



EPSOM AND EWELL BOROUGH COUNCIL

ANTI-MONEY LAUNDERING POLICY

1.0 INTRODUCTION

- 1.1 Money Laundering is the term used for a number of offences involving the proceeds of crime or terrorist funds. **Concealing, Arranging and Acquisition** constitute the act of money laundering.
- 1.2 Legislation that relates to money laundering is the Proceeds of Crime Act 2002, The Terrorism Act 2000 and the Money Laundering Regulations 2007.
- 1.3 The Council has a duty to ensure it has procedures in place to reduce the risk of its being subject to the impact of money laundering .
- 1.4 This policy and procedures apply to all employees of the council and aims to maintain high standards of conduct by preventing criminal activity resulting from money laundering. The policy sets out the procedures that must be followed including any reporting requirements that ensure that the council complies with its legal obligations.

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;
 - Arranging – being concerned in an arrangements which a person knows or suspects facilitates the acquisition, retention use or control of criminal property;
 - Acquisition – acquiring , using or possessing criminal property.
- 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
 - 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 their being investigated, or prejudicing 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 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 Money Laundering Reporting Officer;
- 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 the Head of Corporate Risk.
- 4.2 The Head of Policy, Performance & Governance can be contacted as follows:
 Email: 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
 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 Money Laundering Officer 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 Money Laundering Reporting Officer 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 Money Laundering Reporting Officer 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 Police 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 Money Laundering Reporting Officer 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?