

Just as the UK announces it plans to be a tax haven it ...

Published: January 14, 2026, 2:43 am

I [mentioned this morning](#) the confirmation that the UK government has made that it plans to turn the UK into a tax haven. I made clear that my concern that this is, in effect, the launch of an assault on democracy.

This afternoon Dominic Raab, the Foreign Secretary, [has issued a statement to parliament](#) saying (and I have edited the length):

Statement

The UK is extremely concerned about the state of good governance in the British Virgin Islands (BVI).

A consistent and deeply troubling array of concerns have been put to the Governor by local institutions and the community. The Governor has set out these concerns to me, they include, but are not limited to:

- Allegations of political interference and coercion in relation to appointments in the public service and statutory boards, the criminal justice system and individual criminal cases;
- Claims that people in public service, media and community leaders have been intimidated to such a degree that they describe living in a climate of fear;
- Allegations that funds set aside for struggling families during the pandemic may have been re-allocated to political allies;
- Concerns around spending on Government contracts without any proper procurement process;
- Misuse of taxpayers' money on infrastructure and transport projects.

Successive attempts have been made to address these concerns through local institutions, many of which have done commendable work to bring them to light.

However, the scope and seriousness of the concerns are now beyond local capacity to address.

The UK Government is responsible for ensuring the security and good governance of BVI. We have a constitutional and moral duty to protect the interests of the people of BVI. We cannot ignore such serious allegations.

With this in mind, on Monday 18 January, the Governor of BVI, supported by the UK Government, announced an independent Commission of Inquiry

What is my concern? Actually, it's that many of the highlighted issues (excepting, maybe, the third) could all quite reasonably be raised here and that's before we are a tax haven.

For those who are not aware, the BVI is a notorious tax haven, and is permitted to be so by the UK. We have long permitted the criminogenic nature of those tax haven activities. Why is anyone surprised that a break down in good governance follows? That is what tax havens promote?

The government added:

The Commission will inquire into whether there is information to substantiate claims that corruption, abuse of position and serious impropriety has taken place in public office in recent years, and it will make recommendations.

If only we could have such an inquiry here.