

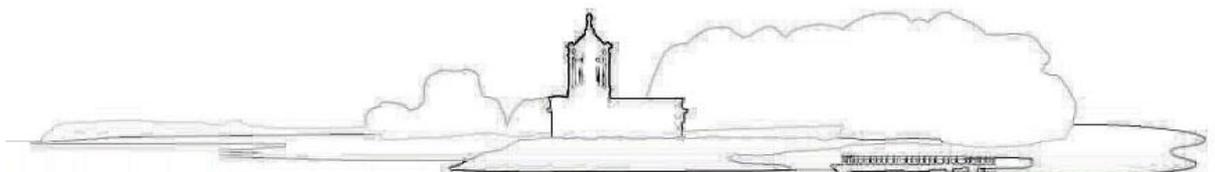
# Rutland County Council

## APPENDIX B

# ANTI-MONEY LAUNDERING PROTOCOL

Version & Policy Number	Version 2.0
Guardian	Saverio Della Rocca, Strategic Director of Resources (s151 Officer), 01572 758159
Date Produced	February 2021
Next Review Date	February 2026

Approved by SMT	N/A
-----------------	-----



## **Summary of document**

This Protocol aims to maintain the high standards of conduct that currently exist within the Council by preventing criminal activity through money laundering. The separate Anti-Money Laundering - Employee Guidance sets out the steps that must be followed to enable the Council to comply with its legal obligations.

# Contents

		<i>Page</i>
1.0	Introduction	4
2.0	Scope	4
3.0	Definition	4
4.0	The Council's Obligations	5
5.0	Prevention	5
6.0	Disclosure	6
7.0	Conclusion	6

## 1.0 INTRODUCTION

- 1.1 The Money Laundering Regulations 2007, Money Laundering and Terrorist Financing (Regulations) 2019, Anti Money Laundering Act 2018, the Terrorism Act 2000 and the Proceeds of Crime Act 2002 broadened the definition of money laundering and increased the range of activities covered by the statutory framework. The Council, as a Local Authority, does not have a statutory duty to comply with these regulations, and does not provide regulated services but it is deemed best practice for the Council to establish risk based internal procedures to prevent the use of their services for money laundering.
- 1.2 Money laundering is widely defined as 'possessing, concealing, disguising or in any way dealing with the proceeds of any crime by any person known or unknown'.
- 1.3 This protocol has been written to enable the Council to meet its legal requirements in a proportionate manner that recognises that there is only a low risk of the Council contravening the legislation.
- 1.4 The protocol serves to protect the Council's employees by making them aware of their personal obligations and by providing them with a mechanism to raise any concerns.
- 1.5 Failure to comply with the procedures set out in the protocol may lead to disciplinary action.
- 1.6 This protocol should be read in conjunction with the supporting Employee Guidance which is on the Governance Section on the Intranet.

## 2.0 SCOPE

- 2.1 This protocol therefore applies to **all** County Council employees, Members, temporary and agency staff, volunteers, contractors, agents, consultants and partners acting on the Council's behalf, all of whom could potentially contravene the money laundering regulations.

## 3.0 DEFINITION

- 3.1 Money laundering is defined as:
  - concealing, disguising, converting, transferring criminal property or removing it from the UK (section 327 of the Proceeds of Crime Act 2002);
  - entering into or becoming concerned in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person (section 328 of the Proceeds of Crime Act 2002);

- acquiring, using or possessing criminal property (section 329 of the Proceeds of Crime Act 2002);
  - becoming concerned in an arrangement facilitating concealment, removal from the jurisdiction, transfer to nominees or any other retention or control of terrorist property (section 18 of the Terrorism Act 2000)
- 3.2 Potentially any individual could contravene the money laundering provisions if they know of or suspect money laundering and either become involved with it in some way and/or do not report it. In addition, an offence of “Tipping off” could be committed should an individual make a disclosure that is likely to prejudice a current or potential investigation into any potential money laundering (section 342 of the Proceeds of Crime Act 2002).
- 3.3 Whilst the risk to the Council of contravening the legislation is low because the Council does not deal in substantial cash transactions or regulated activity, it is **extremely important that all employees are familiar with their legal responsibilities**, as serious criminal sanctions may be imposed for breaches of the legislation.

## 4.0 THE COUNCIL’S OBLIGATIONS

- 4.1 To comply with its statutory obligations the Council has:
- Appointed a Money Laundering Reporting Officer (MLRO) to receive disclosures about money laundering concerns. The Council’s MLRO is the Strategic Director for Resources (s151 officer). Their contact details can be found in the Anti-Money Laundering - Employee Guidance.
  - Implemented a procedure for the reporting of money laundering suspicions. This has been communicated to its employees through this protocol and its supporting Employee Guidance.

## 5.0 PREVENTION

- 5.1 The Council discourages cash payments and offers alternative payment methods but in certain circumstances will take cash payments e.g. where rejecting a cash payment is likely to increase the risk of non-payment of debt. However, it will not accept **cash payments** in excess of £1,000. Payees should be asked to pay any sums owed to the Council in excess of £1,000 by cheque or other financial instrument.
- 5.2 Where the Council is dealing with a **new customer/client** steps should be taken to confirm the identity of that customer/client where the Council:
- intends to form an ongoing business relationship with the customer/client; or

- undertakes a one-off transaction involving payment by or to the customer/client of £10,000 or more; or
  - undertakes a series of linked one-off transactions involving total payment by or to the customer/client of £10,000 or more.
- 5.3 It is the responsibility of the service building the relationship with the customer/client to obtain and verify satisfactory evidence of identity. Written instructions at the outset of the matter on either the organisation's official letterhead, or an email from the organisation, are appropriate evidence of identity and should be verified via a search of Companies House records, or another appropriate independent agency.
- 5.4 All information obtained for the purposes of money laundering checks and referrals must be kept (for at least five years) and processed in compliance with relevant Data Protection legislation. The precise nature of these records is not set down in law but should be capable of providing an audit trail during any subsequent investigation.
- 5.5 If the identity is not confirmed in this way the business relationship or transaction **should not proceed**.

## 6.0 DISCLOSURE

- 6.1 Where an individual knows or suspects that money laundering is taking place or has taken place, they **must** immediately contact the MLRO. The provisions of the Act mean that failure to notify immediately may result in the employee being prosecuted.
- 6.2 Once the individual has reported the matter to the MLRO they **must not** make any further enquiries into the matter.
- 6.3 Under no circumstances should an individual voice any suspicions to the person(s) suspected of money laundering.
- 6.4 Employees should not make any reference on a client file to a report having been made to the MLRO.
- 6.5 Where there is evidence of money laundering, the MLRO will disclose the matter as soon as practicable to the National Crime Agency (NCA). Further details can be found in the Employee Guidance.

## 7.0 CONCLUSION

- 7.1 Given the nature of what the Council does and who it can provide services for, instances of suspected money laundering are unlikely to arise.
- 7.2 **Please take prompt and proper action if you have any suspicions** and feel free to consult the MLRO (Strategic Director for Resources) at

any time should you be concerned with any issues relating to money laundering.

**A large print version of this document is available on request**



**Rutland**  
County Council

Rutland County Council  
Catmose, Oakham, Rutland LE15 6HP

01572 722 577

[enquiries@rutland.gov.uk](mailto:enquiries@rutland.gov.uk)  
[www.rutland.gov.uk](http://www.rutland.gov.uk)