

REQUEST FOR DMPC DECISION – PCD 139**Title: National Business Crime Hub****Executive Summary:**

This paper seeks approval to expand the MPS's Business Crime Reduction Hub to form the National Business Crime Hub. The MPS has gained considerable experience in business crime, having set up a Business Crime Reduction Hub in 2013. This has led the MPS to work with Nottinghamshire Police, the National Police Chiefs Council (NPCC) lead for Business Crime Reduction to support business crime reduction within London and the UK as a whole.

Recommendation:

The DMPC is asked to

1. Approve the MPS Business Crime Reduction Hub's expansion to form the National Business Crime Hub.
2. Approve the collaboration between the MPS and the Police and Crime Commissioner for Nottinghamshire and Nottinghamshire Police to enable the transfer of grant funding to the MPS.
3. Approve the recruitment for the National Crime Business Hub to begin as soon as possible but capped at the original approval amount (£1m over three years) until such time that the increased limit is formally approved by the Home Office.

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**

16/2/17

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

Decision required – supporting report

1. Introduction and background

- 1.1. Business crime excluding fraud and cyber accounts for 17% of all reported crime nationally and the cost to the UK is over £614m per annum. As such there is a clear need for MPS resources in this area. The MPS Business Crime Reduction Hub was set up in March 2013 and since that time has collaborated with the NPCC lead for Business Crime Reduction (Nottinghamshire Police) to address business crime within London and across the UK.
- 1.2. In August 2016, the MPS was asked to collaborate with Nottinghamshire Police to apply for a Police Transformation Funding grant to increase capabilities nationally through the establishment of a National Business Crime Hub.
- 1.3. The NPCC lead is transferring from Nottinghamshire Police to the MPS. This will allow for the transfer of the Police Transformation Funding Grant to the MPS. The current value is £1m; this may increase to £1.3m, if the Home Office grants the request for an uplift.

2. Issues for consideration

- 2.1. Following discussions with the Business community, other forces and MOPAC it was agreed to develop a National Business Crime Reduction Hub based in London. The establishment of the Hub will allow for standardisation in the police approach to business crime and encourage greater support from businesses. Feedback from the business community has cited the lack of national co-ordination and varying standards in the approach to business crime as an area of frustration.
- 2.2. The MPS has been instrumental in supporting Nottinghamshire Police as the NPCC lead for Business Crime Reduction to develop and drive forward the National Business Crime Hub. The success of the MPS's own Business Crime Reduction Hub and the expertise contained there are seen as key to the success of the National Business Crime Unit.
- 2.3. The MPS will continue to retain its Business Crime Reduction Hub during the expansion to the National Business Crime Hub.

3. Financial Comments

- 3.1 The Home Office has allocated Nottinghamshire Police grant funding of £1m from the Police Transformation Funding Grant to fund 4 police officers, 2 police staff and relevant support costs for the development of the National Business Crime Hub. The MPS also now wish to restructure the team at an additional cost of approximately £300,000. Nottinghamshire Police have agreed to the uplift subject to approval by the Home Office.
- 3.2 The full £1.3m grant will be used to fund 6.5 officer posts, associated support costs and overheads for the National Business Crime Hub. Funding will also be used to develop IT to facilitate the expansion of the Hub to take on a national remit.

Details of the budget and spend are shown below:

	2016/17	2017/18	2018/19	Total
Capital	0	38,400	0	38,400
Revenue	73,377	579,439	579,439	1,232,256
Total	73,377	617,839	579,439	1,270,656
Approved funding from the Home Office	203,541	398,681	398,681	1,000,903
Uplift requested	-130,164	219,158	180,758	269,753
Total	73,377	617,839	579,439	1,270,656

The MPS will only spend up to the approved Home Office funding of £1m, if the uplift is not approved. There will be no extra costs incurred by the MPS and the existing budget for the MPS's Business Crime Reduction Hub will not be impacted.

4. Legal Comments

- 4.1 Under paragraph 4.5 of the MOPAC Scheme of Consent and Delegation approval is required by the Deputy Mayor for Policing and Crime for all collaboration agreements under s22 Police Act 1996 where the Act requires it.
- 4.2 There will be a written agreement between MOPAC and the Police and Crime Commissioner for Nottinghamshire to formalise the arrangement. The agreement will be published under the Elected Local Policing Bodies (Specified Information) Order 2011.

5. Equality Comments

- 5.1. There are no direct equality or diversity implications arising from this report

6. Background/supporting papers

- 6.1. None.

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.

Part 1 Deferral:

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

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 rational for non-publication.

Is there a **part 2** form – No

If yes, for what reason:

ORIGINATING OFFICER DECLARATION:

	<i>Tick to confirm statement (✓)</i>
Head of Unit: The Head of Strategic Finance and Resource Management has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	✓
Legal Advice: The MPS legal team has been consulted on the proposal.	✓
Financial Advice: The Head of Strategic Finance and Resource Management has been consulted on this proposal.	✓
Equalities Advice: No Equality and Diversity issues identified.	✓

OFFICER APPROVAL**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.

Signature

R. Lawrence

Date

8/2/17

NATIONAL BUSINESS CRIME HUB

Portfolio and Investment Board – January 2017

Report by ACTP on behalf of the Commissioner

SUMMARY

Since it was set up in 2013, the MPS Business Crime Reduction Hub (TP C&S) has worked in partnership with NPCC lead for Business Crime Reduction (Nottinghamshire Police) and led other Forces to address business crime both in the capital and nationally.

Nottinghamshire, wish to collaborate with the MPS, following a successful bid for a 3 year Police Transformation Funding Grant from the Home Office to establish a National Business Crime Reduction Hub based in London. Since the NPCC lead is transferring to the MPS (Deputy Commissioner Mackey) this year, a continuing collaboration between Notts and the MPS is recommended to secure the development of a hub to support both national Police Forces, enforcement agencies and the wider business community. The original bid assumed the MPS would receive £1m (£0.2m 2016/17, £0.4m 2017/18 and £0.4m 2018/19) of the total grant approved to establish a National Business Crime Reduction Hub as an extension to the existing MPS Business Crime Hub. Following a delay in the establishment of the hub and a change in the proposed structure of the team, as well as the identification of some support costs that were not highlighted in the original bid the MPS has requested Notts increase the proportion of funding granted to the MPS to £1.3m (0.1m 2016/17, £0.6m 2018/19 and £0.6m 2018/19). Notts has agreed to this uplift in principle and are awaiting formal approval from the Home Office.

A. RECOMMENDATIONS - That Members

1. **Approve the Met Business Crime Unit expands to form the National Business Crime Hub;**
2. **Recommend to the DMPC that a collaboration with the Police and Crime Commissioner for Nottinghamshire and Nottinghamshire Police is formed and seek DMPC approval in line with 4.5 of the MOPAC Scheme of Consent and Delegation.**
3. **Recommend that recruitment for the National Crime Business Hub begins as soon as possible capped at the original approval amount (£1m in total, £0.2m in 16/17) until such a time that the increased limit is formally approved by the Home Office, so that expansion delivery is not delayed.**

B. SUPPORTING INFORMATION

1. **Business crime (not including fraud and cyber) accounts for 17% all reported crime nationally, costing the UK over £614M, whilst Business Crime, intrinsically linked to much wider Serious Organised Criminality - Human Trafficking, Modern Slavery, Foreign National Offending, Fraud, Cyber, and Child Sexual Exploitation - costs the UK approx. £27 billion per year.**
2. **The current NPCC lead for Business Crime is T/CC Sue Fish based in Nottingham.**
3. **In August 2016 the MPS, having successfully created its own Business Crime Reduction Hub with the support of MOPAC, was asked to collaborate with Nottinghamshire to apply for a Police Transformation Funding Grant to increase capabilities nationally.**

Not Protectively Marked

4. In consultation with Forces, businesses and MOPAC, the application made was for enough police resources to create a National Business Crime Reduction Hub, 'hosted' in London, which will provide a honed and effective law enforcement 'voice' in response to business crime. Businesses are frustrated by 43 Forces each providing different standards of police response. They want a coordinated approach to tackle high volume, high demand business related criminality and a National Hub, based in the financial capital, will provide an opportunity to cut duplicated projects and provide efficiencies. Under one National Business Crime Reduction Hub, all Force activity could be mapped, good practice shared, boundaries released and criminality reduced. A national 'one stop shop' for both police and business to turn to, will ensure a professional, cohesive response and one that businesses want to align to and support.
5. Supt Roy Smith who heads the new TP - Continuous Policing Improvement OCU (formerly C&S) which is currently being restructured has been consulted and is supportive of this proposal. Along with the London business crime hub he will be the Senior Responsible Owner (SRO) for the national business crime hub project and implementation and has confirmed he is happy for it to be hosted within TP alongside existing MPS business crime asset.
6. In December 2016 the Home Office reported a PTF Grant had been allocated to Notts to progress the development of a National Business Crime Reduction Hub based in London. When T/CC Fish announced her retirement (in March 2017) Deputy Commissioner Mackey offered to take the lead and continued support of the development of a National Business Crime Reduction Hub.
7. Therefore the request is the current MPS Business Crime Reduction Hub (TP C&S) transfers the PTF Grant money secured by Notts to expand the current MPS hub to a provide a National capability.
8. This will ensure that no extra costs are incurred to MOPAC, no additional costs to the MPS and added benefit to the business community and all Constabularies.

C. OTHER ORGANISATIONAL & COMMUNITY IMPLICATIONS

Equality and Diversity Impact

1. Equalities considerations have been taken into account particularly concerning the support of Small and Medium Enterprises who are at greatest risk from business crime.

Financial Implications / Value for Money

1. There is a budget for existing MPS Business Crime Hub within the Capability and Support budgets within TP. The original approval from the Home Office (as agreed with Notts), agreed a grant of £1m (£0.2m 2016/17, £0.4m 2017/18 and £0.4m 2018/19) would be utilised to fund 6 FTE (4 officers and 2 staff) as well as relevant support costs identified at the time of the bid. Since the original agreement, there have been delays in implementing the hub leading to a lower spend in 2016/17. In addition the MPS has requested a restructure to the proposed team be considered by the Home Office, as well as the addition of some support costs that had not previously been identified, both of which, if agreed, will lead to an increase in the overall grant approved to £1.3m (0.1m 2016/17, £0.6m 2018/19 and £0.6m 2018/19). Notts has agreed to this uplift in principle, and both forces are now awaiting Home Office approval for the uplifted costs.
2. If approved, the uplifted grant will be utilised to fund 6.5 FTE additional officer posts and associated support costs and overheads, as well as IT to facilitate the expansion of the hub to take on a national remit. The intention is that if funding for the national hub is not continued the team would reduce back to the existing levels to support the MPS Business Crime Hub once more.

Not Protectively Marked

3. The funding requested is as follows;

Capital lines of expenditure	2016/17	2017 / 18	2018 / 19	Total
IT	0	38,400	0	38,400
Total Capital		38,400	-	38,400
Resource lines of expenditure	2016/17	2017 / 18	2018 / 19	Total
Senior management meeting attendance	1,339			1,339
Director of Business Crime Supt (0.5 FTE)	4,351	52,216	52,216	108,782
Detective Insp Partnership/engagement	51,696	84,146	84,146	219,988
Detective Sergeant	5,579	66,946	66,946	139,471
PC X4	4,551	218,424	218,424	441,399
Support costs	5,541	61,739	61,739	129,018
Additional central accommodation cost	-	5,401	5,401	10,801
Overtime	-	10,000	10,000	20,000
Marketing/Branding/Advertising	-	5,000	5,000	10,000
Events	-	10,000	10,000	20,000
IT (4 additional Aware terminals)	-	4,200	4,200	8,400
Travel & Subsistence	320	21,500	21,500	43,320
Hospitality Expenses	-	1,632	1,632	3,264
Training	-	32,250	32,250	64,500
Supplies & Services	-	5,987	5,987	11,973
Total Resource	73,377	579,439	579,439	1,232,256
Total funding sought (resources and capital)	73,377	617,839	579,439	1,270,656
Funding approved to date from Home Office	203,541	398,681	398,681	1,000,903
Uplift requested	-130,164	219,158	180,758	269,753

4. The expansion of the hub will not impact on MPS budgets as all additionality and allowance for support costs and overheads are included in the funding request. If the uplift is not approved, the MPS will ensure that it only utilises resources up to the originally approved grant limit of £1m.

5. Legal Implications

1. S22 of the Police Act 1996, as amended by Section 89 Police Reform and Social Responsibility Act 2011 allows the MOPAC, as the local policing body, in connection with the discharge of any its functions to enter into a collaboration agreement.
2. The MOPAC Scheme of Delegation at Clause 4.5 requires the Deputy Mayor for Policing and Crime to approve all collaboration agreements where the Act requires. As this is a policing body collaboration, it is required.
3. There will be a written agreement between the MOPAC and the PCC for Nottinghamshire to formalise the arrangement. The agreement will be published under the Elected Local Policing Bodies (Specified Information) Order 2011.

Risk (including Health and Safety) Implications

Health and Safety

Not Protectively Marked

1. MPS Business Crime Reduction Hub will continue to work with the MPS Safety and Health Risk Management Team (and other agencies as appropriate) to ensure that all significant H&S risks have been quantified, and that suitable and sufficient controls are in place aimed at mitigating the risk to the MPS as follows:
 - a) Compliance with health and safety at work statutory provisions including codes of practice
 - b) MOPAC/MPS Safety Management System and
 - c) Service delivery that may impact public, officer or staff safety

Risks

1. Without PIB approval to secure this financial agreement between Notts and MPS there is significant risk that the National Business Crime Reduction Hub cannot be delivered. Current Notts NPCC Lead for Business Crime Reduction has relied heavily on the expertise and drive of the MPS BC Hub to drive forward activity to this point.
2. The Business Community is our largest and most diverse community. The MPS, having sought both national Police and Business consultation in writing the proposal for a National Hub, has committed to delivering an improved service to both. Notts have announced a successful grant and the expectations for support by police is high.

Environmental Implications

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Supporting Documents:

PTF Grant Agreement and Funding Bid