



# Anti-Money Laundering Policy

Version number 1.0  
Date July 2019

## Tracking

<b>Policy Title</b>	Anti-Money Laundering Policy		
<b>LT sign off</b>			
<b>Committee</b>	Strategy & Resources Committee	<b>Date approved</b>	July 2019
<b>Review due date</b>	Every Three Years	<b>Review completed</b>	
<b>Service</b>	Policy, Performance & Governance		

## Revision History

Revision Date	Revisor	Previous Version	Description of Revision

## Document Approvals

Each revision requires the following approvals:

Sponsor Approval		Name	Date
Head of Policy, Performance & Governance		Gillian McTaggart	

# **ANTI-MONEY LAUNDERING POLICY**

## **1.0 INTRODUCTION**

- 1.1 The Council has a zero tolerance policy concerning money laundering and is committed to the highest standards of conduct.
- 1.2 The Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 place obligations on the Council and its employees to ensure that procedures are in place to prevent the Council's services being used for money laundering and terrorist financing
- 1.3 This policy sets out the process to minimise the risk, as well as provide guidance on the Council's money laundering procedures. Adhering to this policy and guidance will protect employees from the risk of prosecution if an employee becomes aware of money laundering activity while employed by the Council. The policy is not intended to prevent customers and service providers from making payments for Council services, but to minimise the risk of money laundering in high value cash transactions.

## **2.0 DEFINITION OF MONEY LAUNDERING**

- 2.1 The Council defines money laundering as the process where the proceeds of crime and the true ownership of those proceeds are changed so that they appear to come from a legitimate source.
- 2.2 The main Money Laundering offences are :
- Concealing, disguising, converting, transferring or removing criminal property from the UK (section 327 of the Proceeds of Crime Act 2002);
  - Arranging – entering into or being concerned in an arrangement which a person knows or suspects facilitates the acquisition, retention use or control of criminal property by or behalf of another person (section 328);
  - Acquisition – acquiring, using or possessing criminal property (section 329).
- 2.3 This policy also covers 'third party' offences that relate to the suspicion or knowledge that money laundering is taking place, including:
- Failure to disclose one of the principle offences listed above;
  - Tipping Off – where someone informs a person who is, or suspected of being involved in money laundering, in such a way as to reduce the likelihood of or prejudice an investigation.

## **3.0 COUNCIL'S OBLIGATIONS**

- 3.1 The Council will ensure that at a minimum its policies and procedures include reference to the following:
- Appoint a Money Laundering Reporting Officer (MLRO) to receive any disclosures from employees relating to money laundering;
  - Implement a procedure to enable the reporting of suspicions of money laundering;
  - Apply customer due diligence in certain business relationships;
  - Obtain information on the purpose of certain business relationships;

- Maintain a record of incidents that have been reported to the MLRO
- Provide training for relevant staff on how to identify the signs of potential money laundering transactions.

#### **4.0 MONEY LAUNDERING REPORTING OFFICER**

- 4.1 The officer nominated (MLRO) to receive disclosures about money laundering activity within the council is Gillian McTaggart, The Head of Policy, Performance & Governance and can be contacted as follows:  
Email: [gmctaggart@epsom-ewell.gov.uk](mailto:gmctaggart@epsom-ewell.gov.uk)  
Tel No 01372 732224
- 4.3 In the absence of the MLRO, Lee Duffy , Chief Finance Officer is authorised to deputise for him and can be contacted as follows:-  
Email: [lduffy@epsom-ewell.gov.uk](mailto:lduffy@epsom-ewell.gov.uk)  
Tel No 01372 732210

#### **5.0 DISCLOSURE PROCEDURE**

##### **Procedure for reporting potential cases of Money Laundering**

- 5.1 If there are doubts over the validity of the customer or representative of an organisation, requests should be made to at the very least confirm their identification and address. Valid forms of identity and proof of address are:

##### ***Identity***

- Current Passport
- Current full UK photocard Driving Licence (old style provisional licences will not be accepted)
- Current full UK driving licence (old version)
- Current EEA member state identity card (please note that UK National Identity cards are no longer valid as proof of identity for anti-money laundering purposes)
- Current identity card issued by the Electoral Office for Northern Ireland
- Current shotgun or firearms certificate
- Evidence of entitlement to state of locally funded benefit
- Registered accounts or credit reference agency search with company ID
- Foreign overseas ID

##### ***Address***

- Council Tax demand notice (current year)
  - Credit card Statement dated within the last 3 months.
  - Utility Bill dated within the last 3 months.
  - Current UK driving licence (old full licence or new photo-card licence) if not used for evidence of name (old style provisional licences will not be accepted)
  - Evidence of entitlement to state of locally funded benefit
  - Documents issued by HMRC e.g. tax code notices(current year) ( or equivalent for non UK residents)
- 5.2 If the customer or organisation is unable to provide any of the above to confirm their status, details of the transaction should be recorded using the Disclosure Report

(Appendix A). Any queries regarding the validity of ID should be referred to the MLRO who may require certified copies or documents in English.

5.3 Should an officer suspect a case of money laundering, they should in the first instance stop any further processing of the suspicious transaction and record the details of the transaction. The customer should be handed back any cash.

5.4 The Disclosure Report should be sent to the MLRO promptly, so that the transaction can be properly investigated. Under the Money Laundering regulations there is no de-minimis amount for making a disclosure and as such any cash transaction (irrespective of value) should be reported. In addition, disclosures should be made in the following circumstances:

- Any cash transactions of £5,000 and over
- There is doubt in the validity of information provided to support a transaction
- Unusual patterns of transactions that have no apparent purpose or visible lawful purpose

5.5 The MLRO must follow up suspected money laundering transactions. If it is concluded that the transaction is likely to result in money laundering the matter must be reported to the National Crime Agency (NCA) for further action. In no circumstances should the council attempt to investigate the matter as it may prejudice any investigation that the Police carry out. Disclosure reports must be retained for at least one year.

5.6 The MLRO should consider the following as part of their investigation:

- Other transactions from the same individual or organisation
- The type and length of any business relationship
- The number of one off transactions
- Any due diligence information held
- Undertake any other reasonable enquiries that they feel may be appropriate

5.7 **At no time and under no circumstances should you voice any suspicions** to the person(s) whom you suspect of money laundering.

## **6.0 TRAINING**

6.1 The Council will take appropriate measures to ensure that employees who may be affected by Money Laundering Legislation are made aware of the risk of money laundering and are aware of these procedures as to how to deal with the risk.

## **7.0 CONCLUSION**

7.1 The legislative requirements concerning anti-money laundering procedures are lengthy and complex. This Policy has been written so as to enable the Council to meet the legal requirements in a way which is proportionate to the very low risk to the Council of contravening the legislation.

7.2 Should you have any concerns whatsoever regarding any transactions then you should contact the MLRO.

## **RELATED POLICIES**

Anti-Fraud and Anti-Corruption Strategy

Anti-Money Laundering Policy  
Whistleblowing policy  
Conflict of Interest Policy  
HR Policy

The Fraud Response Plan will be reviewed every two years



**CONFIDENTIAL**

# Money Laundering Disclosure Report

**To: Money Laundering Reporting Officer**

**Reporting Officer** .....  
*[insert name of employee]*

**Directorate:** ..... **Ext/Tel No:**.....

**Date of Transaction** .....

**DETAILS OF SUSPECTED OFFENCE:**

**Name(s) and address(es) of person(s) involved:**  
*[if a company/public body please include details of nature of business]*

**Details of Transaction - Nature, value and timing of activity involved:**  
*[Please include full details e.g. what, when, where, how. Continue on a separate sheet if necessary]*

**Nature of suspicions regarding such activity:**

*[Please continue on a separate sheet if necessary]*

**Has any investigation been undertaken (as far as you are aware)?**

*[Please tick the relevant box]*

Yes

No

**If yes, please include details below:**

**Have you discussed your suspicions with anyone else?**

*[Please tick the relevant box]*

Yes

No

**If yes, please specify below, explaining why such discussion was necessary:**

**Have you consulted any supervisory body guidance re money laundering? (e.g. the Law Society)** *[Please tick the relevant box]*

Yes

No

**If yes, please specify below:**

**Is there any other information that you feel is relevant**

Signed:.....

Dated:.....

***Please do not discuss the content of this report with anyone you believe to be involved in the suspected money laundering activity described. To do so may***



***constitute a tipping off offence, which carries a maximum penalty of 5 years' imprisonment.***

**THE FOLLOWING PART OF THIS FORM IS FOR COMPLETION BY THE MLRO**

Date report received: .....

Date receipt of report acknowledged: .....

**CONSIDERATION OF DISCLOSURE:**

Action plan:

**OUTCOME OF CONSIDERATION OF DISCLOSURE:**

**Are there reasonable grounds for suspecting money laundering activity?**

If there are reasonable grounds for suspicion, will a report be made to the NCA? Yes/No

If yes, please confirm date of report to NCA:

Details of liaison with NCA regarding the report:

Is consent required from the NCA for any on-going or imminent transactions that would otherwise be prohibited acts. If yes, please confirm fill details; Yes/No

Date consent received from NCA:

Date receipt of report acknowledged:

Date consent given by you to employee:

Dare consent given by you to employee for any prohibited act transactions to proceed:

If there are reasonable grounds to suspect money laundering, but you do not intend to report the matter to the NCA, please set out below the reason (s) for non-disclosure:

Signed:

Dated: