

Committee:	Date:
Police Committee	4 th July 2014
Subject: Review of the Police Property Act Fund	Public
Report of: Town Clerk	For Decision
<p style="text-align: center;"><u>Summary</u></p> <p>At the Police Committee meeting in December 2013, officers undertook to review the processes for allocating donations through the Police Property Act Fund. This report recommends that a fixed proportion of the fund (based on a proportion of total sum) is donated to charitable causes and that Members are provided with the opportunity to issue donations to the same charity over consecutive years.</p> <p>Recommendations</p> <p>Members are asked to agree the following changes to the Criteria of Disbursement:-</p> <ul style="list-style-type: none"> - Up to 75% of the Police Property Act Fund balance to be donated to charitable causes on an annual basis - That the amount granted to individual charities be increased from £1,000 to £2,500 and that this is formalised into the Criteria for Disbursement - Members are provided with the opportunity to donate to the same charity in consecutive years. 	

Introduction

1. The Police (Property) Regulations 1997 enable the surplus from the Property Act Fund to be used for charitable purposes. At the meeting of the Police Committee in December 2013, Members requested a review of the fund's 'Criteria for Disbursement' (appendix A) to ensure that the maximum amount of funds per year is distributed.
2. Historically the fund has maintained a large balance which currently stands at £48,530 (see appendix C). At the December meeting, Members raised concern that by maintaining this surplus, the City is failing to make full use of the fund to fulfil its charitable purpose. It was felt that this surplus would be better spent by assisting local charities rather than being held in reserve to generate interest.

Historic fund disbursement

3. Currently the Criteria for Disbursements (appendix A) does not set a maximum level that can be distributed per year. It is therefore at the discretion of Police Committee Members to set this criteria at each annual disbursement of funds.
4. Traditionally, the Fund has opted to grant total donations of under £20,000 to between 4-10 different charities. The amount donated to individual charities commonly comprises of a £1,000 one-off grant. However, on occasion individual charities have received substantially larger donations (a one-off grant of £5,000 was donated to First Aid Nursing Yeomanry in 2011).
5. Currently the criteria advises against funds being distributed to organisations in consecutive years unless there is a 'connection with the Force'. However, charities such as the First Aid Nursing Yeomanry and Hampstead Marie Curie Hospice have received donations over consecutive years and therefore Members may wish to review this aspect if regular donation to a specific charity is desired. In addition, the Force has shown support for certain charities receiving money over consecutive years.
6. Consideration has been given to distributing the fund twice per year (June and December). However such conditions would require a significant amount of administrative resource with only a minimum amount of benefit in return. This approach is therefore not recommended.

Proposed Amendments to the Criteria for Disbursement

7. In order contribute a larger proportion of the Fund to charitable causes, it is recommended that a set percentage of the balance be distributed on an annual basis. We would suggest this be set at 75% of the total in order to donate a sizable amount whilst avoiding large fluctuations in donation levels. This will ensure that there is sufficient funding available in the account for the following year to accommodate fluctuations in generated income. For example in 2006/07, £3,612 of interest generated (from a balance of £68,383) whereas in 2009/10, only £1,563 (from a balance of £64,105) was generated.
 8. It is recommended that the traditional grant amount of £1,000 per charity be increased to £2,500 and that this be formalised into the Criteria for disbursement (appendix A). Only in exceptional circumstances will this amount be exceeded.
 9. Based on the previous preference of Members towards specific charities, it is recommended that the ability to fund the same charity consecutively be incorporated into the Criteria.
 10. These changes are marked into the proposed Criteria (appendix A). Criteria marked in (*Italics*) are to be deleted and that criteria marked as underlined are additions.
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APPENDIX A

POLICE PROPERTY ACT FUND – CRITERIA FOR DISBURSEMENTS

1. The organisations to which disbursements may be made should be registered charities.
2. Such organisations, which may be local or national, should be involved in work directly relating to at least one of the following:
 - (i) victim support
 - (ii) discharged prisoners
 - (iii) prisoners' families/dependants
 - (iv) crime prevention
 - (v) welfare of disadvantaged/disabled young people
 - (vi) improvement of community relations
 - (vii) welfare of present or former police officers and/or their families/dependants
 - (viii) such other charitable purposes as may from time to time be agreed by the Committee.
3. Preference may be given to organisations which are local in nature with close City connections.
4. Prior to any disbursements being made, account will be taken of any assistance which may have been given by the City of London Corporation from other sources within the previous three years.
5. *(Disbursements will not normally be made to an organisation in consecutive years, or on consecutive occasions when disbursements are made at intervals longer than one year, unless they have a connection with the Force.)*
6. Requests for assistance from the Fund will normally be considered in December each year; and disbursements will be made when the balance available in the Fund permits (this may be annually or at longer intervals).
7. The Finance Committee and the City Bridge Trust Grants Officer will be informed of any disbursements made from the Fund.
8. 75% of the total fund balance is to be donated on an annual basis.
9. The figure of £2,500 is set as the standardised donation amount to individual charities. Police Committee Members may choose to request that a lower amount be donated. However, only in exceptional circumstances and with the agreement of the Police Committee will this amount be exceeded.
10. Police Committee Members may request that selected charities receive donation over consecutive years, or on consecutive occasions when disbursements are made at intervals longer than one year.

POLICE PROPERTY ACT FUND – CONSTITUTION AND PURPOSE

1. The Police Property Regulations 1997 apply to property which is:
 - (a) in the possession of the police by virtue of an order of a court of summary jurisdiction in connection with police investigations of a suspected offence where the owner of the property cannot be ascertained; or
 - (b) in the possession of the police by virtue of a court order in connection with the seizure of property where the court was satisfied that the property had been used for the purposes of committing or facilitating the commission of any offence, or was intended to be used for that purpose.
2. The Regulations provide that where property has been held for a year, in relation to an order under paragraph 1(a) above and for six months, in respect of an order under paragraph 1(b) above (provided, in the latter case there has been no successful application by a claimant of the property or no successful appeal by the offender) then the property may be sold and the proceeds of sale shall be kept in a separate account called the Police Property Act Fund (“the Fund”).
3. The Regulations provide that monies accrued in the Fund may be invested and the income so derived shall become part of the Fund. The monies accrued in the Fund may be used to:
 - defray expenses incurred in the conveyance, storage and safe custody of the property and in connection with its sale;
 - pay reasonable compensation, the amount of which shall be fixed by the Police Authority, to persons by whom property has been delivered to the police;
 - make payments of such amounts as the Police Authority may determine for such charitable purposes as they may select.
4. The Chief Officer of Police may, at the request of the Police Authority, administer the Fund in accordance with the Regulations.