

FIGHTING CORRUPTION

**A MANIFESTO FOR A MORE
SECURE, PROSPEROUS
AND RESILIENT UK**



Transparency International (TI) is the world's leading non-governmental anti-corruption organisation. With more than 100 chapters worldwide, TI has extensive global expertise and understanding of corruption.

Transparency International UK (TI-UK) is the UK chapter of TI. We raise awareness about corruption; advocate legal and regulatory reform at national and international levels; design practical tools for institutions, individuals and companies wishing to combat corruption; and act as a leading centre of anti-corruption expertise in the UK.

Acknowledgements: We would like to thank members of our Transparency Leaders' Network for their generous financial support that made this publication possible.

© 2017 Transparency International UK. All rights reserved. Reproduction in whole or in parts is permitted, providing that full credit is given to Transparency International UK (TI-UK) and provided that any such reproduction, in whole or in parts, is not sold or incorporated in works that are sold. Written permission must be sought from Transparency International UK if any such reproduction would adapt or modify the original content.

Published May 2017.

© Cover photo: iStock.com / franckreporter

© Inside photos in order of appearance:
iStock.com/kuczyn (from *Faulty Towers*)

iStock.com/Bizhan33 (from *Gold Rush*)

iStock.com/Jan-Otto (from *Don't Look, Won't Find*)

iStock.com/rudall30 (from *Take Back Control*)

iStock.com/LucaZola (from *Accountable Influence*)

iStock.com/zabelin (from *The Big Spin*)

Every effort has been made to verify the accuracy of the information contained in this report. All information was believed to be correct as of May 2017. Nevertheless, Transparency International UK cannot accept responsibility for the consequences of its use for other purposes or in other contexts. This report reflects TI-UK's opinion. It should not be taken to represent the views of those quoted unless specifically stated.

Transparency International UK's registered charity number is 1112842.

Fighting Corruption

A manifesto for a more secure, prosperous and resilient UK



5 priority actions for the UK Government

This manifesto contains 39 recommendations to address corruption in our country and the UK's role in facilitating corruption globally. These five priority actions, building on past government announcements, deserve cross-party support, and could be introduced swiftly.

Lead the country's efforts to counter corruption

To coordinate anti-corruption efforts, the Prime Minister should assign a Cabinet Minister to be responsible for driving the implementation of a world-class anti-corruption strategy, which addresses corruption here as well as abroad.

Shut the door to criminal funds flooding the housing market

To end the UK's reputation as a safe haven for the proceeds of corruption, the UK Government should introduce a register showing who controls overseas companies owning UK property.

Defend democracy from outside interference

To safeguard our democracy from outside interference and undue influence, the UK Government should reinforce controls on sources of political party finance, and Parliament should make available the means to robustly enforce them.

Open the books on public sector spending

To prevent corruption and collusion denying taxpayers value for money from public services, the UK Government should apply the open contracting standard across the whole of the public sector, including the National Health Service.

Champion integrity on the global stage

The UK Government should champion global anti-corruption initiatives to safeguard global security and economic development, providing a strong voice internationally for ending corruption. Key to demonstrating continued leadership will be implementing the UK's outstanding commitments from the 2016 global Anti-Corruption Summit and embedding anti-corruption clauses in its new trade deals.

Contents

Fighting corruption and standing up for its victims	4
Increasing confidence in the integrity of the UK's economy	7
Defending our democracy	10
Making government more open and accountable.....	12
Providing strong leadership on the world stage.....	16
Further reading	18

FOREWORD

Corruption is not a victimless crime. It fuels inequality, holds back economic development and hurts the most vulnerable in society. Left unchecked it undermines efforts to overcome some of the biggest challenges facing us, including housing, people trafficking and terrorism.

“Corruption: the abuse of entrusted power for private gain.”

Transparency International

As the UK seeks to make a new place for itself on the global stage, it must live up to its responsibilities in the global fightback against corruption. As an international financial centre, it is used to give legitimacy to cash received in bribes, illegal political donations, and embezzled funds, often taken from some of the most impoverished countries in the world. As a stable economy, its property market, banks and luxury goods are targeted by those looking to hide and enjoy this illicit wealth. As a home to world-class professional services, it provides complicit or unwitting support to those who perpetrate these crimes at the public’s expense.

Nor is the UK without its own problems. Privileged access to power and secretive lobbying corrode public confidence in our democratic institutions. Loopholes in corporate donations to political campaigns provide opportunities for foreign interference in domestic elections. Opaque procurement and public expenditure continues to present a substantial risk to the management of taxpayers’ money.

To protect Britain’s reputation as a place to do business and our standing as a respectable member of the international community, the next UK Government must commit to act internationally and domestically, leading the global fight against corruption.

There can be no room for complacency, either here in the UK or abroad.

The fight against corruption ultimately belongs to the people. The UK General Election gives everyone the opportunity to demand their next Members of Parliament join them in that fight.

Don’t let this chance pass you by.

Fighting corruption and standing up for its victims

Utilise new measures for seizing illicit wealth

Historically, the UK's performance at seizing and returning money to the victims of corruption has been low compared to level of corrupt wealth moving through the UK's economy. Estimates vary, but the National Crime Agency (NCA) claims that tens to hundreds of billions of illicit wealth could be flowing through the UK's financial institutions every year, and recent research by Transparency International UK found over £4.2 billion of properties bought with suspicious wealth in London alone. In May 2017, the UK Parliament passed measures – Unexplained Wealth Orders – with cross-party support, which should make it easier for law enforcement agencies to freeze and seize suspicious UK assets held by corrupt individuals.

To end the UK's role as a safe haven for the proceeds of corruption, law enforcement agencies should make full use of the new powers provided to them in the Criminal Finances Act 2017.

The UK is a signatory of the UN Convention Against Corruption (UNCAC), which requires nation-states seizing corrupt assets to send back as much of this money as possible to its victims (Article 57). At the moment it is very difficult for civil society and victims to monitor this process because there is no transparency about what assets have been frozen, seized and repatriated. This damages confidence in the UK's commitment to fulfilling its international obligations under UNCAC and its commitment to tackling corruption.

To increase confidence in the UK's commitment to the UN Convention Against Corruption, the UK Government should develop transparent and accountable asset recovery agreements with cooperative jurisdictions

See Gold Rush for more detail.

Under Article 20 of UNCAC, signatories are required to consider introducing a criminal offence for 'illicit enrichment'. This would be used where public officials have a significant

increase in their assets that they cannot reasonably explain through their lawful income.

To comply with its obligations under the UN Convention Against Corruption, the UK Government should consider introducing an illicit enrichment offence.

See Empowering the UK to Recover Corrupt Assets for more detail.

Retain UK-EU co-operation in the investigation of corruption and serious organised crime

In the course of the negotiations over Brexit, it is vital that important anti-corruption achievements – such as anti-money laundering standards and beneficial ownership transparency – continue to be given political backing and do not become negotiating points. Regress or a lack of coordination in these areas would weaken defences against money laundering and open gateways for illicit funding – such as terrorist financing – to flow undetected by law enforcement.

The UK Government should continue to pursue strong defences against money laundering as described in EC directives, and seek to retain the full effectiveness of UK-EU co-operation in the investigation of corruption and serious organised crime.

Tackle corruption through immigration controls

There is mounting evidence to suggest that loopholes in the UK's cash for residency 'golden visa' system has been exploited by corrupt individuals looking to settle in the UK. Between 2008 and early 2015 – the 'blind faith' period – there were weak checks on the sources of applicants' wealth.

To help prevent corrupt individuals using this system in the future, the UK Government should require up-front and public declarations of legitimate income and legal sources of wealth by golden visa investors.

To help stop corrupt individuals gaining access to our country, the UK Government should establish a preventative visa denial list for high-corruption risk individuals.

To help identify corrupt individuals that have already made it into the country through this system, the UK Government should undertake retrospective checks on golden visa applications made during the ‘blind faith’ period.

See *Gold Rush* for more detail.

Protect the Serious Fraud Office’s independence

The Serious Fraud Office (SFO) has taken on an increasingly large workload in relation to foreign bribery, with some high-profile investigations against large UK companies ongoing.

Resources for the SFO are, however, still inadequate and its funding model problematic; its independence is potentially undermined by the requirement for government ‘sign off’ on blockbuster funding for investigations. The HM Crown Prosecution Services Inspectorate found in May 2016 that the blockbuster funding model was preventing the SFO from building expertise and capacity as it encouraged the SFO to rely on temporary staff.

To ensure that the UK tackles serious white collar crime, the SFO must retain its operational independence and have adequate resources to operate effectively.

The SFO is also facing two key barriers to effective enforcement. First, there is a lack of dedicated Crown Courts to try serious economic crime cases, coupled with underfunding of the court system. This results in long delays; for example, it takes the SFO on average 18 months to get a court slot. Second, there is a lack of tools for ensuring that courts can impose a review of compliance procedures as part of sentencing, such as via a monitorship. Monitorships are seen by companies as a highly effective deterrent, as opposed to a mere fine which can be just absorbed as a ‘cost of doing business’. Under the current system in the UK, a company that self-reports and cooperates actually faces greater scrutiny of its corporate governance standards than a company that chooses not to do so. This creates a potentially perverse incentive not to self-report.

To avoid delays in enforcement action against white collar crime, and provide an effective deterrent against future non-compliance,

there needs to be dedicated Crown Courts for serious economic crimes and a wider variety of sanctioning tools for the SFO.

See our 2016 submission to the OECD for more detail <http://www.oecd.org/daf/anti-bribery/Online-consultation-compilation-contributions.pdf>

Ensure the NCA is sufficiently resourced

The NCA’s International Corruption Unit (ICU) is funded predominantly by the Department for International Development (DfID). According to a recent OECD assessment, this means the unit’s “primary focus is bribery and corruption affecting DFID priority countries”. This does not include Russia or China, which are two high-corruption risk jurisdictions whose citizens and companies are investing a significant amount of money into the UK.

To ensure the National Crime Agency is able to robustly address the threat posed by illicit wealth from China and Russia, it should receive more resources that do not have to be focused on DfID priority countries.

Improve intelligence sharing to help detect corrupt wealth

Understanding the nature of the threat posed by money laundering requires sharing information across sectors and agencies. This is key during periods of crisis, like the Arab Spring and Ukrainian revolution, when corrupt individuals try and move their assets to perceived havens, like the UK. Through the Joint Money Laundering Intelligence Taskforce (JMLIT), law enforcement agencies, civil regulators and businesses share information to disrupt illicit wealth when it comes into the UK economy.

To help prevent corrupt money entering our country’s economy, the UK Government should coordinate with the Joint Money Laundering Intelligence Taskforce during international crises to identify individuals and companies which are a high-money laundering risk, sharing this information throughout the private sector and requiring enhanced levels of precaution on these entities and individuals.

See *Spring Cleaning* for more detail.

Increasing confidence in the integrity of the UK's economy

Shut the door to criminal funds flooding the housing market

The UK is currently the world leader when it comes to corporate transparency. It was the first G20 country to require companies to declare who really controls them, and has made great strides in recent years to make corporate details available as open data. This information helps detect and deter the abuse of corporate entities for criminal purposes, and gives everyone in the market greater confidence and trust in doing business. Yet there are still areas where this can be improved.

The UK property market remains a key target for those looking to store corrupt wealth – money stolen from state budgets, extorted in bribes and gained through an abuse of entrusted power. Through opaque companies based in secrecy jurisdictions, like the UK's Overseas Territories and Crown Dependencies, corrupt individuals have bought UK property with impunity. We have identified at least £4.2 billion in suspicious property assets is held in London alone. Greater transparency of property ownership would make it easier for law enforcement agencies to identify and pursue illicit activity and discourage corrupt individuals from using the UK to launder their money.

To end the UK's reputation as a safe haven for the proceeds of corruption, the UK Government should introduce a register showing who controls overseas companies owning UK property.

Continue to lead the world on corporate transparency

The Overseas Territories and Crown Dependencies are an undeniable part of the UK's financial system. However, high-end money laundering through these jurisdictions provides a strategic risk to the UK's national security, national prosperity and international reputation. Opaque corporate vehicles based in places like the British Virgin Islands, Cayman Islands and Jersey are frequently abused by corrupt individuals and organised crime groups

to move and store large amounts of illicit wealth. The anonymity they provide has been a major block both to law enforcement agencies tracking criminal activity and private businesses trying to understand prospective clients and potential partners.

To help protect the reputation of the UK's financial system and end its role in international crime, the UK Government should legislate through the Privy Council where necessary to bring corporate transparency in the Overseas Territories into line with the UK. The UK Government should also work with the UK's Crown Dependencies to bring them up to the same standard.

See *Paradise Lost* for more detail.

UK incorporated legal entities facilitate a wide range of legitimate economic activities. However, the abuse of UK companies and partnerships to move illicit wealth is damaging the UK's reputation as a good place to do business. Scottish Limited Partnerships (SLPs) in particular have played a key role in some of the most audacious money laundering schemes in recent history and are fast becoming the UK's own home-grown secrecy vehicle.

To increase transparency about who owns and controls Scottish Limited Partnerships and deter their use in money laundering schemes:

- the UK Government should, in most circumstances, prohibit corporate partners in SLPs and any other UK legal entity that has a separate legal personality;
- bring SLPs within the scope of the Persons of Significant Control (PSC) register as soon as possible; and
- to ensure the integrity of the PSC register, Companies House should undertake a thorough verification exercise to ensure there is confidence that the information submitted during SLPs' transition to the new rules is accurate.

Strengthen corporate governance in the UK

The UK is an international hub for business and finance, respected for its rule of law and high-quality professional services. Yet this reputation as a stable business environment is undermined by its failure to prevent high-level white collar crime, such as the rigging of LIBOR, or to prosecute banks involved in large-scale money laundering. In order to deter this irresponsible corporate behaviour there needs to be tougher action by law enforcement agencies. However, at the moment it is too difficult to prosecute corporations for most financial and economic crime, leaving them to act with relative impunity.

To effectively deter irresponsible corporate behaviour, the UK Government should introduce corporate and individual offences for failing to prevent economic crime.

Improve the UK's defences against criminal wealth

Money laundering is a global problem. It can undermine the stability of the UK's financial markets and institutions, and deprives some of the most impoverished countries of the opportunity to develop into flourishing economies. Due to our rule of law, world-class professional services and stable economy, the UK has become an attractive target for those looking to move illicit wealth to a safe haven. To help prevent these individuals from enjoying the proceeds of their crimes with impunity, law enforcement agencies need the assistance of UK businesses. However, this first line of defence against money laundering must be strengthened if our economy is to be safe from criminal wealth.

The UK currently has a confusing patchwork of 27 supervisory bodies responsible for overseeing the country's defences against criminal wealth being laundered into the UK economy. Whilst some of these are performing well, there are many that are proving unfit for the job – riven by conflicts of interest, slow to enforce the law and unaccountable to external scrutiny. This needs to change if we are to turn the tide on the flood of illicit wealth flowing into the UK economy.

To help improve the effectiveness of the UK's defences against criminal wealth, the UK Government should consolidate the number of anti-money laundering supervisors, increase their accountability through greater transparency over their activities, and control for conflicts of interest.

See [Don't Look, Won't Find](#) for more detail.

Enhance natural resource transparency

In recent years the UK has led the way in encouraging its extractive sector to be more transparent, particularly through a combination of voluntary reporting under the Extractive Industries Transparency Initiative (EITI) and mandatory disclosure rules now present in the EU. But although taxes, royalties and other payments are included within existing disclosure rules, payments from oil traders to governments (often billions of \$USD each year) are not.

To continue the UK's global leadership in pushing transparency in the extractive sector, the UK Government should deliver on existing commitments to enhance company disclosure regarding payments to government for the sale of oil, gas and minerals.



Defending our democracy

Defend democracy from outside interference

Concern over big money in politics has long been a cloud hanging over Britain's democracy. Nearly every Parliament in recent memory has been dogged by scandals, about cash-for-access, cash-for-influence and cash-for-honours. And now fears of foreign influence over electoral campaigns – especially through opaque corporate political contributions – are further eroding trust in our democratic institutions and processes. This is no longer just a problem of public faith in our political system, it is a matter of national security.

The solutions to this are clear – political donations need to be capped, limits on election spending reduced, transparency around political contributions increased and the rules on corporate donations tightened. All of the main political parties recognise this needs to happen, yet cross-party agreement has remained elusive.

To safeguard our democracy from outside interference and undue influence, the UK Government should reinforce controls on sources of political party finance, and Parliament should make available the means to robustly enforce them.

See [Take Back Control](#) for more detail.

Ensure MPs work in the public interest

The role of an MP is to represent their constituents, through lobbying government, scrutinising legislation and voting on legislation. It should be a full-time job that is performed with the seriousness and respect that such an office deserves. Yet according to research by Transparency International UK, between 2014 and 2015, 73 MPs were paid £3.4 million for advisory positions that could have presented a conflict of interest. It is unsurprising, therefore, that almost a third of UK respondents to Transparency International's latest Global Corruption Barometer thought 'all' or 'most' MPs were corrupt.

Parliament is slowly recognising this needs to change. The Commissioner for Standards has consulted on the issue of second jobs, so has the Commons Standards Committee and so

has the Committee on Standards in Public Life. But there has been too much talk and not enough action.

To ensure MPs work in the public interest, the UK Government should work with Parliament to prohibit MPs from undertaking any paid advisory work relating to the affairs of Parliament.

See [Accountable Influence](#) for more detail.

Whilst MPs are representatives of the people, they may also have private interests, such as shareholdings, businesses and property. Ensuring these private interests do not impair their judgement or behaviour is essential to ensuring the integrity of our democracy. In order to make sure there is no conflict of these interests – whether perceived or actual – this information is published in the Register of Members' Financial Interests. However, at the moment, this is not made available in a way that is easily accessible or analysable.

To increase the transparency around MPs' financial interests, the UK Parliament should publish the Register of Members' Financial Interests as structured open data.

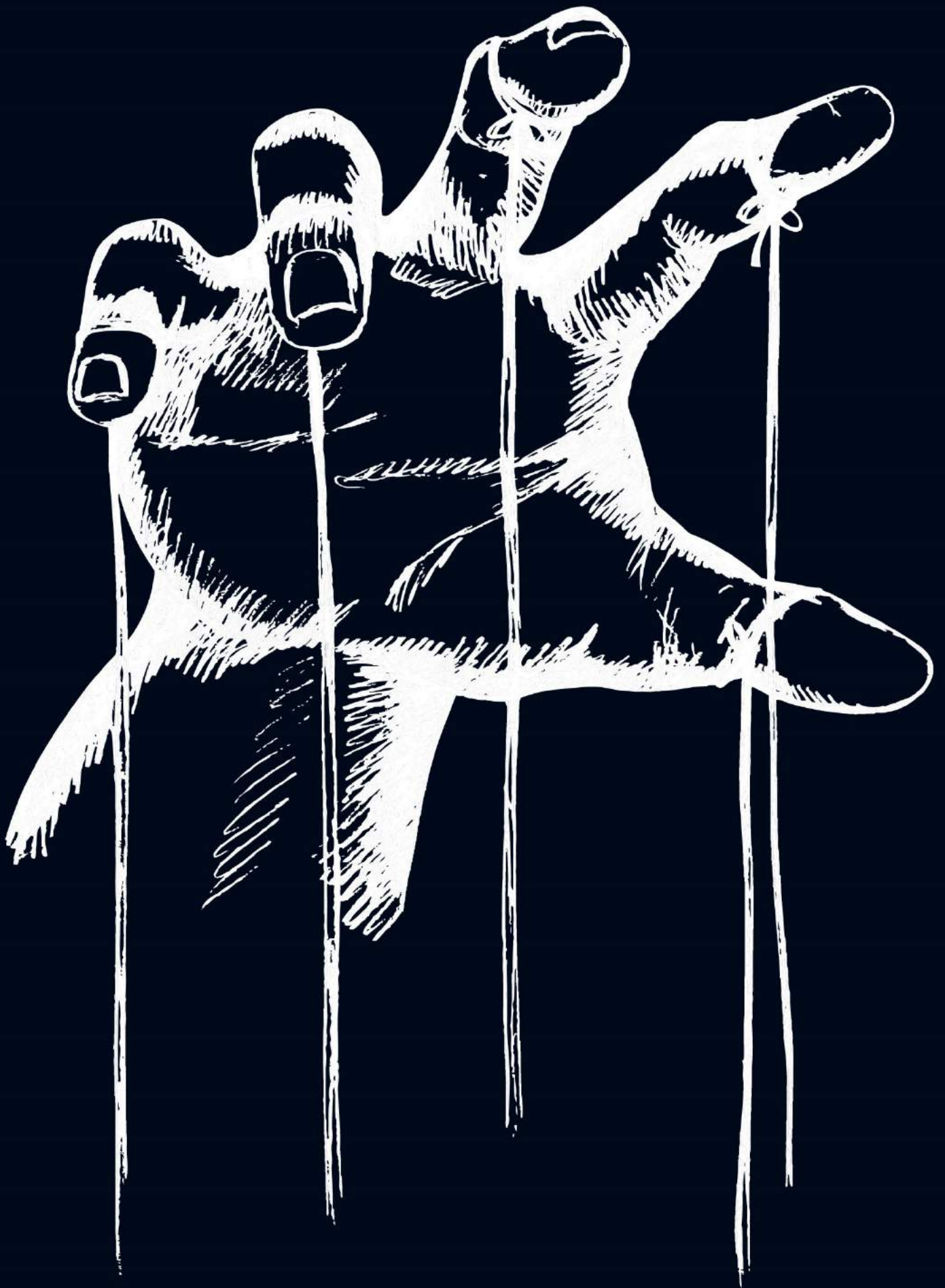
See [Accountable Influence](#) for more detail.

Normalise transparency in Northern Ireland politics

Northern Ireland is an essential part of our Union, yet its political system remains out of step with the rest of the UK. Despite cross-party consensus and overwhelming public support, there is still no transparency over who makes contributions to political parties in Northern Ireland. Initially intended as a security measure, this opacity remains one of the last remnants of 'the troubles' – an anachronism that some political parties are unilaterally putting behind them through voluntary disclosure of this information.

To help normalise politics in Northern Ireland, the UK Government should bring the transparency requirements for Northern Ireland political parties into line with the rest of the UK.

See [Take Back Control](#) for more detail.



Making government more open and accountable

Lead the country's efforts to counter corruption

Providing strong leadership in the fight against corruption requires effective coordination across multiple departments and agencies, and clear ownership within government. Successive anti-corruption Champions have provided challenge on this issue. However, not since 2014 has there been a Cabinet Minister with this brief, who could drive it forward and provide stable leadership with a clear, world-class anti-corruption strategy.

To coordinate anti-corruption efforts, the Prime Minister should assign a Cabinet Minister to be responsible for driving the implementation of a world-class anti-corruption strategy, which addresses corruption here as well as abroad.

See our blog for more detail

<http://www.transparency.org.uk/why-do-we-need-a-world-class-anti-corruption-strategy/>

Ensuring trust in government

The authority of a democratic government in delivering its policies depends on commanding the public's trust. Yet in a time of extreme public cynicism and global instability, this trust is undermined as a consequences of perceived undue corporate influence or intervention from foreign governments. That is why government needs to be more open than ever, to show its citizens that it is truly working in the national interest. Currently, Ministers' external engagements are published quarterly. However, this falls way behind the transparency standards set by the US, Canada and Ireland, which have statutory registers of lobbying covering a range of other activities, including emails, phone calls and letters to Ministers and civil servants.

To protect against public cynicism and lobbying abuses, the UK Government should bring the UK's transparency arrangements into line with the US, Canada and Ireland by introducing a statutory register of lobbyists covering both in-house and consultant lobbyists and a wide range of activities other than just face-to-face meetings.

See *Accountable Influence* for more detail.

Protect the integrity of public office

Serving at the highest levels of public office, in the national interest, is a great honour. However, there are many who have been seen to use it as a stepping stone for lucrative employment when they move on. The potential incentives the 'revolving door' introduces risks private interests competing with the public interest in public service. This is further aggravated by the absence of action when former Ministers and senior civil servants breach both the spirit and the letter of the rules on public employment, both whilst in office and when they move to new roles in the private sector. Not only does this bring into question the integrity of that individual, it tars their colleagues with the same brush.

To protect the integrity of high public office, the UK Government should ensure there is a body with the independence and resources to effectively monitor and enforce the rules on Ministerial conduct, both during and after their time in public service.

See *Accountable Influence* for more detail.

There is currently not enough evidence about the extent of corruption in key UK institutions, such as prisons and local government. Government and other public bodies can play a key role in identifying potential corruption risks because of their interaction with a wide range of sectors and law enforcement agencies.

To provide a clearer overview of the UK's corruption problem all government departments and agencies, and as a priority those covering the police, prisons, border force and local government, should undertake and publish a corruption risk assessment for the sectors they engage.

Through our own work around the world, we have seen that citizen complaints represent a large quantity of primary data on public experience of corruption. However, according to data from Transparency International's Global Corruption Barometer, almost one in five UK respondents thought corruption was not being reported because people do not think anything

would be done about it. More needs to be done to encourage citizens to report this information. As well as deserving investigation, these reports can provide data on the instances, prevalence, scale, impact, consequences and mechanisms of corruption and can play a critical role in identifying vulnerabilities and corruption hotspots.

The UK Government should make available a publicly accessible platform to report instances of corruption. This would provide intelligence on the potential levels and nature of corruption in the UK, as well as enable the public to report instances of corruption. Such a hotline should have a mandate to deal with both criminal offences and non-criminal corruption allegations – including professional misconduct.

Re-build trust through openness

The UK is facing some of its biggest challenges in a generation. To overcome these, government needs the trust of the people. However, cynicism and faith in our public institutions is worryingly low. According to Transparency International's most recent Global Corruption Barometer, almost a third of UK respondents thought 'most' or 'all' Prime Ministers and officials in their office were corrupt. Almost a quarter thought the same of government officials.

It is unclear what drives these perceptions, but that they exist is well established. In this context, the opacity of government and how it makes decisions – from airport expansions to energy infrastructure to high speed rail – does nothing to engender faith from its citizens. Instead of hiding this information behind closed doors and bureaucratic excuses, government should be bolder and more open about how it deliberates over key issues that affect the national interest.

To help re-build trust in the executive, the UK Government should proactively publish the minutes of meetings involving major decisions.

See *How Open Data Can Help Tackle Corruption* for more detail.

Engaging with external stakeholders is an essential part of good governance. It allows government to understand the impact of proposed legislative and policy changes, and brings external expertise and experience to bear on some of the most important decisions of our time. However, it can be used by those looking to further their private interests to distort public policy by providing false or misleading information. Unlike Parliament, which publishes copies of the submissions it receives, the UK Government does not consistently publish consultation responses. This means it is more difficult to identify potentially misleading information or evidence that could unduly influence decisions of significant public interest and importance.

To reduce the risk of public policy being influenced by false or misleading evidence, the UK Government should publish the details of all consultations it undertakes, including details of the proposals, impact assessments, submissions from the consultation and the conclusions.

Despite initiatives, like the British and Irish Legal Information Institute (BAILII), it is very difficult for citizens, journalists, public officials and interested individuals to find court documents and judgements. As so much of UK law is defined by court judgements, this opacity prevents it from being accessible, intelligible, clear and predictable.

To ensure that UK law is accessible, intelligible, clear and predictable, the UK Government should undertake a comprehensive review and reform public access to court documents and judgements.

See *How Open is the UK Government?* for more detail.

Open the books on public sector spending

To help facilitate functioning, competitive markets and assure taxpayers that their money is well spent, recent governments have sought to open-up public expenditure to greater scrutiny. Although this transparency agenda has been well-intentioned, it needs greater focus to ensure that what is published can be used effectively.

Research by Transparency International UK has found that the recipients of billions of pounds of public money has been unnecessarily hidden from public view in recent years, and that following the money from tender to transactions is difficult for even the most experienced auditors. Government has started improving fiscal transparency by beginning to introduce open contracting standards across the Crown Commercial Service. But to help track where public money goes, this needs to be rolled-out across the public sector, including the National Health Service.

To prevent corruption and collusion denying taxpayers value for money from public services, the UK Government should apply the open contracting standard across the whole of the public sector, including the National Health Service.

See [Counting the Pennies](#) for more detail.

Increase transparency and accountability in the public sector

In recent years, public service delivery has increased the involvement of private enterprise. With this, there has been a weakening of public oversight as these services – from the running of prisons to providing NHS services – are no longer subject to public access to information legislation. According to a 2013 report from the National Audit Office, around £187 billion worth of public funds each year is spent on goods and services provided by third parties, who are not fully covered by the Freedom of Information Act. This makes it much harder to identify wrongdoing and the misuse of public resources.

To help ensure the integrity of public service provision, the Freedom of Information Act should be extended to include private enterprises undertaking public contracts.

See our [How Open is the UK Government?](#) for more detail.

Previous governments have sought to increase the amount of open data published by the public sector, to help increase accountability and innovation in both public services and private enterprise. However, the reality has been mixed, with some datasets not being used and

others not good enough for the purpose they were intended for.

To ensure the supply of open data meets its demand, the UK Government should improve its engagement with users, for example, by re-instating the Open Data User group.

See [Counting the Pennies](#) for more detail.

The NHS England annual budget is set to rise to £120 billion with the vast majority being spent on equipment and services. The complex nature of the health system, a lack of adequate oversight and this level of resources makes the health sector highly vulnerable to conflicts of interest. Improving the transparency of interactions between NHS staff and other individuals and commercial organisations, and minimising the variation in conflicts of interest rules across the NHS, is vital to fighting corruption.

To minimise the risk of corruption within the health sector, the UK Government should apply conflicts of interest rules, to high transparency standards, consistently across the NHS.

See our [submission to the UK Government's consultation on managing conflicts of interest within the NHS](#) for more detail

<http://ti-health.org/content/managing-conflicts-interest-nhs-submission/>

Whistleblowers are less likely to report workplace misconduct when their employers do not provide clear internal reporting channels. And in some settings, whistleblowing carries connotations of betrayal rather than being seen as a benefit to the public. Ultimately, societies, institutions and citizens lose out when there is no one willing to cry foul in the face of corruption. Whistleblowers are invaluable in exposing corruption, fraud and mismanagement.

To ensure the current provisions for protecting whistleblowers are fit for purpose, the UK Government should review the effectiveness of recent legislative changes in this area.

See [How Open is the UK Government?](#) for more detail.



Providing strong leadership on the world stage

Champion integrity on the global stage

In recent years, the UK has taken a leading role in the fight against corruption by utilising multilateral institutions and initiatives, including the May 2016 Anti-Corruption Summit, to press the international community into action.

The UK Government should champion global anti-corruption initiatives to safeguard world security and economic development, providing a strong voice internationally for ending corruption. Key to demonstrating continued leadership will be implementing the UK's outstanding commitments from the 2016 Anti-Corruption Summit and embedding anti-corruption clauses in its new trade deals.

Ensure trade agreements meet global standards

The risks of undue influence during trade negotiations are a serious and controversial matter. It is important that there is transparency over the trade negotiation process to ensure accountability and public trust in the institutions involved and the fairness of policy making.

As these negotiations proceed, anti-corruption standards must be given full political backing. Trade agreements with extensive transparency mechanisms are found to have a greater positive effect on trade flows than those with shallow commitments to transparency. An emphasis on anti-corruption is already apparent in most bilateral trade agreements, which regularly go beyond World Trade Organisation norms and address a wider range of policy areas.

The UK Government should guarantee that all negotiating parties strengthen transparency and accountability over the lobbying during trade negotiations, as a matter of priority. The UK Government should also endeavour to embed anti-corruption and transparency provisions into new trade agreements. Best practice in this area includes: explicit reference to international anti-corruption conventions; commitments to criminalise active and passive bribery; non-criminal sanctions for firms where they are not subject to criminal liability; and whistleblower protection.

Strengthen anti-corruption programming in international aid

Corruption can undermine the effectiveness of aid, both when donor money goes astray but more importantly when it is rendered less effective because it is invested into a corrupt system. Addressing corruption risks across DfID's programming and operations should help increase the value for money of UK taxpayers' contribution to international development. It should also increase the effectiveness of support provided to help end the vicious circle of poverty and marginalisation of the world's poorest and most vulnerable.

The UK's Department for International Development and Foreign and Commonwealth Office (FCO) should ensure that tackling corruption is placed at the heart of the UK's aid programming and that tackling corruption is understood as fundamental to the achievement of the Sustainable Development Goals. Distribution of UK aid should be transparent and accountable, and UK aid spending should be directed towards improving corrupt environments so that aid can be used more effectively. DfID and the FCO should exercise concerted and coordinated influence on countries which made commitments at the Anti-Corruption Summit in May 2016 and provide technical and financial support towards the implementation of these commitments.

Counter kleptocracies with smart diplomacy

Britain should be more discerning in choosing its allies and partners. Many leaders to whom the UK instinctively turns are not contributing to the fight against insecurity, extremism and poverty.

The UK Government should end unconditional support to demonstrably corrupt political elites. Instead the UK should renew diplomatic efforts to strengthen the international consensus in favour of transparent and accountable government, especially over the defence and security sectors, which if left unchecked pose a threat to global security.

Counter corruption to prevent extremism

In many countries the authorities' failure to provide basic services, combined with conspicuous elite corruption, cross-border smuggling, and petty bribery, provides a poisonous environment that can be exploited by extremist groups.

The UK Government should lead efforts within NATO and with other key allies to ensure that Alliance institutions and individual nations include counter-corruption initiatives in planning for operations, that they make corruption a mainstream element of military education, and put the issue at the heart of security policy thinking.

See *The Big Spin* for more detail.

Further reading

Faulty Towers: Understanding the Impact of Overseas Corruption on the London Property Market (March 2017)
<http://www.transparency.org.uk/publications/faulty-towers-understanding-the-impact-of-overseas-corruption-on-the-london-property-market/>

The Big Spin: Corruption and the Growth of Violent Extremism (February 2017)
<http://ti-defence.org/publications/the-big-spin/>

Just on Paper? Beneficial Ownership Legal Frameworks in BVI, Cayman & Montserrat (December 2016)
<http://www.transparency.org.uk/publications/just-on-paper/>

Spring Cleaning: How Unexplained Wealth Orders Could Have Helped Address the UK's Role in Laundering Corrupt Wealth from Arab Spring States (November 2016)
<http://www.transparency.org.uk/publications/spring-cleaning/>

Take Back Control: How Big Money Undermines Trust in Politics (October 2016)
<http://www.transparency.org.uk/publications/take-back-control/>

Counting the Pennies: Increasing Transparency in the UK's Public Finances (September 2016)
<http://www.transparency.org.uk/publications/counting-the-pennies/>

Corruption Laws: A Non-Lawyers' Guide to Laws and Offences in the UK Relating to Corrupt Behaviour (June 2016)
<http://www.transparency.org.uk/publications/corruption-laws-a-non-lawyers-guide-to-laws-and-offences-in-the-uk-relating-to-corrupt-behaviour/>

Paradise Lost: Ending the UK's Role as a Safe Haven for Corrupt Individuals, their Allies and Assets (April 2016)
<http://www.transparency.org.uk/publications/paradise-lost/>

Don't Look, Won't Find: Weaknesses in the Supervision of the UK's Anti-Money Laundering Rules (November 2015)
<http://www.transparency.org.uk/publications/dont-look-wont-find-weaknesses-in-the-supervision-of-the-uks-anti-money-laundering-rules/>

Gold Rush: Investment Visas and Corrupt Capital Flows into the UK (October 2015)
<http://www.transparency.org.uk/publications/gold-rush-investment-visas-and-corrupt-capital-flows-into-the-uk/>

Accountable Influence: Bringing Lobbying Out of the Shadows (September 2015)
<http://www.transparency.org.uk/publications/accountable-influence-bringing-lobbying-out-of-the-shadows/>

How Open Data Can Help Tackle Corruption (June 2015)
<http://www.transparency.org.uk/publications/how-open-data-can-help-tackle-corruption-policy-paper/>

Empowering the UK to Recover Corrupt Assets: Unexplained Wealth Orders and Other New Approaches to Illicit Enrichment and Asset Recovery (May 2015)
<http://www.transparency.org.uk/publications/empowering-the-uk-to-recover-corrupt-assets/>

Lifting the Lid on Lobbying: The Hidden Exercise of Power and Influence in the UK (February 2015)
<http://www.transparency.org.uk/publications/lifftthelid/>

Corruption on Your Doorstep: How Corrupt Capital is Used to Buy Property in the UK (February 2015)
<http://www.transparency.org.uk/publications/corruption-on-your-doorstep/>

Closing Down the Safe Havens: Ending Impunity for Corrupt Individuals by Seizing and Recovering their Assets in the UK (December 2013)
<http://www.transparency.org.uk/publications/closing-down-the-safe-havens/>

Corruption in Local Government: The Mounting Risks (October 2013)
<http://www.transparency.org.uk/publications/corruption-in-uk-local-government-the-mounting-risks/>

Corruption in the UK: Overview and Policy Recommendations (March 2012)
<http://www.transparency.org.uk/publications/corruption-in-the-uk-overview-policy-recommendations/>



