

DMPC Decision – PCD 1659.

Title: Economic and Crypto Covert Human Intelligence Sources (CHIS) Dedicated Source Unit (DSU).

Executive Summary:

This paper seeks approval to accept grant funding from the Home Office (HO) Asset Recovery top slice Incentivisation Scheme (ARIS) to support the continued funding for the Metropolitan Police Service (MPS) commitment to resource the Economic Crime Dedicated Source Unit (EC DSU).

The unit focusses and targets the recruitment and management of Covert Human Intelligence Sources (CHIS) to combat financial and economic crime in line with the Governments Serious Organised Crime Strategy.

Recommendation:

The Deputy Mayor for Policing and Crime is recommended to:

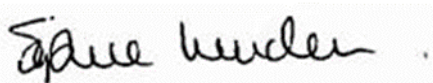
1. Approve the award of up to £280,000 grant funding from the Home Office ARIS Top-slice fund to fund the continuation of the ECDSU proof of concept from 1/04/2023 -31/03/2025.
2. Approval to bid for and accept up to £510,000 Grant Funding from the Home Office ARIS Top slice annually to support the MPS ECDSU Team from 2025/2026 -2026/2027.

Deputy Mayor for Policing and Crime

I confirm I have considered whether or not I have any personal or prejudicial interest in this matter and take the proposed decision in compliance with the Code of Conduct. Any such interests are recorded below.

The above request has my approval.

Signature



Date 25/04/2025

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE DMPC

1. Introduction and background.

- 1.1. Mayor's Office for Policing And Crime (MOPAC) approved receipt of HO grant funding to support the proof-of-concept pilot scheme for an Economic Crime Dedicated Source Unit (EC DSU) within UK Law Enforcement to identify and develop Intelligence across economic crime and particularly the seizure of criminal cash or cryptocurrency which commenced on 1st October 2021 (PCD1102 & PCD1248 refers).
- 1.2. This proposal seeks to evidence, that a focused Economic Crime DSU will realise significantly greater volumes of criminal cash seizures.
- 1.3. Over recent years the Dedicated Source Units have made significant cash seizures of £7,460,336.44 from October 2021 to September 2023 an increase of 41% increase compared the previous two-year period October 2019 to September 2021. However, these have been ancillary to their core tasks.

2. Issues for consideration.

- 2.1. The grant funding is to support the continued funding for the MPS commitment to resource the Economic Crime Dedicated Source Unit (EC DSU).
- 2.2. The HO has confirmed funding to support the continuation of the ECDSU for a further two years in 2023/24 and 2024/25. Funding beyond 2024/25 will be subject to submission of further funding bids and the success of the unit.
- 2.3. The HO approved bid for 2023-2025 supports funding for 3 additional posts; 1x Deputy Controller (DS) 2x Handlers (Constable) post for a 24-month period commencing 1st April 2023.
- 2.4. Accepting of the grant funding will to continue the proof of concept for the next two years 23/24-24/25. The ECDSU will focus on combatting financial, and economic crime including that of cryptocurrency.
- 2.5. At conclusion, should there be insufficient evidence to support a longer-term proposal, the officers and members of police staff will be absorbed in the natural turnover of MO3 staffing.

3. Financial Comments.

- 3.1. The Grant supports 3 additional posts, based on full cost recovery, inclusive of overheads. The funding also provides for some specialist training and the MPS assure that "there is no requirement for additional vehicles, accommodation or other operational support costs needed to facilitate this proof of concept".

4. Legal Comments.

4.1. Paragraph 4.8 of the MOPAC Scheme of Delegation and Consent provides that the Deputy Mayor for Policing and Crime (DMPC) has delegated authority to approve all bids for grant funding.

4.2. 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,

- 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.

That includes

- Entering into contracts and other agreements (whether legally binding or not);
- If approved, the terms of the grant offered by the Home Office will be formalised between the relevant parties overseen by MPS Commercial Services.

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

5. Commercial Issues.

5.1. 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.

5.2. This pilot contributes to the London Anchor Institutions Charter, recognising that economic crime is a significant threat to the security and the prosperity of the UK. It influences all our society, including our citizens, private sector businesses and the government. Money laundering enables criminals to profit from some of the most damaging crimes. All economic crimes weaken community confidence in the effectiveness of governmental and commercial organisations. Economic crime refers to a broad category of activity involving money, finance or assets, the purpose of which is to unlawfully obtain a profit or advantage for the perpetrator or cause loss to others.

5.3. In line with the Asset Recovery Action Plan this project aims to:

- Disrupt criminal activity and the further funding of crime

- Deprive people of their proceeds of crime
- Discredit negative role models in society.

6. Equality Comments.

6.1. This is an extension of the existing service. Acceptance of the grant funding does not change any aspects relating to equality or diversity.

7. GDPR and Data Privacy.

7.1. 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 to safeguard the rights and freedoms of individuals.

7.2. 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.

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

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

7.5. This project will be using the existing and well established MPS Informant Management System (IMS) and CRIMINT database. Both are DPIA compliant addressing GDPR responsibilities.

8. Background/supporting papers.

MPS Paper – Economic and Crypto Covert Human Intelligence Sources (CHIS) Dedicated Source Unit (DSU).

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOIA) and will be made available on the MOPAC website following approval.

If immediate publication risks compromising the implementation of the decision, it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO


If yes, for what reason:

Until what date:

Part 2 Confidentiality: Only the facts or advice considered as likely to be exempt from disclosure under the FOIA should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a **Part 2** form – NO

ORIGINATING OFFICER DECLARATION		<i>Tick to confirm statement (✓)</i>
Financial Advice: The Strategic Finance and Resource Management Team has been consulted on this proposal.		✓
Legal Advice: The MPS legal team has been consulted on the proposal.		✓
Equalities Advice: Equality and diversity issues are covered in the body of the report.		✓
Commercial Issues The proposal is in keeping with the GLA Group Responsible Procurement Policy.		✓
GDPR/Data Privacy <ul style="list-style-type: none"> GDPR compliance issues are covered in the body of the report. 		✓
Drafting Officer Stephen Kalyango has drafted this report in accordance with MOPAC procedures.		✓
Director/Head of Service: The Interim Chief Finance Officer and Director of Corporate Services has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.		✓

Chief Executive Officer I have been consulted about the proposal and confirm that financial, legal and equalities advice has been taken into account in the preparation of this report. I am satisfied that this is an appropriate request to be submitted to the Deputy Mayor for Policing and Crime. <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;">  Signature </div> <div style="text-align: right;"> Date 25/04/2024 </div> </div>	
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