Houses of Parliament

Joint Committee on the National Security Strategy

Oral evidence: Defending democracy

Monday 9 February 2026

4.30 pm

Watch the meeting

Members present: Matt Western (The Chair); Lord Arbuthnot of Edrom; Dame Karen Bradley; Liam Byrne; Sarah Champion; Mr Tanmanjeet Singh Dhesi; Lord Godson; Lord Hutton of Furness; Lord Jack of Courance; Baroness Kidron; Mike Martin; Edward Morello; Lord Sedwill; Lord Tunnicliffe; Baroness Tyler of Enfield; Lord Watts; Sir Gavin Williamson.

Evidence Session No. 4	Heard in Public	Questions 46 - 63

Witnesses

I: Graeme Biggar CBE, Director-General, National Crime Agency; Rachael Herbert, Director, National Economic Crime Centre, National Crime Agency.

Examination of witnesses

Graeme Biggar and Rachael Herbert.

Q46 **The Chair:** Order, order. Welcome to today's meeting of the Joint Committee on the National Security Strategy. We are holding a session today on political finance as part of our "Defending Democracy" inquiry, and I am pleased to say that we are joined by two representatives from the National Crime Agency. Perhaps you would like to introduce yourselves.

Graeme Biggar: Thank you, Chair. I am Graeme Biggar. I am the director-general—the head—of the National Crime Agency

Rachael Herbert: Afternoon. I am Rachael Herbert. I am the director of the NCA's National Economic Crime Centre.

The Chair: Thank you very much for joining us. Can I just start by asking you: in the last five years, how many cases of foreign influence in political finance have you investigated?

Graeme Biggar: That have led to an actual investigation? We have had one, which this committee is aware of: the Sheleg case, which members of this committee wrote to us about back in 2022. That is the only case that we have had that has been a proper investigation. There are inevitably a number of other issues. A bit like MI5, we have intelligence that we collect that can lead to a lead, and then an intelligence development, and then finally to an investigation. So there are a number of other areas and issues that we have looked at and taken forward but then not taken any further. But the answer to your direct question is only one case.

The Chair: So just one case. How many would you have been asked to look into and then felt that it was not appropriate?

Graeme Biggar: We have not been asked to look into any in that period. That particular case came out of our own intelligence and we chose to investigate it and develop it. We have had no referrals from the Electoral Commission in that period for us to look at. There was, of course, continual engagement between ourselves, the intelligence agencies and the Met police on all the cases that were in this ballpark—but no, none that we have turned down.

The Chair: I am not sure if I am alone at this end of the room in being aghast at there just being one example—I can see some heads nodding—but that is a real surprise. How many cases would you be expecting to look at in the coming five years?

Graeme Biggar: That will depend on whether an elections Bill is put forward and passed. I am sure we will come back to this later in the session. The PPERA legislation at the moment does not give us great grounds to investigate. That was what we found with the cases that we have looked at previously, including the one I mentioned before. If that goes through then there may be more because, if behaviour continues, there may be more for us to investigate. But it will still probably not be significant. I will give you some broader information on this.

We have a national assessment centre who do intelligence assessments—a bit like the JIC does, or JTAG for terrorism—for serious and organised crime. Being concerned about this area as we are, we commissioned an assessment back in 2023, and it looked at the previous eight years of donations into political parties and into individuals. This assessment has been done at "top secret" STRAP 2 so I cannot go into the full details here but I can say that, in all the money that was donated in that period, there were a handful of cases that we—and when I say "we" I mean the intelligence community as a whole and law enforcement—could associate with foreign states, which represented less than 0.1% of the money that was donated. Now, I am not saying that is the totality; that is what we could find and knew about, and of course there could be more that we do not know about. I am happy to answer questions on the scale and the scope of the intelligence collection and understanding around this but, on the basis of everyone's knowledge across the British law enforcement and intelligence system of what was happening over eight years, it was less than 0.1% of the money donated.

The Chair: It is quite striking: we have seen a real escalation in finance coming into political funding, and an acceleration in that as well. In corporate donations, I think back in 2017 there was something like £17 million for that general election, whereas in 2024 that had gone up to £42 million—a massive increase in seven years. I would have imagined that, with that rapid increase, there would have been much more activity going on looking into the sourcing of some of this funding. But, as far as you are concerned, there has not been anything suspicious going on, and the Electoral Commission has not been concerned either.

Graeme Biggar: I would not characterise it as that. Take one step back: we are not the only organisation that would investigate this, and we are not the primary one either. The Electoral Commission will be looking at all the donations. If it is seeing something that is suspicious, it will refer it to law enforcement. The primary body that that goes to is the Met police, not us. We would take cases occasionally, and we have taken two in the last eight or nine years. Even the Met police, though, are only taking a handful and they have not in that time—as far as I am aware; I would need to confirm—reached a prosecution. So it is not just us; it is the Met police as well. Is there a behaviour happening that is suspicious? Yes, there is. But is it unlawful against the current PPER Act? When we have looked into it, it has not been. Also, when the Met police have looked into it, it has not been.

The Chair: Do you have any particular concerns about the donations from wealthy individuals, organised crime, state-backed groups or whatever? Are you seeing any patterns emerging where you think it is more concerning than it would have been, say, two or three years ago?

Graeme Biggar: We are fundamentally an intelligence-led law enforcement agency and part of the national security community. What we need to be concerned about is whether something is breaking the law. There is a lot happening that many people might think is suspicious, and that is not in line with the spirit that Parliament intended when it passed PPERA, but that is not actually unlawful. That has been a real concern to us. It is why we did our intelligence assessment in 2023. It is why for some years we have been lobbying internally within Government to change the legislation, because it does not feel like it is in the right place at the moment. But we have to come back to the fact that, if we are going to investigate something, we need to have suspicion of a criminal offence. If we are going to prosecute, obviously there needs to be a criminal offence, so that has limited what we can do.

The Chair: You were saying a moment ago that the Met police were more involved, really, in investigating these sorts of cases. Yet the Met police, when we asked them for evidence, said they had very little of this and were not well placed to cover those concerns—hence my asking yourselves, thinking it must fall to you. You are saying it is down to the Met, but the Met seem to suggest that it is not really their responsibility either.

Graeme Biggar: I guess that would depend on exactly the question that was put to the Met. The way we see it—and we are as one with the Met; we have not got any tensions or complications in that relationship—is this. Referrals would come from the Electoral Commission. They do primarily go to the Met police. That is because primarily the geographic basis for the offence would be in London, and also because the Met police has set up a Special Enquiry Team, which it has had for a number of years, which it uses to investigate not just political funding cases but Members of Parliament and politically exposed people if they have committed an offence that is in relation to their duties. They have that lead, so such accusations go to them. We pick them up more by exception. But we work really closely with them. If they need our support or want to escalate a case to us, we would have that debate with them and take it. I think you would find, if the Met police were here alongside me, that we would be as one on this.

The Chair: Just briefly before I bring in Edward Morello, I ask: the national picture, of course, might be very concerning, but should we be more concerned about the risk at a local level in terms of political influence and political funding?

Graeme Biggar: There are risks at a number of different levels, and direct political funding into individuals or parties at local level is part of it, of course. When there are accusations—referrals made from the Electoral Commission—a number are put out to local forces in breaches of electoral law. The figures for that are on the Electoral Commission website. But it is not just the direct funding. As you have seen and written about as well, I am sure, it is the funding of APPGs and the funding of lobby groups who can put forward proposals. There are any number of ways that money that would not be permissible by PPERA can be used to influence political debate. This is one particular issue—political funding, donations into politicians—but it is part of a much bigger picture.

Q47 **Edward Morello:** Mr Biggar, I just wanted to clarify something, because you said that the referrals would come from the Electoral Commission. It is my understanding—please correct me if I am wrong—that the Electoral Commission's remit only extends through the short campaign period. If they are only referring incidents during that period, there is also a vast swathe of time prior to an actual election period where foreign money or individuals could be funnelling donations in. What is the mechanism for identifying malign influence prior to the election period? Is there anyone else who can refer to you? What is the next step?

Graeme Biggar: You would have to ask the Electoral Commission, and they will be more accurate on this than I am. But my understanding is that part of the Electoral Commission's regulatory rule relates to a specific period around elections but a lot of it does not, and political donations is a continual thing that they monitor all the time. They publish information on it on a quarterly basis. If they saw something suspicious that was criminal, then they would refer it into law enforcement—so it is not specific to the period around elections, in my understanding.

On the second part of your question—what is the intelligence collection or understanding of this?—what you have is the Electoral Commission, who get all the material that individuals and parties submit to them about donations received, and they owe due diligence around that, but there are a number of other sources of intelligence that can be used across the whole system. Some of that comes into the National Crime Agency. We might get intelligence from some of our foreign partners. We get quite a lot of intelligence from suspicious activity reports—so suspicious activity of money laundering or terrorist finance that come into the Financial Intelligence Unit that the NCA holds. We get about 860,000 of those a year from right across the regulated sector; that can be a really good intelligence source for any number of crimes, including these.

Over the previous three years, we have had, I think, about 120 intelligence leads—largely from suspicious activity reports, but also foreign partners and other intelligence gathering we are doing—that are related to members of relevant legislatures. That is not just this place, but right across the UK. Of those 120, only about 10 have related to political funding, but all of them we will take, triage and develop further if we think there is a criminal activity to look at.

Edward Morello: You said that there were no referrals from the Electoral Commission in the last five years?

Graeme Biggar: Not from the Electoral Commission to us. There will have been from the Electoral Commission into the Met. But you are talking about one or two a year—something like that. I think the Met have two cases that are open at the moment. If you look back over the last decade or so—again, I would have to absolutely confirm with the

Met—I do not think they have brought a single prosecution. That is not lack of capability or intent within the Met, in the same way that it is not for the NCA; it is because when you look into these, there has not been a criminal offence that can be proved at court.

Edward Morello: Under the current legislative framework.

Graeme Biggar: Under the current framework.

Q48 **Mr Tanmanjeet Singh Dhesi:** Mr Biggar, I was just going through the work of the National Crime Agency, and I note that political finance is a small part of your focus on high-harm criminality. Within that whole list of work, that means that you have got a lot to cover. In your opinion, which agency should have—or which agency actually has—the primary responsibility for investigating foreign or illicit interference in political finance? Where exactly does the accountability for tackling this challenge ultimately sit?

Graeme Biggar: There is not a straightforward and neat answer to that that you would you welcome, I expect. Foreign interference in this country is the responsibility of MI5 primarily. If there is a criminal investigation that comes with that, that is typically then for Counter Terrorism Policing, who despite the name cover national security issues as well as terrorism, as you know. We have the responsibility, as you will have seen, for a whole range of serious and organised crime, which includes money laundering, sanctions evasion, and bribery and corruption, so some of these cases can come to us. But also, typically in this country—and it is the way the whole system works—if a crime happens, it is reported to the local territorial force. They look at it first and then it would come to us by exception. As it happens, the vast majority of offences in this area happen in or around London and go to the Met police, an incredibly capable force with a team dedicated to this task, so they do not need to refer very much to us.

Mr Tanmanjeet Singh Dhesi: Okay. Ms Herbert, I understand that you are the director of the National Economic Crime Centre within the NCA. How does your work compare, for example, with the Met police's Special Enquiry Team or regional police forces—there are dozens of those around—and the Electoral Commission? Can you just compare and contrast your work, please?

Rachael Herbert: Yes. It is my responsibility, and the responsibility of the NECC, to set out the operational priorities across economic crime, which include fraud and bribery and corruption. We have the Home Secretary's strategic priorities to start with. We have various strategies from Government to take account of and then, in partnership with our policing partners, regulators, HMRC, SFO and others, we direct the operational resources to where we can have the most impact. It is fair to say—you are absolutely right—that I have an incredibly broad remit, even under illicit finance. We also have fraud to balance against that, and we make very difficult choices to prioritise. When we set those priorities, we do not just set them for the National Crime Agency; we set them for all of policing. We have various mechanisms for doing that, but we agree those strategic priorities for the year ahead, and then we obviously base that on the threat picture, work in partnership, take the understanding from the operational experiences and factor that into our priorities.

Would it help if I maybe mentioned some of our key priorities, and then that would set the picture? I am happy to do that. At the moment, as the NECC, we direct operational colleagues to prioritise things. We are very much prioritised on the issue of cash, particularly cash on the high street. You may have noticed that we had quite a lot of publicity last year on Machanise. We prioritise illicit finance linked to organised immigration crime, particularly small boats. We are very prioritised on organised money laundering networks. These are the high-end professional money laundering networks that move a huge amount of illicit finance through the UK; Destabilise is an example of an operation we had on a Russian-speaking professional money laundering network. We are really focused on that. We work with priority jurisdictions on trying to tackle illicit finance internationally with them and how it impacts the UK. We are very focused on crypto and trying to get ahead of artificial intelligence and how that is enabling illicit finance.

It is an unfortunate part of my job that I have to make those priorities. Now, it does not mean that, if something is not prioritised, we do not absolutely look at the intelligence and make sure it is assessed. But to give you a sense of scale, it is only February and I have already been asked this year to look at whether I can be doing more with corruption linked to sport, illegal gambling and illicit finance linked to environmental crime. There is definitely demand, so that at the moment we are having to make very difficult priority decisions. But I would not want anyone to infer from that that we are not doing anything when we have intelligence coming in on such an important matter as the one we are discussing today.

Mr Tanmanjeet Singh Dhesi: Right, thank you. Mr Biggar, if I could just move on to yourself; I know we have got a lack of time, so I just need to get something else on the record on staff morale. I note that in a recent Civil Service people survey, the National Crime Agency actually ranked bottom for satisfaction with resources and workload among 105 organisations, and only 36% of the NCA respondents said that they had the tools to do their job properly. You are the director-general of the National Crime Agency. Surely you must be livid and displeased with those stats. I understand also that there is significant staff turnover and apparently some of the lowest morale in the public sector. How are you going to turn this around? Do you think that you have the resources, the leadership and the political backing to address the scale of the challenge that you actually meet?

Graeme Biggar: I will say one point on what Rachael said, and then I will answer your question, absolutely. You asked how it connected with other police forces and organisations in the UK. Basically, the NCA does a number of things, but two that are relevant to that. We set the overall priorities for the whole system to make sure everyone is working together to be more than the sum of their parts—so, "This is what police forces will do here", and "This is what we will do". Then we also investigate the highest-end offending ourselves. That is just to summarise a bit of what Rachael was saying.

On your question, I recognise some of that but not all of it. Our staff turnover at the moment is around 5%, so that will be one of the lowest across the public sector, you will find; it is really low. The stat you used on tools for the job is absolutely low, 36%. That is not where we want it to be. This is legacy technology that we have inherited, that we are spending a lot of time and effort to try and improve, but it is not in the right place at the moment. That is why we have put a really strong bid into the spending review and Government to have the capital and the investment that we need to fix it, and we did get some extra capital out of the spending review to do that. It is a huge priority for us to do that. That is a key issue in overall staff morale, having the tools they need to do the job. So, yes, I do think we have got the leadership. Resources? We could always do with more, absolutely, but we have been through a spending review and we have got basically a flat real settlement, increasing roughly in line with inflation, and we will make do with that. We have got a plan and we will deliver it.

Q49 **Liam Byrne:** Mr Biggar, let me start off with a question about law and then a question about enforcement. I will just follow up the Chair's opening remarks. You are a patriot. You know the law. You know what our enemies are up to. In your professional judgment, where are the gaps in the law that allow our enemies to actually malignly interfere in a way we would rather they did not? What is your take on that basic question?

Graeme Biggar: Thank you. I have spent all of my career, almost, in the national security environment in one form or another—not all of it in law enforcement—so I absolutely do care. As you suggested, the main risk in political funding is that money can come from overseas and it is very easy to obfuscate that. As I said, the amount that we have managed to associate with foreign states at the moment—0.1% over the last eight years—is not high.

Liam Byrne: Well, you say that, but when I add up what is on the electoral register over the last 13 years, it is about £1 billion, so 0.1% is £10 million. Actually, for most of us around the table, £10 million in a local election campaign is quite a lot of cash.

Graeme Biggar: I was about to say "but", and two other things. First, a small amount of money can still make a significant difference—your point—but, also, I do not have high confidence that that figure is right. It may well be higher. This is obviously straying more into MI5 territory, but we know that foreign states have the intent to try and disrupt our democracy, and we know they have the capability to move money across borders and into this country. We have seen that in a number of other areas, so we should absolutely expect that they would try and do it here.

Now, that does not mean that there is a massive amount of it happening that we are not aware of; we just do not know. I would absolutely not assume that the amount we know of is the total. I would be quite cautious about assuming that it is massively more than that. We do not know, but we have seen no indications, and I think we would see more indications if it was happening at an enormous scale. But to your point as well: it does not matter if it is not an enormous scale, it still matters.

Liam Byrne: What are your observations about the gap in the law?

Graeme Biggar: The gap in law, as we have seen in a number of cases, is that a foreign state or foreign individual—someone who is impermissible—can transfer money to someone who is in the UK, who is permissible, and that person can give money to a political party or a politician, and there is nothing to stop that. That is perfectly lawful.

Liam Byrne: We need almost a kind of unexplained wealth order for political donations, in a way, because there are individuals who have given very significant amounts of money to some political parties who have got no idea how that money actually turned up in their bank accounts, are there not?

Graeme Biggar: We need the elections Bill to come forward that the Government have proposed. We have worked hard with MHCLG and others to try and get that framed in the right way. We do not know—we are not in central government—how that is going to turn out. We will be looking really closely at it. I am quite happy to talk about some of the provisions in there and what we would like to see, if that would be helpful, but it does need to tighten up. It is for Parliament to legislate, not for a law enforcement leader to tell you, but it feels when we look at cases that there are things happening that are not what Parliament intended when it passed PPERA and that do need to be tightened up.

Liam Byrne: That is a very helpful clarification. Let me just ask you about enforcement then. Over the course of four years, I tracked £155 million coming into a British media political complex. Some of that money goes into media systems and then from there into the bank accounts of politicians. At the moment, that is down to Ofcom to basically police, even if that money is flowing from offshore accounts in the British Virgin Islands. But I am also working on a case now where I am basically having to ask Companies House to double check whether the person of significant control in a company that has made a donation is, in truth, the person of significant control. On the one hand, we have got Ofcom; on the other hand, we have got Companies House; and we have talked about other agencies. Do we not actually need a single agency that brings together our criminal investigation for political finance problems? It could be you, but I am just saying we might need to pick one from the broad choice we have today.

Graeme Biggar: I go one step back on the mid-year point you made about the £155 million. Ofcom absolutely does have a responsibility there but, as I understand it, so would the Electoral Commission. If the money that was paid for media work was disproportionate to what would normally be paid for political work, that would not be payment and that would be a donation, and it would fall then to the Electoral Commission to investigate and consider. I think that would be the Electoral Commission’s position, having spoken to them about it. That would be the angle on that. If it had not been declared in the right way, that would be an offence and it could come to law enforcement to investigate.

On your second question, we face this issue sometimes: do you need one agency to rule them all? In one sense, that is the NCA for the crimes that we are responsible for—serious and organised crime. But it also can be overly simplistic. We have to draw the boundaries somewhere, and that will never be comfortable. For every issue we look at, something will cut across it. We have a responsibility, because we have a lead on money laundering and bribery and corruption, to make sure that the system is working. But it is still absolutely comfortable within that to have Met police, with the dedicated team they have working on this and who are very effective, to be the lead agency investigating.

Q50 **Lord Tunnicliffe:** In the development of law, you have malign activity which is nevertheless not criminal. To what extent do you use your intelligence capabilities to point out those malign activities to legislators to try and produce sensible answers?

Graeme Biggar: We do not have a legal basis to collect merely for malign activity. We come across it, but our intelligence collection has to be based around a suspicion of criminal activity. Having said that, we absolutely find malign activity and we work hand in glove with MI5 and the Met police and CT police, and that is exactly what we have done in this area. That is why we have been lobbying internally for some years to get changes to PPERA. But—this also goes to Mr Byrne’s point about Companies House—it is why we have been lobbying for a number of years on the way that we deal with money laundering in this country. Russia’s invasion of Ukraine provided the prompt for two economic crime Bills, which included a lot of the measures that we had been lobbying for for the preceding 10 years, roughly. All of those together begin to tighten up a system which previously has been really quite lax. But it all needs to come together to be effective.

Lord Tunnicliffe: So you do see it as being in your responsibilities to look at something or other which then alerts you, “This is malign in your area”, and then you lobby for legislative correction?

Graeme Biggar: We absolutely do that across all of our activity. But in Rachael’s work, we have done lots of that from the National Economic Crime Centre.

Rachael Herbert: Yes, that is a significant part of my remit: to use the threat picture and our understanding of operational activity to highlight, for want of a better word, where the loopholes are that enable illicit finance. I do that across all parts of illicit finance, working across Government and regulators.

Graeme Biggar: I was just going to pick up on the regulator point, if I can very briefly, Chair. Ofcom was mentioned earlier on. We are spending a lot of time with Ofcom in making sure we are pulling together the fullest intelligence picture that we can get of how, for example, child sexual abuse—I see we have Sarah Champion on the line—is happening and being facilitated by the tech companies, so that it has the ammunition to do the regulation as effectively as it can. We absolutely see it as our point to use the intelligence picture we collect, which has to initially be for criminal purposes, then for legislatures, for the Government and for regulators.

Rachael Herbert: Moving on from that a little, if I may, we will assess all the complementary powers that we have across illicit finance. For example, there may be intelligence that comes into the National Crime Agency that actually is very relevant for the Financial Conduct Authority to take forward with a particular power they have got. We do that as a matter of course. We look at powers, and we look at what needs to change in legislation and policy, based on the threat picture.

The Chair: Okay. We have got quite a lot to get through, but finally on this, I call Mike Martin.

Q51 **Mike Martin:** I just want to put some numbers on this. You have articulated really clearly that 0.1%—it is very small—breaches the criminal threshold for illicit finance.

Graeme Biggar: That 0.1% is suspicious, actually; very little, if any of it, reached the criminal threshold, but it looked like it may have been associated with a foreign state.

Mike Martin: Exactly. But you have also described this much larger area that you come across, although you do not search for it, of criminally adjacent activity in illicit political finance. What is your sense of what percentage that is of the whole amount of political violence?

Graeme Biggar: I would really struggle to put a figure on it.

Mike Martin: Ten percent? Five percent? One percent?

Graeme Biggar: No, lower, but as Mr Byrne said, even small amounts of money really matter.

Mike Martin: About 0.5%?

Graeme Biggar: I could not say, but 0.1% is what, across the community, we could associate with foreign states over that eight-year period. It will be more than that. I am not confident that it would be massively more than that, but small amounts matter.

Q52 **Lord Watts:** You have named about six organisations that are involved in this. That leads me to believe that there may well be some confusion about where responsibility lies. You have said that you have low levels of investigation and prosecution. Some people might think that the law enforcement bodies do not want to get involved in political finance because it is so sensitive and complex. How would you respond to that?

Graeme Biggar: I would utterly disagree. We will follow where the evidence goes. To Mr Byrne's earlier point, we are law enforcement and national security professionals who fundamentally care about this democracy, so we would absolutely do it. To pick one example, the Sheleg case that I talked about at the start was our own development. Mr Byrne, this is a few years ago now, but you were worried that we responded very quickly to your letter.

Liam Byrne: Within a day, I seem to remember.

Graeme Biggar: It was five days. We responded very quickly because we had been looking at it for over a year and had reached a conclusion on it. We had been looking at it because it came in through our intelligence development—I cannot say what the particular source was—and something had looked suspicious. We investigated something that was incredibly political—about the Government in power at that time—because it felt important to us. But, having done that, we also concluded that there was not a criminal offence at play. So I dispute any suggestion that we would shy away from that activity. We absolutely do not.

You mentioned at the start of your question that there are a number of different organisations. Is that too many? I do not think so, as long as those organisations are joined up and working well together. There are always going to be a number of organisations involved in any particular challenge that we are looking at across society. You do not want to have too many, I completely agree. That is one reason why, on police reform, as you will have seen separately, we are looking to create a national police service that will merge the NCA and counterterrorism policing. But just the number, in and of itself, does not mean that it does not work.

Lord Watts: I have no evidence for this whatsoever but my own view, and I think the view of other members of the committee, is that it is much higher than the investigations and prosecutions that have taken place. What would initiate you, as the National Crime Agency, to start an investigation into what you thought was going on behind the scenes?

Graeme Biggar: In this kind of world?

Lord Watts: Yes.

Graeme Biggar: We did it in that particular case at a time when we were particular worried about Russia's behaviour and we were investigating issues in relation to Ukraine, oligarchs and sanctions. That felt very close to our core activity at that point in time.

By and large most of these cases, which start quite small, will go to the Met police if they are London-focused. They have the experience and the people to do it and that is what they do. But we will take it if it feels like it is becoming a bigger case that requires our capabilities.

Lord Watts: Do they have the resources and expertise? By the numbers, it does not seem that they have, unless you believe that the number of occasions on which this is happening is so minor that they cannot be identified?

Graeme Biggar: The number of referrals that has come from the Electoral Commission is very low. The number of prosecutions resulting from them is, I think, zero. The latter relates to the law and the extent to which the law has been broken. It is not a lack of law enforcement intent, or indeed capability, it is whether the law has been broken.

There is a question about whether we have all the right intelligence collection in place to understand what is happening. On that, I am sure that we could be better if we collectively put more effort into it but also if the law was clearer about what was an offence. But once something has been identified, I do not think there is a lack of intent or capacity to investigate it.

Q53 **Mike Martin:** Your previous director-general outlined that you were slightly reticent to use powers such as unexplained wealth orders because you can get ensnared in complex legal battles and the people who are subject to these powers are, obviously, often very rich and have powerful legal teams. Would you say that is the case? Is there anything more we can do? Are there any powers that you feel you are not using fully because of that slight reticence?

Graeme Biggar: Rachael will want to pick up on this. We absolutely have used UWOs and are pretty much the only organisation that has done. What I always say when this comes up is that that was one of the powers that was introduced by the Criminal Finances Act and was not necessarily the most useful one but was the one that got the most media attention and political interest. Everyone was looking at the extent to which we were using unexplained wealth orders. There are lots of other powers under that Act that are really useful, that we are using at much greater scale and that are much more effective. We have to take into account the potential financial risk of taking on these cases, as my predecessor Lynne Owens said. We lost a case that was an unexplained wealth order against a well-resourced litigant, so we have to bear those things in mind. Rachael, do you want to pick up on this?

Rachael Herbert: It is correct that, until recently, we were the only agency that used unexplained wealth orders. Obviously, the Serious Fraud Office has used one recently. As the person who led the first internal project to use unexplained wealth orders, I can assure you that we are really keen to use all the tools that we have at our disposal.

There was a disproportionate amount of media interest in unexplained wealth orders compared to, for example, account freezing orders, which we have used to great effect to deny a lot of assets. However, we do continue to use unexplained wealth orders, where it is relevant, both for UK SOC criminals and international criminals. Not all are currently in the public domain. We weigh up all the risks of using them and mainly use them when we know we can have an impact. Of course, it is just a gateway to further civil recovery. An unexplained wealth order in itself does not recover anything.

Graeme Biggar: We absolutely have done investigations, and mounted prosecutions, into incredibly well-funded opponents who have JR-ed us and challenged us. It is an issue, but it is not something that has stopped us. We have plenty of examples of taking on the richest people in the world.

Mike Martin: That is very clear, thank you. Do you think UWOs have a role to play, or could play a greater role, in the world of political finance? A low percentage is directly attributed to a foreign state. Obviously, the more cut-outs you have—if you have a foreign state and then an organisation and then another organisation and then a UK individual and then a political donation—it obviously makes it hard to draw that pathway between the foreign state and that political donation. Do UWOs have a role to play in that sort of scenario or other illicit political finance scenarios?

Graeme Biggar: I think the answer is probably yes. I am not aware of us having actively considered one. As I said, in a way, it is the Met who have been investigating most of them generally. But if there were a donation, for example, to someone in the UK where it was not entirely clear where that money had come from, we could use a UWO and that would be a perfectly reasonable tactic. Just to add to that, the policy statement on elections that the Government put out in July, which I assume will form the basis of the Bill when it comes forward, attempts to deal with that by requiring—

Mike Martin: "Know your donor."

Graeme Biggar: —"know your donor" for the party or politician, but also bringing into use Section 54A of PPERA, which was never commenced, so that the person making a donation would have to make a declaration if that money had come from someone else, and to set out that that was unconnected and was still their own declaration.

Mike Martin: Do you think there is a quick win here if the Government could just commence Section 54A of the PPERA while we are waiting for the elections Bill? It would be super quick; you could do it in Parliament in two seconds flat.

Graeme Biggar: We would certainly welcome it coming in. There are a number of measures that could be in an elections Bill—

Mike Martin: But before that, while we are waiting for a Bill, which takes six months, we could do that. Okay, that is great.

Graeme Biggar: But the nature of Section 54A, and exactly how it is phrased, still matters. This goes to all of PPERA and any new elections Bill that comes forward, and is also relevant to Section 54A—it is about what the threshold is that law enforcement needs to prove for it to be a criminal offence. In a lot of PPERA, at the moment, and we will look to see what is in the elections Bill, we would have to be able to prove that someone knew that something was false and that that was their belief, which is quite a high threshold. It would be helpful if we could reduce that threshold to "they had reasonable cause to suspect", which is the test that we tend to use under the Proceeds of Crime Act and money laundering legislation. But what we do not want is legislation being passed that is pretty much impossible for us to prosecute.

Mike Martin: That is super interesting. Thank you.

Q54 **Dame Karen Bradley:** Mr Biggar, you said that the current structures and arrangements work well, and you would not see a need for a single lead department or agency to manage this. But given that we have the police reform White Paper and the opportunity that has arisen with the restructuring of policing, is there a better way of doing it?

Graeme Biggar: That is something we should look at as we go into police reform. I would have to check. I do not think the Met's Special Enquiry Team sits within the counterterrorism police, so it would not naturally move over into the national police service. It is a function that the Met holds not because it is biggest force in the country but because it covers London. So, by default, I think it would stay with them. But exactly which of the Met's functions should go where is probably something that we should discuss with the Met and the Home Office.

Q55 **Lord Arbuthnot of Edrom:** Mr Biggar, coming back to the questions asked by Mr Martin, you said that we need to prove that someone knew that they were committing a crime. You also said that there are not great grounds to investigate under the current legislation. Do you think the coming elections Bill will deal with that?

Graeme Biggar: I hope so. If it goes in line with the policy that the Government set out in July, which we fed into, then it will be a very significant improvement on what we have now.

Requiring "know your donor" checks by parties and politicians will be a massive step forward. Tidying up—reducing the threshold for unincorporated associations; money can flow through those very easily at the moment—would help. On changing how money can come in from companies, which I will personally be looking at quite closely, the recommendation from the Committee on Standards in Public Life was that this should be limited to the post-tax net profits that a company in the UK has made. There will be a question there about what threshold is set and whether it is on revenue or profits.

All those things together, including Section 54A, as we have talked about, should provide a much better basis than we have at the moment. But when the legislation is published, we will, as I said to Mr Martin, be looking carefully at the way it is phrased and thinking about how investigable and prosecutable it will be.

Lord Arbuthnot of Edrom: On that question of the profits of a corporation, how easy would it be to game the system by, for example, paying consultancy fees to someone in the UK?

Graeme Biggar: On that question, and more broadly, determined actors will always find a way to get round whatever legislation we put in place. There will always be something that people can do if they really want to. But by doing this, we will make it harder. We will add more friction to the system, and that has to be positive.

You are also putting this duty on to political parties, which will have to assess the risk. We want to try to get the right behaviour from party treasurers so that they assess that risk carefully and, when a donation comes through that looks like it might be impermissible, they refuse it and report it to the Electoral Commission.

What needs to go alongside that is the right resourcing into the Electoral Commission, which I know that the Government have committed to, and the building up of the skills and capabilities to do it. I know that the Electoral Commission gave evidence to you a few months ago.

All that coming together can get us to a better place on this. But we will look closely at the Bill when it is laid.

Lord Arbuthnot of Edrom: One final question: the penalties under the Bill are quite low—do they restrict the intrusive powers that you might need to be able to deal with criminality?

Graeme Biggar: Two points on the penalties: first, you have the civil penalties. At the moment, the Electoral Commission can impose a maximum fine of £20,000. That is their business, not ours, but it is not really that material. The Government have proposed in their policy document to raise it to £500,000, which would be better.

Secondly, putting a number of offences that are currently criminal into the civil administrative sphere, so that the Electoral Commission could look at them, would be much more sensible. There is activity that is much more relevant for the Electoral Commission to do.

On our side, at the moment we absolutely have a problem. For the vast majority of offences under PPERA, the maximum sentence is one year. The length of the investigation that we would need to do to be able to get to a prosecution would be considerably more than one year. We would spend much more time and effort investigating than anyone would ever spend in jail and, of course, a one-year maximum sentence does not result in someone going to jail for a year anyway.

But, to your exact point, it also limits the powers and capabilities that we can use. Under the RIPA and the IPA, there are a number of our covert powers that we only use if it is serious crime, and in most of the legislation that is relevant to that—an offence committed by a person over the age of 21 with no previous convictions—the person would routinely be sentenced to more than three years. There are quite a lot of our covert powers—for example on targeted equipment interference, certain types of undercover officers and property interference—that we can only use if the sentence is three years or over.

Lord Arbuthnot of Edrom: So the elections Bill should increase those sentences?

Graeme Biggar: It would certainly help us, and the powers that we and the Met police have available, if the sentencing was three years.

Q56 **The Chair:** Just going back to the profitability of businesses and so on, over what period of time do you think the profits should be examined and be relevant to any inquiry before that business might be able to donate?

Graeme Biggar: It is very difficult for me as a law enforcement officer to have a particularly helpful opinion on that for this committee. As you know, the Committee on Standards in Public Life has suggested the last two years, which seems a perfectly reasonable position to take. I will wait to see what the Government set out.

Q57 **Lord Sedwill:** Just before we move off this question of how all the different agencies work together, can you just—this is really prosaic—talk to us about data sharing, security clearances, particular obligations on different agencies to protect the confidentiality of certain areas of investigation, common powers, differential powers—

Mike Martin: IT systems.

Lord Sedwill: —IT systems, and so on. We know that this is often an issue in law enforcement collaboration. Just talk us through that.

Graeme Biggar: IT systems are probably the biggest constraint of all of those.

Section 7 of the Crime and Courts Act gives us the power to share information, if we have a purpose to do so, to pretty much anyone. That is a very permissive power that is very helpful. The Electoral Commission does not have the authority to share a whole series of information with us at the moment. It has been lobbying hard and I think the Government have agreed that that should change so that it is able to share information before there is an investigation running with us and other partners. That is collaboration the between the two organisations.

There is the long-standing challenge we have with HMRC, which is a great and very important partner of ours, about the information it can share. Parliament has put in place the restrictions on tax information for a very good reason, but it limits what we can do.

On security clearances, we have very good information-sharing with the intelligence agencies, as you well know, because we are very much in that bubble. Our ability to share that information outside that bubble is more limited, but we work very hard to make sure that we can break out that information in a way that will be relevant. Obviously, if we are going to do a prosecution, we need to be able to present it in court, so we need to be able to get it to "unclassified". On the broader issue of information-sharing and fusion, I will hand over to Rachael.

Rachael Herbert: Away from sharing with law enforcement partners, our Section 7 gateway is pretty much the architecture under which we share with the private sector and the private sector shares with us. I do not mean just obligated reporting into the NCA on suspicion; we work really closely with the regulated sector. We have had something called "the gimlet", an information intelligence exchange, with the banks for over 10 years now, which is very predicated on an investigation. Using Section 7, we share intelligence with the banks at scale and they share what they have with us.

Also, in the last couple of years, we have initiatives such as what we call data fusion, where several banks share data with us at scale on inherently suspicious cohorts. We fuse it with National Crime Agency data and other partner data and we have a joint analytical team with the private sector to analyse that together.

In terms of data-sharing gateways for illicit finance, they are extremely generous, albeit Graeme has mentioned a few areas that we could have improvement on.

Lord Sedwill: What about foreign jurisdictions?

Rachael Herbert: Through our public-private partnership, we share intelligence with other public-private partnerships. Police-to-police sharing, using Section 7, is quite permissible—

Lord Sedwill: But in practice, not just what is permitted. What happens in practice in sharing with foreign jurisdictions on issues of this kind?

Rachael Herbert: I want to answer that in two ways. For intelligence only, it is very practical. For evidential purposes in court, it has to go through an ILOR system, which I think we have all agreed can sometimes be prohibitively slow. For intelligence and getting what we need to progress and investigation, with most jurisdictions that we are friendly with it is not a problem, but when we need to get to the evidential criteria there is sometimes a slowness in the system.

Graeme Biggar: Just to add to that, with Five Eyes countries, on issues that are related to this it is really strong—at higher classification, the information sharing is really good—but with a whole series of other countries, on issues around political donations, there has been less. That might be because there is less information to share. However, around corruption and the movement of money, typically from those countries into the UK, as a big financial centre, it has been quite strong.

We host the International Anti-Corruption Coordination Centre, which is a multi-country body within the NCA with around 14 countries involved. I cannot remember exactly how many. There is really good police-to-police sharing there of corruption that we or any of the countries see in, for example, Angola or Bangladesh or the Seychelles, and we then bring all the capabilities of the different countries to help to address that.

I would just add one point on public-private information-sharing. We talked about suspicious activity reports earlier on. One thing we have been thinking about, partly in preparation for this hearing, is whether we are doing enough with the private sector specifically on this issue. Lord Tunnicliffe asked about this earlier. We have a really impressive relationship with the private sector, particularly the financial sector, around a whole series of different crime types—in general, money laundering—but we set up particular teams and meetings on Covid fraud when that was happening, and we have lots on Russia and on crypto at the moment. But we have never done something specifically on political funding. As the new Bill comes through and what is unlawful becomes clearer, and as the Electoral Commission builds up its capability and powers, we should be looking to do more bringing together of the private sector to make sure we have a focus on this issue.

Lord Sedwill: Final question: is there anything in this area, and indeed in the powers that you talked about earlier, that is not in the Bill and that you need in order to be more effective?

Graeme Biggar: I think we have covered most of the points. The two that would not naturally be in the Bill, and I am not sure will be, are sentencing changes and also the knowledge—the threshold that needs to be reached before an investigation. I worry about those two.

The other point I would make is one that I make frequently within Government: obviously, we spent a lot of time talking about what legislation we might pass, and that is the business of this place, but that there is no point legislating for something unless you are going to enforce it as well. That is a question of capacity and capability. We can sometimes overfocus on getting a new piece of legislation through, which really matters, but we have to at the same time think about the resources and capability we are putting into it. That is not a bid for more money—obviously, that would be welcome—but we need to understand the relative prioritisation of all the different issues that we are juggling and policing is juggling and then be realistic about what is going to happen as a result.

Q58 **Lord Godson:** Many years ago in Northern Ireland, a different regime for party-political financing came in as a route for donations. I wonder whether you might offer any reflections and your latest thinking on that now, and the implications for joint investigations data sharing in that context, bearing in mind that the times we are in now are obviously different from when that regime originally came in.

Graeme Biggar: In Northern Ireland, specifically?

Lord Godson: Yes—the back door, as has been alleged in some instances.

Graeme Biggar: I have not seen any intelligence that would suggest it is being used as a back door. Obviously, there are different provisions that allow for funding across the border in Ireland—from the Republic into Northern Ireland. We had a slow birth in Northern Ireland. As some of you will be aware, the NCA's ability to operate in Northern Ireland was agreed some years after the NCA was formed. The relationship is now really quite strong both with the PSNI and the MoJ in Northern Ireland and with the Guards—the AGS—in the Republic.

We do quite a lot of work on asset recovery and finance in Northern Ireland. But that is less around political funding—we just have not seen that. It is around trying to go after the paramilitary groups that are now operating in serious and organised crime. What we have done there is adopt a much lower threshold for when the NCA will take activity around going after a criminal's money than we would in England and Wales. We have seen that have a really good effect on community confidence in Northern Ireland.

We had a case last year or the year before where we took someone's static caravan away from them. It got a disproportionate amount of media coverage in Northern Ireland, but it was an individual who was very closely associated with serious organised crime now and had links with paramilitary terrorists from years past, and the community massively welcomed that activity.

We are able to operate in Northern Ireland and to do financial investigations there. We have not come across much in the political funding arena there that I have seen.

Edward Morello: I just want to return to Lord Sedwill's broader point about the sort of issues affecting your powers and widen it out even more. What we have seen in other democracies is political parties that have less respect for democracy and the rule of law once they get in. The equivalents of the NCA, the SFO and the Electoral Commission are exactly the types of organisations they seek to undermine. When we look at the malign influence of foreign powers such as Russia on democracies such as Romania and Moldova, the crime agencies and the electoral commissions are exactly the agencies that they look to undermine with cyber attacks, misinformation and disinformation. What is your view on how protected the NCA is, and our democracy is, against those political parties that may seek in the future to undermine your work and remove your ability to properly pursue criminal activity?

Graeme Biggar: There are two potential attacks in that, if I have understood your question: one from within the country from the Government of the day and the other from outside from foreign powers—

Edward Morello: Those two things are often linked, though.

Graeme Biggar: They can be. The legislation that set up the National Crime Agency requires the Home Secretary of the day to set strategic priorities for us and requires me to set operational priorities that must have due regard to the Home Secretary's. I have to set what operations we are going to do and how we are going to go about them, and the Home Secretary is not allowed to interfere with that. That is set out in statute for the NCA and for Police Scotland, but not really for any other police force in the country. It is a kind of common-law precedent and understanding that that works.

I feel legally quite protected from that and, in my seven years in the agency, there has not been a single case where a Home Secretary or Minister has sought to get us to start an investigation or affect how we do it in a way that I would consider inappropriate at all. But we talked about police reform earlier on, and that is one thing that everyone is very conscious of as we think about what a national police service would be, what the new set-up will be, and make sure that we get the right protections in place. We have no idea where will be in five, 10 or 20 years' time, so we need to make sure that we legislate for that operational independence for law enforcement, particularly if you are creating a bigger and more powerful national police service.

That is the internal pressure. I also feel fairly protected from external influence or pressure. We have done a lot of activity since Salisbury in 2018, which slightly pre-dated my time in the National Crime Agency but was the point at which the NCA started doing more work in relation to corrupt elites and oligarchs and how they are affecting the UK. We threw ourselves at that point and have been more and more in the domain of investigating Russia and trying to protect from foreign interference. As I said, that is primarily an MI5 responsibility, but there are illicit finance elements and sanctions evasion elements to that in our purview. I am pretty confident; we have been doing that work for some time and feel quite protected from that foreign interference.

Q59 **Sir Gavin Williamson:** How much money do you think comes in via the crypto route into the political system?

Graeme Biggar: It is really hard to know at the moment. As far as we are aware—I think the Electoral Commission have written to the committee recently to say this—there have been no donations made to political parties or politicians by crypto yet. Your question is obviously broader than that: how does it influence more generally? That is hard to tell. We do a lot around money laundering in general, obviously, and we have seen a trend over the last eight years of crypto being used more and more. We see it being used by criminals and we see it being used by hostile states, and there is a reason for that. There are all the perfectly reasonable reasons that people around the world use it—a frictionless way of moving money—but it can be used to anonymise and obfuscate as well. We would absolutely expect crypto to be used as part of any money laundering, and we would expect to see it being used if you were wanting to get money into the UK to influence politics.

Sir Gavin Williamson: It does not feel that that is the case at the moment but, looking forward, you would say it will be?

Graeme Biggar: Yes. Not only will the Electoral Commission say there has not been a donation using crypto yet, but we have seen nothing in our intelligence so far where crypto is being used as part of political funding—lots in the rest of crime, but not in this.

Sir Gavin Williamson: Right. Do you think you have got the capabilities to keep an eye on that? Obviously you are having to develop those capabilities for a much wider field and set of challenges, but is there a confidence that you would be able to spot that?

Graeme Biggar: There is an issue of capability and there is an issue of capacity. The capability we have is decent. We have about 30 people who are dedicated to crypto investigations of one sort or another. We work really closely with the private sector on that, using some of its commercial tools as well as our own. We have used it to really good effect in some investigations and, as previous people before this committee have said, you can use blockchain to actually trace back transactions quite a long way back up the chain. We have used that and seized money and prosecuted. Our capability is decent; I would not say it was world class. It is a really quickly evolving world, as you well know, so it is a challenge to keep up with it. Secondly, and finally, is the capacity challenge. This is being used right across crime. Can we do it with the limited resources we have, if we dedicate people to a particular task? Yes, we can. Do we have enough people to look at every task we would want to that involves crypto? No, we do not.

Sir Gavin Williamson: There has been some talk about foreign states using AI to enable micro-donations. Obviously, if you are looking for £1 million, it is probably easier, I am guessing, to spot £1 million than it is multiple donations of £15, £100 and suchlike.

Graeme Biggar: That is absolutely a risk, and the Electoral Commission are well aware of it; they published last week or the week before some guidance on crypto for political parties to read and understand. I think what they would be saying—obviously they should speak for themselves, and I am sure the guidance speaks for itself—is that, if you are doing "know your donor", as parties will need to, then you need to think about the risk that comes from different types of money coming into you. If it is coming from overseas, you need to look a bit harder. If it is coming from particular countries overseas, you should look a bit harder. If it looks like it is coming through crypto, you need to be looking harder. If it is a privacy coin or there have been tumblers used, you should be very suspicious and think about not accepting it.

Sir Gavin Williamson: Would it be easier if it was just made clear that all political donations had to go through FCA-registered virtual asset service providers, just because there is a little bit more of a depth of relationship that you would probably have with those providers?

Graeme Biggar: Our view on that is the same as for fiat—for traditional currency. If it comes through AML-regulated, UK-regulated or EU-regulated systems—the crypto regulation is now much better than it was a few years ago; it has to change very quickly—that is bound to be much safer, just in the same way it would be in normal banking.

Q60 **Mike Martin:** We have had a few of these hearings on this topic now, around crypto and political finance, and you tend to hear two things. One is that crypto can help you anonymise your source of funds; and then, of course, other people say, "Well, actually, blockchain enables you to look in detail at where those funds have come from". Rachael, this is probably one for you, actually. What is your view? Can you explain that dichotomy to me?

Rachael Herbert: Taking a step back from this, with all illicit finance you have to follow the trail, and the trail is often very complex. You can have incorporations; you can have trusts; crypto is another layer of complexity. Yes, it is true to say that it is not anonymous, as people suggest. However, if you put an element of crypto in what is already a complicated and sometimes lengthy trail to hide the true source of the funds, you are just adding another layer of complexity. Anything we can do to take away that friction is good. I do not think legislating against crypto in this area is a panacea. It is far too easy just to go back on the train, hide it and then come through legitimate, permissible donations.

Mike Martin: So crypto is just an extra layer in a complicated web.

Rachael Herbert: Yes, and there are many ways that people use crypto. For example, crypto is used to move huge amounts of value in a split-second because it is really convenient and it is a lot less risky than moving huge amounts of cash across the border. There are a huge number of ways that people can use crypto, but crypto is well established for all of us as a—

Mike Martin: Is it often used for cross-border transactions?

Rachael Herbert: Yes.

Mike Martin: Lots of those exchanges are held in the Bahamas or wherever, or even ones that are not related to the UK. Do you have sufficient legal powers and capability to get the information you need out of those foreign-based crypto exchanges to help you pull that web apart and understand it?

Rachael Herbert: It very much depends where they are based. We have better relationships with some jurisdictions than others. As I said, we have got quite good information-sharing powers, especially on an intelligence basis only. We had additional powers in law enforcement given to us a couple of years ago to seize wallets.

Mike Martin: Can you give me a jurisdiction that has a crypto exchange based in it that we just cannot get any information out of?

Graeme Biggar: We can write to you on that. The point I would make is that it is not really peculiar to crypto. We have exactly the same problem in tracing money and following money through shell companies. Some jurisdictions are co-operative and have beneficial ownership registers and an ability to share information with law enforcement quickly, and some do not.

Mike Martin: I think I know the answer based on your previous answer, but I would like to get it on the record. Some people are mooting a moratorium on crypto while we get to grips with the extra complexity. Do you think that would be useful to do now—take a year or two years out while we just get everything straight?

Graeme Biggar: I would not be against it, but neither would I advocate strongly for it. What you are talking about is the final movement of money from an individual into a political party, where there will be a massively long chain, so you can put a moratorium on that last step but crypto could have been used at any point in that. You mentioned the previous evidence sessions. The debate that took place between Natasha Powell and Tom Keatinge in the session you had on 12 January, which I read, is right. The combination of those two views that they got to in the end is one that I would endorse on crypto, where it is a risk and how you need to manage it. Tom's view on that was, "Yes, you could have a moratorium and that marginally reduces the risks". But, to Rachael's point, it is absolutely not a panacea. If people thought suddenly we had fixed a problem because we had put a moratorium on that, then you have missed the point.

Mike Martin: Crypto is not the kind of spectre that some are raising.

Graeme Biggar: It absolutely poses risks and it can be used to launder money, but it is no more a spectre than lots of other challenges we face.

Q61 **Baroness Tyler of Enfield:** I think Mike Martin has broadly asked the question I had wanted to ask, but could I just ask for absolute clarity on this point? I heard what you said about capability and capacity in this area and varying between different jurisdictions, but would you actually welcome new powers to request source of wealth checks for suspicious donations, or do you just think they are not needed?

Graeme Biggar: I would need to reflect on that a bit more, Baroness Tyler—apologies—just to think about whether the powers we have at the moment are sufficient to do it. I expect the answer would be that it is not a question of needing extra powers. It is having the right legislation in place in the first place, the right intelligence collected against that to identify where there are problems, and then the capacity and priority within the system to address it. I expect that the powers to get the information from different people are probably sufficient and the least of those four things that you would need to have in place.

Q62 **Edward Morello:** I just want to clarify something which I think you said earlier, Mr Biggar, which was that there had not been any crypto donations to political parties to date. My understanding is that three political parties accept crypto donations at the moment, but that the Electoral Commission does not have the wallets for those political parties and we are still reliant, as we are with other political donations, on those parties declaring them through the usual processes. It is more of a challenge to your assumption that there has been none, because we obviously do not have transparency on whether or not there has been.

Graeme Biggar: I need to be careful. I cannot speak on my authority here. I am repeating what I think I have read in what the Electoral Commission has said to you, which I think is that there have been no crypto donations made yet.

Edward Morello: That have been declared by political parties.

Graeme Biggar: Well, declared—yes, that is true. They could have happened very recently and not reached the declaration point yet. But you will have to get the truth on that from the Electoral Commission. We have got nothing in particular to add to that.

The Chair: I think we have arrived more or less at the end of our areas of questioning. Oh, sorry—Baroness Kidron?

Q63 **Baroness Kidron:** May I just ask quickly two questions before we get to the end? One is that in Parliament there is increasing concern about some very well-funded think tanks—foreign funding—and their ability to have relationships with Ministers and with civil servants through multiple electoral cycles. I just wonder whether you could say a little bit about that, because they seem to have dodged every bullet that you have referred to this afternoon.

Graeme Biggar: It relates to the point I made earlier—that the direct funding of politicians and political parties is only one part of the challenge that the country faces in interference in our politics. There is no legislation or criminal offence that I can think of in that funding of think tanks. It feels like an absolute issue but, as a law enforcement agency, we do not really have an opinion or a perspective on it.

Baroness Kidron: On my other question, I was very struck about the idea that the Home Office gets to set the strategic priorities, and then the list of strategic priorities did not include this. I absolutely take your point—that just because they did not include this particular issue it did not mean that you were not looking at it. I speak now as a Cross-Bench Peer. Given the tendency to not necessarily put at the top of the priorities something that might cause trouble to the home team, do you not think that this issue of electoral interference and finance and so on should be a mandatory and consistent priority, irrespective of the other priorities that are made each time you get a new set?

Graeme Biggar: The strategic priorities that we are set are published; there are nine and they are very broad-ranging. You can read them. One of them does at least implicitly cover this: "Reduce fraud and combat corrupt elites, cyber and economic crime", including sanctions evasion. You could put political finance under that particular heading.

Baroness Kidron: You could, but it is not very specific.

Graeme Biggar: It is not. It would be very easy to say yes. But Rachael mentioned earlier on how many different potential crimes that she, just in one part of the NCA, has been asked to do more on in the last few weeks. There are a whole series of others on which people come to me. It would be convenient and easy for me to say in front of this committee on this topic, "Yes, it should absolutely be a priority". It is for the Government and the Home Office to decide on the balance of all the potential things that the NCA, with significant but in the end limited resources, should be looking at. I know it takes it very seriously, hence the Defending Democracy Taskforce set up under the previous Government and continued by this Government. The NCA's role in it is only a small part. It is given a lot of priority across Government and the intelligence agencies and law enforcement as a whole, but I would not necessarily advocate making it a mandatory requirement for the NCA.

The Chair: We have come to the end of our official line of inquiry for today. I thank our two guests, Graeme Biggar and Rachael Herbert, for their time. That concludes our session. Order, order.