



ADUR & WORTHING
COUNCILS

Joint Governance Committee
22 March 2022
Agenda Item 9

Ward(s) Affected: All

Anti-Money Laundering Policy

Report by the Monitoring Officer

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Executive Summary

1. Purpose

- 1.1. This report provides an Anti-Money Laundering Policy for approval.

2. Recommendations

- 2.1. To note the requirements of the various regulations on local authorities.
- 2.2. To approve an Anti-Money Laundering Policy.

3. Context

- 3.1 The Councils need to ensure that there are appropriate arrangements and processes in place for the monitoring and reporting of any instances of suspected money laundering operations.
- 3.2 The Joint Governance Committee is responsible for anti-fraud and corruption arrangements as part of its terms of reference.
- 3.3 In order to provide assurance that the councils' anti-money laundering procedures are consistent with relevant professional guidance and other

statutory and best practice requirements, a policy has been prepared for approval by the Joint Governance Committee.

- 3.4 The Anti-Money Laundering Policy will form part of the Councils' suite of anti-fraud and corruption policies in order to satisfy the relevant requirements.

4. Issues, Options and Analysis of Options

- 4.1 As part of the Chartered Institute of Public Finance and Accountability (CIPFA) Code of Practice, the Councils need to ensure there are appropriate processes in place for the reporting and investigation of allegations of fraud and corruption.
- 4.2 Whilst local authorities are not directly covered by the requirements of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, guidance from CIPFA and other professional bodies indicates that public service organisations should comply with the underlying spirit of the legislation and regulations, and put in place appropriate and proportionate anti-money laundering safeguards and reporting arrangements.
- 4.3 The Regulations apply to 'relevant persons' acting in the course of business carried on by them in the UK. Not all the council's business is 'relevant' for the purposes of the legislation. It is mainly accountancy and financial, company and property transactions.
- 4.4 However, the safest way to ensure compliance with the law is to apply them to all areas of work undertaken by the council and require all staff to comply with the policy.
- 4.5 The key requirement is to promptly report any suspected money laundering activity to the Money Laundering Reporting Officer (MLRO).
- 4.6 The obligations on the council are to establish and maintain appropriate and risk-sensitive policies and procedures, including:
- 4.6.1 appoint the Chief Financial Officer as the MLRO to receive disclosures from employees of money laundering activity (their own or anyone else's);
 - 4.6.2 implement a procedure to enable reporting of suspicions of money laundering;

4.6.3 maintain client identification procedures in certain circumstances

4.6.4 maintain record keeping procedures;

4.6.5 conduct money laundering and terrorist funding risk assessment and adopt appropriate internal controls which are both proportionate and cost effective in relation to the risks;

4.6.6 make those staff most likely to be exposed to or suspicious of terrorist financing or money laundering aware of any requirements placed on the councils, their staff and on them as individuals; and

4.6.7 provide targeted training to those staff considered to be the most likely to encounter the financing of terrorism and money laundering.

5. Issues for Consideration

5.1 Although local authorities are unlikely to be a prime target for money laundering, the size and scope of services is such that it is not possible to discount entirely the risks surrounding money laundering. The policy and the Councils' approach are designed to mitigate and minimise these risks..

6. Engagement and Communication

6.1 Officers have consulted with the relevant departments to inform the data and Policy set out in this report.

7. Impact on corporate policies, priorities, performance and community Impact

7.1 Preventing fraud and corruption supports the council's approach to corporate governance and will ensure the proper balance of maintaining order against protecting the rights of constituents.

8. Financial Implications

8.1 The attached Policy and proposed approach to the anti-money laundering regulations meets the Councils' obligations and minimises the risk of this type of activity occurring. It also ensures that staff are aware of their responsibilities and who they should contact should they suspect money laundering transactions are taking place.

9. Legal Implications

- 9.1 The processes and procedures proposed follow best practice guidance. Accordingly, there are no direct legal implications arising out of the # recommendations in the report.

Background Papers

None

Appendices to the report

Appendix 1 – Anti-Money Laundering Policy

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Sustainability & Risk Assessment

1. Economic

Matter considered and no issues identified.

2. Social

Matter considered and no issues identified.

2.1 Social Value

Matter considered and no issues identified.

2.2 Equality Issues

There are no such implications directly related to this report.

2.3 Community Safety Issues (Section 17)

Matter considered and no issues identified

2.4 Human Rights Issues

Matter considered and no issues identified

3. Environmental

Matter considered and no issues identified

4. Governance

Matter considered and no issues identified



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ANTI MONEY LAUNDERING POLICY

March 2022

Document Information

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1. Introduction

- 1.1 Adur & Worthing Councils (the Councils) will do all they can to prevent them and their staff from being exposed to money laundering, to identify the potential areas where it may occur, and to comply with all legal and regulatory requirements, especially with regard to the reporting of actual or suspected cases.
- 1.2 [The Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulation 2017](#), which transposed the 4th EU Money Laundering Directive into UK Law, commenced on 26 June 2017. Whilst these regulations are not directly imposed on local authorities, guidance provided from financial professions, including the Chartered Institute of Public Finance and Accounting (CIPFA), indicates that public service organisations should comply with the underlying spirit of the legislation and regulations and have in place internal procedures to prevent the use of their services for money laundering. Specific to these regulations is an enhanced risk-based approach in conducting due diligence reviews, which are detailed further in this policy.
- 1.3 Money Laundering Regulations apply to cash transactions in excess of 15,000 Euros (approximately £12,500). However, the [Proceeds of Crime Act 2002](#) (POCA) applies to all transactions and can include dealings with agents, third parties, property or equipment, cheques, cash or bank transfers.
- 1.4 Key points:
 - The Councils are committed to the prevention, detection and reporting of money laundering.
 - All employees and elected members must be vigilant for the signs of money laundering.
 - Any employee or elected member who suspects money laundering activity must report this promptly to the Chief Financial Officer as the officer delegated to receive such reports.
 - All payments to the Councils accepted in cash that exceed £12,500 should be reported to the Chief Financial Officer.
 - Where the Councils are carrying out certain regulated activities by way of business then the customer due diligence procedure must be followed.

2. Scope of this policy

- 2.1 This Policy applies to all officers and elected members of the Councils and aims to maintain the high standards of conduct that currently exist within the Councils by preventing criminal activity through money laundering. The policy sets out the procedures that must be followed, e.g. reporting of suspicions of money laundering activity, to enable the Councils and staff to comply with their legal obligations.

2.2 This Policy sits alongside the Councils' Whistleblowing, Anti-Fraud, and Bribery & Corruption Policies.

2.3 Failure to comply with the procedures set out in this Policy may lead to disciplinary action and may also lead to a conviction under POCA and Money Laundering Regulations 2017. Any disciplinary action will be dealt with in accordance with the Councils' Disciplinary Procedure or Member Code of Conduct.

3. What is Money Laundering?

3.1 Money laundering can be defined as “a process that makes money with an illegal origin appear legal so that it may be used”. The aim is to legitimise the possession of such monies through circulation and this effectively leads to ‘clean’ funds being received in exchange.

3.2 A range of activities and offences concerning money laundering is included within the following legislation:

- a) The POCA (as amended by the Serious Organised Crime and Police Act 2005, Crime and Courts Act 2012, Serious Crime Act 2015 and Criminal Finances Act 2017);
- b) Money Laundering Terrorist Financing & Transfer of Funds (Information on the Payer) Regulations 2017 (as amended by the Money Laundering & Terrorist Financing (amendment) Regulations 2019);
- c) The Terrorism Act 2000 (as amended by the Criminal Finances Act 2017);
- d) Offences under the Bribery Act 2010 may also constitute money laundering.¹

3.3 The legislation covers all criminal property where the alleged offender knows or suspects the property constitutes or represents benefit from any criminal conduct. Property is all property (including tax evasion) situated anywhere in the world.

3.4 Money laundering is the term used for a number of offences involving the proceeds of crime or terrorism funds. The following acts constitute acts of money laundering:

- a) Concealing, disguising, converting, transferring criminal property or removing it from the UK (s.327 of the POCA);
- b) 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 (s.328); or
- c) Acquiring, using or possessing criminal property (s.329).

¹ The Money Laundering and Terrorist Financing (Regulations) 2019 and Anti Money Laundering Act 2018 came into effect during 2020, but do not place any specific new requirements upon local authorities. Nevertheless, the Councils will have regard to these regulations when applying any actions in relation to his matter.

These are the primary money laundering offences and are thus prohibited acts under the legislation. There are two secondary offences:

- d) Failure to disclose any of the three primary offences; and
- e) Tipping off.

Tipping Off is where someone informs a person or people who are, or who are suspected of being involved in, money laundering, in such a way as to reduce the likelihood of their being investigated or prejudicing an investigation. A person found guilty of tipping off or prejudicing an investigation offence is liable to imprisonment (maximum five years), a fine or both under the legislation. In addition, a new criminal offence was created whereby, any individual who recklessly makes a statement in the context of money laundering that is false or misleading, commits an offence punishable by a fine and or up to two years imprisonment.

- 3.5 Any member of staff could potentially be caught by the money laundering provisions as noted above if they suspect money laundering and either become involved with it in some way and/or do nothing about it. This policy therefore sets out how any concerns should be raised.
- 3.6 It is impossible to give a definitive list of ways in which to spot money laundering or how to decide whether to make a report. Facts which tend to suggest that something 'odd' is happening may be sufficient for a reasonable suspicion of money laundering to arise. Risk factors which may, either alone or cumulatively with other factors, suggest the possibility of money laundering activity are provided at **Appendix B**.
- 3.7 While the risk to the Councils of contravening the legislation is low, it is important that all employees are familiar with their responsibilities. Serious criminal sanctions may be imposed for breaches of the legislation. The key requirement of employees is to promptly report any suspected money laundering activity to the Chief Financial Officer.

4. Obligations of the Councils

- 4.1 When complying with the obligations, the Councils are required to:
 - a) Appoint a Money Laundering Reporting Officer (MLRO) to receive disclosures from employees of money laundering activity.
 - b) Implement risk-sensitive policies and procedures relating to customer due diligence, reporting, record keeping, internal control, risk assessment and management, monitoring and management of compliance, along with the communication of policies and processes.
 - c) Apply due diligence measures in certain circumstances.
 - d) Know the intended nature of business relationships and undertake ongoing monitoring of them (to identify unusual transactions).

- e) Obtain information on the purpose and nature of transactions/business relationships.
- f) Conduct ongoing monitoring of certain business relationships.
- g) Maintain record keeping procedures. (e.g. for evidence of identity obtained, details of transactions undertaken, for at least 5 years).
- h) Train relevant staff.

5. Nominated Officers

- 5.1 The officer nominated as MLRO to receive such reports from staff within that Councils is the Chief Financial Officer. Alternatively and in the absence of the Chief Financial Officer you may also contact the Head of Legal.

6. Reporting Arrangements

- 6.1 If you become aware that your involvement in a matter may amount to money laundering, you must immediately report it to the MLRO using the report form at **Appendix A** and not take any further action until you have received consent from the MLRO, who may have to be granted such consent by the National Crime Agency (NCA). The disclosure should be within 'hours' of the information coming to your attention, not weeks or months later.
- 6.2 Cash payments to the Councils exceeding £12,500 must be reported immediately to the MLRO using the report form (**Appendix A**) regardless of whether money laundering activities are suspected or not.
- 6.3 You must follow any subsequent directions of the MLRO and must not yourself make any further enquiries into the matter. You must not disclose or otherwise indicate your suspicions to the person suspected of the money laundering. In addition, you must not discuss the matter with others, e.g. colleagues, or note on the file that a report has been made to the MLRO in case this results in the suspect becoming aware of the situation.
- 6.4 The MLRO must promptly evaluate any disclosure report, to determine whether it should be reported to the National Crime Agency via the [UK Financial Intelligence Unit](#) by means of a Suspicious Activity Report (SAR).
- 6.5 The MLRO or any member of staff will commit a criminal offence if they know or suspect, or have reasonable grounds to do so, through a disclosure being made to them, that another person is engaged in money laundering and they do not disclose this as soon as practicable to the National Crime Agency.
- 6.6 Any information containing personal and/or sensitive data which is supplied during the course of a money laundering investigation shall not be processed wider than is absolutely necessary for the purposes of determining whether a money laundering offence has been committed.

7. Consideration of the Disclosure by the Money Laundering Officer

- 7.1 Upon receipt of a disclosure report, the MLRO must note the date of receipt on the report form and advise you of the timescale within which you will receive a response.
- 7.2 The MLRO will consider the report and other relevant available internal material, e.g.
 - a) reviewing other transaction patterns and volumes
 - b) the length of any business relationship involved
 - c) the number of any one-off transactions and linked one-off transactions
 - d) any identification evidence held
- 7.3 The MLRO will undertake such other reasonable enquiries as are necessary to ensure that all available information is taken into account in deciding whether a report to the National Crime Agency is required (such enquiries being made in such a way as to avoid any appearance of tipping off those involved). The MLRO may also need to discuss the report with you.
- 7.4 Once the MLRO has evaluated the disclosure report and any other relevant information, they must make a timely determination as to whether:
 - a) There is actual or suspected money laundering taking place;
 - b) There are reasonable grounds to know or suspect that is the case;
 - c) The identity of the money launderer or the whereabouts of the property involved is known or could be identified or the information may assist in such identification; and
 - d) Whether it is necessary to seek consent from the National Crime Agency for a particular transaction to proceed.
- 7.5 Where the MLRO does so conclude, they must then disclose the matter as soon as practicable to the National Crime Agency on their standard report form or via SAR online and in the prescribed manner, unless they have a reasonable excuse for non-disclosure (e.g. if you are a lawyer and wish to claim legal professional privilege for not disclosing the information).
- 7.6 Where the MLRO suspects money laundering but has a reasonable excuse for non-disclosure, then they must note the report form accordingly; they can then immediately give consent for any ongoing or immediate transactions to proceed.
- 7.7 In cases where legal professional privilege may apply, the MLRO shall liaise with the Monitoring Officer/Deputy Monitoring Officer to decide whether there is a reasonable excuse for not reporting the matter to the National Crime Agency.
- 7.8 Where consent is required from the National Crime Agency for a transaction to proceed, then the transactions in question must not be undertaken or

completed until the National Crime Agency has specifically given consent, or there is deemed consent through the expiration of the relevant time limits without objection from the National Crime Agency.

- 7.9 Where the MLRO concludes that there are no reasonable grounds to suspect money laundering then they shall mark the report accordingly and give consent for any ongoing or imminent transactions to proceed.
- 7.10 All disclosure reports referred to the MLRO and reports made to the National Crime Agency must be retained by the MLRO in a confidential file kept for that purpose for a period of five years.

8. Customer Due Diligence

- 8.1 Customer due diligence means that the Councils must know their clients and understand their businesses. This is so that the Councils are in a position to know if there is suspicious activity that should be reported.
- 8.2 The 2017 Regulations require that the Councils identify their customers and verify their identity on the basis of documents, data or information obtained from a reliable source. Where there is a beneficial owner² who is not the customer, then the Councils must identify that person and verify the identity; and where the beneficial owner is a trust or similar, then the Councils must understand the nature of the control structure of that trust. Finally, the Councils must obtain information on the purpose and intended nature of the business relationship. Here are some simple questions that will help you decide if customer due diligence is necessary:
- a) Is the service a regulated activity? Note: Regulated activity is defined as the provision 'by way of business' of advice about tax affairs, accounting services, treasury management, investment or other financial services, audit services, legal services, estate agency, services involving the formation, operation or arrangement of a company or trust or dealing in goods wherever a transaction involves a cash payment of £12,000 or more.
 - b) Are the Councils charging for the service, i.e. is it by way of business?
 - c) Is the service being provided to a customer other than a UK public authority?

If the answer to any of these questions is **no**, then you do not need to carry out customer due diligence.

If the answer is **yes**, then you do not need to carry out customer due diligence before any business is undertaken for that client, but as soon as practicable after instructions are received.

² A beneficial owner is any individual who holds more than 25% of the shares, voting rights or interest in a company, partnership or trust.

- 8.3 Where you need to carry out customer due diligence then you must seek evidence of identity, e.g.
- a) Checking with the customer's website to confirm their business address;
 - b) Conducting an on-line search via Companies House to confirm the nature and business of the customer and confirm identities of any directors;
 - c) Seeking evidence from the key contacts or Individuals of their personal identity, for example their passport, and position within the organisation.
- 8.4 If satisfactory evidence of identity is not obtained at the outset of the matter, then the business relationship or transaction(s) cannot proceed any further.
- 8.5 The requirement for customer due diligence applies immediately for new customers and should be applied on a risk sensitive basis for existing customers.
- 8.6 Ongoing customer due diligence must also be carried out during the life of a business relationship but should be proportionate to the risk of money laundering, based on your knowledge of the customer and a regular scrutiny of the transactions involved. Particular scrutiny should be given to the following:
- a) complex or unusually large transactions;
 - b) unusual patterns of transactions which have no apparent economic or visible lawful purpose; and
 - c) any other activity likely by its nature to be related to money laundering or terrorist financing.
- 8.7 If, at any time, you suspect that a client or customer for whom you are currently or are planning to carry out a regulated activity is carrying out money laundering or terrorist financing, or has lied about their identity, then you must report this to the MLRO.

9. Enhanced Due Diligence

- 9.1 In certain circumstances, enhanced customer due diligence must be carried out, e.g. where:
- a) The customer has not been physically present for identification.
 - b) The customer is a politically exposed person³.
 - c) There is a beneficial owner who is not the customer.
- 9.2 Enhanced customer due diligence could include additional documentation, data or information that will confirm the customer's identity and/or source of the funds to be used in the business relationship/transaction. If you believe that

³ A 'politically exposed person' is an individual who at any time in the preceding year has held a prominent public function outside the UK and EU or international institution/body, their immediate family members or close associates.

enhanced customer due diligence is required you must consult the MLRO prior to carrying it out, to ensure that the checks are completed.

10. Record Keeping

10.1 Where 'relevant business' is carried out, then the customer due diligence records and details of the relevant transactions for that client must be retained for at least five years after the business relationship.

10.2 An electronic copy of every customer due diligence record must be sent to the MLRO to meet requirements of the Regulations and in case of inspection by the relevant supervising body.

10.3 The precise nature of the records is not prescribed by law, however, they must be capable of providing an audit trail during any subsequent investigation, e.g. distinguishing the client and the relevant transaction and record in what form funds were received or paid.

11. Guidance and Training

11.1 In support of the policy and procedure, the Councils will:

- a) Endeavour to make all staff aware of the requirement and obligation placed on the Councils and on themselves as individuals by the anti-money laundering legislation; and
- b) Provide targeted training where it has been identified staff are most likely to encounter money laundering.

REPORT TO MONEY LAUNDERING REPORTING OFFICER (CHIEF FINANCIAL OFFICER): RE: MONEY-LAUNDERING ACTIVITY

CONFIDENTIAL

To: Chief Financial Officer (Money Laundering Reporting Officer)

From: _____
(Insert employee name and post title)

Service: _____

Tel No/Email address: _____

DETAILS OF SUSPECTED OFFENCE:

Name(s) and address(es) of person(s) involved (If a company/public body please include details of their nature of business if known)

Nature, value and timing of activity involved (Please include full details e.g. dates; what the payment was for and if this is a single transaction or has been identified as one of a series of transactions. Include all available evidence of the activity).
Date(s): Description of activity: Amount(s): Where activity took place: Evidence: (Please list and attach if possible) Reasons for suspicion of activity:

Has any investigation been undertaken to the best of your knowledge?

(If yes, please include full details)

Have you discussed your suspicions with anyone else?

If yes, please explain who with and why such discussion was necessary:

Please detail below any other information you feel is relevant.

For example, do you feel you have a reasonable excuse for not disclosing the matter to the National Crime Agency (e.g. are you a lawyer and wish to claim legal professional privilege)?

Signed: _____

Dated: _____

IMPORTANT: Please do not discuss the content of this report with anyone you believe to be involved in the suspected money laundering activity either directly or indirectly with anyone else who could alert the suspect(s) that they are under investigation. If you do, this may be considered as a 'tipping off' offence under the legislation, which carries a maximum penalty of 5 years' imprisonment.

THIS SECTION FOR MONEY LAUNDERING REPORTING OFFICER USE ONLY

Date Report Received: _____

Date Acknowledged: _____

Reference Number Allocated: _____

CONSIDERATION OF DISCLOSURE TO THE NATIONAL CRIME AGENCY

Action Plan:

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OUTCOME OF CONSIDERATION OF DISCLOSURE:

Are there reasonable grounds for suspecting money laundering activity?
Yes/No – State reasons

If there are reasonable grounds for suspicion, will a Suspicious Activity Report (SAR) be made to the NCA? If yes, please state date report submitted: _____
--

If no, please state below the reasons for non-disclosure to the NCA: (Please include details of any discussions with other officers e.g. Legal Services, together with name(s) and advice given).

Is consent required from the NCA to any on-going or imminent transactions which would otherwise be prohibited acts? If Yes, please confirm full details

Details of liaison with the NCA
Consent Not Required: Date SAR Report Acknowledged: _____
Consent Requested: Notice Period: From: _____ To: _____
(The NCA has 7 working days starting the first working day after the consent request is made to refuse continuation of the activity. If no refusal has been received, consent is deemed to have been given and the activity may continue).

Moratorium Period: From: _____ **To:** _____

(If consent is refused during the notice period, a further 31 days starting with the day on which the consent is refused must elapse before the activity may continue. In the absence of any action to restrain the activity by law enforcement during the moratorium period the activity may continue).

Date and time consent given by the NCA: _____

(Telephone consent will often be given, which can be relied upon, and followed up in writing several days later).

SOCA Consent Reference: _____

Name and Contact Number of NCA Officer:

Date consent given by you to the employee: _____

Any other relevant information:

--

Signed: _____

Dated: _____

Print Name: _____

IMPORTANT: This report and all other records relating to an investigation of suspected Money Laundering activity whether or not reported to the NCA must be kept in a confidential file for that purpose and retained for at least 5 years from the conclusion of the investigation.

POSSIBLE SIGNS OF MONEY LAUNDERING

Types of risk factors which *may*, either alone or along with other factors suggest the possibility of money laundering activity:

General

- a) A new customer with no previous 'history' with the Council;
- b) A secretive customer: for example, one who refuses to provide requested information without a reasonable explanation;
- c) Concerns about the honesty, integrity, identity of a customer;
- d) Illogical third party transactions, e.g. unnecessary routing or receipt of funds from third parties or through third party accounts;
- e) Involvement of an unconnected third party without logical reason or explanation;
- f) Payment of a substantial sum in cash (but it's reasonable to be suspicious of any cash payments, particularly those over £1,000);
- g) Overpayments by a customer;
- h) Absence of an obvious legitimate source of the funds;
- i) Movement of funds to/from overseas, particularly to and from a higher risk country;
- j) Where, without reasonable explanation, the size, nature and frequency of transactions or instructions is out of line with normal expectations;
- k) A transaction without obvious legitimate purpose or which appears uneconomic, inefficient or irrational;
- l) Cancellation or reversal of an earlier transaction;
- m) Requests for release of customer account details other than in the normal course of business;
- n) Poor business records or internal accounting controls;
- o) A previous transaction for the same customer which has been, or should have been, reported to the MLRO.
- p) Unusual property investment transactions with no apparent investment purpose;
- q) Instructions to receive and pay out money where there is no linked substantive property transaction involved (surrogate banking);
- r) Regarding property transactions, funds received for deposits or prior to completion from an unexpected source or where instructions are given for settlement funds to be paid to an unexpected destination.

The following table sets out the types of activities that might be suspicious and where the council may be susceptible to money laundering activities. It is not intended to be exhaustive, and just because something is not on the list, it doesn't mean that it shouldn't be reported.

ACTIVITY	The types of activity that may be affected
New customers with high value transactions	<ul style="list-style-type: none"> • Selling property to individuals or businesses • Renting out property to individuals or businesses • Entering into other lease agreements • Undertaking services for other organisations
Secretive clients	<ul style="list-style-type: none"> • Housing benefit claimants who have sums of money entering into /out of their bank account (even if we do not award them benefit, we should still consider money laundering implications) • People buying or renting property from the council who may not want to say what it is for • People receiving grant funding who refuse to demonstrate what funding was used for
Customers who we think are acting dishonestly or illegally	<ul style="list-style-type: none"> • People paying for council services who do not provide details about themselves • People making odd or unusual requests for payment arrangements Illogical transactions • People paying in cash then requesting refunds • Requests for the council to pay seemingly unconnected third parties in respect of goods/services provided to the council • Requests for the council to pay foreign currencies for no apparent reason Payments of substantial sums by cash • Large debt arrears paid in cash • Refunding overpayments • Deposits/payments for property Movement of funds
Payments of substantial sums by cash	<ul style="list-style-type: none"> • Large debt arrears paid in cash • Refunding overpayments • Deposits/payments for property
Movement of funds overseas	<ul style="list-style-type: none"> • Requests to pay monies overseas, potentially for “tax purposes”
Cancellation of earlier transactions	<ul style="list-style-type: none"> • Third party “refunds” grant payment as no longer needed/used

	<ul style="list-style-type: none"> • No payment demanded even though goods/services have been provided • Sudden and unexpected termination of lease agreements
Requests for client account details outside normal course of business	<ul style="list-style-type: none"> • Queries from other companies regarding legitimacy of customers • Council receiving correspondence /information on behalf of other companies
Extensive and overcomplicated client business structures/arrangements	<ul style="list-style-type: none"> • Requests to pay third parties in respect of goods/services • Receipt of business payments (rent, business rates) in settlement from seemingly unconnected third parties
Poor accounting records and internal financial control	<ul style="list-style-type: none"> • Requests for grant funding/business support indicates third party not supported by financial information • Companies tendering for contracts unable to provide proper financial information/ information provided raises concerns • Tender for a contract which is suspiciously low
Unusual property investment or transactions	<ul style="list-style-type: none"> • Requests to purchase Council assets/land with no apparent purpose • Requests to rent Council property with no apparent business motive
Overcomplicated legal arrangements/multiple solicitors	<ul style="list-style-type: none"> • Property transactions where the Council is dealing with several different parties