

REPORT TO CABINET

Open		Would any decisions proposed:			
Any especially affected Wards	Mandatory/	Be entirely within Cabinet's powers to decide		YES	
	Discretionary /	Need to be recommendations to Council		YES	
	Operational	Is it a Key Decision		NO	
Lead Member: Cllr Morley E-mail: cllr.chris.morley@west-norfolk.gov.uk		Other Cabinet Members consulted:			
		Other Members consulted:			
Lead Officer: Michelle Drewery E-Mail: Michelle.Drewery@West-Norfolk.gov.uk Direct Dial: 01553 616432		Other Officers consulted: Michelle Drewery – Assistant Director, Resources (S151 Officer) Carl Holland – Financial Services Manager Alexa Baker – Assistant Director, Legal, Governance & Licensing Laura Botten, Corporate Governance Officer Matthew Head, Internal Auditor Michael Tweed, Internal Auditor			
Lead Officer: Jamie Hay E-mail: jamie.hay@west-norfolk.gov.uk Direct Dial: 01553 616701					
Financial Implications NO	Policy/ Personnel Implications YES	Statutory Implications NO	Equal Impact Assessment YES If YES: Pre-screening	Risk Management Implications YES	Environmental Considerations NO
If not for publication, the paragraph(s) of Schedule 12A of the 1972 Local Government Act considered to justify that is (are) paragraph(s)					

Date of meeting: 5th March 2024

ANTI-MONEY LAUNDERING POLICY REVIEW

Summary

Regulated Authorities must have provisions in place relating to 'Money Laundering', as a Local Authority we are not legally obliged to apply the provisions of the Money Laundering Regulations 2007. However, as a responsible public body, the Borough Council who do not undertake any such regulated activities should employ policies and procedures which reflect the essence of the UK's anti-terrorist financing, and anti-money laundering regimes. Such legislation has been considered by professional bodies, resulting in best practice guidance being issued that requires local authorities to establish internal procedures to prevent the use of their services for money laundering.

This is a policy review which is to replace the current Anti-Money Laundering Policy which was formally approved on 21st April 2020.

To amend titles and officers with roles within the policy, and to further develop the policy to include more robust details and information regarding CDD (Customer Due Diligence) and KYC (Know Your Customer/Client) within an accompanying set of procedures to assist officers should the need arise to follow this process through providing a step-by-step guide.

1 legislative change has occurred since April 2020, and this has been captured in section 5.5 of this new policy.

Recommendation

- a) Approval for this Policy to be put forward to Full Council and Cabinet for formal adoption.

Reason for Decision

To ensure the Council's anti-money laundering policy and associated procedures remain up to date and fit for purpose including changes in legislation. This policy looks to provide a clear process for officers/members who wish to report suspicions of money laundering and to the same end helps to raise suspicions of serious crime to the relevant responsible officers and other organisations (the National Crime Agency – NCA). As well as to protect officers/members who may have a suspicion and may require assistance to prevent further offences and/or obtaining guidance to prevent themselves from inadvertently becoming 'involved' in money offences.

1 Background

- 1.1 The Anti-Money Laundering Policy sets out the Borough Council's policy on what the definition of money laundering is, the scope and the legislation requirements regarding money laundering, who the responsible officer(s) will be, the CDD and KYC procedures to be implemented relating to suspicious activities, the internal reporting procedures for suspicions of money laundering and the further considerations of disclosure to the national governing body for anti-money laundering purposes (the NCA). This policy also introduces all of the relevant procedures and documents to be used within the accompanying Anti-Money Laundering Procedures to help officers/members decide if a possible money laundering offence is taking/has taken place, what the potential signs of money laundering may look like, the proposed due diligence and verification of customer identity processes/procedures and the reporting procedures to be introduced.

2 Options Considered

- 2.1 Retain the policy in current format. The current policy is no longer fully accurate and does not include the legislative change referred to in section 5.5 of this new policy. Other areas of the current policy have become out of date such as job titles. New areas of responsibility have been included within this policy review regarding the introduction of the "Officer in Charge of Keeping Records" and "Nominated Officer for Compliance" roles. The Policy also introduces more robust CDD and KYC procedures within the accompanying Anti-Money Laundering Procedures.

3 Policy Implications

3.1 The report recommends approval of the revised policy of Anti-Money Laundering Policy.

4 Financial Implications

4.1 The Policy will help to mitigate the risk to the organisation against fraud and corruption / money laundering which financially affects the council.

5 Personnel Implications

5.1 No Direct implications.

6 Environmental Considerations

6.1 There are no environmental considerations.

7 Statutory Considerations

7.1 There are no statutory requirements placed upon Local Authorities in respect of Money Laundering Regulations.

8 Equality Impact Assessment (EIA)

8.1 Pre screening report attached.

9 Risk Management Implications

9.1 Failure to have and maintain a policy would leave the council susceptible to money laundering, fraud and corruption and financial losses from both internal and external threats.

10 Declarations of Interest / Dispensations Granted

10.1 None.

11 Background Papers

11.1 None.