

**Jennie Granger
Director General
Customer Compliance**

Tel

Email

The Baroness Newlove,

www.hmrc.gov.uk

17th February 2017

Dear *Lady Newlove*

HMRC takes its responsibilities to the Victims' Code very seriously, and whilst the definition of victim in relation to most of HMRCs work is very different from other organisations there are still circumstances where it is directly applicable.

The majority of cases investigated by HMRC are frauds committed against the Crown – so the Crown is in effect the victim. There are however some instances in which a victim(s) of a fraud investigated by HMRC may be defined by the code (i.e. someone who has suffered a direct economic loss).

Further operational detail has been provided for your information in an annex attached to this letter.

HMRC understands the importance of raising awareness of the code and provides officers with the appropriate training and information. My policy teams worked closely with MoJ policy colleagues in developing Chapter 5 of the Code.

We have also made a public commitment to the code by publishing [HMRC's responsibilities for standards on the rights, support and protections of victims of crime](#) on our internet site.

I hope this explains HMRCs approach to the Victims' Code and reassures you that we have
~~in place a fully supportive policy and training programme to ensure compliance.~~

If you have any further questions please don't hesitate to contact me.

Yours sincerely



JENNIE GRANGER

DIRECTOR GENERAL CUSTOMER COMPLIANCE

To find out what you can expect from us and what we expect from you go to
www.gov.uk/hmrc/your-charter and have a look at 'Your Charter'.

HMRC Background

HMRC are the UK's tax, payments and customs authority. We collect the money that pays for the UK's public services and help families and individuals with targeted financial support. We do this by helping the honest majority to get their tax right and make it hard for the dishonest minority to cheat the system.

HMRC aims to secure the highest level of compliance with the law and regulations governing direct and indirect taxes and other regimes for which we're responsible. Criminal investigation, with a view to prosecution by the UK's prosecuting agencies, is an important part of our overall enforcement strategy.

It is HMRC policy to deal with fraud through cost effective civil investigation procedures wherever appropriate. Criminal investigations are reserved for cases where HMRC needs to send a strong deterrent message or where the conduct involved is such that only a criminal sanction is appropriate.

National Minimum Wage

Investigations we do on behalf of the Department for Business, Energy and Industrial Strategy in enforcing the National Minimum Wage (NMW) are where we may encounter victims covered by the Victims' Code. This would be where a person has not been paid the NMW by their employer.

In this instance we would always look to recoup the money underpaid by the employer on behalf of the employees.

With regard to victim support services, this is assessed on a case by case basis dependent on the risks to the victim. However, NMW fraud is often committed against those who are on low pay and therefore already in receipt of benefits.

Since November 2015, when the Victims' Code of Practice became applicable to HMRC, there have been no criminal cases investigated where a victim has been identified

Training

Training on the Victims' Code is included in our programme of continuous professional development for criminal investigators.

The following internal guidance for criminal investigators was also published in November 2015.

Compliance with the Victims Code of Practice

The following is the published internal HMRC guidance:

The MoJ published a new [Code of Practice for the Victims of Crime \(2015\)](#) for England & Wales which came into effect on the 16th November 2015.

HMRC is identified as a competent authority who will be bound by the Code which imposes obligations upon all UK law enforcement agencies in respect of how 'victims' are to be treated. The definition of a victim is "a natural person who has suffered harm, including physical, mental or emotional harm or economic loss which was directly caused by a criminal offence"

In E&W, Officers must ensure they familiarize themselves with the Introduction to the Code of Practice (pages 1-9) and are aware of their obligations under Chapter 5 (pages 83-90).

In NI, Officers must operate within the spirit of the [Victim Charter \(Justice Act \(Northern Ireland\) 2015\) Order 2015](#).

In Scotland, Officers must operate within the spirit of [The Victims' Rights \(Scotland\) Regulations 2015](#) and the [Victims' Code for Scotland](#).

It is the responsibility of officers to consider whether there is a victim of crime in the case they are investigating and for any victim to be afforded their rights under the Codes/Charter.

The Codes/Charter makes clear that its intention is to address how all victims of crime should be treated by the Criminal Justice System and as such HMRC are subject to these measures. Furthermore, under the Codes/Charter, where a victim suffers harm caused by any criminal offence and they report that crime to the competent authority then that authority

is obliged to keep the victim informed of the progress of the criminal case (as long as this doesn't prejudice the criminal investigation).

Background

The EU Victims' Directive was adopted by the UK in 2012 and all EU Member States must have fully transpose the Directive by November 2015. The aim of the Directive is to promote improved standards on the entitlements, support and protection available to victims of crime across the EU. The MoJ Code of Practice for Victims of Crime was first introduced in 2013, the 2015 version expands the scope of the Code to cover competent authorities who weren't previously subject to the Code.

Scotland and NI introduced their Regulation, Code and Charter in November 2015.
