

## **Supplementary Delegated Powers Memorandum – Economic Crime and Corporate Transparency Bill**

1. This memorandum, supplementary to the Delegated Powers Memorandum published on 31 January 2023, has been prepared for the Delegated Powers and Regulatory Reform Committee to assist with its scrutiny of the Economic Crime and Corporate Transparency Bill (“the Bill”).
2. The Government tabled amendments to the Bill on 11 April 2023 which introduce further delegated powers and amend existing delegated powers. This memorandum explains these changes, why they are being made and the reason for the procedure being selected.

## **Department for Business and Trade Powers**

### **New Clause: Extending the application of company director disqualification provisions to other entities in Northern Ireland**

*Power conferred on: Secretary of State or the Department for the Economy*

*Power exercised by: regulations made by statutory instrument*

*Parliamentary procedure: affirmative*

#### **Context and Purpose**

1. Under current provisions in the Bill, general partners will be under a legal duty to take certain actions where a general partner or registered officer has been disqualified.
2. Individuals can be disqualified under the Company Directors Disqualification Act 1986 (which applies in England, Wales and Scotland), or the Company Directors Disqualification (Northern Ireland) Order 2002.
3. However, these pieces of legislation do not currently provide for the disqualification of people from acting as general partners of limited partnerships based on how they conduct themselves in the affairs of a limited partnership. Nor is it a criminal offence for a disqualified person to act in the management of a limited partnership.
4. To ensure that general partners can be held accountable for their actions when engaged in conduct as general partners, and to ensure they are liable to appropriate offences, both pieces of directors disqualification legislation need to be amended so that it can be applied in relation to limited partnerships.
5. This amendment to the Bill alters the power to make amendments to the Company Directors Disqualification (Northern Ireland) Order 2002. It extends the power to the Northern Ireland Department for the Economy and provides that the Secretary of State consults the Northern Ireland Department for the Economy before using the power.
6. The power includes: extending the company disqualification conditions to include corresponding conditions relating to a limited partnership; modifying which company disqualification conditions can, in combination with each other, result in a person being disqualified; providing for any of the company disqualification conditions to contribute to a person being disqualified from acting in a role or doing something in relation to a limited partnership; and limiting the company disqualification conditions to remove conditions relating to limited partnerships.

7. The power goes beyond applying the 1986 Act and 2002 Order to limited partnerships, however. The powers also allow for the application of the disqualification legislation to “relevant entities”, which, in addition to limited partnerships, comprises limited liability partnerships (LLPs) and qualifying Scottish partnerships (the latter are partnerships constituted under the law of Scotland all of whose members are (a) a limited company, or (b) an unlimited company, or a Scottish partnership, each of whose members is a limited company).
8. In relation to limited partnerships (LPs), although the disqualification legislation has already been extended to these under secondary legislation (regulation 4 of the Limited Liability Partnerships Regulations 2001), the new powers need to cover LLPs to make sure that the applications of disqualification legislation to LLPs and LPs work consistently when those pieces of legislation are applied to both.
9. In relation to qualifying Scottish partnerships (QSPs), there is currently a gap in the law: the disqualification legislation does not apply to this category of partnership at all. The policy rationale for applying disqualification legislation to the general partners of limited partnerships applies equally to the application of that legislation to the partners of qualifying Scottish partnerships.

#### Justification for taking the powers

10. There will be several provisions within the 1986 Act and the 2002 Order that need to be applied (with modifications as necessary) in order to bring about the coherent application of disqualification legislation to forms of partnership that are not currently covered, and to ensure those applications of the legislation operate consistently with the scheme for LLPs. Therefore, the level of detail is more suitably delegated to secondary legislation than it is to primary legislation. The principles about the circumstances in which it is suitable to disqualify a person have been set down in the 1986 Act and the 2002 Order, and this power would simply provide the mechanism to extend those principles, without substantively altering them, so they work in the different contexts of LPs, LLPs and QSPs.
11. Furthermore, allowing the power to amend the 1986 Act and 2002 Order to be contained in regulations means changes to the disqualification legislative landscape can be applied across the UK to LPs and other relevant entities in a coherent and expedient fashion.
12. The power has also been extended to the Northern Ireland Department for the Economy given that it will be used to amend Northern Irish legislation. It is therefore appropriate to have concurrent powers and ensure the Secretary of State consults the Department before making any regulations under this power.

### Justification for the procedure

13. This regulation-making power is subject to the affirmative resolution procedure. This is to ensure that there is sufficient parliamentary debate and scrutiny over the content of the regulations as the power to amend the 1986 Act is a Henry VIII power and these regulations will have a material impact on the consequences for the actions of general partners in a limited partnership. Similarly, amendments to the 2002 Order will have significant impacts for the general partners of Northern Irish limited partnerships.

### **New Clause: Winding up of limited partnerships in Scotland and Northern Ireland**

*Power conferred on:* Secretary of State

*Power exercised by:* regulations

*Parliamentary procedure:* affirmative resolution

### Context and Purpose

14. This clause inserts new section 28A which allows the Secretary of State to make provisions in relation to the winding up of a limited partnership under section 28 (the new “public interest” winding up provision) or section 29 (which allows the court to order winding up in the event of failure by the partners to do so properly, or at all). The Secretary of State must consult the Scottish Ministers and the Department of the Economy in Northern Ireland.
15. This power will allow the Secretary of State to make regulations that correspond with or are similar to provisions of the Insolvency Act 1986 (1986 Act) or the Insolvency (Northern Ireland) Order 1989 (1989 Order). The purpose of these provisions will be to establish the necessary legal processes and procedures to be followed after a court has issued a winding up order, for example the appointment of a liquidator to control and administer the distribution of the assets of the wound-up firm.

### Justification for taking the power

16. As any provisions made under this power are required to correspond to those contained in the 1986 Act and 1989 Order; it is unnecessary to place such provisions in primary legislation. Further, allowing for these provisions to be contained in secondary legislation allows for future changes to the 1986 Act and 1989 Order to be carried over to apply to limited partnerships in a coherent manner without needing to pass primary legislation. This secondary legislation approach is precedent; see, for example, the Insolvent Partnerships Order 1994, made under section 420 of the 1986 Act, which

applies certain provisions of that Act with modifications so they apply in the context of wound-up insolvent partnerships.

#### Justification for the procedure

17. Regulations under this power will provide for bespoke procedures for winding up limited partnerships in the UK. It is therefore appropriate for Parliament to scrutinise and debate the provisions through the affirmative resolution procedure to ensure they are appropriate in the modifications which are made to the application of the core insolvency processes in the context of limited partnerships.

#### **New Clause: Concurrent sequestration proceedings**

*Power conferred on:* Secretary of State and Scottish Ministers

*Power exercised by:* regulations

*Parliamentary procedure:* affirmative resolution

#### Context and Purpose

18. New section 28B states that where a petition under section 28 or an application under section 29 in relation to limited partnership is pending, the general partners of the limited partnership (or the applicant under section 29) must notify the court of any circumstances which may impact the winding up proceedings.

19. Section 28B(3) provides a list of these circumstances which include petitions and applications for sequestration under the Bankruptcy (Scotland) Act 2016, and debt payment programmes under the Debt Arrangement and Attachment (Scotland) Act 2002.

20. Section 28C includes a power for the Secretary of State or the Scottish Ministers to amend the list of circumstances in section 28B(3). Before making regulations under this power, the Secretary of State must consult Scottish Ministers.

#### Justification for taking the power

21. The new winding up powers in section 28 and 29 interact with existing Scottish bankruptcy legislation which applies to Scottish limited partnerships. To ensure that this interaction is accounted for and legislation is created which is operationally effective, the court should be made aware of any proceedings against Scottish limited partnerships under the Bankruptcy (Scotland) Act 2016 and the Debt Arrangement and Attachment (Scotland) Act 2002.

22. The list as it stands in section 28B(3) should be sufficient in covering any concurrent proceedings. However, as the list pertains to Scottish legislation, changes to Scottish law which impact winding up proceedings under sections 28 and 29 should be able to be reflected in section 28B(3). The power is therefore necessary to futureproof the legislation and ensure that the winding up of limited partnerships can be carried out efficiently and effectively across the United Kingdom. For example, there should not be a situation where a limited partnership is undergoing duplicative proceedings in court.
23. Given that the list of information to be amended includes proceedings under Scottish legislation, the power to make regulations extends to Scottish Ministers as well as the Secretary of State only after they have consulted Scottish Ministers.

#### Justification for the procedure

24. If a person who is required to notify the court of circumstances listed in 28B(3) fails to do so, they will have committed an offence and be liable to a fine. The circumstances also impact on Scottish bankruptcy law and insolvency proceedings across the United Kingdom. The consequences of amending the list are therefore significant which is why of the additional parliamentary scrutiny through the affirmative resolution procedure is considered necessary.

#### **New Clause: Power to exclude descriptions of registrable beneficial owner**

*Power conferred on: Secretary of State*

*Power exercised by: regulations made by Statutory Instrument*

*Parliamentary procedure: negative procedure*

#### Context and Purpose

25. Amendments are being made by this Bill to the Economic Crime (Transparency and Enforcement) Act 2022, to ensure that overseas entities cannot subvert its requirements. The purpose of these amendments is to provide that any changes in registrable beneficial owners of an overseas entity subject to registration on the Register of Overseas Entities (ROE) from 28 February 2022 (when the Act was first published in Parliament) to 31 January 2023 (when the transitional period for in-scope entities ended) must be reported to Companies House. The intention is to capture changes in complex structures that include a trust in the ownership chain. The amendment introduces new information requirements imposed on such ownership.

#### Justification for taking the power

26. This power is needed to ensure that the new provisions described above do not impose undue burdens on businesses. For example, many overseas

entities holding UK land are in turn owned by pension funds which are trusts. It would be disproportionate to expect large pension funds to report every change in beneficiary for the relevant period. It is therefore necessary and appropriate to have the power to exclude certain sorts of registrable beneficial owners from the new requirements. This level of detail is more appropriately held in secondary legislation.

#### Justification for the procedure

27. The negative procedure is appropriate because of the narrow scope of the power and the level of detail in the amendments, which will be subject to appropriate Parliamentary scrutiny.

#### **Amendment to power in Clause 166 (Power to apply Part 1 amendments to register of overseas entities): consult**

*Power conferred on: Secretary of State*

*Power exercised by: regulations made by statutory instrument, Henry VIII*

*Parliamentary procedure: affirmative procedure*

#### Context and Purpose

28. This power has been made available so that, where provision made by the Economic Crime (Transparency and Enforcement) Act 2022 (“the 2022 Act”) corresponds to provision made by the Companies Act 2006 (“the 2006 Act”), the Secretary of State may by regulations make amendments to the 2022 Act corresponding to any amendments made by the Bill to the corresponding provision in the 2006 Act. The amendment provides that, where regulations are made using the power, the Scottish Government and the Northern Ireland Department for the Economy must be consulted on the regulations.

#### Justification for taking the power

29. This power is needed to ensure that changes made by the Bill to the 2006 Act can be mirrored in the corresponding provisions in the 2022 Act to maintain consistency between the two Acts. For example, the 2022 Act mirrors the Companies Act 2006 at section 20 (annotation of the register; corresponding provision in the Companies Act 2006 is section 1081), and at sections 27-31, which relate to correction or removal of material from the register of overseas entities, corresponding to the Companies Act 2006 sections 1093, 1094, 1095, 1096, and 1097.

30. This Bill will change some of these provisions within the Companies Act 2006, and in order to ensure consistency of approach and application by the Registrar, changes will be needed to the 2022 Act. The aim of making these changes is to improve the powers available to the Registrar to, as far as is

possible, maintain the accuracy and completeness of the register of overseas entities.

31. The amendment to consult has been inserted because some of the aspects of the 2022 Act required legislative consent from Scotland and Northern Ireland. It is therefore appropriate that these administrations must be consulted when using this power.

#### Justification for taking the procedure

32. Regulations made under this section are subject to the draft affirmative procedure. This is to ensure that there is sufficient parliamentary debate and scrutiny over the content of the regulations. This is appropriate given the fact that regulations made under this power will amend the 2022 Act and therefore this is a Henry VIII power.

#### **New Clause: Register of Overseas Entities - amends power in section 16 (verification) Economic Crime (Transparency and Enforcement) Act 2022**

*Power conferred on: Secretary of State*

*Power exercised by: regulations made by statutory instrument*

*Parliamentary procedure: negative procedure*

#### Context and purpose

33. The Register of Overseas Entities (“the Register”) was legislated for by the Economic Crime (Transparency and Enforcement) Act 2022 (“the 22 Act”). The Register opened for registrations on 1 August 2022 and overseas entities had a six month transitional period to register.
34. Section 16 of the 22 Act provides that the Secretary of State may by regulations make provision requiring the verification of information before an overseas entity makes an application for registration, complies with the updating duty, or makes an application for removal. Regulations under section 16 were made prior to the Register opening and later amended to address stakeholder feedback. Without a verification mechanism to ensure that the information provided is true and correct, the information on the Register will not provide the requisite level of transparency.
35. Subsection (2) confers a power on the Secretary of State to make provision in regulations, among other things, about the information that must be verified, about the person by whom the information must be verified and requiring a statement, or evidence or other information to be delivered to the registrar.
36. On 20 March 2023 we tabled an amendment (as set out at paragraphs 45 to 53 of our supplementary Delegated Powers Memorandum published on that

date<sup>1</sup>) to widen the scope of the power, so that regulations can also make provision about how the information is to be verified (including provision about the kinds or sources of evidence to be used) and about the standard to which verification is to be carried out. This would allow regulations to be more prescriptive about how verification is to be carried out, once the level of compliance is better understood. The amendment also widened the scope of the power so that regulations can also make provision about the records that must be kept in connection with verification, information that must be provided to the Registrar to enable compliance with any record-keeping requirements, and about new offences in relation to any failures to comply with those requirements.

37. In order to know if there has been a failure to comply with any requirements, the Registrar must be able to require information from verifiers to make sure they have kept the required records. Following further consideration, we are not certain that the existing powers within the Bill would enable the Registrar to do this. We have therefore withdrawn the amendment tabled on 20 March and re-tabled a slightly amended version of the amendment that will enable the Registrar to monitor compliance with any record-keeping requirements by requiring information be provided to the Registrar. The overall justifications for taking this power and the procedure used remain.

#### Justification for taking the power

38. Now that the transitional period is over, attention has turned to analysing the level of compliance with the requirements among the overseas entities that have registered, as well as to taking enforcement action against those that haven't yet registered. There may be instances where certain verifiers have used kinds or sources of evidence which were not appropriate to use to verify information, so it would be useful to prescribe more details about how information is to be verified. Equally, certain verifiers may have carried out verification to a lower standard than would have been expected, so it would be useful to prescribe more details about this.

39. Regulations may create new offences in relation to the failure to keep records in connection with verification. The verification regulations currently require verifiers to retain records for five years, but there is no associated sanction for failing to do so. Further, regulations may also make provision about information that must be provided to the registrar to allow for compliance with record-keeping requirements. If the Registrar has concerns about verification carried out, she may require information from a verifier. It is important that regulations can provide for an offence for failing to retain records, so requirements on verifiers can be appropriately enforced.

40. This level of detail is more appropriate to be contained within secondary legislation. This will also allow flexibility in the event of changing circumstances.

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<sup>1</sup> <https://bills.parliament.uk/publications/50420/documents/3177>

### Justification for the level of parliamentary scrutiny

41. Regulations made under this section are subject to the negative resolution procedure. Additional parliamentary scrutiny is not considered necessary since the core framework is set out in primary legislation. The regulations will reflect the content of the primary legislation, which will have been subject to full Parliamentary scrutiny.

## **FCDO Powers**

### **New Clause: Civil Monetary Penalties**

*Power conferred on: an appropriate Minister, who under section 1(9) of the Sanctions and Anti-Money Laundering Act 2018 (SAMLA) is either the Secretary of State or the Treasury.*

*Power exercised by: regulations made by Statutory Instrument.*

*Parliamentary Procedure: negative resolution for regulations dealing with UN sanctions; made affirmative procedure for discretionary, non-UN sanctions.*

### **Context and Purpose**

1. This clause will amend an existing power in section 17 of the Sanctions and Anti-Money Laundering Act 2018 (SAMLA). For the avoidance of any doubt, and without prejudice to the generality of the powers conferred by that section, this will provide expressly that sanctions regulations may authorise the imposition of civil monetary penalties in relation to the contravention of prohibitions or requirements imposed by sanctions regulations.

### **Justification for taking the power**

2. Section 17 of SAMLA provides for powers to enforce sanctions regulations. Subsection (2) provides that regulations may make provision for enforcement of any prohibitions and requirements imposed by regulations under SAMLA. Subsection (3) provides that regulations may make provision as to the powers and duties of any person who is to enforce the regulations. Subsection (4) provides that regulations may create criminal offences and related provisions. Subsection (5) places limits on the maximum penalties available under criminal offences. The [Delegated Powers Memorandum](#) for SAMLA makes clear that detailed provision for the enforcement of sanctions regimes should also be set out in secondary legislation rather than on the face of the Bill. For example, seeking to set out the detail of offences in SAMLA solely by reference to the powers under which sanctions regulations will be made would risk producing wrong results once the regulations are actually drafted. Precisely what the prohibitions or requirements will be – and therefore who can commit the offence of breaching them, how serious that offence is, and what is the appropriate penalty – cannot be determined until the regulations are drafted. If the offences were set out in SAMLA, it might not be clear in all cases which elements of the sanctions regulations they related to. Trying to set out the offences in primary legislation would risk producing offences and penalties that are defective or disproportionate or both.
3. SAMLA was intended to be a wide-ranging framework for making sanctions regulations, including for the enforcement of any prohibitions or requirements imposed. The FCDO takes the view that section 17 of SAMLA as it stands is sufficient vires to impose CMPs in secondary legislation. There is existing

provision in reliance on these powers for CMPs in relation to certain prohibitions in the Russia (Sanctions) (EU Exit) Regulations 2019 (S.I. 2019/855). However, as the Government broadens and strengthens the UK's sanctions framework, and our enforcement mechanisms, we think there is benefit in including express powers to support the further use of CMPs. This amendment to an existing power would therefore make it clear that regulations made under section 1 of SAMLA can include provision conferring power to impose CMPs in relation to the contravention of/for the enforcement of prohibitions or requirements imposed by sanctions regulations.

4. As also set out in the Delegated Powers Memorandum for SAMLA, the Government considers that it would be inappropriate for primary legislation to contain the detail of each individual sanctions regime, since this would inhibit the Government's ability to implement sanctions quickly in response to global events and satisfy its international obligations. The Government therefore considers it necessary and appropriate to provide framework powers that enable detailed sanctions regimes to be set out in secondary legislation. This amendment to an existing power follows the same approach.

#### Justification for the procedure

5. The justification for this power being subject to the negative resolution procedure for regulations dealing with UN sanctions, or made affirmative procedure where UN sanctions are not dealt with, is the same as in relation to the existing powers in SAMLA to make sanctions regulations. The fact that sanctions need to be implemented quickly is important in determining the right Parliamentary procedure. The Government needs to be able to act swiftly to comply with its international obligations and to keep pace with quickly developing global events. The full explanation of and justification for these procedures was set out in the Delegated Powers Memorandum for SAMLA.

## Home Office Powers

### **New Clause: Fraud offences: supplementary**

*Power conferred on:* Secretary of State, Scottish Ministers, Department of Justice in Northern Ireland.

*Power exercised by:* regulations made by statutory instrument by the Secretary of State, Henry VIII.

*Parliamentary Procedure:* draft affirmative procedure in the UK Parliament for regulations made by the Secretary of State; affirmative procedure in the Scottish Parliament for regulations made by the Scottish Ministers; statutory rule laid before and approved by the Northern Ireland Assembly in the case of regulations made by the Department of Justice in Northern Ireland.

### Context and Purpose

42. The New Schedule sets out a list of fraud-related offences (“base offences”) to which the “failure to prevent fraud” offence (as brought forward by Government amendment) applies. The Henry VIII power will enable the base offence list to be amended by regulations. The power has been tightly drafted with a narrow scope so that new offences can only be added if they are offences of dishonesty, otherwise similar in character to those already in the Schedule, or money laundering offences.

### Justification for taking the power

43. This power will allow the failure to prevent offence to be kept up to date with relevant base offences. For example, if the economic crime threat evolves and evidence emerges that additional offences could be effectively tackled through inclusion in the failure to prevent offence. Alternatively, it is possible a base offence will be superseded by a regulatory regime or no longer addressed effectively through a failure to prevent approach; in which case it could be removed.
44. The power includes the ability for the Secretary of State to restate the Schedule as amended, without changing its effect. This is necessary to ensure that the list stays as clear as possible in future; for example, to avoid confusing numbering or to clarify which offences are relevant in different parts of the UK following amendments made by the devolved administrations.

### Justification for the procedure

45. Regulations under this clause will be subject to the draft affirmative procedure, which is appropriate given the power allows changes to primary legislation and could be used to expand a criminal offence, but only within limited parameters: any additions must be offences of dishonesty, otherwise

similar in character to the list of offences when the Bill is passed, or money laundering offences.

### **New Clause: Failure to prevent fraud: large organisations**

*Power conferred on:* Secretary of State

*Power exercised by:* regulations made by statutory instrument by the Secretary of State, Henry VIII

*Parliamentary Procedure:* draft affirmative procedure in the UK Parliament

#### Context and Purpose

46. This clause will include a threshold based on organization size to determine organisations in scope of the failure to prevent offence, as introduced by Government amendment. The threshold is set so that only “large” organisations (according to the definition in the clause which is based on provisions in the Companies Act 2006) are in scope. The power will enable the threshold to be amended by regulations. The power allows the Secretary of State to modify the clause for the purposes of altering the meaning of “large organisation” and (with or without exercising that power) to omit the requirement that the organisations in scope have to be “large organisations” and to make consequential amendments of the new clause (failure to prevent fraud: minor definitions).

#### Justification for taking the power

47. This Henry VIII power will allow the threshold for organisations in scope to be adjusted. For example, if evidence emerges that organisations out of scope are benefiting from significant amounts of fraud which could have been addressed through a proportionate set of fraud controls. Alternatively, organisations currently in scope could be taken out if there is evidence fraud could be tackled effectively through more targeted powers that capture a smaller number of organisations. Since the current ‘large company’ definition mirrors that in the Companies Act 2006, were the definition under the Companies Act 2006 amended, the power could be used to effect a similar change for the purposes of the failure to prevent fraud offence, in order to maintain a common definition.

#### Justification for the procedure

48. Regulations under this section will be subject to the draft affirmative procedure, which is appropriate given that this power allows changes to primary legislation and could bring significant numbers of organisations into scope of the criminal offence.

### **New Clause: Guidance about preventing fraud offences**

*Power conferred on:* Secretary of State

*Power exercised by:* publication of statutory guidance

*Parliamentary Procedure:* none

### Context and Purpose

49. This clause requires the Secretary of State to publish guidance about procedures that organisations in scope can put in place to prevent persons associated with them from committing fraud. The guidance and any revisions to it must be published.

### Justification for taking the power

50. This power will ensure organisations in scope have clarity about the type of prevention measures they can take in order to provide a defence against the failure to prevent offence. It will include best practice and help organisations to improve their fraud controls. Putting this power on a statutory basis is intended to provide greater reassurance to organisations that the Government will provide this clarity to them.

### Justification for the procedure

51. The guidance under this section will not be subject to any Parliamentary procedure. Whilst organisations will be incentivised to follow the guidance, it is not a requirement that they do so and therefore does not impose any direct obligations on organisations. The guidance may need to be updated quickly, for example to reflect case law arising from failure to prevent prosecutions or new fraud risks.

## **Clause 191 (Commencement) and 192 (transitional provision)**

*Power conferred on:* Secretary of State, Scottish Ministers, Department of Justice in Northern Ireland

*Power exercised by:* regulations

*Parliamentary Procedure:* no procedure

### Context and Purpose

52. These amendments, which substitute a new commencement clause of the Bill, are to allow the amendments to Schedules 7 and 8 (civil recovery and forfeiture of cryptoassets) to be brought into force on different dates in England and Wales, Scotland, and Northern Ireland. In addition, rather than the Secretary of State commencing all the amendments in Schedule 6 (cryptoasset confiscation) they also enable the Scottish Ministers to commence the amendments to the confiscation regime in Scotland, and the Department of Justice in Northern to commence the amendments to the confiscation regime in Northern Ireland, in each case after consulting the Secretary of State.

53. The amendments also move the same powers to make connected transitional or saving provisions that were in the previous into a new clause so as to keep the provisions as clear and simple as possible and conferred on the Devolved Administrations where relevant.

### Justification for taking the power

54. The amendments will enable the Devolved Administrations for Scotland and Northern Ireland to commence the amendments to their confiscation regimes on a date that they appoint by regulations, after consulting the Secretary of State. This is consistent with the approach taken in the Criminal Finances Act 2017 and will, for example, enable guidance and criminal court rule changes to be prepared for the jurisdiction concerned before the measures are fully brought into force. Express provision is also necessary to ensure that the Secretary of State can bring the other cryptoasset measures into force in different geographical areas on different days. The intention here is to ensure that the UK-wide cryptoasset powers can be implemented at different times in England and Wales, Scotland and Northern Ireland, if required. For example, if more time is needed for the Scottish Ministers to consult on a new code of practice relating to the new search powers in Scotland, then those powers could be commenced there later than in England and Wales.

### Justification for the procedure

55. It is standard practice for the power to bring into force the provisions of an Act on a specified day not to require any further Parliamentary procedure.