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Rt Hon Peter Hain MP
Secretary of State
Northern Ireland Office
11 Millbank
London
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6 February 2007

Dear Peter,

ASSET RECOVERY WORK IN NORTHERN IRELAND

We have discussed the future of asset recovery work in Northern Ireland after the merger of the Assets Recovery Agency (ARA) and the Serious Organised Crime Agency (SOCA). You asked for some reassurances, which I am happy to offer on my own behalf and on that of SOCA's Bill Hughes.

First, there will be no reduction in the level of effort on asset recovery in Northern Ireland. SOCA will continue to dedicate at least the same level of resource to asset recovery in Northern Ireland as is currently spent by ARA. SOCA are clear that their presence in Northern Ireland will be at least as large as the current ARA office.

Secondly, we and SOCA are both clear that asset recovery work in Northern Ireland needs to be tasked to take account of local priorities, which will not necessarily reflect exactly those in England and Wales. In particular, asset recovery work in Northern Ireland will be focused against local priority targets, and not subject to any 'threshold' limit which might apply elsewhere. Prioritisation decisions locally will need to follow a framework which you will be consulted on, taking account of the view of the Northern Ireland Organised Crime Task Force.

Thirdly, we are taking steps to clarify the leadership of the Agency. The future of the Directorship of ARA in the run up to the merger will need to have been resolved well before Jane Earl's resignation takes effect at the end of April. Similarly, there will need to continue to be an ARA officer designated as responsible for ARA work in Northern Ireland up to 31 March 08, and a SOCA officer thereafter. I will be consulting you on these appointments in good time.

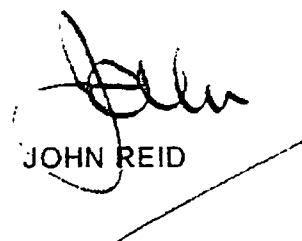
Fourthly, the merger of SOCA and ARA needs to be seen in the context of wider work on asset recovery. I understand Paul Goggins and Vernon Coaker have been discussing the idea of an Asset Recovery Action Plan for Northern Ireland, possibly launching towards the end of March.

The Serious Crime Bill, which is due to take its Second Reading in the House of Lords on Wednesday, includes further new asset recovery powers. These include extending civil recovery powers to prosecutors and new powers for financial investigators. Some further enhancements to the system are likely to be introduced as Government amendments.

The Northern Ireland public should be assured that the asset recovery effort will benefit from guaranteed resourcing, the synergies which merger with SOCA will provide, including access to a much wider range of relevant financial intelligence and this further extension of asset recovery powers. We will want to work with Northern Ireland partners, but I am confident that we should be looking for challenging targets to increase further asset recovery performance in Northern Ireland.

An action plan could feed into existing accountability structures. The Assets Recovery Agency's costs and revenue recovery data are at present published annually in its Annual Report and Resource Accounts. Similar information on the recovery of criminal assets in Northern Ireland will be included in the Annual Report of the Serious Organised Crime Agency when both agencies are merged. We would be happy to discuss what further measures might need to be taken to ensure transparency on the asset recovery effort in Northern Ireland.

I hope this helps answer your points. I am copying this to Bill Hughes at SOCA, and am happy for you to share the contents of this letter with colleagues as you feel appropriate.



JOHN REID