeds of crime. The UK leads the way internationally in tackling the security and reputational threats posed by illicit finance. The Government's Economic Crime Plan and Asset Recovery Action Plan bring together the Government, law enforcement and the private sector in closer cooperation than ever to deliver a whole system response.
2. For their part, enforcement agencies must be equipped with the appropriate powers to crack down on serious organised criminals and kleptocrats. UWOs are a powerful tool in meeting this objective. They provide powers for enforcement authorities to investigate property purchased with suspected criminal funds.
3. To ensure the Government delivers on the ambitions of the economic crime agenda, legislative reform is required to strengthen and reinforce the UWO regime, particularly to enable order to be sought in relation to property held via complex ownership structures—used to obfuscate the true ownership of the asset. This is key to expose corrupt actors and prevent criminals benefitting from the proceeds of crime. In turn this will improve the security of the UK and cement our position as international leaders, at the forefront of tackling economic crime.

A.2 Background

4. Serious and organised crimes (SOC), for example, corruption, money laundering, ransomware attacks and terrorism-financing, are estimated to cost the UK economy £37 billion per year¹. The Proceeds of Crime Act 2002 (POCA 2002) provides the statutory framework and broad powers to trace, investigate and recover illicit finance gained through unlawful conduct. In 2020/21, just under £219 million of the proceeds of crime were recovered within England, Wales and Northern Ireland.² This continues the general trend of improved performance since 2016/17. Overall, just under £1.3 billion has been recovered from criminals using these powers, significantly curtailing corrupt actors' ability to further criminality.
5. In 2018, the Criminal Finances Act 2017 (CFA) was introduced. The CFA introduced significant reforms to POCA and updated partners' capabilities, providing powers to recover the proceeds of crime, tackle corruption and terrorist financing in the modern era. Most notably, the CFA introduced the UWO regime. In June 2017, the Government published the Criminal Finances Act – Overarching Impact Assessment³ and Criminal Finances Act – Unexplained Wealth Orders Impact Assessment,⁴ they identified the risks, costs, and benefits of the UWO regime, as originally enacted. This impact assessment (IA) builds on those assessments, is, by evaluating the impacts of the of the amendments to the regime and in some instances re-evaluations, to reflect operational learning.
6. UWOs are an investigative tool designed to be used by enforcement authorities to gather information pertaining to property (worth more than £50,000) that is reasonably suspected to have been purchased with to explain the origin of their assets. Illegally obtained income. The UWO regime was introduced to counter the inability or unwillingness of foreign states to provide reliable evidence to support an in the UK (MLA). By reversing the burden of proof and requiring those subject to an UWO to explain the origin of their assets, these orders facilitate the collection of crucial information which UK-based agencies may have otherwise been unable to obtain.
7. The UWO regime specifically applies those involved or associated with serious crime and 'Politically Exposed Person' (PEPs) and their associates.

¹ [Understanding organised crime 2015/16 second edition \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

² 2016/17 was the last full year before the powers in the Criminal Finances Act 2017 took effect in England and Wales.

³ [Impact Assessment criminal finances overarching \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

⁴ [Impact Assessment - unexplained wealth \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

8. The UWOs cannot be used to recover assets as they are an investigatory power, but any information provided in response to a UWO can be used to recover assets in any subsequent civil recovery proceedings.
9. Through careful monitoring of the powers and close consultation with the National Crime Agency (NCA), being the only agency which has sought a UWO to date, a suite of legislative changes has been developed to reflect operational learning. The amendments will increase the scope for UWO applications, enabling the powers to be used in the broadest range of suitable cases.

A.2 Groups Affected

10. The groups affected by this legislation include:
 - Enforcement authorities who can apply for an UWO: the NCA), HM Revenue and Customs (HMRC), the Financial Conduct Authority (FCA), the Serious Fraud Office (SFO), the Director of Public Prosecutions (DPP).
 - Parties with a significant interest in the functioning of the Criminal Justice System (CJS), for example, HM Courts and Tribunals Service (HMCTS) and the Crown Prosecution Service (CPS).
 - Devolved administrations.
 - Overseas governments and other international inter-governmental bodies, for example, the Financial Action Task Force (FATF).
 - Individuals and companies who are obliged to provide information sought under the terms of an UWO.
 - The general public, whose safety and security are impacted by the threat of serious and organised criminals.

A.3 Consultation

Within Government

11. A targeted engagement paper was shared cross-HMG to seek feedback on our provisional proposals for reform. Legislation Board meetings were held, and represented by agencies such as the CPS, SFO, FCA, HMRC and the devolved administrations. The proposals were finalised with engagement with the NCA, the only enforcement authority to raise a UWO to date. The Ministry of Justice (MoJ) were also consulted regarding amendments to the cost rules to the extent that this impacts court procedure. MoJ are supportive of the reforms.

Targeted Consultation

12. A targeted engagement paper was shared with private sector stakeholders seeking feedback on provisional legislative proposals. Those consulted include the accountancy, financial, and legal sectors, and non-Governmental Organisations (NGOs). A series of roundtable events were also hosted to gather targeted feedback on the proposals.
13. Responses to the Government's targeted engagement paper were largely supportive of the proposals. There was agreement that the 'holding' property requirement should be expanded to those who have some form of control. It was further agreed that amendments were required to clarify how the requirements for making a UWOs could be met in relation to property held via complex ownership structures.
14. There was support to extend the statutory maximum time period afforded to review material provided in response to a UWO.

15. In relation to amendments to the cost rules as applied to UWO cases, it was widely acknowledged that that enforcement authorities (i.e. public sector agencies) should not be subject to high financial risks if they use the power to obtain UWOs reasonably. It was also suggested judicial discretion (those with expertise in financial crime matters) would be best placed to make objective assessments to that effect.

B. Rationale for intervention.

16. The UK is a global leader in the fight against economic crime; in 2018 the UK achieved the best FATF evaluation rating awarded to any assessed country. Retaining that position and upholding the UK's commitments to take an ambitious approach to tackling economic crime is a key objective for this Government. To ensure these objectives are met, the legislation must be strengthened accordingly.
17. The UWOs are an important tool in operational agencies' toolkit; they require holders of property to legitimise their interest in that property, or they expose those who have unlawfully benefited from the proceeds of crime. UWOs lay the foundations for the recovery of substantial criminal proceeds, in subsequent civil proceedings. Subject to appropriate safeguards, UWOs should be designed to enable the proceeds of serious and organised crime and corruption to be investigated in the greatest number of cases.
18. However, the UWO regime is perceived to be undelivered. There have been a lower number of UWOs resulting in civil recovery than anticipated. In June 2020, *NCA v. Baker & Others [2020] EWHC 822 (Admin)* saw the discharge of four UWOs following a legal challenge brought by the respondents. The effectiveness of UWOs are increasingly scrutinised.
19. Reform is required to clarify and extend the scope of the powers. This includes both amendments which may reduce the likelihood that the court refuses to grant a UWO, or later discharges an order in favour of the respondents, as well as reforms to reinforce the UWO framework.

C. Policy objective

20. The main policy objective of these amendments includes:
 - Increase opportunities to counter the inability or unwillingness for corrupt and kleptocratic states to provide reliable support to UK-based agencies.
 - Better enable enforcement authorities to meet the evidential standard at the outset of the investigation to allow, thereby allowing powers to be used to maximum effect in the broadest range of suitable cases.
 - Allow a fuller investigation to take place by extending the time afforded to freeze property in relation to a UWO.
 - Remove a barrier to the powers, enabling court costs to be limited for enforcement authorities where they have raised a UWO reasonably, increasing risk appetite and operational confidence in relation to the powers.

D. Options considered and implementation.

Option 1: 'Do nothing'.

21. This option would entail no further government intervention, keeping the current legislation unchanged.

Option 2: Commence all four UWO proposals. **This is the Government's preferred option.**

- a. Expand the definition of how a person may 'hold' property in section 362H of POCA so that an enforcement authority can serve a UWO on a director or officer of the respondent. A director or officer of the respondent is reasonably expected to have some form of control over the property, that is subject to the UWO, but is reporting to an individual or nominee with greater or ultimate control.
- b. Amend the current provisions of POCA to apply the 'income requirement' effectively to a director or officer of the respondent or corporate entity. This is to ensure that an enforcement authority is able meet the evidential standard to obtain the information they need, even where the assets in question are held in trust or through complex ownership structures.
- c. Increase the maximum statutory time period afforded to enforcement authority to review material provided to them in response to an UWO, before a corresponding INTERIM FREEZING ORDER over the relevant property expires (and so before the property can be moved beyond the reach of law enforcement).
- d. Reform the costs rules so far as they are applied to these cases, to limit the enforcement authorities' liability to meet the legal costs of the respondent that may arise following an application for an UWO, or an accompanying INTERIM FREEZING ORDER, at the discretion of the court, if the enforcement authority has acted reasonably.

E. Appraisal

22. The high degree of uncertainty associated with the volume of UWO cases makes it difficult to conduct a robust cost-benefit analysis. Since it is possible to estimate the average cost and value of subsequent asset recovery per case involving UWOs, a breakeven analysis is provided to illustrate the benefits needed to offset the expected costs of the proposed measures. The volume of UWOs is not a driving factor in the average cost of making an application to obtain a UWO, instead it is mostly influenced by the complexity of the case, any increase in the volume of UWO does not reduce this complexity. Each case is unique. This assumption is informed by engagement with enforcement authorities with the powers to seek UWOs. And as such, a breakeven analysis is deemed appropriate to assess the proposed measures.

General assumptions and data

The general assumptions used in this IA are as follows:

- A 3.5 per cent per year social discount rate is used, as per HMT Green Book guidance.⁵
- Costs and benefits for year 1 and per year are in 2021/22 prices.
- All costs and benefits are relative to **Option 1:** 'Do Nothing'.

Appraisal

COSTS

Set-up costs

⁵ [The Green Book and accompanying guidance and documents - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/the-green-book-and-accompanying-guidance-and-documents)

Familiarisation Costs – Public

23. There are familiarisation costs for the new measures expected to occur in year 1 affecting the courts system. These will be incurred by judges and HMCTS admin staff who will need to familiarise themselves with the new measures. These bodies will already be familiar with the legislation so time to familiarise themselves with these amendments will be low. It is assumed that judges and HMCTS staff will have to read 500 words (a range of 350 to 650, some using a screen and others using paper copies). Total HMCTS staff is around 17,000⁶ and there are 3,174 judges⁷ in the UK. It is assumed that only a proportion of HMCTS staff and judges be involved with UWO applications. In 2020, 45 per cent of all cases that went through the court system were civil cases.⁸ This proportion is applied to the total number of judges and HMCTS staff to estimate the high scenario of how many would need to familiarise, with a low and central proportion of 10 per cent and 25 per cent respectively. The 25th, 50th and 75th percentile wage rate for national government administrative occupations (SOC 4112) has been taken from the ASHE 2021 survey to be used as the low, central, and high wage rate of HMCTS staff. The wage rate for judges are from the Ministry of Justice judicial fees. The average of the fees for deputy High Court judge and deputy district judge fees is divided by court sitting hours, which are six hours⁹.
24. The values used to estimate the familiarisation costs to HMCTS staff is presented in Table 1 and given as:

$$\text{reading time} \times (\text{wage} \times \text{non-wage uplift of 22\%}) \times \text{volume of staff}$$

Table 1, Familiarisation costs to HMCTS staff, (volume, wpm, hrs, wage £, £ million 2021/22 prices) 2022.

| Estimate | Volume | Words | Reading Speed (wpm) | Average Familiarisation Time (hrs) | Hourly Cost (£) | Total Cost (£m) |
|----------------|--------|-------|---------------------|------------------------------------|-----------------|-----------------|
| Low | 1,700 | 350 | 700 | 0.02 | 13.36 | 0.00 |
| Central | 4,300 | 500 | 400 | 0.03 | 16.75 | 0.00 |
| High | 7,600 | 650 | 200 | 0.1 | 18.36 | 0.01 |

Source: HM Courts & Tribunals Service, court statistics for England and Wales, Readingsoft, ASHE Table 14.5a, 2021. SOC = Standard Occupational Classification, Eurostat

25. The values used to estimate the familiarisation costs to judges is presented in Table 2 and given as:

$$\text{reading time} \times (\text{wage} \times \text{non-wage uplift of 22\%}) \times \text{volume of judges}$$

Table 2, Familiarisation costs to Judges, (wage £, hrs, volume, words per minute, £ million 2021/22 prices) 2022.

| Estimate | Volume | Words | Reading Speed (wpm) | Average Familiarisation Time (hrs) | Hourly Cost (£) | Total Cost (£m) |
|----------------|--------|-------|---------------------|------------------------------------|-----------------|-----------------|
| Low | 500 | 350 | 700 | 0.02 | 241.91 | 0.00 |
| Central | 1,300 | 500 | 400 | 0.03 | 241.91 | 0.01 |
| High | 2,300 | 650 | 200 | 0.1 | 241.91 | 0.05 |

Source: MOJ statistics, court statistics for England and Wales, Readingsoft, MoJ Judicial Fees. SOC = Standard Occupational Classification, Eurostat

⁶ About us - HM Courts & Tribunals Service - GOV.UK (www.gov.uk)

⁷ Diversity of the judiciary: 2020 statistics (publishing.service.gov.uk)

⁸ Court statistics for England and Wales - House of Commons Library (parliament.uk)

⁹ [judicial-fee-schedule-21-22.pdf](#) (publishing.service.gov.uk). Deputy High Court Judge (England and Wales) fees is £917.52, and deputy district judge fees is £533.92

26. Estimated total familiarisation costs for the courts system lie in a range of **£0.00 to £0.05million**, with a central estimate of **£0.01 million** (2021/22 prices) in year 1 only.
27. Familiarisation costs are also expected to affect enforcement authorities who can use the powers. This includes the NCA, the SFO the FCA, HMRC and the CPS. The proportion of civil cases in 2021, at 45 per cent¹⁰, is applied to the number of enforcement agency employees to estimate the high scenario of how many would need to familiarise, with a low and central proportion of 10 per cent and 25 per cent respectively. There are 5,077 NCA officers¹¹, 455 SFO employees¹², 1,199 operational and central service staff members in the FCA¹³, 691 legal professional employees at HMRC¹⁴, and 6,000 CPS employees, 2,200 of whom are prosecutors. It is assumed that only the prosecutors at the CPS will familiarise in the low scenario, all employees will familiarise in the high scenario and the mid-point is taken for the central estimate¹⁵.

Table 3, Enforcement Agency familiarisation volumes (wage £, volume), 2022.

| Agency | Low | | Central | | High | |
|--------------|--------------|-----------------|--------------|-----------------|--------------|-----------------|
| | Volume | Hourly Wage (£) | Volume | Hourly Wage (£) | Volume | Hourly Wage (£) |
| NCA | 510 | 24.69 | 1,270 | 30.04 | 2,280 | 35.38 |
| SFO | 50 | 38.36 | 110 | 38.36 | 200 | 38.36 |
| FCA | 120 | 52.51 | 300 | 52.51 | 540 | 52.51 |
| HMRC | 70 | 21.35 | 170 | 28.90 | 310 | 37.91 |
| CPS | 2,200 | 21.35 | 4,100 | 28.90 | 6,000 | 37.91 |
| Total | 2,940 | | 5,960 | | 9,330 | |

28. For the NCA Officers, it is assumed they earn the hourly wage of a police officer ranked sergeant and below (SOC 3312) in the low scenario, and senior police officers (SOC 1172) in the high scenario. The median wage the median hourly wage for these roles has been taken from the Annual Survey of Hours and Earnings (ASHE) 2021, Table 14.5a and uprated by 22 percent. This gives a high estimate of £35.38, a low estimate of £24.69 and the mid-point of £30.04 is taken for the central estimate. For the HMRC and CPS employees, the 25th, 50th and 75th percentile wage rate for solicitors (SOC 2413) has been taken from the ASHE 2021 survey, uprated by 22 per cent for the wage rate. This estimates the low, central and high wage rate as £21.35, £28.90 and £37.91 respectively. For SFO and FCA employees, the average hourly staff cost has been taken from their annual reports as £36.31¹⁶ and £52.51¹⁷, respectively.
29. The values used to estimate the familiarisation costs to enforcement authorities is presented in Table 4 and given as:

$$\text{reading time} \times \text{wage} \times \text{volume of staff}$$

Table 4, Familiarisation costs to enforcement agencies, (hrs, volume, words per minute, £ million 2021/22 prices) in year 1, 2022.

| Scenario | Total Volume | No. Words to be read | Reading speeds (wpm) | Average Familiarisation Time (hrs) | Total cost (£m) |
|----------|--------------|----------------------|----------------------|------------------------------------|-----------------|
| | | | | | |

¹⁰ Court statistics for England and Wales - House of Commons Library (parliament.uk)

¹¹ Police workforce, England and Wales: 31 March 2021 - GOV.UK (www.gov.uk)

¹² Annual Report and Accounts 2020-2021 - Serious Fraud Office - Serious Fraud Office (sfo.gov.uk)

¹³ Our Annual Report and Accounts 2020/21 | FCA

¹⁴ Organogram of Staff Roles & Salaries - data.gov.uk

¹⁵ CPS to hire hundreds of new criminal lawyers across England and Wales | The Crown Prosecution Service

¹⁶ Annual Report and Accounts 2020-2021 - Serious Fraud Office - Serious Fraud Office (sfo.gov.uk)

¹⁷ Our Annual Report and Accounts 2020/21 | FCA

| | | | | | |
|----------------|-------|-----|-----|------|-------------|
| Low | 2,900 | 350 | 700 | 0.02 | 0.00 |
| Central | 6,000 | 500 | 400 | 0.03 | 0.01 |
| High | 9,300 | 650 | 200 | 0.1 | 0.05 |

Source: Court statistics for England and Wales, Police workforce statistics, England and Wales: 31 March 2021, Readingsoft.com, SFO annual report and accounts, FCA annual report and account, HMRC data, CPS.gov.uk, ASHE Table 14.5a 2021, Eurostat

30. Estimated total familiarisation costs for enforcement agencies lie in a range of **£0.00 to £0.05million**, with a central estimate of **£0.01 million** (2021/22 prices) in year 1 only.

Familiarisation Costs – Private

31. There are also familiarisation costs expected to occur in the private sector in year 1, affecting solicitors who will need to familiarise themselves with the new legislation before they are able to work on UWO cases. It is assumed that they will need to read 500 words (in a range of 350 to 650, some using a screen and others using paper copies) to become familiar with the legislation. As of January 2022, there are 156,356 solicitors practising in England and Wales¹⁸. It is assumed that only a proportion of solicitors will be involved with UWO proceedings. The proportion of civil cases in 2021, at 45 per cent¹⁹, is applied to the number of enforcement agency employees to estimate the high scenario of how many would need to familiarise, with a low and central proportion of 10 per cent and 25 per cent respectively. The 25th, 50th and 75th percentile wage rate for solicitors (SOC 2413) has been taken from the ASHE 2021 survey, uprated by 22 per cent for staff on costs using Eurostat figures²⁰ for the wage rate.
32. The values used to estimate the familiarisation costs to solicitors is presented in Table 5 and given as:

$$\text{reading time} \times (\text{wage} \times \text{non-wage uplift of 22\%}) \times \text{volume of solicitors}$$

Table 5, Familiarisation costs to solicitors, (wage £, hrs, volume, words per minute, £ million 2021/22 prices) in year 1, 2022.

| Estimate | Volume | Words | Reading Speed (wpm) | Average Familiarisation Time (hrs) | Hourly Cost (£) | Total Cost (£m) |
|----------------|--------|-------|---------------------|------------------------------------|-----------------|-----------------|
| Low | 15,600 | 350 | 700 | 0.02 | 21 | 0.01 |
| Central | 39,000 | 500 | 400 | 0.03 | 29 | 0.03 |
| High | 70,000 | 650 | 200 | 0.1 | 38 | 0.27 |

Source: SRA Population of solicitors in England and Wales, Court statistics for England and Wales, Readingsoft.com, ASHE Table 14.5a 2021, Eurostat

33. Estimated total familiarisation costs for solicitors lie in a range of **£0.01 to £0.27million**, with a central estimate of **£0.03 million** (2021/22 prices) in year 1 only.

Total set-up costs

34. Total set-up costs (from familiarisation) are estimated in a range of **£0.01 to £0.38 million**, with a central estimate of **£0.05 million** (2021/22 prices) in year 1 only.

¹⁸ [SRA | Regulated population statistics | Solicitors Regulation Authority](#)

¹⁹ [Court statistics for England and Wales - House of Commons Library \(parliament.uk\)](#)

²⁰ https://ec.europa.eu/eurostat/statistics-explained/index.php?title#Main_Page

²⁰ [Businessman to hand over £10m following 'unexplained wealth order' | NCA \(National Crime Agency\) | The Guardian](#)

Ongoing costs

35. Following conversations with enforcement authorities, it is expected that UWO proceedings and any subsequent civil recovery action will have a cost per case to enforcement authorities carrying out the investigation work. There is official statistics on the unit cost of a UWO investigation, but the cost of each investigation can differ considerably case to case depending on the facts and complexities of the information under investigation. From consultation with the NCA, it is assumed that the unit cost of an investigation can range from £5,000 in simple cases to £2 million in complex cases. However, each UWO investigation is fact-specific and may require additional resourcing costs depending on the volume and complexity of the information provided. These figures have been used as the low and high estimates for the unit cost, with the average of the two used as the central.

Table 6, Cost of UWO investigations to enforcement authorities (vol, £ million), 2022:

| Scenario | Unit cost (£) |
|----------|---------------|
| Low | 5,000 |
| Central | 1,000,000 |
| High | 2,000,000 |

Source: NCA assumptions on investigation costs, 2022.

36. It is also expected that UWO investigations and subsequent civil recovery action will result in costs to the courts. The existing data is limited, the best available estimates of how much the unit cost of an UWO investigation is to the courts is also from the original impact assessment from 2017. These figures have been used and inflated to 2021/22 prices. A high scenario cost estimate of £11,400 and a low scenario cost estimate of £5,700 per case is assumed, with a central scenario of £8,600.²¹

Table 7, Cost of UWO investigations to the courts (£), 2022:

| Scenario | Unit cost (£) |
|----------|---------------|
| Low | 5,700 |
| Central | 8,600 |
| High | 11,400 |

Source: Criminal Finances Act - Unexplained Wealth Orders, OBR GDP Deflator, UWO case history, 2022.

37. This gives a **total ongoing cost** which is estimated in a range of **£11,000 to £2.0 million**, with a central estimate of **£1.0 million** per UWO case.

Non-monetised costs

38. The proposed changes to the UWO regime will not alter the unquantified costs likely to occur for individuals who will be presented with a UWO. The nature of an UWO remains to be such that it is an investigative order which demands that an individual provides evidence about the source of their property. Compliance with such orders will require an amount of unknown costs such emotional and reputational costs of being subject to respond to an UWO.

Total costs

39. Total costs are estimated to lie in a range of **£22,000 to £2.3 million**, with a central estimate of **£1.6 million** per UWO case.

²¹ [Impact Assessment - unexplained wealth \(publishing.service.gov.uk\)](#). Data in IA obtained via engagement with MoJ.

BENEFITS

Ongoing benefits

40. The proposed measures will enable enforcement authorities to more effectively identify and recover the proceeds of crime. Successful UWOs may lead to the recovery of at least £50,000 of assets through subsequent civil recovery action, as this is the minimum value for a UWO.²² This is then returned to HM Treasury Consolidated Fund and then distributed back to enforcement authorities through the Asset Recovery Incentivisation Scheme. There have been four UWO cases historically, with one resulting in a civil recovery, which had a value of just under £10 million²³, this is set as a central scenario per case²⁴. This is halved for the low scenario and doubled for the high scenario, set at £5 million and £20 million respectively.

Table 8, Per-year value of UWO Receipts (£), 2022

| Scenario | Value of each UWO receipt (£) |
|----------|-------------------------------|
| Low | 5,000,000 |
| Central | 10,000,000 |
| High | 20,000,000 |

Source: UWO case history

41. This gives a total ongoing benefit estimated in a range of **£5 million to £20 million**, with a central estimate of **£10 million** per UWO case.

Non-monetised benefits

42. The monetary value of the UWO receipts do not account for the wider benefits such as their potential to disincentivise criminal activity. This may occur if corrupt actors are stripped of their proceeds of crimes and the incentive to such commit crimes. Society as a whole would benefit from additional work to expose kleptocrats and strip them of their ill-gotten gains.
43. It is likely that efficiency benefits will arise from the clarification of UWO powers. This benefit may be under-estimated as the clarification seeks to ensure that UWOs are used as originally intended as per the CFA 2017.
44. The legislative amendments propose to limit the liability of enforcement authorities to meet the legal costs of the respondent which arise following an application for an UWO, or an accompanying interim freezing order following the discharge of a UWO where that authority acted reasonably in bringing the application. This may save money over time. This is expected to be an efficiency saving since it would allow more funds to be directed towards further asset recovery opportunities.
45. As liability to costs is limited, enforcement authorities may be better able to manage their resource and risk which will hopefully create more opportunities for disruption of crime and recovery of assets. Proxy data for these benefits would not be accurate and so this benefit is not monetised.

Total benefits

46. Total benefits are estimated to lie in a range of **£5 million to £20 million**, with a central estimate of **£10 million** per UWO case.

Breakeven Analysis

²² [Proceeds of Crime Act, 2002. 362B \(2\) \(b\)](#)

²³ [Businessman to hand over £10m following 'unexplained wealth order' | NCA \(National Crime Agency\) | The Guardian](#)

²⁴ Of the four UWO cases, one resulted in civil recovery, one failed and the remaining two are ongoing.

47. For the breakeven analysis, the central estimate of costs and benefit is used, with volume scenarios assumed to range between zero and ten UWO cases. The history of UWO cases suggests the likelihood of cases being dismissed is greater than zero, meaning not all UWO cases will result in civil recoveries, and this is reflected in the assumptions used in the breakeven analysis. Of the two cases with final outcomes, one was successful and resulted in a civil recovery of assets. This inform the central scenario of a success rate of 50 per cent. This is halved for the low scenario, set at 25 per cent. In addition to the two aforementioned cases, a third case was taken to the Court of Appeal and is expected to result in civil recovery, this informed the high scenario success rate assumption of 75 per cent. For the purpose of the breakeven analysis, only the central success scenario is presented in table 9, with a further assumption that if there are odd number of cases a conservative stance is taken that more cases are lost than won. Table 9 presents the estimated total costs and benefits for each volume scenario, in addition, provides an adjusted figure to account enforcement agencies paying legal costs for unsuccessful cases. This is informed by the *NCA v. Baker & Others [2020] EWHC 822 (Admin)* UWO case that was discharged and the NCA having to pay the legal costs of that amount²⁵. Though there is available data from the NCA vs Baker case, publishing the figure and other details regarding the case potentially presents a risk to the NCA, and as such, these are not published in this IA. Instead, it is assumed that the legal cost is £300,000 per UWO case (central scenario), this is informed by engagement with the NCA.
48. Based on the analysis, just one UWO case out of ten needs to be successful for the NPV to be zero. Accounting for enforcement agencies having to pay the legal fees of discharged cases reduces the ratio to one in eight (12.5 per cent). This is less than the current success rate of UWO cases of 50 per cent, and as such, the benefits of the measure is expected to outweigh the costs.

Table 9, Total Costs, Benefits and NPVs of UWO cases for volume scenarios

| Volume Scenario | Successful Cases | Costs (£m) | | | | Total Benefits (£m) | NPV (£m) | NPV (adjusted for legal costs of unsuccessful cases, £m) |
|-----------------|------------------|------------|---------|-------|--|---------------------|----------|--|
| | | Fixed | Ongoing | Total | Total (adjusted for legal costs of unsuccessful cases) | | | |
| 0 | 0 | 0.05 | 0.0 | 0.1 | 0 | 0.0 | -0.05 | -0.05 |
| 1 | 0 | 0.05 | 1.0 | 1.1 | 1.4 | 0.0 | -1.1 | -1.4 |
| 2 | 1 | 0.05 | 2.0 | 2.1 | 2.4 | 10.0 | 7.9 | 7.6 |
| 3 | 1 | 0.05 | 3.0 | 3.1 | 3.7 | 10.0 | 6.9 | 6.3 |
| 4 | 2 | 0.05 | 4.0 | 4.1 | 4.7 | 20.0 | 15.9 | 15.3 |
| 5 | 2 | 0.05 | 5.0 | 5.1 | 6.0 | 20.0 | 14.9 | 14.0 |
| 6 | 3 | 0.05 | 6.1 | 6.1 | 7.0 | 30.0 | 23.9 | 23.0 |
| 7 | 3 | 0.05 | 7.1 | 7.1 | 8.3 | 30.0 | 22.9 | 21.7 |
| 8 | 4 | 0.05 | 8.1 | 8.1 | 9.3 | 40.0 | 31.9 | 30.7 |
| 9 | 4 | 0.05 | 9.1 | 9.1 | 10.6 | 40.0 | 30.9 | 29.4 |
| 10 | 5 | 0.05 | 10.1 | 10.1 | 11.6 | 50.0 | 39.9 | 38.4 |

Source: Home Office, own estimates, 2022.

Note: Fixed = familiarisation costs

²⁵ This is an overestimation because it is not expected that all UWO cases will be of similar scale or complexity, and as such, the NPV is expected to be higher even after taken into legal costs.

49. Using the central costs and benefits estimates, and assuming volume scenarios with a range of zero to ten for UWO cases, the breakeven analysis shows that, except for a scenario where the measure result in less than two UWO cases, the benefits of the measures outweigh the costs.

Value for money (VfM)

50. For a policy to be considered VfM, it must achieve the strategic and policy objectives. The breakeven analysis for **Option 2** suggests the proposed measures offer good VfM as the benefits outweighs the costs if there is at least two UWO cases. The value of assets recovered from successful UWO cases is the main driver of the NPV, and the one known successful case of £10 million outweighs all familiarisation, court, and investigation costs to date. As a result of the measures, and success rate of previous UWO cases, it is expected that there will be at least two successful UWO cases over the next four years, and as such, it is highly likely that the breakeven will be met in the next four years. With the measures set to increase appetite to use the powers, which should result in an increase in the number of UWO cases compared to the last four years, it is considerably likely that the breakeven is met earlier.
51. Since the proposed measures do not represent major changes to the legislative framework as originally enacted, it is not expected that many solicitors and law enforcement officers will need to refamiliarise themselves with the legislation, hence the estimated familiarisation costs are like an overestimation. Even with this overestimation, the benefits outweigh the costs if UWOs are raised.
52. When the CFA came into effect in 2018, it was assumed that approximately 20 UWO cases would be raised per year, however, there have been four UWO cases to date. The proposed measures in **Option 2** are aimed at addressing legislative challenges, which although is effective in that there have been UWO orders raised, the yearly number of UWO orders projected when the legislation was first introduced hasn't been realised. The policy proposed measures is expected to improve the effectiveness, which should impact how quickly the breakeven point is met.

Impact on small and micro-businesses

53. Though the measures target individuals, legal firms are expected to represent individuals and as a result there will be some impact on business as a result of these measures. However, small and micro-businesses are not specifically targeted by these measures. According to Business Population Estimates 2021, around 99 per of businesses engaged in legal activities is made up of small businesses (1 to 49 employees)²⁶. It is at the discretion of individuals subject of UWO orders to choose which legal firms they want representing them, and as such, this measure is not expected to disproportionate burden small and micro-businesses. Instead, it could transpire that some legal firms have specialisation in this type of cases, but the data to assess specialisation by business size is not available, even so, the choice is at the discretion of the individual and is not stipulated by the measure.

F. Proportionality.

54. As this is a Final Stage IA, impacts have been monetised as far as possible, making use of findings from Home Office targeted consultation with the regulated sector and enforcement authorities., The impact estimates associated with the proposed changes are indicative only.
55. Whilst the IA would have benefited from the monetisation of all the identified benefits and costs, a proportional approach was taken to monetise benefits and costs that were considered to have material impacts, with those expected to have minimal impacts unmonetised. In most cases of

²⁶ [2021 Business population estimates for the UK and the Regions: Statistical Release \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

unmonetised benefits or costs, there was either a lack of data or considerable data challenges. The analysis has assessed all significant costs to businesses.

G. Risks.

56. There are analytical risks related to the data and assumptions used within the IA:

- The reliance on a small sample of UWO cases (following the historical trend) present considerable uncertainty on the costs and benefits estimated:
 - There is high degree of uncertainty around the expected number of UWO cases that underpin the costs and benefits estimates. Since the same number of UWO cases underpins the costs and benefits, the impact of this risk on value for money is neutral.
 - The monetised benefit is estimated using an average value of a UWO is based on two completed investigations, one of which was unsuccessful. It is possible that the 50 per cent success rate is not maintained for future case, resulting in lower benefits that estimated.
 - Limiting enforcement authorities' liability to cover legal costs where they have acted reasonably will be at the discretion of the courts. In instances where the court considers the UWO to be raised unreasonably, the enforcement authority may have to pay significant legal fees. In these instances, there is considerable risks of poor value for money as losing a case would negatively impact the enforcement authorities balance sheet. However, the prospective amount recovered across all assumed scenarios significantly outweighs the costs of an adverse ruling.

H. Wider impacts

57. There are no wider impacts.

I. Trade Impact.

58. There are no anticipated trade or investment implications of the measure.

J. Monitoring and evaluation (PIR if necessary), enforcement principles.

59. The progress of the legislative amendments will be evaluated by monitoring how the UWO framework develops, including:

- Monitoring if the changes have increased enforcement authorities' appetite to pursue UWO cases successfully by looking at if there is an increased number of cases and whether they succeed in civil recovery.
- Monitoring if UWOs are raised against the extended group of respondents the new legislative proposals includes.
- Monitoring, through feedback from enforcement authorities, whether the increased time limit for an interim freezing order allows a UWO case to be better investigated.
- Monitoring if enforcement authorities' costs is successfully limited by the courts with regards to an UWO.

K. Annexes

Impact Assessment Checklist

| Mandatory specific impact test - Statutory Equalities Duties | Complete |
|--|-------------------|
| <p>Statutory Equalities Duties</p> <p>The public sector equality duty requires public bodies to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations in the course of developing policies and delivering services. [Equality Duty Toolkit]</p> <p>Statutory Equalities Duties - UWOs</p> <p>The proposals strengthen the UWO regime to enable law enforcement to take more effective action against kleptocrats who launder their funds in the UK. The reforms will specifically enable UWOs to be used more easily in relation to trusts; and remove key barriers to the use of UWOs. This impact of the proposed reforms to the UWO regime are not considered to be advantageous or disadvantageous to any particular group.</p> <p>There are wider societal benefits to be gained from UWO reform, such as discrediting kleptocrats and corrupt actors and stripping them of their ill-gotten gains.</p> <p>Follow the guidance and insert a summary paragraph. Once you have done this you can delete the guidance text in this box.</p> <p>The SRO has agreed to these summary findings of the Equality Impact Assessment</p> | <p>Yes</p> |

Any test not applied can be deleted except **the Equality Statement**, where the policy lead must provide a paragraph of summary information on this.

The Home Office requires the **Specific Impact Test on the Equality Statement** to have a summary paragraph, stating the main points. **You cannot delete this and it MUST be completed.**

Economic Impact Tests

| | |
|---|-------------------|
| <p>Small and Micro-business Assessment (SaMBA)</p> <p>The SaMBA is a Better Regulation requirement intended to ensure that all new regulatory proposals are designed and implemented so as to mitigate disproportionate burdens. The SaMBA must be applied to all domestic measures that regulate business and civil society organisations unless they qualify for the fast track. [Better Regulation Framework Manual] or [Check with the Home Office Better Regulation Unit]</p> <p>Though the measures target individuals, legal firms are expected to represent individuals and as a result there will be some impact on business as a result of these measures. However, small, and micro-businesses are not specifically targeted by these measures.</p> | <p>Yes</p> |
|---|-------------------|

Annex A: Responses to the targeted consultation paper

A targeted consultation took place over the period, 1 November and 30 November 2021 with 36 organisations, see Table A.1. There were 8 questions which are presented in Table A.2. There were ten responses (28% response rate) while 26 organisations chose not to respond (72%). The summary findings include:

Income Requirement:

- 40 per cent of respondents agreed that the current wording of the law did not support the UWO's intention and that it should be replaced with a test to focus on the source of funds.
- Comments on this, reflected the need for the test to cover both those who own property and those who deal with the property of another individual. there should be scrutiny of the source of funds alongside the test and, rather than replace the current test, it should be amended to such it is met where a respondent's known income is insufficient to obtain the property and/or that there are reasonable grounds for suspecting that the source of funds is consistent with the risk profile of the respondent.
- Only one respondent did not consider that the current income requirement can be applied to the holder as opposed to the beneficial owner.

Holding requirement:

- About 80 per cent of respondents agreed that the definition of how you 'hold' property should be expanded to those who have some form of control.

Extend the interim freezing order to 186 days:

- About 80 per cent of respondents agreed that the interim freezing order should be extended to 186 days.
- Comments on this included: the Civil Procedure Rules are amended so that there is a presumption that an enforcement authority (EA) receives indemnity costs from a certain point if an EA is forced to unreasonably expend a certain sum or ratio in reviewing the evidence provided. For example, £50,000 or one tenth of the asset value. The presumption would be rebuttable, so it would be for the UWO defendant to show their conduct and disclosure was reasonable and proportionate.
- It was also suggested that the time limit on an INTERIM FREEZING ORDER should be flexible or has a hard stop at two years rather than 60 days.

Cost rules:

- Five (50%) of respondents agreed that costs should be limited in respect of UWOs and INTERIM FREEZING ORDERS.
- Comments included: public agencies should not be subject to high financial risks if they have acted reasonably, with integrity to bring a reasoned case. However, there should be independent scrutiny on if this was not the case, from judges experienced in financial crime matters.
- Costs should be determined by the court on a discretionary basis and legal aid rates should be included within the indicative statutory factors under consideration. It was also suggested that associated guidance should be produced to ensure respondents are aware of the regulations.

How to limit enforcement agencies liability to costs:

- There were different approaches on how to achieve this. About 20 per cent of respondents suggested it be limited through primary legislation using principles established under '*Peripanathan*'²⁷ case law centred on limiting costs if the agency has acted in good faith and acted reasonably in pursuing an application. One respondent suggested that the model under the Criminal Justice and Courts Act 2015 should be used to allow courts discretion in capping costs. Another suggested legislative change is not essential and could be undertaken by amendments to r.44 of the Civil Procedure Rules to explicitly exclude UWOs. One respondent was opposed to a 'tiered' approach to costs based on complexity.

²⁷ Perinpanathan, Regina (on The Application of) v City of Westminster Magistrates Court and Another: CA 4 Feb 2010.

Annex A, continued.

Table A.1 Full list of respondents to targeted consultation paper in relation to UWOs, 2021.

| Respondents | Response type |
|--|----------------------|
| Association of foreign banks | Summary |
| Gemini | Summary |
| HMRC | Summary |
| Property Mark | Full |
| Serious Fraud Office (SFO) | Full |
| Spotlight on Corruption | Full |
| The Payments Association | Full |
| Royal Institution of Chartered Surveyors | Partial |
| RUSI | Full |
| Ziglu | Partial |

Non-respondents

Association of Accounting Technicians
Association of Tax Technicians
Association of British Insurers
Bar Council
Bar Standards Board
Bank of England
Betting and Gaming Council
Betaway (gaming)
Chartered Institute of Taxation
Chartered Accountants of Ireland
Chartered Institute of Management Accountants
Cifas
CILEx Regulation
Deloitte
Digivault
Electronic Money Association
Federation of Small Business
Future of Financial Intelligence Sharing (FFIS) Research Programme
Gambling Commission
Institute for Chartered Accountants
Institute for Chartered Accountants of Scotland
Institute of Financial Accountants
Kraken
Law society of Northern Ireland
National Pawnbrokers Association
Solicitors Regulation Authority

Annex A, continued.

Table A.2 Full list of questions in targeted consultation paper in relation to UWOs, 2021.

| | |
|-------------------------------|---|
| <p>Income requirement</p> | <p>Q27 – can the current income requirement be applied in a meaningful way to property held by a person other than the beneficial owner (i.e. to trusts or nominees)?</p> <p>In almost all responses, the responding organisation explained its position.</p> <p>Q28 – where the income of the holder bears no relation to the value of the property in question, will replacing the current ‘test’ with one which is not linked to the holder’s income but focuses instead on the source of funds?</p> <p>In almost all responses, the responding organisation explained its position.</p> |
| <p>Holding requirement</p> | <p>Q29 – do you agree that the definition of how any individual may ‘hold’ a property should be expanded to enable a UWO to be served on a person or company who is reasonably expected to have some form of control?</p> <p>Some responses consisted of a simple 'Yes' while others were lengthy explanations of position of the responding organisation.</p> |
| <p>Interim freezing order</p> | <p>Q30 – Do you agree that the interim freezing order time limit should be extended?</p> <p>Some responses consisted of a simple 'Yes' while others were lengthy explanations of position of the responding organisation.</p> <p>Q31 – If so, do you agree that 186 days should be the maximum time period an interim freezing order can apply, following receipt of a respondent’s response to a UWO?</p> <p>In almost all responses, the responding organisation explained its position.</p> |
| <p>Cost rules</p> | <p>Q32 – Do you agree that enforcement authorities’ liability to respondent’s legal costs should be limited in respect of UWOs and IFOs?</p> <p>In almost all responses, the responding organisation explained its position, with all in agreement for legal costs to be limited.</p> <p>Q33 – We invite your views on the appropriate methods of cost-capping, whether by legislation or otherwise</p> <p>In almost all responses, the responding organisation explained its position.</p> |
| <p>Generic Questions</p> | <p>Q34 – We also invite your views if you consider that there are other proposals, we should be considering to strengthen the UWO regime.</p> <p>Just one organisation responded to this question, with majority indicating N/A.</p> <p>Q35 – In addition to the proposals detailed in this paper, what further proposals should the Government consider to tackle economic crime?</p> <p>In all responses, the responding organisation explained its position.</p> |