

**Committee: Audit Committee**

Date of meeting: **02 February 2021**

Report Subject: **Anti-Money Laundering Policy**

Portfolio Holder: **Cllr. Nigel Daniels, Leader / Executive Member  
Corporate Services**

Report Submitted by: **James Powell – Senior Auditor**

| Reporting Pathway           |                           |                          |                 |                               |                    |                     |         |                      |
|-----------------------------|---------------------------|--------------------------|-----------------|-------------------------------|--------------------|---------------------|---------|----------------------|
| Directorate Management Team | Corporate Leadership Team | Portfolio Holder / Chair | Audit Committee | Democratic Services Committee | Scrutiny Committee | Executive Committee | Council | Other (please state) |
| Virtual                     | Virtual                   |                          | 02/02/2021      |                               |                    |                     |         |                      |

**1. Purpose of the Report**

1.1 The purpose of this report is to provide the Audit Committee with the revised Anti-Money Laundering Policy (attached at Appendix 1).

**2. Scope and Background**

2.1 The report provides the revised Anti-Money Laundering Policy.

2.2 The policy has been revised to reflect the amended Money Laundering and Terrorist Financing (Amendment) Regulations (2019).

2.3 Local Authorities and their staff may be at risk of committing most of the principal offences under the Proceeds of Crime Act 2002 (the POCA). Whilst money laundering regulations do not apply to public sector bodies, as responsible public bodies, they should employ policies and procedures which reflect the essence of the UK's anti-terrorist financing, anti-money laundering and other anti-financial crime regimes.

**3. Options for Recommendation**

3.1 The Audit Committee consider and challenge the content of the policy ensuring it is consistent with their knowledge and understanding of the wider issues.

3.2 The Audit Committee may then choose to:

Option 1

Approve and adopt the Policy.

Option 2

Propose amendments / alterations to the Policy.

Option 3

Not approve the Policy.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

This policy supports the Corporate Plan by demonstrating clear and visible leadership to deliver a viable and resilient Council.

5. **Implications Against Each Option**

5.1 ***Impact on Budget (short and long term impact)***

There are no direct financial implications resulting from this report.

5.2 ***Risk including Mitigating Actions***

Failure to meet its obligations regarding the reporting of money laundering activity could result in criminal sanctions being imposed on the Authority or individual officers. The mitigating action would be to share and fully endorse the attached policy.

5.3 ***Legal***

Adoption of the policy ensures the Authority's compliance to the following legislation relating to financial crime:

- Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017
- Money Laundering and Terrorist Financing (Amendment) Regulations 2019
- Proceeds of Crime Act 2002
- Terrorism Act 2000

5.4 ***Human Resources***

There are no additional Human Resource required in the adoption of this report. The report will impact all staff and Members.

6. **Supporting Evidence**

6.1 ***Performance Information and Data***

There are no performance information/data relevant to this report.

6.2 ***Expected outcome for the public***

Protection of public funds, prevention & detection of criminal activities.

6.3 ***Involvement (consultation, engagement, participation)***

Where relevant, consultation, engagement and participation has been sought in the development of this report. Advice and guidance was sought from the Legal department in relation to the relevant laws applicable to the policy.

6.4 ***Thinking for the Long term (forward planning)***

Adoption of the policy enhances the internal control environment and financial resilience of the Authority.

6.5 ***Preventative focus***

Adoption of the policy enhances the Authority's internal control environment which aims to minimise loss due to fraud/error.

6.6 ***Collaboration / partnership working***

This report has no direct Collaboration / Partnership working elements to report.

6.7 ***Integration (across service areas)***

The policy applies to all Officers and Members of Blaenau Gwent County Borough Council however it is likely to impact direct with those colleagues working within Legal, Resources and Commercial directorates.

6.8 ***EqIA***

No impact assessment is required for this policy as the policy does not identify groups or sets of individuals and will not impose barriers to any specific individual or groups.

7. **Monitoring Arrangements**

7.1 No further monitoring arrangements required for this report.

**Background Documents /Electronic Links**

- *Appendix 1 – Anti Money Laundering Policy*