



# SFO

SERIOUS FRAUD OFFICE



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Serious Fraud Office

## SFO Strategy 2022-25

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# Introduction

**This Strategy for 2022-2025 sets out the SFO's approach and goals for the next three years. This will be a period of significant change. We will act on what we know now and what we will learn about in the weeks and months ahead to modernise, to build our skills and capabilities, to do things differently and to influence our operating environment.**

We have much to be proud of and build upon. The SFO has a clear and noble mission to fight complex financial crime, to deliver justice for victims and to protect the UK's reputation as a safe place to do business. We do that by fulfilling a purpose to investigate and to prosecute the most serious and complex cases of fraud, bribery and corruption – the crimes that others cannot tackle, that often involve huge sums of money, multiple victims, and significant impacts for the UK economy and global reputation.

Thanks to the expertise, dedication and professionalism of our people the SFO has delivered a huge amount in recent years, including:

- Through fines and other penalties the SFO's net contribution to the taxpayer over the period 2016-17 to 2020-21 was almost £1.3 billion - more than four times greater than its operating costs in the period.
- In collaboration with the French and US authorities the SFO in 2020 achieved a record-breaking settlement with Airbus - who agreed to pay a fine and costs amounting to over £860 million in the UK as part of a global settlement of £3.1 billion – as well as committing to strengthen its

compliance procedures or face conviction.

- Annual asset recovery figures published by the Home Office show that in 2020/21 and over the 4 years covered by the data the SFO recovered the fourth highest amount of the 100 plus agencies that recover the proceeds of crime, despite being one of the smallest.

In October 2021 Petrofac Ltd was ordered to pay £77 million for failing to prevent senior executives paying bribes to win over £2.6 billion in oil and gas contracts in the Middle East - the third SFO conviction in the case after Petrofac's former Head of Sales pleaded guilty to 11 counts of bribery in 2019 and 3 counts of bribery in 2021.

Our operations – pre-investigation, investigation, prosecution (including alternative resolutions to trial like Deferred Prosecution Agreements), and asset recovery – are at the core of this strategy. Every priority we are setting has as its goal the improvement of our operational delivery now and in the years to come.

Notwithstanding our successes, across our operations we face multiple challenges. The operating context is changing, with increasingly complex, voluminous and digital

data and evidence. Fraudsters are able to take advantage of this complexity, using the global growth in technology and the availability of cross-border, digital communication and transactions to hide their criminality. At the same time, many SFO systems and ways of working – from our IT to investigative methods to the legislative framework – have become out of date and cumbersome. As change becomes ever faster and more transformative, these challenges are likely only to become more acute.

In this context, the SFO must change. We want and need to adapt to the changing operating context and to equip our teams with the best possible skills, tools and context in which to succeed.

That is what this Strategy aims to do.

# Executive Summary

**This Strategy for 2022-2025 sets out the SFO's approach and goals for the next three years. This will be a period of significant change. We will modernise, build our skills and capabilities, implement improvements in how we do things and seek to influence our operating environment, including the legislative framework.**

Our principal goals relate to our core purpose by improving **operational outcomes**. We will strive by 2025 to:

- reduce the average and median length of our investigations to 3 years;
- deliver at least one successful outcome in over 80% of our cases<sup>1</sup> (including at least one conviction or DPA) and secure, by jury or guilty plea, a 60% conviction rate of defendants (both corporate and individuals);
- increase recovery rates against financial orders secured on realisable assets to 75%; and
- secure year on year improvements to the percentage of victims and witnesses who are called to give evidence that are satisfied with the experience provided by the SFO.

Our focus in this three years will be to put in place the best possible environment to support our operational delivery through **four key areas**:

- **Skills & Capability** of our staff and the technology available to them;
- **Culture & Prioritisation** to manage our overall workload effectively, doing

less better with a laser-sharp focus on outcomes;

- **Influence** over our operating environment through reputation, communication, policies and partnerships; and
- **Decision-making and performance management**, including clear roles and responsibilities, data analysis and staff objectives.

Given the breadth and importance of the change we want to see, we will establish a new team led by a Deputy Director organisational change expert who will design and lead a dedicated change programme for the duration of this 3 year strategy. The intention is that this has been operationalised and embedded in our core operations by 2025.

As we deliver our Strategy through its annual Business Plans, we will revisit our objectives and metrics to ensure they remain effective in driving the right decisions and priorities. In so doing, we will put value for money, responsible use of public funding and effective prioritisation of SFO's finite human and financial resources at the heart of our planning.

<sup>1</sup> This counts one positive prosecutorial outcome per case (or a DPA) as a success. A case which results in a DPA and no individual prosecutions therefore counts as a successful case. A positive prosecutorial outcome is: guilty plea, conviction after trial or DPA. A negative outcome is: acquittal after trial, judge ordered acquittal or judge directed acquittal. This does not include discontinued prosecutions/DPA negotiations.

## The SFO fights complex financial crime, delivers justice for victims and protects the UK's reputation as a safe place to do business

### We have up to date IT and data management tools that:

- support collaboration across the SFO and beyond
- transform how we use and manage data
- facilitate quicker, more accurate decisions and
- free up human expertise to focus on priorities
- ensure our new office accommodation delivers
- better IT in the short and longer-term

### As an organisation and as individuals we prioritise outcomes:

- delivering our cases at pace and being ready to stop activity to boost overall performance
- managing and escalating risks so they can be acted upon quickly
- finding solutions that work
- informing decisions with evidence and insights
- implementing decisions once they have been made
- supporting victims and witnesses

### We have clear roles and responsibilities that:

- are supported through high quality governance arrangements, MI and performance analysis
- enable us to spot and rectify potential performance issues – at SFO, group and team levels
- mean that risks and opportunities are managed at the right level, with effective communication across the SFO

### Existing staff and new joiners have the skills, training, expectations and support to:

- fulfil their roles with confidence
- develop new skills and share expertise
- collaborate as part of a diverse, dynamic and expert workforce
- use new technology and tools to deliver their work more quickly and easily

### The SFO is outward looking and has the influence to deliver its operations:

- pursuing clear policy goals that shape our operating environment
- communicating with confidence to build support for our mission
- building the SFO brand and reputation at home and abroad
- promoting the SFO's work through multilateral and bilateral policy and operational relationships

### We will give all staff and teams:

- clear, measurable and stretching objectives
- fair and transparent expectations
- challenge and support - including learning and development - to be effective
- recognition for a job well done



# Mission and Strategic Objectives

We launched a refreshed Mission and Strategic Objectives in 2021.

## Our Mission

The Serious Fraud Office fights complex financial crime, delivers justice for victims and protects the UK's reputation as a safe place to do business.

## Our Objectives

- To investigate and prosecute the most serious or complex cases of fraud, bribery and corruption.
- To uphold the rule of law, deliver justice for victims and recover the proceeds of financial crime.
- To deter criminals and require offending companies to reform in order to protect the UK's economy and global reputation as a safe place to invest and do business.
- To collaborate with partners in the UK and overseas to ensure there is no safe haven for those who commit serious financial crime.

## Our Values



### **Integrity and professionalism:**

We make objective decisions whilst always being mindful of quality and value for money.



**Respect:** We show respect to one another, to our external colleagues and to the wider public



**Openness and transparency:** We collaborate and share information with each other and, where appropriate, others, explaining our decisions and learning from our mistake



**Excellence:** We strive for excellence in all that we do.

This is the first three-year Strategy that is designed to meet this vision and goals. It is underpinned by our shared values.



# Skills & Capability

**Our strategy is to provide our staff – existing colleagues and new recruits – with the skills, training, expectations and support to:**

- fulfil their roles with confidence, knowing what is required and how to go about it with impact and self-reliance;
- use new technology and tools to deliver their work more quickly and easily, including by building data skills and awareness across the whole organisation;
- develop new skills and share expertise so that we become a truly learning organisation; and
- collaborate as part of a diverse, dynamic and expert workforce recognising the value that different perspectives and experiences can bring to our operations.

## Digital, Data and Technology

One of the biggest challenges in this period will be to update, upgrade and add to our technological capability. We will invest in four areas:

- **IT Transformation and Cyber Security:** Delivering the collaborative, reliable and secure IT capabilities the SFO needs, providing a great user experience that enables operational success. This will include a successful SFO office move within this strategy period, realising the opportunities this provides to enhance collaboration and resilience.
- **Better use of data:** Transforming the SFO's use of data - including through use of advanced data technologies and digital forensics - to better manage and process ever-growing volumes of unstructured

case data, maximise insights from data, reduce time-consuming manual processes and speed up case delivery including key processes such as disclosure. This includes by 2025 developing and enhancing our data technology tools and platforms to be able to trial, build and operationalise AI and advanced data capabilities.

- **Improved case and business systems:** ensuring that the data we need to manage our business is available, accessible and joined-up. Improve our systems supporting case delivery and our finance and HR systems. For example, we will introduce a new case management system, supporting case progression and helping produce real-time management information about SFO's cases, starting development in 2022 with a minimum viable product targeted for early 2023; and



- Fit for the future skills and ways of working: continuing to build our skills in areas that will help us meet the challenges of the future including digital forensics, data, AI, cloud technologies, and cyber security.

### Learning and Development

We will develop and deliver a comprehensive Learning and Development Plan for the whole of the SFO, ensuring that all our professions are properly stretched and developed with the best possible knowledge, experience and learning plans to do high-quality work that delivers for the business. This should include, for example greater opportunities for lawyers as well as investigators to become accredited financial investigators, and for those across the office who have an interest in developing these skills to be able to do so.

And as we improve our IT and introduce new technology, we will make sure that staff are able to apply them well, including by recruiting new capabilities, providing the right training at the right time to build capabilities amongst existing staff and ensuring everyone has the incentives to adopt new tools.

### Working with external Counsel

The SFO's working model relies on the availability and skills of in-house experts and external counsel. This collaboration of different professions and functions has been instrumental to our success. As we look at the

skills we need within the SFO, for example to exploit new technology and data capabilities, we will also look to ensure that our external teams have the skills, engagement and support that they need.

This is particularly important as we recognise the potential operational impact of a decreasing pool of talent where we might previously have expected easily to meet our operational needs. We want to attract and support the best people to work on our cases, and will examine how we can do this across internal and external talent in a way that delivers our operational objectives now and in the future.

### Diversity and inclusion

Research has shown that organisations that embrace a broad spectrum of voices and perspectives are better able to innovate, take calculated risks, efficiently solve problems and turn challenges into opportunities. Business processes improve as workplace environments become more inclusive, more adaptable and more receptive to change. This benefits the entire organisation, not just one group.

We are committed to ensuring that our recruitment processes attract a diverse range of applicants and do not discriminate at any stage of the process, that our staff undertake appropriate training at all levels, including to build and lead diverse teams, and that everyone feels able to contribute and thrive at

the SFO. We will support our staff networks, using recently appointed Senior Civil Service Champions to promote and encourage action on specific protected characteristics, and put in place a range of measures to promote diversity and inclusion, to harness the benefits of different perspectives and to avoid group think.

Activity will be sequenced to deliver throughout this Strategy Period and included in our annual Business Plans.

# Culture & Prioritisation

**As we improve our operations, like all organisations we will need to maximise the impact of our finite human and financial resources. This is true across our operations (Pre-investigation; Investigation; Prosecution; and Asset Recovery) and enabling functions (IT, Finance, HR, Corporate Services and Strategy). It is also true at an individual level.**

We want to build a culture that embraces change and prioritises outcomes – to meet our mission and realise our objectives. This includes:

- supporting victims and witnesses;
- delivering our cases at pace and being ready to stop activity quickly to boost overall performance;
- managing and escalating risks so they can be acted upon quickly;
- finding solutions that work and sharing learning about what works;
- informing decisions with evidence and insights and
- implementing decisions without delay once they have been made.

**Prioritisation of cases, and consistent planning tools**, will become standard so that we can use finite resources in the most effective way possible. This includes:

- rolling out improved Investigation Plans and post-charge resource schedules to support key milestones
- moving experts between cases and encouraging collaboration across team boundaries so that that the overall workload is well managed
- planning and prioritising demands on specialist areas, such as Digital Forensics

and E-Discovery, making best use of available capacity

- making further improvements to victim and witness care, building on positive findings and recommendations in the recent HMPSCI report

These processes and tools are unlikely to be effective without **creating a culture conducive to new, more effective ways of working.**

In this period, we will build on the Culture Change Programme that has been supporting a better management environment, supporting all staff to be heard and will deliver its third year programme of activity in 2022/3. This will involve looking at wider cultural aspects of operational success, such as psychological safety to question and challenge, empowerment to deliver, and flexibility to work across team boundaries to progress desired outcomes. This will be a major focus of our change programme.

## Victim & Witness Care

We are committed to effective engagement with victims and witnesses from the very outset of an investigation to its conclusion.

We have made strong progress in recent years, including through the introduction of a dedicated Victim and Witness Care Team that works with all SFO case teams to ensure that victims and witnesses are kept informed of developments and given the support that they need.

In January 2022, HM Crown Prosecution Service Inspectorate (HMCPPI) published a report on the SFO's handling of victims and witnesses. The report recognised our commitment and the progress we have made, including through the successful use of a four-stage needs assessment and the tailored support offered by our Witness Care officers. This includes:

- All SFO cases are expected to have a Victim & Witness Strategy, to ensure that the value of witnesses and the need to support victims is being considered as a core aspect of case planning.
- We have taken measures internally to raise awareness and provide training for staff to assist with compliance with the Victims' Code. The HMCPPI review specifically noted that the positive working relationships developed by the Witness

Care Team with case teams has resulted in a better understanding within the SFO of how the organisation can work with and consider the needs of witnesses and victims throughout an investigation and prosecution.

- Recognising that the complexity and length of SFO cases, we provide updates via our website at least every three months or after a significant event. And we will use alternative communication where required, for example if victims and witnesses do not have easy access to the Internet or if they are identified as vulnerable.
- The SFO is proud to co-chair the national Victim of Fraud Working Group with the Home Office, which brings together government, law enforcement and third sector partners to work collaboratively in delivering a better cross-system service to victims of fraud.

Under the 2022-5 Strategy we will take further steps, including to better support vulnerable or intimidated victims and witnesses. We will develop a Victim & Witness Care Strategy setting out a comprehensive programme of activity, including an enhanced training offer for staff.

# Influence

**The SFO has not traditionally sought to influence its operating context. Whilst we are respected for our specialist expertise and operational collaboration, what we do and our impact is little known outside a relatively narrow law enforcement community. We want to change this because our reputation matters and because our operational experience shows us that many of our challenges require systemic change.**

In this period we will move into a more proactive and outward-facing space, including by:

- pursuing clear policy goals that shape our operating environment;
- communicating with confidence to build support for our mission;
- building the SFO brand and reputation at home and abroad; and
- promoting the SFO's work through multilateral and bilateral policy and operational relationships.

Our **communication strategy** will promote the SFO's work, push back robustly on misinformation and unjustified criticism, and ensure that our mission, purpose and strategic objectives inform the public narrative (rather than solely relying on reaction to events in court).

Our aim is to improve recognition and understanding of the SFO and its work, to boost positive sentiment about our work and its impact, and to ensure that our communication supports broader efforts to prevent serious financial crime.

This will include the implementation of a new, improved SFO visual identity.

As an operational Department with a unique role, the SFO has valuable experience and ideas to contribute to the development of policy and legislation. We will focus on areas where we can evidence systemic problems that impact on our operations and we will work with partners and others to promote our interests in areas like:

- **Disclosure**, recognising that the regime was designed at a time when the volume, complexity and range of evidence in our cases was unrecognisable from what exists today – and will look like in the future. We want to explore practical ways of improving the system, which will make it more effective in delivering justice as we implement new data capabilities and ways of working.
- **Corporate Criminal Liability**: The current CCL regime, based on the narrow “identification principle” and limited failure to prevent offences, has created a perverse situation where some companies have no liability for misconduct connected to the most serious economic crime and no incentive to prevent it. Under the current regime, large corporates are not held to the same standard of criminal liability as small

businesses and individuals. We will continue to provide insights from our operational experience to government departments that can assist expansion of the range of “failure to prevent” offences to cover economic crimes such as fraud. This would achieve two objectives: to improve prevention, and to give the SFO and CPS a simple tool for prosecuting corporates guilty of allowing or even promoting fraud.

- **Extending Section 2A powers to fraud:**

The SFO can use its Section 2 powers to compel companies and individuals to provide information to SFO officers once an investigation has been opened. However, in suspected cases of foreign bribery and corruption only, we can use our Section 2A powers at the ‘pre-investigation’ stage to help decide whether to take on a case. The use of these powers at the earliest possible stage usually results in high-quality targeted intelligence packages, which allow an investigation to advance more quickly. We are not able to do the same for fraud cases, which is something we would like to see changed.

Our external engagement will focus on those relationships and partners where our mutual and respective interests can support the SFO’s objectives. That includes our policy goals and our operational delivery.

In operational areas like proceeds of crime, civil recovery and international assistance where we have a strong track record and sought-after expertise, we want to: establish ourselves as an operational partner of choice (especially once the new UKCA protocol for incoming international assistance request acceptance is rolled out); pool expertise and learning with partners like the NCA, the CPS and our active membership of the NECC; and to take a lead role in relatively new areas such as Unexplained Wealth Orders, listed assets and account freezing orders.

We will also communicate more and with greater impact with our own staff, ensuring that everyone has the information they need when they need it and is able to participate in the Strategy and its realisation. We will redesign our Intranet and use our communication strategy to support our objectives around staff engagement.

## Disclosure

At the start of this strategic period we will have two independent reviews of SFO operations, including our performance on disclosure. This has been the focus of criticism and a contributor to some high profile operational failures in recent months.

We look forward to the findings of our external reviewers. Nonetheless, we are not waiting for their findings to implement improvements. These span a number of our strategic priorities, from how we use technology to interrogate evidence, to our skills and culture, to our asks of Government to improve the system in which we operate.

Data has always been important in SFO cases, but the volume and complexity of that data is continuing to increase. The companies we investigate are increasingly digitised, posing challenges for the investigation and prosecution of our cases, particularly for the disclosure process. This pattern is mirrored for individuals, with an increasing proportion of people's lives managed online.

SFO's capability to extract data (including through digital forensics), sift and make sense of huge volumes of data and to apply it to our cases in a timely manner has never been more important. We will invest in the technology, skills and culture needed to meet these challenges and to fulfil our disclosure obligations effectively.

However, arguably the data explosion and changes in fraud facilitated by technology

cannot solely be met by investment in and action by law enforcement bodies like the SFO. The volume of data and materials in each SFO case and the concept of 'relevance' and what this means for disclosure exposes us to disproportionate operational risks. For example:

- SFO's Rolls Royce investigation generated 30 million documents.
- In other cases, the SFO has seized a phone with over 300,000 WhatsApp messages, a computer with 8 million emails and company servers holding the capacity of 600 mobile phones.

Effective disclosure is critical to a fair trial and supports confidence in the administration of criminal justice. However, the legislative framework was designed before the advent of mass digital data. Lord Justice Gross, noted in 2011 that it "is essential that the burden of disclosure should not render the prosecution of economic crime impractical," and yet, ten years later, disclosure arguably creates ever increasing practical hurdles for law enforcement agencies investigating and prosecuting complex economic crime cases.

The disclosure regime permits limited margin for error, despite involving the manual review and description of hundreds of thousands of documents. We would like to encourage consideration of how the disclosure regime could be brought up to date to support justice in cases of complex economic crime in the digital age.



# Decision-making and Performance Management

**Having the right objectives, success measures, data and analysis to understand and to manage the SFO's performance is crucially important. Within this, our governance structures, roles and responsibilities and decision-making / decision-implementation accountability must be clear.**

In this period we will focus on SFO-wide and team/individual performance, for example by ensuring that:

We have clear roles and responsibilities that:

- are supported through high quality governance arrangements, Management Information (MI) and performance analysis;
- enable us to spot and rectify potential performance issues – at SFO, group and team levels;
- mean that risks and opportunities are managed at the right level, with effective communication across the SFO.

In this period we will define and clarify roles and responsibilities across the SFO, including for decisions on case progression, priorities and how we do our work. This will support the whole office to operate with confidence as we implement this Strategy.

Some of the performance data and MI that we would like to have is dependent on future IT delivery, including the implementation of a new case management system. Nonetheless, we can and will use the tools available to us to monitor performance data and to help identify where issues might arise and what action is

needed to keep our operational delivery on track.

At the same time, we will support managers to give all staff and teams:

- clear, measurable and stretching objectives;
- fair and transparent expectations;
- challenge and support - including learning and development - to be effective;
- recognition for a job well done.

# Change Realisation

**The level of change envisaged by this Strategy is unprecedented for the SFO. This is exciting and energising. However, having never delivered such far-reaching change, and without sufficient change-management experience in our existing teams, we recognise that we will need to boost our change leadership and implementation skills throughout the period of this Strategy.**

Consequently, we are putting in place a new team of change experts led at Deputy Director (SCS1) level to design, progress and embed a bespoke change programme that brings together the key elements of change in this period. This will cover all aspects of this Strategy and bring together the key change initiatives into a coherent portfolio.

This will ensure that we have resourced the change we need with the best possible expertise, that can support and harness the whole office to become effective change agents and to realise our ambitions to improve now and get ready for the future in a fast-changing operational environment.

# Outcomes

Themes	Inputs	Outcomes
<b>Skills &amp; Capability</b>	IT & Data Tools Skills & Training Expectations & Support	Staff have the skills and tools they need – better collaboration and operational results
<b>Culture &amp; Prioritisation</b>	Case prioritisation Culture change strategy Planning tools Victim & witness care	SFO’s culture supports effective prioritisation – better resource management and delivery of strategic objectives
<b>Influence</b>	Communication Strategy Policy positions Visual Identity Engagement plans Internal Communication	SFO communicates with impact – better reputation and staff engagement, improved operating environment / outcomes
<b>Decision-making &amp; Performance Management</b>	Roles & Responsibilities Performance analysis Risk tools Clear objectives Support and L&D	Effective decisions and enhanced performance – quicker, more effective implementation of improvements to operations

## Operational Delivery Goals – by 2025

Reduce the average and median length of our investigations to 3 years

Deliver at least one successful outcome in over 80% of our cases (including at least one conviction or DPA) and secure, by jury or guilty plea, a 60% conviction rate of defendants (both corporate and individuals);

Increase recovery rates against financial orders secured on realisable assets to 75%

Year on year increase in victims and witnesses satisfied with the experience provided by the SFO

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