



**SFO**

serious  
fraud  
office

2 - 4 Cockspur Street London SW1Y 5BS [www.sfo.gov.uk](http://www.sfo.gov.uk)  
Director: Lisa Osofsky

Our Ref: PO-597

Kevin Hollinrake MP  
House of Commons  
London  
SW1Y 0AA

*Dear Kevin*

12 February 2019

Thank you for your letter of 21<sup>st</sup> January asking about the Serious Fraud Office (SFO) relationship with the Treasury, any consideration we might be giving to the Review currently being conducted by Dame Linda Dobbs and details of work being done by other law enforcement bodies following the publication of the Turnbull Report.

I note that in your letter you refer to a story from 2013 in The Independent newspaper speculating that the Treasury had a veto on fraud inquiries that might be considered politically or economically important, and could choose to withhold additional blockbuster funding on this basis. I can assure you that this has never been the case and the decision to open an investigation lies solely with me as the Director of the SFO.

The blockbuster funding mechanism was implemented in 2012 purely to formalise a funding arrangement whereby the SFO could obtain additional funding for its cases when there was a clear need. It was put in place to enable the SFO to take on very large cases which could not have been predicted or budgeted for in advance. It was never intended to act as a control for any political reasons and there is no evidence of such interference taking place. I am pleased to confirm that the Treasury has always made sufficient funding available for every single SFO case where there was a funding application.

As you may know, the SFO agreed a new funding arrangement in March 2018 which will significantly reduce our need to apply for additional funding in the future. The new funding model has increased the SFO's core funding from £34.3m to £52.7m in 2018-19 but we also retain the option of applying for reserve funding, if required.

In regards to your request for clarification on the SFO's position in respect of the Dodds Review, I can confirm that if the findings or recommendations are made available to us when the Review has concluded, we will of course consider any matters that might fall within the SFO's operational remit.

Finally, you also asked for some detail on the work that other agencies might be doing in respect of the findings of the Turnbull Report. However, as I'm sure you can appreciate, it would not be appropriate for me to comment publicly on this. As a general principle, it is important not to undermine the investigative process, much of which is covert by necessity, by offering commentary on investigations or confirming that an agency might be conducting an investigation.



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Nonetheless, I can assure you that we, and other law enforcement partners, regularly provide updates on casework whenever it is appropriate to do so.

I hope this information is helpful to you.

Yours sincerely,

Lisa Osofsky

**DIRECTOR**