

REQUEST FOR DMPC DECISION – DMPCD 2016 35**Title: MOPAC membership of Crime Prevention Initiatives (ACPO CPI Ltd)**

Executive Summary: ACPO Crime Prevention Initiatives Limited (ACPO CPI) is a not-for profit company that was established in 1999 to manage Secured by Design and similar crime prevention initiatives at a national level. It is wholly owned by the Association of Chief Police Officers of the UK (ACPO) with chief police officers (former and current) on the Board of Directors. In 2015 ACPO was replaced by a new body (the National Police Chiefs' Council). The activities of ACPO CPI continue to operate, however a new suitable owner is required. The Company provides an invaluable service in setting the standards for secure design, and accreditation of other preventative services. If it were not to continue work, crime reduction efforts would be hampered. It is proposed that to facilitate ACPO CPI continuing its work as an interim measure MOPAC becomes the sole member of ACPO CPI, replacing ACPO, but with the potential that PCCs may become additional members in due course. ACPO CPI is a company limited by guarantee and is solvent, so there is minimal risk. A senior officer from MOPAC will take a place on the Board of ACPO CPI. DMPC is required to formally approve the decision to become a member of ACPO CPI).

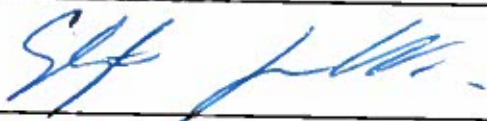
Recommendation:

That the DMPC approves of MOPAC taking the necessary steps to become a member of ACPO CPI and enters into all such documentation, notices and agreements as may be required to implement this including the associated Investment Agreement;

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**

15/3/2016

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

Decision required – supporting report

1. Introduction and background

- 1.1. ACPO Crime Prevention Initiatives Limited (ACPO CPI) is a not-for profit company that was established in 1999 to manage Secured by Design and similar crime prevention initiatives at a national level. It is wholly owned by the Association of Chief Police Officers of the UK (ACPO) with chief police officers (former and current) on the Board of Directors. ACPO CPI is funded through fees paid by companies whose products meet technical standards identified by ACPO CPI. In return for the fee, the licensed company is able to utilise the Secured by Design logo and, on those products which meet the technical standard, the title 'Police Preferred Specification' in accordance with the terms of a licence agreement. ACPO CPI also receives payments in relation to its other crime prevention initiatives.
- 1.2. In 2015 ACPO was replaced by a new body (the National Police Chiefs' Council). The activities of ACPO CPI continue to operate with the same staff and from the same location, however a new suitable owner is required so that ACPO can be formally wound up. It is proposed that this be done by MOPAC taking over from ACPO as the sole member of ACPO CPI. ACPO CPI would then be developed by conducting a review of its governance and operating procedures and through a strategic review of its purpose and business model.
- 1.3. In developing this proposal you wrote to PCCs, chief officers, College of Policing, PSBNI and Police Scotland on 6 November 2015 inviting them to become participants in ACPO CPI. Twelve PCC's have written in expressing an interest in becoming a member of ACPO CPI.. Following the receipt of legal advice it has been concluded that chief officers (and their officers) are unlikely to have the requisite powers to become members of ACPO CPI.
- 1.4. It is therefore proposed that MOPAC proceed alone so that ACPO CPI's ownership can be regularised in the short term. It is further proposed that this invitation to PCCs be extended again later in 2016.

2. Issues for consideration

- 2.1. The regularisation of ACPO CPI's ownership and the winding up of ACPO is a priority for the Home Office.
- 2.2. ACPO CPI has cash assets of about [£1.7m].

3. Financial Comments

- 3.1. Grant Thornton has conducted financial due diligence over a review period of 2013/14 onwards
- 3.2. ACPO CPI has maintained its customer numbers over the review period and continues to be in surplus. Its overheads were reduced during FY15 leading to a temporarily increased EBITDA*. ACPO CPI is forecast to remain in surplus in FY16 and FY17.
- 3.3. The due diligence has raised some issues which are discussed further in part 2. Grant Thornton will be tasked to investigate this further..

- 3.4. There are no other significant financial concerns that will prohibit compliance with the above recommendation.

4. Legal Comments

- 4.1. Specific advice on powers has been sought from Counsel and it has been confirmed that MOPAC has the power to become a member of ACPO CPI by virtue of s. 1 Local Authorities Goods and Services Act 1970 as applied and modified by s.15 Police Reform and Social Responsibility Act 2011 (PRSRA) together with the incidental powers in Schedule 3 paragraph 7(1) PRSRA.
- 4.2. External lawyers Eversheds have also conducted legal due diligence and the outcomes and issues have been discussed with MOPAC officers, including various recommendations to be taken forward post completion to improve and formalise certain structural arrangements, documentation and policies.
- 4.3. MOPAC's accession to and ACPO's resignation from, membership of ACPO CPI will be effected concurrently and will require entry into an investment agreement by MOPAC, ACPO and CPI, along with accession and resignation notices required by ACPO CPI's articles of association. Neither the investment agreement nor the accession require the payment of any fee in relation to MOPAC's accession as a member. The investment agreement will be executed as a deed and therefore a requirement to use the MOPAC seal has been determined, the application of which may be authorised by the Chief Operating Officer.

5. Equality Comments

- 5.1. MOPAC is subject to the Public Sector Equality Duty set out at s.149 Equality Act 2010. This requires it, when carrying out its functions, to have due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
 - advance equality of opportunity between people who share a protected characteristic and those who do not; and
 - foster good relations between people who share a protected characteristic and those who do not.

No adverse impact on any protected group has been identified as arising from this decision.

6. Background/supporting papers

- 6.1. A financial due diligence report and legal due diligence report are attached to the Part 2 form

*Earnings Before Interest, Taxes, Depreciation and Amortization

Public access to information

Information in this form is subject to the Freedom of Information Act 2000 (FOIA) and other legislation. Part 1 of this form will be made available on the MOPAC website within 1 working day of approval. Any facts/advice/recommendations that should not be made automatically available on request should not be included in Part 1 but instead on the separate Part 2 form. Deferment is only applicable where release before that date would compromise the implementation of the decision being approved.

Is the publication of **this** form to be deferred? NO

If yes, for what reason:

Until what date (if known):

Is there a **part 2** form – YES

If yes, for what reason: Commercially confidential information relating to ACPO CPI Ltd is contained in a financial due diligence report associated with the part 2 form

ORIGINATING OFFICER DECLARATION:

	<i>Tick to confirm statement (✓)</i>
Head of Unit: Head of Strategy and Business Planning has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓
Legal Advice: The TfL legal team has been consulted on the proposal.	✓
Financial Advice: The Strategic Finance and Resource Management team have been consulted on this proposal.	✓
Equalities Advice: The Workforce Development Officer has been consulted on the equalities and diversity issues within this report.	✓

OFFICER APPROVAL**Chief Operating 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.

Signature



Date 15/03/16