

# TONBRIDGE & MALLING BOROUGH COUNCIL

## AUDIT COMMITTEE

18 January 2021

### Report of the Director of Finance and Transformation

#### Part 1- Public

#### Delegated

## 1 ANNUAL REVIEW OF ANTI-MONEY LAUNDERING POLICY

**This report informs Members of the outcome of the annual review of the Council's Anti-Money Laundering Policy and supporting guidance notes.**

### 1.1 Introduction

- 1.1.1 Public authorities are excluded in the Money Laundering Regulations 2007 from the definition of 'relevant persons' and the 'regulated sector' and, as a result, are not obliged to apply the main provisions of the Regulations. However, it is acknowledged that public authorities, as responsible public bodies, should employ policies and procedures which reflect the essence of the UK anti-terrorist financing and anti-money laundering legislation.
- 1.1.2 The Council's Anti-Money Laundering Policy and supporting guidance notes were last reviewed by the Committee in January 2020.
- 1.1.3 A 6th Anti-Money Laundering Directive was issued in December 2020 and will come into force in June 2021. Amendments introduced include:
- harmonisation of definitions to remove loopholes in domestic regulations;
  - expanding the number of offences falling into money laundering;
  - extension of criminal liability, to include legal persons such as companies or partnerships;
  - the introduction of a minimum four year prison sentence; and
  - information sharing between Member states to allow criminal prosecution in more than one EU member state.
- 1.1.4 This latest review and taking due regard of the above found that no changes were required at this time.

1.1.5 A copy of the Anti-Money Laundering Policy and supporting guidance notes is attached at **[Annex 1 and 2]** respectively.

1.1.6 The Policy, once approved, will be circulated to all staff with computer access using Netconsent and made available on the Council's Intranet and external website.

## **1.2 Legal Implications**

1.2.1 The Policy is not mandatory, but is considered good practice and refers to the relevant legislation where appropriate.

## **1.3 Financial and Value for Money Considerations**

1.3.1 There are no additional resource implications.

## **1.4 Risk Assessment**

1.4.1 A low level of awareness of the Anti-Money Laundering Policy can increase the risk that money laundering may go unnoticed.

## **1.5 Equality Impact Assessment**

1.5.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

## **1.6 Policy Considerations**

1.6.1 Crime & Disorder Reduction

## **1.7 Recommendations**

1.7.1 Members are asked to review and, subject to any required amendments, **approve** the Anti-Money Laundering Policy and supporting guidance notes attached at **[Annex 1 and 2]** respectively.

Background papers:

contact: Paul Worden

Nil

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