

**DMPC Decision – PCD 766**

**Title:** Collaboration with City of London Police and UK Payments to fund the Dedicated Card and Payment Crime Unit

**Executive Summary:**

This decision seeks approval for the MPS arrangement with City of London Police and UK Finance for the Dedicated Card and Payment Crime Unit to be converted from a partnership arrangement to a formal Collaborative Agreement. The Dedicated Card and Payment Crime Unit is a unique proactive operational Police unit with a national remit. It was formed in 2002 as a partnership between UK Finance, the City of London Police and the Metropolitan Police.

The agreement is fully sponsored by UK Finance, supported by an agreement pursuant to Section 93 of the Police Act 1996, with an on-going brief to investigate, target and, where appropriate, arrest and seek successful prosecution of offenders responsible for card, cheque and payment fraud crimes.

**Recommendation:**

The Deputy Mayor for Policing and Crime is recommended to:

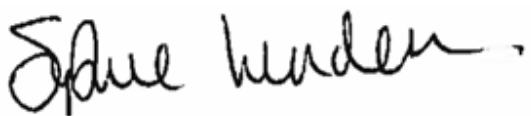
- a. Approve the formalisation of a Collaboration Agreement with City of London Police and UK Finance for the Dedicated Card and Payment Crime Unit.
- b. Note the overall cost of the DCPCU specific policing activities is funded entirely by UK Finance and is split between the MPS and City of London Police and is determined by the number of police officers each force provides and has a capped budget of £2.7M.

**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**

**29/05/2020**

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

### **1. Introduction and background**

- 1.1. The Dedicated Card and Payment Crime Unit (DCPCU) is a specialist proactive police unit, with a national remit, formed in 2002 as a partnership between UK Finance, the City of London Police (CoLP) and the MPS together with the Home Office.
- 1.2. It is fully sponsored by UK Finance, supported by an agreement pursuant to Section 93 of the Police Act 1996, with an on-going brief to investigate, target and, where appropriate, arrest and seek successful prosecution of offenders responsible for card, cheque and payment fraud crimes.
- 1.3. Originally the DCPCU was sponsored by the Association of Payment Clearing Services (APACS (Administration) Ltd) which was the industry body for cheque and card processing for all UK financial organisations. In 2009 APACS became the UK Payments Administration Ltd (UK Payments) and on the 1st July 2017, a new trade body called UK Finance was established to represent the financing and banking industry in the UK. UK Finance has taken on activities carried out by various organisations including that of UK Payments.
- 1.4. In order for UK Payments to continue funding the DCPCU novation agreements were made in relation to the sponsored services agreement. This was approved by the Deputy Mayor on 12 September 2019 (PCD 258).
- 1.5. A collaboration agreement is now deemed more appropriate for this relatively complex, long term, multi-party association involving criminal investigations. The statutory guidance to s.22 Police Act 1996 dictates a formal agreement is required in cases such as this. In accordance with MOPAC's Scheme of Consent and Delegation, Deputy Mayor approval, is therefore sought to enter into a collaboration.

### **2. Issues for consideration**

- 2.1. The replacement collaboration agreement will maintain effectiveness or operations through the existence of the dedicated unit.
- 2.2. The services to be provided by the MPS and CoLP are set out at Schedule 1 of the agreement as follows:
  - Provide, within the Budget Cap, a fully operational DCPCU to undertake intelligence gathering, investigation, targeting and, where appropriate, to arrest and seek successful prosecution of offenders identified as responsible for organised fraudulent crime against the payments industry, including card & payment fraud crimes;
  - Procure the following main objectives of the DCPCU:
  - To investigate, target, and, where appropriate, arrest and seek the prosecution

of offenders identified as responsible for organised payment crime against the payments industry, including card & payment frauds' industry crimes;

- To perform in accordance with all agreed performance measurement criteria and Key Performance Indicators;
- To achieve and maintain recognition within the UK law enforcement structure as the “centre of excellence” for card and payment fraud crime investigations and to offer advice, guidance and support to other police forces in respect of such investigations;
- To investigate organised card and payment fraud crime perpetrated throughout England and Wales and to act as the primary liaison unit with law enforcement colleagues in Scotland, Europe and beyond;
- To work in liaison with UK Finance to collect, collate and where appropriate disseminate intelligence on crime relating to the payment industry including but not limited to the area of card and payment fraud in accordance with MOPI;
- Provide Key Personnel within the DCPCU currently comprising: twenty four (24) police officers (one detective chief inspector, two detective inspectors, four detective sergeants and fifteen detective constables subject always to individual officers leaving the DCPCU and the Commissioners obligation to replace such officer within a reasonable time) and seven (7) police staff members seconded to DCPCU together with specialist office furniture and equipment, transport and all other resources required to achieve the objectives. Which police officers are to be provided shall be a matter for the Commissioners to agree, however the Commissioners agree, that where possible, police officers other than the DCPCU Head of Unit should be allocated in an even proportion between them;
- To facilitate the provision of additional police services as operationally required, such as surveillance and forensic support etc. These services will be agreed through the appropriate police service tasking meetings and provided in accordance with operational availability and priorities; and
- To liaise with the Crown Prosecution Service to seek appropriate priority and resourcing to cases emanating from the DCPCU. The Parties acknowledge that the Crown Prosecution Service is a separate independent agency and may not agree to any such request for priority and resource.

### **3. Financial Comments**

- 3.1. The overall cost of the DCPCU specific policing activities is funded entirely by UK Finance and is split between the MPS and CoLP. The budget is set yearly with the 2020/21 budget capped at £2.660m. It is a rolling agreement with no specific end date should any of the parties wish to terminate 12 months written notice is required.
- 3.2. UK Finance fund 24 MPS officers (1 DCI, 2 DI, 4 DS and 17 DC) and 7 MPS police staff posts (1 senior analyst, 3 analysts, 1 researcher, 1 digital officer and 1 office manager).
- 3.3. The MPS submits monthly invoices for all costs to CoLP and are paid directly by CoLP. CoLP submit their combined invoice to UK Finance and are then remunerated by UK Finance.

- 3.4. If the Termination clause was activated by either party the MPS would be guaranteed to receive the income for 12 months which provides sufficient time to put in place a redeployment plan.

#### **4. Legal Comments**

- 4.1. 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 of its functions to enter into a collaboration agreement.
- 4.2. Clause 4.5 of the MOPAC Scheme of Consent and Delegation requires the Deputy Mayor for Policing and Crime to approve collaboration agreements where the Act requires. As this is a policing body collaboration, it is required.
- 4.3. The arrangement will be formalised by the documented approval with a collaboration agreement. The completed agreement will be published in accordance with the obligations contained within the Elected Local Policing Bodies (Specified Information) Order 2011.
- 4.4. MPS Directorate of Legal Services have been involved during the negotiation of the agreement and have approved the final draft. The agreement does include a liability risk where the MPS would be liable of both CoLP and UK Finance should the MPS breach the agreement. This is however a standard clause within any collaboration, and the MPS would always be liable for acts and omissions of officers/staff.
- 4.5. The proposals in this decision are in line with regulations.

#### **5. GDPR and Data Privacy**

- 5.1. 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 in order to safeguard the rights and freedoms of individuals.
- 5.2. 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.
- 5.3. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the collaboration meets its compliance requirements.

#### **6. Equality Comments**

6.1. There are no identified or anticipated negative equality impacts relating to this proposal.

**7. Background/supporting papers**

7.1. The MPS report.

**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: N/A

**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

<b>ORIGINATING OFFICER DECLARATION</b>	Tick to confirm statement
<b>Financial Advice</b> The Strategic Finance and Resource Management Team has been consulted on this proposal.	Yes
<b>Legal Advice</b> The MPS legal team has been consulted on the proposal.	Yes
<b>Equalities Advice</b> Equality and diversity issues are covered in the body of the report.	Yes
<b>Commercial Issues</b> The Contract Management Team has been consulted on the commercial issues within this report.	Yes
<b>GDPR/Data Privacy</b> GDPR compliance issues are covered in the body of the report.	Yes
<b>Director/Head of Service</b> The CFO has reviewed the request and is satisfied it is correct and consistent with the MOPAC's plans and priorities.	Yes

**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



Date 27/05/2020



MOPAC

MAYOR OF LONDON  
OFFICE FOR POLICING AND CRIME

**Collaboration with City of London Police and UK Payments to fund the Dedicated Card and Payment Crime Unit**

**MOPAC Investment Advisory & Monitoring meeting**

**Report by Assistant Commissioner Specialist Operations 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*

The Dedicated Card and Payment Crime Unit is a unique proactive operational Police unit with a national remit. It was formed in 2002 as a partnership between UK Finance, the City of London Police and the Metropolitan Police. Authority is sought to enter into a collaboration agreement with UK Finance and City of London Police..

**Recommendations**

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

- 1. Approve the collaboration with City of London Police and UK Finance for the Dedicated Card and Payment Crime Unit.**

**Time sensitivity**

A decision is required from the Deputy Mayor by 6<sup>th</sup> May 2020.

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

**Introduction and background**

1. The Dedicated Card and Payment Crime Unit (DCPCU) is a specialist proactive police unit, with a national remit, formed in 2002 as a partnership between UK Finance, the City of London Police (CoLP) and the MPS together with the Home Office.
2. It is fully sponsored by UK Finance, supported by an agreement pursuant to Section 93 of the Police Act 1996, with an on-going brief to investigate, target and, where appropriate, arrest and seek successful prosecution of offenders

responsible for card, cheque and payment fraud crimes.

3. Originally the DCPCU was sponsored by the Association of Payment Clearing Services (APACS (Administration) Ltd) which was the industry body for cheque and card processing for all UK financial organisations. In 2009 APACS became the UK Payments Administration Ltd (UK Payments) and on the 1st July 2017, a new trade body called UK Finance was established to represent the financing and banking industry in the UK. UK Finance has taken on activities carried out by various organisations including that of UK Payments.
4. In order for UK Payments to continue funding the DCPCU novation agreements were made in relation to the sponsored services agreement. This was approved by the Deputy Mayor on the 12<sup>th</sup> September 2019 (decision sheets 258 refers).
5. A collaboration agreement is now deemed more appropriate for this relatively complex, long term, multi-party association involving criminal investigations. The statutory guidance to s.22 Police Act 1996 dictates a formal agreement is required in cases such as this. In accordance with MOPAC's Scheme of Consent and Delegation, Deputy Mayor approval, is therefore sought to enter into a collaboration.

#### **Issues for consideration**

6. The replacement collaboration agreement will maintain effectiveness or operations through the existence of the dedicated unit.
7. The services to be provided by the MPS and CoLP are set out at Schedule 1 of the agreement as follows:
  - provide, within the Budget Cap, a fully operational DCPCU to undertake intelligence gathering, investigation, targeting and, where appropriate, to arrest and seek successful prosecution of offenders identified as responsible for organised fraudulent crime against the payments industry, including card & payment fraud crimes;
  - procure the following main objectives of the DCPCU:
  - to investigate, target, and, where appropriate, arrest and seek the prosecution of offenders identified as responsible for organised payment crime against the payments industry, including card & payment frauds' industry crimes;
  - to perform in accordance with all agreed performance measurement criteria and Key Performance Indicators;
  - to achieve and maintain recognition within the UK law enforcement structure as the "centre of excellence" for card and payment fraud crime investigations and to offer advice, guidance and support to other police forces in respect of such investigations;
  - to investigate organised card and payment fraud crime perpetrated throughout England and Wales and to act as the primary liaison unit with law enforcement colleagues in Scotland, Europe and beyond; and



- to work in liaison with UK Finance to collect, collate and where appropriate disseminate intelligence on crime relating to the payment industry including but not limited to the area of card and payment fraud in accordance with MOPI;
- provide Key Personnel within the DCPCU currently comprising: twenty four (24) police officers (one detective chief inspector, two detective inspectors, four detective sergeants and fifteen detective constables subject always to individual officers leaving the DCPCU and the Commissioners obligation to replace such officer within a reasonable time) and seven (7) police staff members seconded to DCPCU together with specialist office furniture and equipment, transport and all other resources required to achieve the objectives. Which police officers are to be provided shall be a matter for the Commissioners to agree, however the Commissioners agree, that where possible, police officers other than the DCPCU Head of Unit should be allocated in an even proportion between them;
- to facilitate the provision of additional police services as operationally required, such as surveillance and forensic support etc. These services will be agreed through the appropriate police service tasking meetings and provided in accordance with operational availability and priorities; and
- to liaise with the Crown Prosecution Service to seek appropriate priority and resourcing to cases emanating from the DCPCU. The Parties acknowledge that the Crown Prosecution Service is a separate independent agency and may not agree to any such request for priority and resource.

### **Contributes to the MOPAC Police & Crime Plan 2017-2021<sup>1</sup>**

8. The DCPCU has three Key Performance Areas: Insider Threat; Social Engineering; and card not present fraud. The DCPCU receives referrals from the banking sector where there is an element of Organised Crime Group (OCG) activity.
9. Insiders are bank employees who either have been approached by OCGs or have been planted by OCG to exploit the banking system and provided insider knowledge to criminal gangs. In 2019 the DCPCU conducted 48 arrests and ensured 66 convictions for the insider threat
10. Social Engineering concerns fraudsters coercing victims to providing personal data which is then used to commit fraud, this affects vulnerable members of the public. There were 33 referrals into the DCPCU with 27 cases being accepted, this resulted in 44 arrests. There were also 19 convictions for Social Engineering in 2019.
11. Card not present (CNP) fraud relates to online or telephone purchases, in order for the DCPCU to accept these referrals there must be a link to an OCG. The DCPCU received 13 allegations, 11 of which were accepted which resulted in 12

---

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

arrests. There were also 11 convictions for CNP fraud.

12. Victims are protected by ensuring swift action when referrals are presented. The hardest hit victims are often the most vulnerable. 7,261 compromised card numbers were recovered from criminal gangs and were protected through the financial sector.
13. The DCPCU also has a Prevent and Protect capability that is conducted through UK Finance where 8.2 million people have been reached through print, online, radio and television coverage, this is the equivalent of £202,000 if advertising were used.
14. 64 education and awareness presentations were given to the financial industry; 43 education and awareness presentations to business and a process for reporting staff approaches by OCGs to infiltrate the financial sector has been created, 24 reports were received.
15. The UK is renowned for its London-centric financial services which employs over 300,000 people in London and generates nearly £70bn to the UK economy.
16. The DCPCU is in place to ensure the integrity and confidence of the financial sector across London and the UK targeting Organised Criminal Groups. In 2019 DCPCU activity achieved 35 disruptions against 25 OCGs all with London connections.

### **Financial, Commercial and Procurement Comments**

17. The overall cost of the DCPCU specific policing activities is funded entirely by UK Finance and is split between the MPS and CoLP. The budget is set yearly with the 2020 capped at £2,660,501. It is a rolling agreement with no specific end date should any of the parties wish to terminate 12 months written notice is required.
18. UK Finance fund 24 MPS officers (1 DCI, 2 DI, 4 DS and 17 DC) and 7 MPS police staff posts (1 senior analyst, 3 analysts, 1 researcher, 1 digital officer and 1 office manager).
19. The MPS submits monthly invoices for all costs to CoLP and are paid directly by CoLP. CoLP submit their combined invoice to UK Finance and are then remunerated by UK Finance.
20. If the Termination clause was activated by either party the MPS would be guaranteed to receive the income for 12 months which provides sufficient time to put in place a redeployment plan.

### **Legal Comments**

21. 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 of its functions to enter into a collaboration agreement.

22. Clause 4.5 of the MOPAC Scheme of Consent and Delegation requires the Deputy Mayor for Policing and Crime to approve collaborations agreements where the Act requires. As this is a policing body collaboration, it is required.
23. The arrangement will be formalised by the documented approval with a collaboration agreement. The completed agreement will be published in accordance with the obligations contained within the Elected Local Policing Bodies (Specified Information) Order 2011.
24. DLS have been involved during the negotiation of the agreement and have approved the final draft. The agreement does include a liability risk where the MPS would be liable of both CoLP and UK Finance should the MPS breach the agreement. This is however a standard clause within any collaboration, and the MPS would always be liable for acts and omissions of officers/staff.

### **Equality Comments**

25. There are no identified or anticipated negative equality impacts relating to this proposal.

### **Privacy Comments**

26. 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.
27. 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.
28. The Information Assurance and Information Rights units within MPS will be consulted at all stages to ensure the collaboration meets its compliance requirements.

### **Real Estate Implications**

29. The DCPCU office is fully funded and paid for by UK Finance. The unit premises are paid for in full by UK Finance.

### **Environmental Implications**

30. There are no environmental implications for this event.

**Background/supporting papers**

31. None.

Report author: Det Sup Nick Stevens