



MAYOR OF LONDON
OFFICE FOR POLICING AND CRIME

**MPS Cryptocurrency Investigation Team
MOPAC Investment Advisory & Monitoring meeting 6th February 2023**

**Report by Detective Superintendent John Roch on behalf of the Chief of
Corporate Services**

**Part 1 – This section of the report will be published by MOPAC. It is
classified as OFFICIAL – PUBLIC**

EXECUTIVE SUMMARY

This paper seeks MOPAC approval to accept Asset Recovery Incentivisation Scheme (ARIS) grant funding by the Home Office for part funding of the MPS Cryptocurrency Investigation Team for 2021/22 and bid for ARIS grant part funding for the years 2023 to 2026.

Recommendations

The Deputy Mayor for Policing and Crime, via the Investment Advisory and Monitoring meeting (IAM), is asked to:

1. Approve the award of up to £510k Grant funding from the Home Office ARIS Top-slice fund to support the MPS Cryptocurrency Investigation Team for FY 22/23.
2. Approval to bid for and accept up to £760k Grant Funding from the Home Office ARIS Top slice annually to support the MPS Cryptocurrency Investigation Team between 2023-26.

Time sensitivity

A decision is required from the Deputy Mayor by 20/02/2023. This is because...

Following a successful 2022/23 bid to the ARIS top slice fund, changes to Management Board this year have delayed progression to resource this new MPS team. The 22/23 funding needs to be spent by 31/03/2023.

Non-confidential facts and advice to the Deputy Mayor for Policing and Crime

Introduction and background

1. The risk posed by the criminal exploitation of cryptocurrency was rated as high and increasing in the National Strategic Assessment of Serious and Organised Crime 2021. London, as the country's financial centre and the MPS as the largest police service in England and Wales, is dealing with the largest values of Criminal Cryptocurrency. The new team brings together the required expertise, training and equipment to tackle this threat, led by the MPS.
2. The success of this function will see a significant return on investment, by way of seizure of criminal cryptocurrency through confiscation, and the learning from the

proposed innovative 'first of its kind' model would be available to inform and shape the national policing response and legislative requirement.

Issues for consideration

3. MPS Management Board approved the MPS Crypto Currency Investigation Team in October 2022.
4. The project is supported with the provision of 38 additional police officers under the ROCU Police Uplift.
5. This paper specifically relates to necessary approvals to secure grant funding for the provision of additional police staff posts, training, equipment and licences which are required to support the function.

Contributes to the MOPAC Police & Crime Plan 2022-25¹

6. Taking the proceeds of crime away from criminals both reduces the incentive to commit crime, including violent crime motivated by money, and increases the confidence and trust of communities in the effectiveness of the policing response. It helps reduce the attractiveness of a criminal lifestyle and thus protects, particularly socially disadvantaged and vulnerable people from being drawn into crime.

Financial, Commercial and Procurement Comments

7. The funding secured through the ARIS Top Slice bid will support the costs for 8 police staff initially, with proposals to increase this to 10 in 23/24.
8. The funding secured for 22/23 will mainly support the implementation start-up costs for the function, with training, equipment and licences being purchased in advance of Phase 1 in 23/24
9. If approved, the terms of the grant offered by the Home Office will be formalised between the relevant parties overseen by MPS Commercial Services, ensuring compliance and minimising risks.

Legal Comments

10. MOPAC approval is sought pursuant to Paragraph 4.8 of the MOPAC Scheme of Consent and Delegation which provides the DMPC with delegated power to approve all offers made of grant funding.
11. The legal powers applicable to the acceptance of this Grant will be under Schedule 3, Paragraph 7 of the Police Reform and Social Responsibility Act 2011 which provides that,
 - a. 7(1)The Mayor's Office for Policing and Crime may do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of the functions of the Office.
 - b. (2)That includes—
 - i. entering into contracts and other agreements (whether legally binding or not);
12. If approved, the terms of the grant offered by the Home Office will be formalised between the relevant parties overseen by MPS Commercial Services.

¹ [Police and crime plan: a safer city for all Londoners | London City Hall](#)

13. The final Grant Agreement will be published pursuant to Articles 3, 4 & 5 of The Elected Local Policing Bodies (Specified Information) (Amendments) Order 2012.

Equality Comments

14. Tackling financial crime in London by seizing criminal assets narrows social and economic inequalities and supports our communities by driving out the incentive to follow a criminal path.
15. This business case has undergone an initial Equality screening. Due regard has been taken to ensure compliance with the Public Sector Equality Duty. Real consideration has been taken to assess Equality impact caused by the proposal within this document. As a result no negative impact has been identified to any individual and/or group safeguarded by a protected characteristic and those who are not.
16. As the intention of this document is to seek additional funding for an existing function, there is no real organisational change. Further reviews will be conducted and if as a result any new Equality Impact is identified, a full Equality Impact Assessment will be initiated.

Privacy Comments

17. The MPS is subject to the requirements and conditions placed on it as a 'State' body to comply with the European Convention of Human Rights and the Data Protection Act (DPA) 2018. Both legislative requirements place an obligation on the MPS to process personal data fairly and lawfully in order to safeguard the rights and freedoms of individuals.

Under Article 35 of the General Data Protection Regulation (GDPR) and Section 57 of the DPA 2018, Data Protection Impact Assessments (DPIA) become mandatory for organisations with technologies and processes that are likely to result in a high risk to the rights of the data subjects.

The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the project meets its compliance requirements.

DPIAs will be conducted to cover all uses of new third party technology and databases.

Real Estate Implications

18. Provision has been made for locating the team within the existing MPS Estate.

Environmental Implications

19. None.

Background/supporting papers

20. None

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