

<b>DECISION NO: PCCG-2021-006</b>	
<b><u>OFFICE OF THE POLICE AND CRIME COMMISSIONER</u></b>	
<b>LEAD CHIEF OFFICER:</b>	<b>Nigel Stephens, ACC Resources</b>
<b>TITLE:</b>	<b>Contract for the Storage and Realisation of Cryptocurrency</b>
<b>DATE:</b>	<b>04.06.2021</b>
<b>TIMING:</b>	<b>Contract to commence 21<sup>st</sup> June 2021</b>
<b>PURPOSE:</b>	<b>To inform the OPCC of the award of the above contract.</b>
<b>1.</b>	<b><u>RECOMMENDATION</u></b>
1.1	To continue with the award of the contract for storage and realisation of Cryptocurrency
<b>2.</b>	<b><u>INTRODUCTION &amp; BACKGROUND</u></b>
2.1	Derbyshire Constabulary, under the leadership of the National Police Chief's Council (NPCC) have awarded a framework to Komainu (Jersey) Limited.
2.2	All Police Forces are named as potential participants in this contract, and the Joint Commercial and Procurement Unit have been instructed by the Gwent Police Cyber Crime Unit to sign up to the framework in order for Gwent Police to securely store and sell Cryptocurrency resulting from operations.
2.3	A call-off contract will be awarded under the framework terms, from 21 <sup>st</sup> June 2021 for 3 years, with the option to extend for a further 2 years. This award is in accordance with the Manual of Corporate Governance, section 3e, Standing Orders relating to Contracts, Section 20 – Frameworks.
<b>3.</b>	<b><u>ISSUES FOR CONSIDERATION</u></b>
3.1	Derbyshire Police have already completed a compliant OJEU tender. Komainu (Jersey) Ltd are the single supplier on the framework. Due diligence will have been carried out by the lead Force.
<b>4.</b>	<b><u>NEXT STEPS</u></b>
4.1	A call-off document has been completed. It requires signature by the OPCC in order to commence the contract on 21 <sup>st</sup> June 2021.
4.2	Gwent Police Operational teams will work with the supplier to ensure compliant activity in all operational matters concerning cryptocurrency.
<b>5.</b>	<b><u>FINANCIAL CONSIDERATIONS</u></b>
5.1	Komainu charge a set fee payable on net sale proceeds.

5.2	Additional fees may be payable for blockchain transactions. These are variable and set by the transferors within the blockchain network.
5.3	Any proceeds will be processed by Gwent Police under the Proceeds of Crime Act 2002.
<b>6.</b>	<b><u>PERSONNEL CONSIDERATIONS</u></b>
6.1	There are no TUPE or personnel considerations attached to this contract.
<b>7.</b>	<b><u>LEGAL IMPLICATIONS</u></b>
7.1	T&Cs are set by the Framework lead (Derbyshire Constabulary) and cannot be amended.
7.2	As a regulated firm, Komainu must maintain and comply with all applicable laws, orders, and codes of practice, which are subject to the Jersey Financial Services Commission's ongoing supervision. Annually, Komainu is also subject to audit by its appointed auditors PwC which forms part of the annual filing requirements to the regulator.
7.3	The contract contains extensive data protection clauses, which also must be signed. These have been reviewed by the Joint Data Protection Officer as part of the same roll-out within South Wales Police.
<b>8.</b>	<b><u>EQUALITIES AND HUMAN RIGHTS CONSIDERATIONS</u></b>
8.1	<p>This report has been considered against the general duty to promote equality, as stipulated under the Strategic Equality Plan and has been assessed not to discriminate against any particular group.</p> <p>Consideration has been given to requirements of the Articles contained in the European Convention on Human Rights and the Human Rights Act 1998 in preparing this report.</p>
<b>9.</b>	<b><u>RISK</u></b>
9.1	Gwent Police currently have no formal mechanisms in place for dealing with Cryptocurrency. This framework provides a compliant route to reduce that risk.
<b>10.</b>	<b><u>PUBLIC INTEREST</u></b>
10.1	This report may be published following signature of the call-off contract.
<b>11.</b>	<b><u>CONTACT OFFICER</u></b>
11.1	Adriel Roach, Procurement Manager, Joint Commercial and Procurement Unit
<b>12.</b>	<b><u>ANNEXES</u></b>
12.1	None

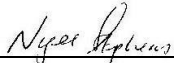
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**Office of the Chief Constable**

I confirm that Contract for the Storage and Realisation of Cryptocurrency report has been discussed and approved at a formal Chief Officers' meeting.

It is now forwarded to the OPCC for information purposes.

**Signature:**



**Date: 08/06/2021**

**Police and Crime Commissioner for Gwent**

I confirm that 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.

The above request has my approval.

**Signature:**



**Date:**

**17.06.2021**