

BRIEFING: Making the most of police reform to tackle money laundering, corruption and fraud

The King's Speech has reaffirmed the government's commitment to delivering the most ambitious reforms to policing in decades, following its recent white paper.¹ The changes will have direct implications for how the UK can step up its fight against tackling dirty money, fraud and economic crime more broadly.

Chief among these will be the merging of the National Crime Agency (NCA) into a new National Police Service (NPS), and the potential loss of specialist forces such as the City of London Police (COLP)

The reforms could provide some clear potential benefits for the fight against dirty money and economic crime. But there are real risks that without careful planning and resourcing, reforms could undermine economic crime enforcement.

To ensure this reform leads to improved economic crime enforcement, the government must:

1. Ensure that there is a clear plan to protect and enhance economic crime enforcement under the police reform programme and protect existing specialist economic crime expertise.
2. Ensure that there are adequate resources devoted to police reform to drastically improve recruitment and retention of specialist expertise in economic crime and across the board.
3. Ensure policing remains fully independent and protected from political interference, by introducing a statutory definition of 'operational independence' and having an independent oversight mechanism.

Background

1.1. It is widely acknowledged that complex crimes like fraud, corruption and money laundering that do not “*bang, bleed or shout*” fall down the chain of policing priorities.² Yet the long term impact of economic crime erodes trust in institutions, undermines economic growth, fuels organised crime and threatens national security.

¹ Home Office, [From Local to National: A New Model for Policing](#), January 2026

² The Police Foundation, [Turning the tide: A plan to tackle online fraud](#), July 2024

1.2. Prosecutions for fraud - which accounts for 45% of all crime in England and Wales - were 42% below the long-term median in 2024/25, and bribery prosecutions are few and far between despite [117,000 bribes being offered](#) in the UK last year. And while investments through the Economic Crime Plan 2023-26 have led to overall money laundering prosecutions hitting a 10-year high in 2024/25, many cases target low-hanging fruit rather than white-collar professionals who enable transnational money laundering.

1.3. There are real risks that without adequate thought and careful planning, the creation of the National Police Service (NPS) could undermine economic crime enforcement. It is vital that the police reform programme is used as an opportunity to do the opposite, and vastly improve and enhance economic crime enforcement. To do that, action is needed in the following areas:

1. A clear plan to protect economic crime enforcement and existing expertise under the police reform programme

1.4. The introduction of the NPS provides a key opportunity to consolidate economic crime enforcement, which has frequently been described as fragmented and split between too many agencies.³ However, serious thought and planning is required to ensure that:

- economic crime enforcement is protected and enhanced within the NPS
- crucial economic crime expertise is not lost in the transition.

1.5. While the NPS will have responsibility for tackling fraud, it is not yet clear what its broader responsibility for economic crime, such as money laundering and corruption will be.

1.6. There are several key units currently within the NCA, which are critical for the success of the UK's fight against money laundering, corruption and economic crime more broadly - from the International Corruption Unit, to the Combatting Kleptocracy Cell, the National Economic Crime Centre, and the UK Financial Intelligence Unit (UKFIU).⁴ It is essential that the government lays out a plan for how the work of these mission-critical units will be protected in the transition to a new police force. Expertise which is currently housed at the City of London Police (CoLP) on fraud and domestic corruption must also be protected.⁵

1.7. The global anti-money laundering watchdog, the Financial Action Task Force (FATF) was highly critical of the UK's FIU in its last review of the UK for having low staff numbers and poor IT. 20 years ago it recommended increasing FIU staffing to 200 but the UK has still not

³ Treasury Committee, [Economic Crime Eleventh Report of Session 2021-22](#), January 2022

⁴ Financial Action Taskforce, [Anti-money laundering and counter-terrorist financing measures](#), May 2022

⁵ HMICFRS, [Time for police to choose how to tackle fraud](#), April 2019

achieved this according to the latest publicly available figures.⁶ It was also critical of the UK's lack of high-end money laundering prosecutions. With FATF reviewing the UK again in 2027, it is essential that the UK shows how it will protect and enhance the role of the FIU and improve high money laundering prosecution under the police reform programme.

1.7. Improved policing in this area will also require an enhanced prosecution service and a fully functioning court system. The government must be clear about how it will enhance economic crime prosecution and ensure economic crime is dealt with effectively in the criminal justice system. This must include looking at how specialist economic crime judges could be deployed.

Recommendation: Following the independent review of police force structures underway⁷, the government must lay out a clear plan for:

- How it will protect economic crime policing within the new NPS structure
- How it will protect existing specialist economic crime expertise, particularly that developed within specialist units at the NCA and the City of London Police
- How it will ensure adequate capacity within the prosecution services and the criminal justice system to ensure better economic crime enforcement outcomes.

2. Ensuring adequate resources are devoted to police reform so that chronic recruitment and retention issues can be addressed

2.1 Spotlight on Corruption's analysis has shown that the NCA has been hamstrung from its inception by acute and long-standing issues with recruitment and retention, particularly for specialist and technical roles.⁸ This has largely been down to the failure of the government to fund pay structures at the agency adequately right from the start.

2.2 The White Paper on Police Reform has made encouraging noises about having a workforce strategy for the police which will ensure "*greater flexibility to recruit and retain*" key skills.⁹ But this will depend on appropriate resourcing and flexible pay structures. The lessons must be learned from over 10 years of failed pay reforms at the NCA.

Recommendation: The government must lay out a clear investment plan improving the recruitment and retention of key financial investigators, forensic accountants, and cyber

⁶ Financial Action Task Force, [The United Kingdom's progress in strengthening measures to tackle money laundering and terrorist financing](#), p.2-3; [Parliamentary question asked by Dame Margaret Hodge](#), 8 May 2024

⁷ Home Office, [Independent review of police force structures: terms of reference](#), March 2027

⁸ Spotlight on Corruption, [Is Britain's FBI on its knees? How to make the National Crime Agency a genuinely elite crime fighting force](#), September 2024

⁹ Home Office, [From Local to National: A New Model for Policing](#)

specialists in crypto and AI enabled financial crime, as it introduces the police reform programme.

3. Ensuring policing is fully independent and protected from political interference

3.1 The White Paper indicates that new powers will be given to the Home Secretary to direct police strategies and priorities.¹⁰ This raises real risks of potential political direction of the police that goes against international conventions. The Council of Europe for instance states that “*the police should not receive instructions of a political nature.*”¹¹ Meanwhile, the UN Convention against Corruption asserts that law enforcement bodies must be “*free from any undue influence.*”¹²

3.2 In addition, under the reforms, the Home Office will exert oversight over the NPS including over the new National Police Commissioner who will run it. In Scotland, when Police Scotland was created, the Scottish government created an independent oversight body, the Scottish Police Authority, to oversee it. Without independent oversight, there are real risks that UK’s policing could be, or are seen to be, subject to political interference and government capture.

Recommendation: The government must:

- ensure there is a robust statutory definition of the ‘operational independence’ for the police to prevent politicised interventions from a Home Secretary.
- give real consideration to creating an independent oversight body for the new National Police Service.

Suggested questions:

1. What steps is the government taking to ensure police reform will be used as an opportunity to improve the recruitment and retention of key financial investigators, forensic accountants, and cyber specialists in crypto and AI enabled financial crime?
2. What assessment has the government undertaken of where vital enforcement bodies such as the International Corruption Unit and UK Financial Intelligence Unit

¹⁰ Home Office, [From Local to National: A New Model for Policing](#)

¹¹ Council of Europe, [International Police Standards: The European Code of Police Ethics](#), September 2001, p.26-27

¹² United Nations Office on Drugs and Crime, [United Nations Convention Against Corruption](#), 2004, p.10

will sit with the introduction of the new National Police Service?

3. What steps is the government taking to ensure that police forces can retain their operational independence once the Home Secretary is given powers to direct the priorities and strategies of the new National Police Service and to hold it to account?
4. What steps is the government taking to ensure that resourcing for economic crime enforcement is ringfenced under the new National Police Service?