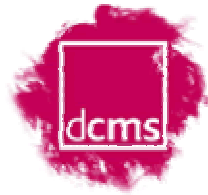


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VEGA



Database for Stolen and Illegally Removed Cultural Objects

Outline Business Case

Issue A

IN CONFIDENCE

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AMENDMENT POLICY

This document shall be amended by releasing a new edition of the document in its entirety. The Amendment Record Sheet below records the history and issue status of this document.

AMENDMENT RECORD SHEET

ISSUE	DATE	REASON
A	19 April 2004	Draft Issue

SUMMARY

On 29 March VEGA delivered the Stage 2 Report entitled, ““Stage 2 Report on the Development and Operation of a National Database of Stolen and Illegally Removed Cultural Artefacts”. This was followed on 5 April 2004 by a briefing to representatives of the Home Office and the Department of Culture, Media and Sport. Following that briefing VEGA was asked to undertake further work to determine answers to the following questions from the respective Ministers.

Firming up on the costs of each of the 3 steps and providing more evidence of how these costs were arrived at.

This question has been fully addressed. The cost model has been re-examined using further information on the scope and feasibility of the National Database of Stolen and Illegally Removed Cultural Objects Service. A more evidence based explanation into the composition of the costs has been used.

Providing more information and evidence on the likely benefits, in terms of potential impact on crime (both the illicit trade in cultural items and crime / organised crime more widely) for each of the 3 steps. In particular what would be the benefits of just doing step 1, of doing steps 1+2 and of doing steps 1+2+3.

This question has been fully addressed. The question has been decomposed into its constituent elements and research undertaken, through a questionnaire, with representatives from the Police service, HM Customs and Excise and the Art Loss Register. Although the size of the sample is too small to produce conclusive results the information produced indicates that greater benefits exist by the implementation of Step 3.

More information and evidence on what the industry, other users, and other beneficiaries are prepared to contribute to the costs.

This question has been partially addressed. Research indicates auction houses and large dealers are satisfied with their existing arrangements and will be reluctant to use a national database unless there is a commercial or legal imperative to do so. The service could appeal to small dealers, however a very much more comprehensive survey is required in order to gain a realistic indication of the scale of potential uptake. The information obtained to date supports the notion of an annual subscription fee of £25 for small users.

The concept of obtaining contributions to the costs of running a national database through sponsorship appears sound and there are a number of examples of police initiatives where this has worked well. However, no firm evidence is available from potential contributors and the time-scales have not allowed this question to be pursued in detail. The insurance industry is the most likely candidate but they have not been very forthcoming.

What are the risks associated with the possible income streams?

This question has been fully addressed and the risks associated with the most promising income streams have been assessed in terms of low, medium and high risk.

What could we achieve, bearing in mind the contribution we can expect from other users / beneficiaries, for a Government outlay of £250k this year.

This question has been fully addressed and a revised cost profile is produced that incorporates this budget constraint by delaying development of the necessary data standards by 6 months. However, this will cause a consequential delay of introducing a

public facing service to the Police National Database and of the new National Database of Stolen and Illegally Removed Cultural Objects Service.

The impact on the business case of the definition of "cultural property" as a narrow definition might reduce costs but limit usefulness to industry, and therefore their willingness to contribute. Whereas a wider definition would have the opposite effect.

This question has not been addressed fully because of the scale of the work required and the limited time and budget available. However, the views of knowledgeable persons and stakeholders have been provided.

TERMS OF REFERENCE

1. On Monday 5 April 2004 VEGA gave a briefing to representatives of the Home Office and the Department of Culture, Media and Sport regarding the report entitled "Stage 2 Report on the Development and Operation of a National Database of Stolen and Illegally Removed Cultural Artefacts" (the Stage 2 Report).
2. Following that briefing and the subsequent discussion, the representatives present confirmed a request for VEGA to undertake further work in an attempt to answer the following additional questions being asked by Ministers in relation to the costs and effectiveness of a national database.
 - a) Firming up on the costs of each of the 3 steps and providing more evidence of how these costs were arrived at.
 - b) Providing more information and evidence on the likely benefits, in terms of potential impact on crime (both the illicit trade in cultural items and crime / organised crime more widely) for each of the 3 steps. In particular what would be the benefits of just doing step 1, of doing steps 1+2 and of doing steps 1+2+3?
 - c) More information and evidence on what the industry, other users, and other beneficiaries are prepared to contribute to the costs?
 - d) What are the risks associated with the possible income streams?
 - e) What could we achieve, bearing in mind the contribution we can expect from other users / beneficiaries, for a Government outlay of £250k this year.
 - f) The impact on the business case of the definition of "cultural property" as a narrow definition might reduce costs but limit usefulness to industry, and therefore their willingness to contribute. Whereas a wider definition would have the opposite effect.
3. This paper seeks to build upon but not to repeat the information already presented within the Stage 2 Report.

COSTS OF EACH OF THE THREE STEPS (a)

General

4. The cost model has been re-examined based on the three Steps of the proposed implementation as outlined in the Stage 2 Report. In light of further information regarding the scale of stolen and illegally moved cultural objects in the United Kingdom (see Annex A) the analysis has presented a revised model based on a modified implementation plan that still retains the same business outcomes for each of the three Steps.
5. In the Stage 2 Report we recommend that Step 1 should include a procurement exercise in order to select a Public Private Partnership (**PPP**) partner for Step 3. As indicated in the section titled "Contributions And Risk To Income Streams" on page 14 of this report we now believe that this is unnecessary and a less formal PPP arrangement similar to that used in the Stolen Vehicle Initiative and The Equipment Register is recommended. Both involve successful partnership arrangements between the Police and Private Sector. Such an arrangement would remove the need for a major procurement exercise that would cost in the order of £100,000.
6. The costs presented here are for a National Database of Stolen and Illegally Moved Cultural Objects Service, hosted by the Metropolitan Police Service's Arts and Antiques Unit, using their database systems and network infrastructure. This is in-line with our recommendation in the Stage 2 Report.

Step 1

7. In our report we recommended Step 1 consist of two main work packages;
 - a) developing the Metropolitan Police Service Art and Antiques Unit into a National Police Database Service for stolen art and antiques,
 - b) and setting up a National Database Service for Stolen and Illegally Removed Cultural Objects that would be hosted on the MPS AAU database.
8. These are examined in more detail below and the resultant costs shown in Table 1 and Table 2.
9. Exporting a cultural object from the UK without a valid export license and illegally removing a cultural object are UK offences and as such can be recorded on the National Police Database in a similar manner to stolen objects.

Development of the MPS AAU Database Service into a National Police Service

Expenditure

10. Step 1 would involve upgrading the existing MPS AAU Cardbox system and support facility and ensuring the service was accessible to all UK Police Forces.
11. We have assumed that all joining UK Police Forces would nominate one or more of their own Officers to act as the local interface to the new national service. By re-assigning local Officers no extra cost would fall on the project.
12. It is anticipated that Police Forces would conduct their own due-diligence checks and only MPS AAU staff would be allowed to enter new data on the system. In order to handle the expected extra load MPS AAU would employ additional support staff. We

have assumed that the build up of this resource would be gradual since the roll-out to other Forces is expected to cover a three year period. We have assumed the development would culminate in an extra 2 full time support staff.

Table 1 Costs for Developing MPS AAU into National Police Service

	Year 1	Year 2	Year 3	Year 4	Year 5
Expenditure					
Detective Constables	£0	£0	£0	£0	£0
Support Staff (Band E)	£10,023	£20,045	£40,090	£40,090	£40,090
Accommodation Cost	£3,000	£3,075	£3,150	£3,225	£3,330
Hardware - Support	£4,000	£4,000	£8,000	£8,000	£8,000
Networking	£3,500	£7,000	£4,500	£0	£0
Database Hardware Upgrade	£40,000	£0	£40,000	£0	£0
Software Changes	£20,000	£0	£60,000	£0	£0
Software - Purchase	£720	£2,340	£720	£0	£0
Software - Support	£72	£306	£378	£378	£378
Other Forces Data Integration	£20,045	£40,090	£40,090	£40,090	£40,090
Write Training Materials	£3,000	£0	£0	£0	£0
Deliver Training	£15,000	£2,500	£2,500	£2,500	£2,500
Expenditure Total	£119,360	£79,356	£199,428	£94,283	£94,388
Income					
Service Charges	£0	£0	£0	£0	£0
Income Total	£0	£0	£0	£0	£0
Total	£119,360	£79,356	£199,428	£94,283	£94,388

13. Hardware support costs are based on 10% of new hardware purchases.
14. We see no immediate need to increase the number of MPS Investigating Officers supporting the AAU at this point in time since these Officers are primarily responsible for investigating London based crime.
15. We have assumed that all Officers will access the MPS AAU Database from existing terminals and that access would be via the National Police Network. Consequently only network routing and security modifications would be required.
16. It is assumed that Forces would wish to migrate their data on stolen arts and antiques onto the national service. We have assumed that data would be cleansed and formatted by the originating Officer (at no cost to the project) and loaded onto the database by MPS AAU staff.
17. MPS AAU staff would be required to support subsequent data exchanges between Forces and quality assurance of the database content. We have assumed that the build up of this resource would be gradual culminate in an extra 2 full time support staff.

18. We have assumed the hardware platform for the MPS AAU database would need to be upgraded to accommodate the additional data and access portals.
19. A second hardware update is anticipated in Year 3 for the implementation of the Data Standards developed for the National Database for Stolen and Illegally Removed Cultural Objects, the inclusion of information on foreign stolen or illegally removed cultural objects and 'at risk' objects.
20. Cardbox design changes would be required to incorporate the cultural information in Year 1 and the revised Data Standards in Year 3. We are anticipating the latter task involving a major database design change.
21. Existing data would have to be examined to determine what objects should be tagged as cultural using the agreed qualification criteria¹. This cost has been included in the Software changes.
22. Software purchases cover the extra Cardbox licences required to accommodate the expansion in the user database. We have assumed one license for each additional 43 Forces and have used Cardbox prices as quoted on their Web site.
23. We have also assumed that a training programme will be prepared and made available to all new users.

Income

24. We have assumed that the MPS AAU service would not charge other UK Forces or Government Departments for use of the National Police Database Service.

Commissioning a National Database of Stolen or Illegally Removed Cultural Objects Service

25. As recommended in our report three main areas of work will be required in setting up a National Database of Stolen or Illegally Removed Cultural Objects to the required standard of service expected of such a high profile facility. These are explored further below.
 - a) Work will begin on the preparation of data standards to be used by the system hosting the National Database of Stolen or Illegally Removed Cultural Objects Service. It has been assumed that this work will be conducted by specialists in this field and will be supplied from the consultant, academic and stakeholder communities. The Data Standards work will be conducted over 3 months and this will involve a team of 2 - 5 persons, not full time.
 - b) A Security Policy will be developed for the National Database of Stolen or Illegally Removed Cultural Objects Service. This work will be conducted by a security specialist and will take 2 months to complete.
 - c) A management system will be developed to oversee the new National Database of Stolen or Illegally Removed Cultural Objects Service. It has been assumed the Home Office and DCMS will manage this development with 20-30 man-days of consultant support.

¹ Stage 2 recommendation to use the common Annex of Community Regulation (EEC) N° 3911/92 and Council Directive 93/7/EEC

Table 2 National Database of Stolen or Illegally Removed Cultural Objects Set-up Costs

	Year 1	Year 2	Year 3	Year 4	Year 5
Expenditure					
Data Standards	£93,125	£0	£0	£0	£0
Security Policy	£24,213	£0	£0	£0	£0
Service Set-up	£18,625	£0	£0	£0	£0
Expenditure Total	£135,963	£0	£0	£0	£0
Income					
Service Charges	£0	£0	£0	£0	£0
Income Total	£0	£0	£0	£0	£0
Total	£135,963	£0	£0	£0	£0

26. Quality assurance for the above work will be provided by the newly appointed members of the National Database of Stolen or Illegally Removed Cultural Objects Service management organisation and will not be charged.

Income

27. We have assumed that no income will result from this activity. However, further consideration could be given to the commercial value of the standards to other governments and organisations involved in this specialist field of work.

Step 2

28. In the Stage 2 Report we assumed that Step 2 would involve the development of the MPS AAU service into a service which is accessible to a much wider public and private sector user community for on-line searching. This is similar to the existing service provided on the MPS Web Site.

29. We have assumed that MPS AAU staff will only provide due-diligence and provenance support to Government Agency staff and that there will be no charge for this service.

30. We have assumed that the cost in developing the public facing service will meet the on-line portal requirements of the National Database of Stolen or Illegally Removed Cultural Objects Service.

31. Costs for Step 2 are examined in more detail below and the results shown in Table 3.

Making the MPS AAU Database Public Facing

Expenditure

32. We have assumed the work in setting up this service will involve:

- a) Creation of a mirrored database.
- b) Creation of a Web Based access service to the mirrored database.

Table 3 Making the MPS AAU Public Facing

	Year 1	Year 2	Year 3	Year 4	Year 5
Expenditure					
Technical Staff - Set-up	£25,000	£0	£0	£0	£0
Technical Staff - Ongoing Support	£10,023	£10,023	£10,023	£10,023	£10,023
Call Centre / Call Handling	£0	£0	£0	£0	£0
Telephony Costs	£0	£0	£0	£0	£0
Firewalls + Support	£8,000	£1,600	£0	£0	£0
Routers + Support	£4,500	£900	£0	£0	£0
Various software components (SSL etc)	£1,500	£300	£0	£0	£0
Networking	£1,500	£0	£0	£0	£0
Server to Host Web Database - Purchase	£15,000	£0	£0	£0	£0
Disaster Recovery	£3,000	£3,000	£0	£0	£0
Expenditure Total	£68,523	£15,823	£10,023	£10,023	£10,023
Income					
<i>On-line Searching</i>					
Foreign Governments	£0	£0	£0	£0	£0
Large Users	£0	£0	£0	£10,000	£20,000
Small Users	£0	£0	£5,000	£10,000	£30,000
Sponsorship	£0	£0	£12,500	£12,500	£12,500
Other Service Charges	£0	£0	£0	£0	£0
Income Total	£0	£0	£17,500	£32,500	£62,500
Total	£68,523	£15,823	-£7,478	-£22,478	-£52,478

- c) On-going maintenance of the Web Page front end.
- d) Creation of the necessary Security VPN for access to the mirrored database over the Police Network's Internet Portal.
- e) Creation of security portfolios for users and the necessary access and function restrictions.
- f) Creation of a user directory and activity audit system.
- g) Upgrade of the Hardware platforms and network infrastructure to support these changes.

33. Technical support will be required in the setting up of the service and in the maintenance of the Web Pages.

34. Since the MPS AAU is not providing a general due-diligence service to the public additional call centre facilities and support are not required.

Income

35. As mentioned in paragraph 29 the MPS AAU will not charge UK Government Agencies.
36. It is assumed the National Database of Stolen and Illegally Removed Cultural Objects Service will store information on foreign stolen and 'at risk' objects and that this extra data will be hosted by the National Police Database.
37. It has been assumed that the Police can charge private organisations, small dealers and individual users for accessing the data on the National Police Database. Legal advice has been sought by the Home Office and there are mechanisms to allow the Police to charge for the use of their data².
38. It has been assumed the Police will not provide a due-diligence and recovery service to the private sector.
39. If the database is to store information on foreign offences then there is the possibility of charging foreign Governments service charges for the recovery of their objects. We have assumed that at the moment no such charge is made and is very likely to be made in the first 5 years.
40. Large user access charges are based on a gradual take-up as the information on illegally removed and 'at risk' objects are added to the database.
41. Small user access charges are based on a gradual take-up reaching a peak of 2,000 within 3 years and based on a charge of £25 per annum.
42. Sponsorship income is uncertain but possible given the high profile such a service would be expected to have. Nominal sums of £5,000 from one beneficiary, £2,000 from three insurance companies and £500 from three trade associations have been assumed. These sources of income are explored in the section titled "Contributions And Risk To Income Streams" on page 14.

Step 3

National Database of Stolen and Illegally Removed Cultural Objects Service Support

Expenditure

43. Costs shown in this section reflect the resources required to operate the new service regardless of their source.
44. Expert staff will be required by the National Database of Stolen and Illegally Removed Cultural Objects Service to support object identification, classification and provenance. We have assumed that a wide range of experts will be required to cover the various categories of cultural objects. However, these specialists will not be required full time.
45. It has been assumed Admin staff will be required to support the National Database of Stolen and Illegally Removed Cultural Objects Service and that this staff is additional to the National Police Database requirement.

² As a special police service under section 25 of the Police Act 1996. Also under section 1 of the Local Authorities (Goods and Services) Act 1970 as amended by section 18 of the Police Act 1996 is also a possibility.

46. The level of support will increase from Year 3 when foreign and 'at risk' objects are added.
47. A key part of the service will involve the maintenance of the data and the Data Standards to be used by the National Database of Stolen and Illegally Removed Cultural Objects Service.

Income

48. The income shown in Table 4 is initially the maximum income that can be expected from conducting due-diligence and recovery services on UK stolen cultural objects and after Year 3 on all known stolen cultural objects seen in the UK.

Table 4 National Database of Stolen and Illegally Removed Cultural Objects (Uncontested)

	Year 1	Year 2	Year 3	Year 4	Year 5
Expenditure					
Expert Staff	£17,500	£35,000	£70,000	£70,000	£70,000
Admin Staff	£0	£12,500	£50,000	£75,000	£75,000
Data Standards Support	£0	£25,000	£12,500	£12,500	£12,500
Expenditure Total	£17,500	£72,500	£132,500	£157,500	£157,500
Income					
Due-Diligence Checks	£0	£9,660	£9,660	£18,362	£36,724
Recovery Fees	£0	£14,490	£14,490	£27,543	£55,086
Service Charges	£0	£0	£0	£0	£0
Income Total	£0	£24,150	£24,150	£45,905	£91,809
Total	£17,500	£48,350	£108,350	£111,595	£65,691

Table 5 National Database of Stolen and Illegally Removed Cultural Objects (Contested)

	Year 1	Year 2	Year 3	Year 4	Year 5
Expenditure					
Expert Staff	£17,500	£35,000	£70,000	£70,000	£70,000
Admin Staff	£0	£12,500	£50,000	£75,000	£75,000
Data Standards Support	£0	£25,000	£12,500	£12,500	£12,500
Expenditure Total	£17,500	£72,500	£132,500	£157,500	£157,500
Income					
Due-Diligence Checks	£0	£4,830	£4,830	£9,181	£18,362
Recovery Fees	£0	£7,245	£7,245	£13,771	£27,543
Service Charges	£0	£0	£0	£0	£0
Income Total	£0	£12,075	£12,075	£22,952	£45,905
Total	£17,500	£60,425	£120,425	£134,548	£111,595

49. These earnings are based on the known income of commercial art recovery and searching services adjusted to reflect the level of UK cultural objects seen in the market (see Annex A). Table 4 reflects an uncontested service whereas Table 5 considers competition from the existing commercial services and assumes the national service will retain 50% of the stolen cultural object market due to its higher quality service and data.

Summary Cost Profile

50. Table 6 summarises the budget for Steps 1 to 3 assuming the public sector were to provide the National Database of Stolen and Illegally Removed Cultural Objects Service and it was to compete in a contested market (most likely scenario).

Table 6 Summary Cost Profile (Non PPP)

	Year 1	Year 2	Year 3	Year 4	Year 5
Step 1					
National Police Service	£119,360	£79,356	£199,428	£94,283	£94,388
Cultural Service Set-up Costs	£135,963	£0	£0	£0	£0
Step 2					
Public-facing Police Service	£68,523	£15,823	-£7,478	-£22,478	-£52,478
Step 3					
Cultural Service Support	£17,500	£60,425	£120,425	£134,548	£111,595
Funding Requirement	£341,345	£155,604	£312,376	£206,353	£153,506
NPV Discount @ 6%	1.00	0.94	0.88	0.82	0.76
Adjusted Funding	£341,345	£146,267	£274,890	£169,210	£116,664

51. Recent discussions with the Sponsorship Unit and existing commercial market service providers lend us to believe the National Database for Stolen or Illegally Removed Cultural Objects Service would be better provided by a limited PPP arrangement (see section titled "Contributions And Risk To Income Streams" on page 14). This would be based on a cost neutral arrangement where the Police have engaged with the private sector to provide a better service through the sale of rights to utilise Police managed data.

52. We have been informed by prospective private partners such an arrangement would result in Step 3 having no cost, as shown in As part of the limited PPP arrangement the MPS AAU would continue to manage the National Police Database of stolen art and antiques and that this system would continue to host the National Database for Stolen or Illegally Removed Cultural Objects Service.

53. The selected Private Partner would provide the staff and expertise to support and operate the National Database for Stolen or Illegally Removed Cultural Objects Service and that incurred costs would be met by fees earned by the Private Partner through due-diligence checking, object registration and recovery. However, prospective suppliers of this service have made it clear that a condition of this arrangement is that it forms part of an umbrella agreement with the Police for the exchange and access to all the object information held on National Police Database of stolen art and antiques.

54. Table 7.

55. As part of the limited PPP arrangement the MPS AAU would continue to manage the National Police Database of stolen art and antiques and that this system would continue to host the National Database for Stolen or Illegally Removed Cultural Objects Service.

56. The selected Private Partner would provide the staff and expertise to support and operate the National Database for Stolen or Illegally Removed Cultural Objects Service and that incurred costs would be met by fees earned by the Private Partner through due-diligence checking, object registration and recovery. However, prospective suppliers of this service have made it clear that a condition of this arrangement is that it forms part of an umbrella agreement with the Police for the exchange and access to all the object information held on National Police Database of stolen art and antiques.

Table 7 Summary Cost Profile (Limited PPP)

	Year 1	Year 2	Year 3	Year 4	Year 5
Step 1					
National Police Service	£119,360	£79,356	£199,428	£94,283	£94,388
Cultural Service Set-up Costs	£135,963	£0	£0	£0	£0
Step 2					
Public-facing Police Service	£68,523	£15,823	-£7,478	-£22,478	-£52,478
Step 3					
Cultural Service Support	£0	£0	£0	£0	£0
Funding Requirement	£323,845	£95,179	£191,951	£71,806	£41,911
NPV Discount @ 6%	1.00	0.94	0.88	0.82	0.76
Adjusted Funding	£323,845	£89,468	£168,916	£58,881	£31,852

POTENTIAL IMPACT ON CRIME (b)

Introduction

Purpose

57. This paper addresses the second question, which is reproduced as follows;

“More information and evidence on the likely benefits, in terms of potential impact on crime (both the illicit trade in cultural items and crime / organised crime more widely) of each of the 3 steps - i.e. what would be the benefits of just doing step 1, of doing steps 1+2 and of doing steps 1+2+3?”

58. The Memorandum of 6 April prioritised the aspects of this question in relation to the available time-scale.

Understanding the Question

59. The question comprises many parts, which are listed below:

- a) information and evidence
- b) on the likely benefits, in terms of potential impact on crime
- c) (both the illicit trade in cultural items and
 - i) crime /
 - ii) organised crime more widely)
- d) of each of the 3 steps - i.e. what would be the benefits of;
 - i) just doing step 1,
 - ii) of doing steps 1+2 and
 - iii) of doing steps 1+2+3?

60. Central to this question is the element that seeks the ‘*likely benefits in terms of potential impact on crime*’. In other words, **‘What will be the scale and nature of change from the current state?’**

61. This question is further complicated by the introduction of additional offences created under the Dealing in Cultural Objects (Offences) Act 2003 that received Royal Assent on 30 October 2003.

62. Prior to this Act, criminal investigations in relation to this subject were primarily concerned with the theft of property. The Act introduces a new criminal offence of dishonestly dealing in a tainted cultural object. This new offence does not address the ‘removal’ (a term defined within the Act) of the object but addresses the ‘dishonest dealing’ with the object after its ‘removal’.

63. For the purposes of this paper the new Act appears to open up two primary additional routes of criminality, as follows:

- a) The dishonest dealing in such an object after it has been 'removed' from a place within the UK, where that 'removal' is an offence. Where 'removal' constitutes an offence under the Theft Act (or, possibly, the Criminal Damage Act) then those pieces of legislation are likely to dominate; and
- b) The dishonest dealing in such an object after it has been 'removed' from a place elsewhere than the UK, where that 'removal' is an offence.

Approach

- 64. The question is multi-faceted and complex. The time-scales do not allow for setting up a new or extended list of interviewees and therefore research has been confined to the list of stakeholders involved during preparation of the Stage 2 Report. It has focussed upon those organisations or individuals associated with law enforcement agencies.
- 65. A questionnaire has been developed to accelerate the data capture process and standardise the information received. This questionnaire is reproduced at Annex B.
- 66. During this research the following 7 organisations were contacted by telephone and all were sent a copy of the questionnaire. Most of the organisations contacted expressed alarm at the time-scales, especially as these spanned the Easter break. However, six of the organisations responded and four have completed the questionnaire. The Art Loss Register (ALR) has also provided an ancillary submission, which is attached at Annex C.
- 67. The following table lists the organisations contacted for the purpose of this research:

	Organisation	People	Visited	Response
1	Sussex Police Force Intelligence Bureau	Huw Watts Sally Smithson	yes	Questionnaire completed
2	Metropolitan Police Art & Antiques Unit	Vernon Rapley		Response received
3	Avon & Somerset Police Force Intelligence Bureau	Sarah Saunders		Questionnaire completed
4	NCIS Organised Crime Unit			None
5	Norfolk Police	Martin Walker		Keen to assist but unable to within time-scale due to other priorities.
6	HM Customs & Excise	Anne-Marie Dryden		Questionnaire completed
7	Art Loss Register (ALR)	Julian Radcliffe	yes	Questionnaire completed Ancillary submission provided

Risks

Accuracy of Results

- 68. This research has been conducted over short time-scales and involves a very small sample of contributors. Whilst the information is accurately recorded, there is a risk

that the views of all potential users may not be accurately represented due to the small size of the sample.

Senior Officer Support to Use MPS Database

69. The Terms of Reference (ToR) for the study 'To provide advice and recommendations on the development of a national cultural database' stated that two options were under consideration. One of these entailed expanding the capacity of the database used by the Metropolitan Police Service Arts and Antiques Unit so that it could provide a national service. The inclusion of this option within the ToR presupposes the existence of some form of understanding with the Metropolitan Police Service (MPS) indicating that they were aware of this proposal and were amenable (in principle, at least) to this concept.
70. Consultation has occurred at a junior management level of the MPS Arts and Antiques Unit. This respondent expressed at the prospect and impact of using the MPS database for the purpose proposed. Whilst the respondent accepts that his views may not represent those of senior officers, he believes they are aligned with the strategic direction of the Force. Without further information about the proposals (and sufficient time in which to consider them) he is unable to brief or consult with senior officers in order to determine the official view of the Force.
71. If the senior officers of the MPS are not kept abreast of developments or have not given, and do not provide, support for this option then there is a risk that considerable public expense could be committed to an option that is both unachievable from the outset and raises stakeholder expectations unrealistically.

The Questionnaire

72. A spreadsheet setting out the results from the questionnaire is included at Annex D.
73. The questionnaire covers the following topics:
 1. Scale of crime
 2. Scale of crime detection
 3. Scale of recovery of property
 4. Illegal removal from UK
 5. Illegal removal into UK
 6. Organised crime
 7. Scale of offences expected under new Act
 8. Estimated increase in use of a national database

74. For each topic the following information was sought:

- A baseline figure for the year 2002
- A baseline figure for the year 2003
- Estimated figures for 2004 - a) based on existing scope; b) including 'cultural'
- Estimated change for Step 1 - a) on last annual figure; b) in future years.
- Estimated change for Step 2 - a) on last annual figure; b) in future years.
- Estimated change for Step 3 - a) on last annual figure; b) in future years.

75. The subsidiary questions are intended to assess the potential impact on recorded and detected crime during future years (existing crime and that relating to the new offence) together with the impact upon the likelihood of future recovery of property.

76. A spreadsheet setting out the detailed results from the questionnaire is included at Annex D.

Assessment of Questionnaire Results

77. This assessment should be considered alongside the risk articulated at paragraph 68 above.

Question 1 - Scale of Recorded Crime

The Question:

From your records can you quantify the number of offences involving the theft of art or antique objects, reported or handled in your area of responsibility?

The two police forces that answered the questionnaire both quote an almost identical baseline figure for 2002 but then reveal very different pictures. In 2003 Sussex Police recorded an 8% drop in crime of this nature, whereas Avon & Somerset Police recorded an astonishing 83% increase. No analysis has been undertaken to identify reasons for such a change but one factor that may have worked to the advantage of Sussex Police may have been a high profile initiative to combat burglary.

Both forces assess Step 1 as making no contribution to reducing crime. Whilst Avon & Somerset Police considered that this lack of contribution would continue throughout Steps 2 and 3, the answers from Sussex Police suggest that these latter steps could have a positive impact upon reducing crime.

Most of the questions under this topic were considered as being not applicable by HM Customs & Excise but they expressed the view that Step 3 could make a small to medium contribution to preventing an increase in this type of crime, during future years.

The Art Loss Register recorded over 1,000 items in each of 2002 and 2003. They believe that Step 1 would cause no more than a 5% reduction in crime and that both Steps 1 & 2 would have a negligible impact on crime over future years.

However, the Art Loss Register express the view that Step 3 could produce a medium to a substantial reduction in crime if the database was integrated, managed and extended.

Question 2 - Scale of Detected Crime

The Question:

Of the offences involving the theft of art or antique objects, reported or handled in your area of responsibility, how many were detected?

Sussex Police was unable to provide figures for detected offences during these periods. However, Avon & Somerset Police recorded the detection of 5 and 6 offences during these years, representing detection rates of 2.75% and 1.8% respectively.

Sussex Police expressed the view that Steps 1 through 3 could create a positive improvement on the detection of these offences, which was assessed as ranging from 5% to 10%.

HM Customs & Excise did not consider the questions under this topic applicable.

The Art Loss Register has guessed that 10% of the crime they record is 'detected' but there is no information to clarify whether this is determined against the same or similar criteria as the police. They believe that Step 1 or 2 would have only a negligible impact upon this.

The Art Loss Register expressed the view that a database that was integrated, managed and extended could provide a considerable increase in detection. This view was reduced for a database that was only managed and would, they believed, have a negative effect if an 'open' database was provided.

Question 3 - Scale of Property Recovery

The Question:

Of the offences involving the theft of art or antique objects, reported or handled in your area of responsibility, in how many was a significant proportion of the art or antique objects recovered?

Avon & Somerset Police identified 4 such occasions in 2002 and 2 in 2003, representing 2.2% and 0.6% respectively. Sussex Police was unable to provide figures but expressed the belief that it would be less than 5%.

Both Forces felt that the introduction of Steps 1 & 2 would allow for noticeable improvements in the recovery of property. Sussex Police felt that this could deliver improvements ranging between 5% to 15% whereas Avon & Somerset Police assessed that the improvements could be as much as 75%. Sussex Police was the only force with the view that the scale of improvement could be extended further with the introduction of Step 3.

HM Customs & Excise did not consider the questions under this topic applicable.

The Art Loss Register states that a significant proportion of property was recovered in 5 – 10% of their cases. They believe that Step 1 would show a negligible improvement, while Step 2 could be counterproductive. A managed, integrated and extended database provided under Step 3 could, they believe, produce significant recoveries in up to 30% of cases.

Question 4 - Illegal Removal From UK

The Question:

From your records can you quantify the number of offences/incidents involving the illegal removal of art or antique objects (as would now come under the Dealing in Cultural Objects (Offences) Act 2003) that occurred in your area of responsibility?

The perception from both Forces was of no identifiable incidents during 2002 or 2003.

Neither force felt able to assess the impact that Steps 1 through 3 might have in future years.

HM Customs & Excise recorded no such offences during 2002 or 2003 and they expressed the view that the introduction of Step 2 and 3 would make a small contribution to preventing an increase in future years.

The Art Loss Register believe about 6 such incidents occurred during each of the years 2002 and 2003. They see Steps 1 and 2 providing negligible change in these figures but expressed the view that Step 3 could offer significant or considerable improvement if the database was managed, extended and integrated.

Question 5 - Illegal Removal Into UK

The Question:

From your records can you quantify the number of incidents that occurred within your area of responsibility that appeared to involve a person dealing with a cultural object purporting to have been illegally removed from any other country? (i.e. one which might now be regarded as the 'dishonest dealing in tainted cultural object' under the Dealing in Cultural Objects (Offences) Act 2003).

Avon & Somerset Police was able to say that no such incidents were recorded within the Force during these two years. Sussex Police was unable to answer these questions.

Neither Force felt able to assess the impact that Steps 1 through 3 might have in future years.

HM Customs & Excise recorded 1 such offence during each of the years 2002 and 2003. They expressed the view that the introduction of Step 2 would make a small contribution to preventing an increase in future years.

Based upon their statement that the, "database intended to cover only UK objects and not those from overseas" HM Customs & Excise saw Step 3 as providing no contribution to preventing an increase in future years.

The Art Loss Register was aware of 20 such cases in each of the years 2002 and 2003. They believe this figure would be reduced if the EU definition of cultural were the only factor determining whether the incident was recorded.

The Art Loss Register believe that the introduction of a managed, extended and integrated database would initially cause a considerable increase in the incidents recorded but could produce a considerable contribution to preventing increases in future years. However, they are concerned that the provision of an 'open' database under Step 2 could provide facilities causing an increase the number of illegal removals.

Question 6 - Organised Crime

The Question:

From the intelligence available to you, how many instances are you aware of where you suspect or believe that art, antiques or cultural objects may have been used as a 'currency' in support of 'organised crime'?

Neither Force felt able to answer any of these subsidiary questions.

HM Customs & Excise recorded no incidents of this nature during 2002 and one possible such incident during 2003.

They expressed the view that Step 3 could make a negligible contribution to preventing an increase in the number of these incidents during future years.

The Art Loss Register is aware of 6 such incidents during each of the years of 2002 and 2003. They believe that a managed, extended and integrated database could produce a small initial reduction of these figures and could provide a considerable contribution to preventing an increase over future years.

Question 7 - Offences Expected Under the New Act

The Question:

From the intelligence available to you, can you quantify the number of offences you expect to be reported or handled within your area of responsibility concerning the illegal removal of cultural objects by virtue of the Dealing in Cultural Objects (Offences) Act 2003)?

Avon & Somerset Police do not expect any offences under the new Act to be reported within their area during 2004. Sussex Police was unable to answer this question.

Neither Force felt able to assess the impact that Steps 1 through 3 might have in future years.

HM Customs & Excise reported 6 such incidents for 2004 but qualified this with an "estimation of 1 prosecution per 3 year period".

They expressed the view that the contribution to preventing an increase within future years would be negligible, in relation to Step 2, and small, in relation to Step 3.

The Art Loss Register expect to handle between 5 – 10 incidents during 2004 as a result of the new Act. They believe that Steps 1 or 2 would have no more than a negligible impact on preventing the increase of these figures during future years but expressed the view that a medium reduction could be achieved through a managed, extended and integrated database.

Question 8 - Increase in Use of a National Database

The Question:

If your organisation had ready access to the MPS system or a future system developed under a PPP, by how much do you think the research your organisation undertakes into these offences or items of property will increase?

The two Forces held widely different opinions about the answers to these questions: Sussex Police thought that this would make only a small difference, whereas Avon & Somerset Police thought it would generate a 100% increase.

HM Customs & Excise expressed the view that the initial increase would be none, with only a marginal rise in future years, "unless there is an increase in priority for Customs".

The Art Loss Register saw only a small increase in research if the EU definition of cultural was the basis but considered that a 20% increase could result from the provision of a managed, extended and integrated database.

Other Comments

78. Both Forces expressed the view that a national database would have little impact upon the prevention of crime in this area but would be a very useful investigative tool, possibly having a significant effect upon increasing the detection of these crimes and the restitution of property.
79. Sussex Police expressed concern about providing access to such a database beyond the recognised law enforcement agencies. However, Avon & Somerset Police would be keen for all dealers, not just the big ones, to have access to such a database but was against the concept of this facility being run by a profit making enterprise.
80. HM Customs & Excise see the database primarily as a tool for their officers to identify potentially stolen/missing/tainted objects although they recognise that the increased awareness or availability of information may deter some criminals.

Realisation of Benefits through Impact upon Crime

81. Although these results are inconclusive due to the size of the sample set, they do none-the-less provide an insight into where opportunities exist for making an impact upon crime and the law enforcement agencies that are likely to be in the prime position to realise those benefits.
82. The police forces are the prime agencies for dealing with related crime committed within the UK and this will extend to the commission or attempted commission, within the borders of the UK) of offences under the new Act.
83. Whilst the police forces will continue to be the prime agencies for dealing with related organised crime within the UK this will be heavily supported by co-operation and intelligence supplied from central services such as NCIS.
84. HM Customs and Excise are the prime agency for dealing with related offences occurring at the borders of the UK and this will extend to the commission or attempted commission of offences under the new Act relating to the import or export of cultural objects.
85. The Art Loss Register has no responsibility as a law enforcement agency but works closely with UK and foreign law enforcement agencies, the art and antiques trade, insurance companies and other elements of the business. They are ideally placed to give a national and international perspective on the scale of impact that a national database might have upon crime.

CONTRIBUTIONS AND RISK TO INCOME STREAMS

Auction Houses and Large Dealers

86. Auction houses and large dealers will be reluctant to use the National Database of Stolen or Illegally Removed Cultural Objects Service unless there is a commercial or legal imperative to do so. As stated in our Stage 2 Report, they are currently satisfied with their current arrangements.
87. Their prime objective is to conduct due-diligence checks since this carries the highest risk of penalty. Cultural information is only of interest if the items are to be sold or moved abroad and qualification criteria for an Export License are well known.
88. We have assumed revenue from auction houses and dealers will only occur during Step 3 and only if it is in their commercial interest. They assume that the commercial suppliers already have the majority of the information held by the police, obtained from other sources, and whilst we may not regard it as the authoritative source of stolen objects the service provided meets their needs.
89. We conclude that revenue from this sector is high risk unless existing commercial stolen database providers can be engaged in the provision of the service.

Small Dealers

90. The British Antique Dealers Association and the Antiques Dealers Association (plus 5 antiques dealers/auction houses at random) were contacted. Both associations confirmed that, based on the assumption that illegal trade starts at the bottom end of the market and these are the people you wish to encourage to use the database. A subscription fee of £25 is of the right order of magnitude. Clearly there are those that could contribute more, but it is problematic to know what criteria to use to distinguish between users.
91. It is, however, no indication of the uptake. This would require a comprehensive survey of dealers. The British Antiques Dealers Association believes there are 6,000 'quality dealers' in the UK of which only 400 are members of BADA³. The BAMF⁴ say there are approximately 2,000 'dealers' who are members of trade organisations.
92. The above also correlates with the general view held by BAMF members. We suggest that initially the focus of the national database should be on satisfying government law enforcement agencies and small dealers needs *rather than* the general market needs.
93. A small database of high quality data on stolen and illegally removed cultural objects accessible by small dealers who register to conduct searches on a self help basis in order to conduct due diligence may be a better model on which to base our costs. We have assumed that the take up by small dealers will be slow. We have based our model will ramp up to 2,000 @ £25 per registration per annum.
94. Under the new money laundering legislation, dealers have to register with HMCE if they are undertaking cash transactions greater than £10,000. Cost of registering with HMCE (which as I understand is a legal requirement) is £60. The vast majority of antiques dealing, in respect of priced lots/individual items, is under £1,000.

³ Contained in response from BADA - hard copy.

⁴ Contained in BAMF response - 040318 BAMF.doc

95. We conclude that the risk to this stream of income is medium to high and will depend very much on the quality of the service, the cost and the response of the market to regulatory forces.

Insurance Companies

96. The short time-scales of this task and the co-incidence with a popular holiday period has made it difficult to explore issues raised by the client with insurance companies.

Sponsorship

97. Initially discussions with the Sponsorship Unit⁵ and a consultant⁶ supporting the Stolen Vehicle Initiative (SVI) suggests there is a strong possibility of success.
98. Business partnerships are a significant area of police work that Central and Local Government support along with business and community leaders. The best business relationships develop through understanding each other's needs. This level of mutual understanding is what we seek to achieve with commercial partners.
99. The Metropolitan Police Service has an enormous amount of experience of working with the business community and managing partnership arrangements.
100. Working with the MPS and creating partnerships, both commercial and voluntary, can raise an organisation's profile. By being seen to put something back into the community through your involvement with a police initiative your organisation will create awareness at many levels. Coverage of police sponsorship is good as the media takes a keen interest in community policing, crime reduction and crime prevention initiatives - with television, radio and press covering the issues at national, regional and local levels.
101. We recommend the Stolen Vehicle Initiative as a role model for such a partnership with the Private Sector since it has many parallels with the cultural objects requirement and is a case of a MPS approved arrangement.
102. We conclude that risks to unconditional sponsorship is low to medium and will depend on the quality of service, its perception with the market and the effectiveness in the way it is promoted.
103. Conditional sponsorship based on an exchange of services or commodities as used in the Stolen Vehicle Initiative and The Equipment Register is low risk and proven to be beneficial to both parties. We recommend this path as the means to reducing the cost of the National Database of Stolen or Illegally Removed Cultural Objects Service, maximising the effectiveness of public services and obtaining the best value of money from public investment.
104. Although the small size of the National Database of Stolen or Illegally Removed Cultural Objects (see Annex A) will limit the feasibility of such an arrangement the Private Sector is best placed to maximise returns since the cultural service can be easily incorporated into existing services for stolen art and antiques.
105. From conversations we have had with the two current commercial database suppliers they are confident that they could administer the provision of a National Database for Stolen Cultural Objects Service at no cost to the Government. The main benefits of this arrangement will be:

⁵ Telecon Harley(Sponsorship Unit)/Hartley(VEGA) 7 Apr 04.

⁶ Telecon German/Hartley(VEGA) 8 Apr 04.

- a) Provides a detailed and easy to use object identification tool for law enforcement agencies.
 - b) Allows public participation in the investigation of crime.
 - c) Provides the Police access to additional intelligence.
 - d) Provides the private sector with public authentication of the information.
 - e) Private Sector will be able to raise the standard of their normal service.
106. Legal advice has been sought by the Home Office and there are mechanisms to allow the Police to charge for the use of their data⁷.

⁷ As a special police service under section 25 of the Police Act 1996. Also under section 1 of the Local Authorities (Goods and Services) Act 1970 as amended by section 18 of the Police Act 1996 is also a possibility.

WHAT CAN BE ACHIEVED THIS YEAR

107. Adjustments can be made to the implementation plan priced in As part of the limited PPP arrangement the MPS AAU would continue to manage the National Police Database of stolen art and antiques and that this system would continue to host the National Database for Stolen or Illegally Removed Cultural Objects Service.
108. The selected Private Partner would provide the staff and expertise to support and operate the National Database for Stolen or Illegally Removed Cultural Objects Service and that incurred costs would be met by fees earned by the Private Partner through due-diligence checking, object registration and recovery. However, prospective suppliers of this service have made it clear that a condition of this arrangement is that it forms part of an umbrella agreement with the Police for the exchange and access to all the object information held on National Police Database of stolen art and antiques.
109. Table 7 to accommodate budget restrictions.
110. From a practical point of view and taking into consideration known business priorities we recommend extending the period over which the first issue of data standards are produced by 6 months.
111. The impact of this change will have no delaying effect on the development of a National Police Database for Art and Antiques Service. However, it will delay the introduction of the new National Database of Stolen and Illegally Removed Cultural Objects Service to the wider market by a similar extent.
112. Delaying the upgrade of the MPS AAU hardware platform by 12 months has also been considered. There is a strong possibility that with the roll-out of the National Police Database being spread over 3 years the existing hardware platform may be able to accommodate the first year of the roll-out.
113. The above two measures have been introduced into the cost model and a revised budget summary is shown in Table 8.

Table 8 Revised Cost Model Based on Delayed introduction of Data Standards and a Hardware Upgrade

	Year 1	Year 2	Year 3	Year 4	Year 5
Step 1					
Cost of Extending MPS AAU to all forces	£75,360	£119,356	£199,428	£94,283	£94,388
Cultural Service Set-up Costs	£89,400	£46,563	£0	£0	£0
Step 2					
Cost of Making Police system public-facing	£68,523	£15,823	-£7,478	-£22,478	-£52,478
Step 3					
PPP Cultural Service Support	£0	£0	£0	£0	£0
Funding Requirement	£233,282	£181,741	£191,951	£71,806	£41,911
NPV Discount @ 6%	1.00	0.94	0.88	0.82	0.76
Adjusted Funding Requirement	£233,282	£170,837	£168,916	£58,881	£31,852

IMPACT OF DEFINITION OF 'CULTURAL PROPERTY' ON BUSINESS CASE

114. It has not been possible to quantitatively assess the impact on the market of a variation into the definition of cultural property. This involves conducting an extensive survey of the UK market place since little previous research has been found on this subject.
115. In our conversations with dealers, associations, police and existing commercial service providers any change in the definition of cultural that would result in an increase in the number of objects recorded or being known would have a beneficial impact on helping to clean up the markets.
116. Views are mixed about whether a cleaner, safer market will handle more or less business. Obviously the determined criminal will take their business elsewhere. Conversely a better-protected and safer market may increase the number of legitimate customers.
117. It is too early to determine the impact on the market of the Dealing in Cultural Objects (Offences) Act 2003 and the additional definitions of cultural property introduced by the Act. Many persons we talked to felt that the introduction of tainted cultural objects would initially have a negative effect on the market because this would reduce the number of transactions of goods that are now seen as illegal. However, this has to be taken in context with the market as a whole (see Annex A).

ANNEX A - DATABASE METRICS

Number of Records

118. We asked Art Loss Register, who operate one of the most comprehensive databases of stolen art and antique objects in the world to provide us with an indication of the number of articles within their system that would meet our recommended criteria for the definition of a cultural object⁸. The result of this test is shown in Table 9.

Table 9 Estimates of the Number of Stolen Cultural Objects

Recorded by ALR in 2003			If 100% recorded*
Annex Category	World	UK	UK
Archaeological objects	1177	0	150
Dismembered monuments	78	40	100
Incunabula and manuscripts	15	7	200
Archives	0	0	5
Mosaics & drawings	5	2	10
Engravings	9	5	15
Photographs	0	0	20
Printed Maps	0	0	6
Statuary	16	10	20
Books	1	1	3
Collections	0	0	0
Means of Transport	2	1	1
Any other object	60	20	30
Pictures >£150K	17	6	6
Total	1380	92	566

*Estimate of actual UK activity i.e. if every object was seen and reported.

Estimated number of all losses recorded by ALR = 7,000 UK; 16,000 World Wide

119. We were also informed by the Department of Culture Media and Sport that 9,563 applications for Export licences were awarded in 2003. The qualification of an Export License is based on the same definition we have recommended for cultural objects. Although this is no indication of the number of stolen cultural objects it does give an idea of the scale of the UK Export Market and the likely use of the database.

120. ALR estimate that the UK market handled 10,000 cultural objects, legally and illegally, in 2003.

⁸ Common Annex to Community Regulation (EEC) N° 3911/92 and Council Directive 93/7/EEC.

121. The results clearly show that the number of records that will be held in the National Database of Stolen or Illegally Removed Cultural Objects will be small if only stolen UK objects are considered.
122. Inclusion of foreign stolen cultural objects, illegally removed and at risk cultural objects will increase the number of records but in terms of the whole stolen art and antiques market still represents a small percentage.

IN CONFIDENCE

ANNEX B – QUESTIONNAIRE

DEVELOPMENT AND OPERATION OF A NATIONAL CULTURAL DATABASE SUPPLEMENTARY QUESTIONNAIRE

RE: POTENTIAL IMPACT ON CRIME

I understand that you are aware of the work that has been undertaken on behalf of the Home Office and the Department for Culture, Media and Sport (DCMS), to investigate the development and operation of a national database of stolen and illegally removed objects.

The report of that investigation has been completed and was subject of a presentation to both departments on 5 April.

The Ministers concerned have now asked for further information regarding the costs, benefits and the impact on crime, of such an undertaking. We have been asked to carry out an urgent, supplementary investigation of these issues and to report back by 19 April.

These are short time-scales, made even shorter by the Easter Break, and so we appreciate any help you can provide to answer the Minister's questions.

The result of the current investigation and the preceding research lead to the view that a solution could be delivered in three steps, initially utilising the database of the Metropolitan Police Service (MPS) Art & Antiques Unit and subsequently through a Public Private Partnership (PPP). Very briefly, these three steps are outlined as follows:

Step 1 Extend access to the MPS system to all 43 police forces.

Step 2 Provide access to data of MPS system to a wider audience (trusted and/or registered users/organisations) via the Internet.

Step 3 PPP solution with core services based upon existing MPS system with extended services available for the whole private sector.

The following 8 questions address the topic of the **Potential Impact on Crime** relative to each of the above steps. Answers are only sought for the un-shaded boxes. If a 'valuation' is necessarily based primarily on an approximation, opinion or guess, then please feel able to state this alongside the value. If you feel unable totally unable to give an answer or opinion, please mark the question 'Unable to Answer'.

Please return this questionnaire to **Ian Pentland** at ian.pentland@vega.co.uk; also available on 07793 416973.

Thank you for your time and assistance.

IN CONFIDENCE

	(i)	(ii)	(iii)	(iv)	(v)	(vi)
	During 2002	During 2003	<p>By what percentage do you think the total in the previous column will change during 2004;</p> <p>A) based on your existing scope of recording?</p> <p>B) based on the scope expanding to include 'cultural' objects.</p>	<p>If your organisation had ready access to the MPS system (i.e. Step 1):</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 2 were introduced this would extend access to registered/trusted traders etc; increase general awareness of the facility; and provide audit trails of searches made.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 3 were introduced this would raise the profile of the National facility and generally increase services available to police forces (including provision of more intelligence from audit trails etc) and traders, thus encouraging improved due-diligence checks prior to purchase.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>
1.			A:	A:	A:	A:
			B:	B:	B:	B:
2.			A:	A:	A:	A:

	(i)	(ii)	(iii)	(iv)	(v)	(vi)
	During 2002	During 2003	<p>By what percentage do you think the total in the previous column will change during 2004;</p> <p>A) based on your existing scope of recording?</p> <p>B) based on the scope expanding to include 'cultural' objects.</p>	<p>If your organisation had ready access to the MPS system (i.e. Step 1):</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 2 were introduced this would extend access to registered/trusted traders etc; increase general awareness of the facility; and provide audit trails of searches made.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 3 were introduced this would raise the profile of the National facility and generally increase services available to police forces (including provision of more intelligence from audit trails etc) and traders, thus encouraging improved due-diligence checks prior to purchase.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>
the theft of art or antique objects, reported or handled in your area of responsibility, how many were detected?			B:			

	(i)	(ii)	(iii)	(iv)	(v)	(vi)
	During 2002	During 2003	<p>By what percentage do you think the total in the previous column will change during 2004;</p> <p>A) based on your existing scope of recording?</p> <p>B) based on the scope expanding to include 'cultural' objects.</p>	<p>If your organisation had ready access to the MPS system (i.e. Step 1):</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 2 were introduced this would extend access to registered/trusted traders etc; increase general awareness of the facility; and provide audit trails of searches made.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 3 were introduced this would raise the profile of the National facility and generally increase services available to police forces (including provision of more intelligence from audit trails etc) and traders, thus encouraging improved due-diligence checks prior to purchase.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>
3.	<p>Scale of Recovery: Of the offences involving the theft of art or antique objects, reported or handled in your area of responsibility, in how many was a significant proportion of the art or antique objects recovered?</p>			A:	A:	A:

	(i)	(ii)	(iii)	(iv)	(v)	(vi)
	During 2002	During 2003	<p>By what percentage do you think the total in the previous column will change during 2004;</p> <p>A) based on your existing scope of recording?</p> <p>B) based on the scope expanding to include 'cultural' objects.</p>	<p>If your organisation had ready access to the MPS system (i.e. Step 1):</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 2 were introduced this would extend access to registered/trusted traders etc; increase general awareness of the facility; and provide audit trails of searches made.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 3 were introduced this would raise the profile of the National facility and generally increase services available to police forces (including provision of more intelligence from audit trails etc) and traders, thus encouraging improved due-diligence checks prior to purchase.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>
4.	<p><u>Illegal Removal - UK:</u> From your records can you quantify the number of offences/incidents involving the illegal removal of art or antique objects (as would now come under the Dealing in Cultural Objects (Offences) Act 2003) that occurred in your area of responsibility?</p>			A:	A:	A:
				B:	B:	B:

	(i)	(ii)	(iii)	(iv)	(v)	(vi)
	During 2002	During 2003	<p>By what percentage do you think the total in the previous column will change during 2004;</p> <p>A) based on your existing scope of recording?</p> <p>B) based on the scope expanding to include 'cultural' objects.</p>	<p>If your organisation had ready access to the MPS system (i.e. Step 1):</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 2 were introduced this would extend access to registered/trusted traders etc; increase general awareness of the facility; and provide audit trails of searches made.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 3 were introduced this would raise the profile of the National facility and generally increase services available to police forces (including provision of more intelligence from audit trails etc) and traders, thus encouraging improved due-diligence checks prior to purchase.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>
5.	<p><u>Illegal Removal - non UK:</u> From your records can you quantify the number of incidents that occurred within your area of responsibility that appeared to involve a person dealing with a</p>			A:	A:	A:

	(i)	(ii)	(iii)	(iv)	(v)	(vi)
	During 2002	During 2003	<p>By what percentage do you think the total in the previous column will change during 2004;</p> <p>A) based on your existing scope of recording?</p> <p>B) based on the scope expanding to include 'cultural' objects.</p>	<p>If your organisation had ready access to the MPS system (i.e. Step 1):</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 2 were introduced this would extend access to registered/trusted traders etc; increase general awareness of the facility; and provide audit trails of searches made.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 3 were introduced this would raise the profile of the National facility and generally increase services available to police forces (including provision of more intelligence from audit trails etc) and traders, thus encouraging improved due-diligence checks prior to purchase.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>
cultural object purporting to have been illegally removed from any other country? (i.e. one which might now be regarded as the 'dishonest dealing in tainted cultural object' under the Dealing in Cultural Objects (Offences) Act 2003).			B:	B:	B:	B:

	(i)	(ii)	(iii)	(iv)	(v)	(vi)
	During 2002	During 2003	<p>By what percentage do you think the total in the previous column will change during 2004;</p> <p>A) based on your existing scope of recording?</p> <p>B) based on the scope expanding to include 'cultural' objects.</p>	<p>If your organisation had ready access to the MPS system (i.e. Step 1):</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 2 were introduced this would extend access to registered/trusted traders etc; increase general awareness of the facility; and provide audit trails of searches made.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 3 were introduced this would raise the profile of the National facility and generally increase services available to police forces (including provision of more intelligence from audit trails etc) and traders, thus encouraging improved due-diligence checks prior to purchase.</p> <p>A) What percentage change do you think this would make/have made to the latest annual figure you have provided?</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>
6.	<p>Organised Crime: From the intelligence available to you, how many instances are you aware of where you suspect or believe that art, antiques or cultural objects may have been used as a 'currency' in support of 'organised crime'?</p>			A:	A:	A:
			B:	B:	B:	B:

(i)	(ii)	(iii)	(iv)	(v)	(vi)
During 2002	During 2003	During 2004	<p>If your organisation had ready access to the MPS system (i.e. Step 1):</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 2 were introduced this would extend access to registered/trusted traders etc; increase general awareness of the facility; and provide audit trails of searches made.</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 3 were introduced this would raise the profile of the National facility and generally increase services available to police forces (including provision of more intelligence from audit trails etc) and traders, thus encouraging improved due-diligence checks prior to purchase.</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>

	(i)	(ii)	(iii)	(iv)	(v)	(vi)
	During 2002	During 2003	During 2004	<p>If your organisation had ready access to the MPS system (i.e. Step 1):</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 2 were introduced this would extend access to registered/trusted traders etc; increase general awareness of the facility; and provide audit trails of searches made.</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>	<p>If Step 3 were introduced this would raise the profile of the National facility and generally increase services available to police forces (including provision of more intelligence from audit trails etc) and traders, thus encouraging improved due-diligence checks prior to purchase.</p> <p>B) What is your view of the degree by which such a facility would contribute to preventing an increase in these offences over future years (i.e. none: negligible: small: medium: considerable or very substantial)</p>
7.	<p>Offences Under New Act: From the intelligence available to you, can you quantify the number of offences you expect to be reported or handled within your area of responsibility concerning the illegal removal of cultural objects by virtue of the Dealing in Cultural Objects (Offences) Act 2003)?</p>			B:	B:	B:
8.	<p>If your organisation had ready access to the MPS system or a future system developed under a PPP, by how much do you think the research your organisation undertakes into these offences or items of property will increase?</p>			<p>A: Initially:</p> <p>B: In future years:</p>		

ANNEX C – DETAILED RESPONSE FROM THE ART LOSS REGISTER

Subject: National Database

Thank you for visiting us 13th April 04 and I understand the proposal is to extend the current Met system to all 43 forces to capture stolen data which will be defined as per the EU definition with the banding of values.

In about 12 months time after a tender process, a Public Private Partnership would be chosen which would then make this data available for due diligence searching and presumably integration with other databases available for searching.

As we estimated during your visit, the EU definition of Cultural objects and the band of values attached to it would produce a very limited number of UK losses per year and a relatively limited number of items traded by the UK Art Trade of the same type and value. This is illustrated in the following table:

Table 10 Estimate of the Number of UK Cultural Objects

Recorded by ALR in 2003			If 100% recorded
Annex Category	World	UK	UK
Archaeological objects	1177	0	150
Dismembered monuments	78	40	100
Incunabula and manuscripts	15	7	200
Archives	0	0	5
Mosaics & drawings	5	2	10
Engravings	9	5	15
Photographs	0	0	20
Printed Maps	0	0	6
Statuary	16	10	20
Books	1	1	3
Collections	0	0	0
Means of Transport	2	1	1
Any other object	60	20	30
Pictures >£150K	17	6	6
Total	1380	92	566

Our estimates would be that only about 566 items a year are stolen in the United Kingdom - if all of these were logged. Perhaps the first point we should make is that we would be interested in assisting the Metropolitan police and all other police forces in making certain that these items were correctly described in order that they could be logged.

In certain cases this may require fine art historical research in order to get the description accurate if they have not been well photographed and catalogued prior to loss.

There is a danger that such a limited number of losses on the National Database would make people feel that the National Database was only a token effort, but provided that it was integrated with the due diligence searching of a wider database and providing that it was the starting point and could eventually be extended into lower values then this criticism could be properly answered. Under the EU definition of Cultural Property the number of items that are traded within the UK, from anywhere in the world would also be limited. In general approximately 30 - 40% of the turnover is in the major auction houses, the rest with the dealers. In this case, because the major auction houses are not as active in archeological objects as dealers, the proportion might be higher for dealers.

However we doubt that of these categories by value that the UK dealers and UK auction houses would handle more than 10,000 items and of these we would expect that we would be searching probably half.

The Antiquity Dealers Associations expect their members to search with us but there may be a volume of private collector to oversea dealer or other types of transaction that we do not search.

We presume that even if the stolen data was logged on to the current MPS system that there would be no objection to it being logged on to our system as well because of the searching we are undertaking and many of these items will be logged with us directly by the insurer or owner anyway.

Potential Impact on Crime:

We have some statistical, as well as anecdotal evidence to demonstrate that the operation of the Art Loss Register has had some impact on crime. There have been a number of cases where the Art Loss Register identification of an item lead to an arrest and conviction of which would otherwise not have occurred. Furthermore there is increasing evidence that the criminals know that if an item is on the register that it would be difficult to sell and that prices are being depressed in the grey or professional handlers market.

Although recovery rates overall of stolen art and antiques are very low (probably under 5%) although they are somewhat higher for high value pictures, there is increasing evidence that the operation of the Art Loss Register and other databases such as the Carabinieri are having a positive effect. If our proposals for a Public Private Partnership had been accepted in say 1995 (see our full submission) and the number of losses on our database had therefore been increased from say logging 8,000 a year of which say 4,000 are from the UK - to doubling that number, then this would have significantly increased the effectiveness of the database and the positive effect on crime reduction probably by more than 50%.

We have frequently used the analogy of stolen vehicles where a great majority of stolen vehicles are logged and a great majority of second hand sales are searched and the recovery rate is nearer 70% - albeit that many vehicles are damaged. We doubt that many if any police forces will be able to give accurate answers to the questionnaire but the following are our observations from our liaison with the police the logging of insurance and other losses.

Volume of Crime:

As already mentioned if the EU definition is used the number of crimes will be very small and in certain police areas nil. If the definition was used "of the theft of uniquely identifiable art and antiques" then clearly the numbers would be much greater. We believe that the scale of detection is relatively low for thefts involving art and antiques of the wider definition probably under 10%.

If we assume it is 10% we believe that the creation of a National Database would only increase this marginally using the current definition, but if the definition were extended the number of recordings therefore increase significantly. Together with an increase in due diligence we believe that the detection rate could probably be doubled over a 10 year period. We doubt that these arguments would be strong enough to be able to justify police funding but have always believed that this could probably be funded by the private sector provided that a protocol was agreed with police to encourage logging and other co-operation.

Scale of Recovery:

We doubt that the recovery of stolen Art and Antique objects of the EU definition is more than 5-10%.

Illegal removal - UK:

Some of the Antiques dealers at the British Museum could probably provide some estimates, there is some illegal looting of archeological sites but we believe that on the whole the UK measures to provide financial incentives to individuals to turn these items in, are reasonably effective.

Illegal removal - non UK:

There have been a number of cases, which the Met could indicate to you. We would believe the total number of incidents known at present would be fewer than 20. However, there are probably hundreds if not thousands of such incidents that are not known. This is either because there was no due diligence undertaken; or because the database is not large enough; or because it was so difficult to prove the provenance of the items that are suspected of having been illegally removed.

Organized Crime:

We have some significant examples of arms dealers and others on an international basis using art and antiques as part of their illegal business activities or as a currency.

Offences Under the New Act:

We would expect the number of offences to be relatively small.

ANNEX D – QUESTIONNAIRE RESULTS

Question ID	Question in Brief	Sussex Police	Metropolitan Police Art & Antique Unit	Avon & Somerset Police	HM Customs & Excise	The Art Loss Register
Scale of recorded crime:						
1 (i)	Volume of crime 2002	184		182	N/A	1000+
1 (ii)	Volume of crime 2003	169		334	N/A	1000+
	<i>Change in volume 2002 -2003</i>	<i>-8.15%</i>		<i>83.52%</i>		
1 (iii) A	Assessed change in 2004 - existing scope			15 - 20% increase		Number depends on our efforts with Insurance industry
1 (iii) B	Assessed change in 2004 - including 'cultural'	<i>-11.24%</i>	Stolen cultural already included. No basis upon which to assess illegal removal	No difference	N/A	Logging only those items defined as cultural would dramatically reduce the number of crimes recorded.
1 (iv) A	Reduction in crime attributed to step 1	Nil		No difference	For Police	Not more than 5%
1 (iv) B	Increase in crime prevented due to step 1	Negligible		Unable to answer	For Police	Negligible
1 (v) A	Reduction in crime attributed to step 2	20%		No difference	N/A	
1 (v) B	Increase in crime prevented due to step 2	Small		Unable to answer	N/A	Negligible
1 (vi) A	Reduction in crime attributed to step 3	25%		No difference	N/A	Substantial – if integrated, managed & extended.
1 (vi) B	Increase in crime prevented due to step 3	Medium		Unable to answer	Increase Awareness small/medium	Medium or considerable – if integrated, managed & extended.
Scale of detected crime:						
2 (i)	Detection in 2002	Unable to answer		5	N/A	Guess – 10%
2 (ii)	Detection in 2003	Unable to answer		6	N/A	Guess – 10%
2 (iii) A	Assessed change in 2004 - existing scope	Unable to answer		Unable to answer	N/A	Guess – 10%
2 (iii) B	Assessed change in 2004 - including 'cultural'	Unable to answer		No difference		

Question ID	Question in Brief	Sussex Police	Metropolitan Police Art & Antique Unit	Avon & Somerset Police	HM Customs & Excise	The Art Loss Register
2 (iv) A	Possible change in detection following step 1	up to 5%		Unable to answer	For Police	No change
2 (v) A	Possible change in detection following step 2	up to 7%		Unable to answer	N/A	Negligible
2 (vi) A	Possible change in detection following step 3	up to 10%		Unable to answer	N/A	<ul style="list-style-type: none"> • A reduction in detection if an 'open' database. • A small increase in detection if a managed database. • A considerable increase in detection if a managed, extended and integrated database.
Scale of property recovery:						
3 (i)	Recovery of property in 2002	believed less than 5%		4	N/A	5-10%
3 (ii)	Recovery of property in 2003	believed less than 5%		2	N/A	5-10%
3 (iv) A	Possible change in property recovery following step 1	5 - 10 %		Approx 75% increase	For Police	Negligible
3 (v) A	Possible change in property recovery following step 2	10 - 15%		Approx 75% increase	N/A	Reduced if database available on Internet.
3 (vi) A	Possible change in property recovery following step 3	15 - 20%		Unable to answer	N/A	Up to 30% - if a managed, extended and integrated database.
Illegal removal from UK:						
4 (i)	Illegal removal - UK 2002	Unable to answer		0	0	6 ?
4 (ii)	Illegal removal - UK 2003	Unable to answer - none in the last 6 months		0	0	6 ?
4 (iv) A	Possible change of illegal removal from UK after step 1	Unable to answer		Unable to answer	For Police	Negligible
4 (iv) B	Contribution to prevention of illegal removal by step 1	Unable to answer		Unable to answer	For Police	Negligible
4 (v) A	Possible change of illegal removal from UK after step 2	Unable to answer		Unable to answer	Not quantifiable at present	Negligible
4 (v) B	Contribution to prevention of illegal removal by	Unable to answer		Unable to answer	Small	Negligible

Question ID	Question in Brief	Sussex Police	Metropolitan Police Art & Antique Unit	Avon & Somerset Police	HM Customs & Excise	The Art Loss Register
	step 2					
4 (vi) A	Possible change of illegal removal from UK after step 3	Unable to answer		Unable to answer	Not quantifiable at present	Significant - if a managed, extended and integrated database.
4 (vi) B	Contribution to prevention of illegal removal by step 3	Unable to answer		Unable to answer	Small	Considerable - if a managed, extended and integrated database
Illegal removal into UK:						
5 (i)	Illegal removal to UK - 2002	Unable to answer		0	1	20
5 (ii)	Illegal removal to UK - 2003	Unable to answer		0	1	20
5 (iii) B	Assessed change in 2004 - including 'cultural'	Unable to answer		Unable to answer	Unable to answer	A reduction if EU definition used
5 (iv) A	Possible change of illegal removal to UK after step 1	Unable to answer		Unable to answer	For Police	Negligible
5 (iv) B	Contribution to prevention of illegal removal by step 1	Unable to answer		Unable to answer	For Police	Negligible
5 (v) A	Possible change of illegal removal to UK after step 2	Unable to answer		Unable to answer	Not quantifiable	Could increase illegal removal if an 'open' database provided.
5 (v) B	Contribution to prevention of illegal removal by step 2	Unable to answer		Unable to answer	Small	Could increase illegal removal if an 'open' database provided.
5 (vi) A	Possible change of illegal removal to UK after step 3	Unable to answer		Unable to answer	Not quantifiable	Considerable initial increase - if a managed, extended and integrated database.
5 (vi) B	Contribution to prevention of illegal removal by step 3	Unable to answer		Unable to answer	None Database intended to cover only UK objects and not those from overseas	Considerable - if a managed, extended and integrated database
Organised Crime:						
6 (i)	Instance in 2002	Unable to answer		Unable to answer	0	6
6 (ii)	Instances in 2003	Unable to answer		Unable to answer	1 poss.	6

Question ID	Question in Brief	Sussex Police	Metropolitan Police Art & Antique Unit	Avon & Somerset Police	HM Customs & Excise	The Art Loss Register
6 (iii) B	Assessed change in 2004	Unable to answer		Unable to answer	Not known	Reduced through definition of cultural
6 (iv) A	Possible change in use by organised crime after step 1	Unable to answer		Unable to answer	For Police	Negligible
6 (iv) B	Contribution to prevention of an increase by step 1	Unable to answer		Unable to answer	For Police	Negligible
6 (v) A	Possible change in use by organised crime after step 2	Unable to answer		Unable to answer	Not quantifiable	An 'open' database would reduce numbers identified
6 (v) B	Contribution to prevention of an increase by step 2	Unable to answer		Unable to answer	Not quantifiable	An 'open' database would attract an increased use by organised crime.
6 (vi) A	Possible change in use by organised crime after step 3	Unable to answer		Unable to answer	We cannot quantify	Small reduction - if a managed, extended and integrated database
6 (vi) B	Contribution to prevention of an increase by step 3	Unable to answer		Unable to answer	Negligible	Considerable
Offences expected under new Act:						
7 (iii)	Expected number of offences in 2004	Unable to answer		0	6 But estimate 1 prosecution per 3 year period	5 - 10
7 (iv)	Contribution to prevention of an increase by step 1	Unable to answer		Unable to answer	For Police	Negligible
7 (v)	Contribution to prevention of an increase by step 2	Unable to answer		Unable to answer	Negligible	None
7 (vi)	Contribution to prevention of an increase by step 3	Unable to answer		Unable to answer	Small	Medium reduction - if a managed, extended and integrated database
Increase in use of a national database:						
8 A	Initial increase	small		100%	None	1 – 2 % if limited to cultural definition
8 B	Increase in future years	small - unless driven by clear need supported by results		100%	Negligible unless there is an increase in priority for	20% - if a managed, extended and integrated database

Question ID	Question in Brief	Sussex Police	Metropolitan Police Art & Antique Unit	Avon & Somerset Police	HM Customs & Excise	The Art Loss Register
				Customs		
<u>Other comments:</u>		<p>1) Step 1 is considered very useful for supporting the investigative process.</p> <p>2) The police priority is towards detection rather than just recovery of property.</p> <p>3) Concerns exist regarding access beyond law enforcement agencies of steps 2 & 3.</p>	<p>1) Regret MPS unable to respond within time-scale.</p> <p>2) The three steps appear to have a massive impact upon the working practices of the unit.</p> <p>3) MPS would need to be fully conversant with proposals in order to brief and consult senior officers.</p>	<p>1) Not in favour of any PPP and could not recommend this to the CC.</p> <p>2) Best result is seen to be steps 1 & 2, without the need for PPP, but encouraging use by ALL dealers, not just the big ones.</p> <p>3) Database should not be restricted just to cultural objects.</p> <p>4) General belief that any database will have little impact upon prevention of crime but a very significant effect upon increasing detection and restoration of property.</p>	<p>1) The response assumes that HMCE is not included within Step 1.</p> <p>2) Objects leaving the UK are likely to be dealt with under export licensing legislation.</p> <p>3) The database is seen by Customs as a tool for our officers to identify potentially stolen/missing/tainted objects.</p> <p>4) It may be that the increased awareness or availability of information on these objects will deter some criminals.</p>	<p>Many comments and qualifications added to the answers provided and a significant written submission included at Annex C.</p>