

SCHEME OF DELEGATION AMENDMENT – MONEY LAUNDERING OFFICER

EXECUTIVE MEMBER: Councillor G Troughton

LEAD OFFICER: Joanne Wagstaffe , Corporate Director – Resources and Transformation

REPORT AUTHOR: Angela Brown, Interim Finance Manager

SUMMARY:

The Scheme of Delegation needs to be amended to allocate the responsibilities of the Council's Money Laundering Officer. It is proposed that the nominated officer will be the Council's Monitoring Officer (Democratic Services Manager), with the deputy Monitoring Officer (Legal Service Manager) acting as the Deputy.

RECOMMENDATIONS:

Council are requested to approve:

1. the addition to the Council's Scheme of Delegation to allocate the responsibility of the Council's Money Laundering Officer to the Monitoring Officer (Democratic Services Manager), with the Deputy Monitoring Officer (Legal Services Manager) acting as the deputy Money Laundering Officer.

1. INTRODUCTION

- 1.1 The duties of the Money Laundering Officer are not currently allocated to any officer under the Council's existing Scheme of Delegation. This needs to be done.

2. PROPOSALS

- 2.1 The proposal is that the Council's Monitoring Officer(Democratic Services Manager) will be the Council's nominated Money Laundering Officer with the deputy Monitoring Officer (Legal Services Manager) acting as the Deputy.
- 2.2 The duties of the Money Laundering Officer are to ensure the authority complies with the requirements of the Money Laundering Act 2003.

- 2.3 Briefly, The Proceeds of Crime Act 2002 (the POCA) consolidated, updated and reformed criminal law in the UK with regard to money laundering. As a result, the following acts constitute the act of money laundering:
- Concealing, disguising, converting, transferring or removing criminal property from England and Wales, from Scotland and from Northern Ireland
 - being concerned in an arrangement which a person knows or suspects facilitates the acquisition, retention, use or control of criminal property.
- 2.4 Many public service organisations have been unclear about their obligations and responsibilities under money-laundering legislation and regulations. The Chartered Institute of Public Finance and Accountancy (CIPFA) have issued guidance and stress that, where doubt exists as to their legal position with regard to money laundering, individual organisations should, where they think it necessary, take their own legal advice. However, as a minimum it is suggested that public service organisations should embrace the underlying principles of the Money Laundering legislation and regulations. They should therefore take all reasonable steps to minimise the likelihood of money laundering occurring, by putting in place proper policies and procedures, and there should be a risk based approach to deciding on the extent to which their activities are exposed to the dangers of money laundering.
- 2.5 Full training will be carried out to ensure the duties are fully understood and the policies and principles are adhered to throughout the authority.

3. CONCLUSIONS

- 3.1 The Scheme of Delegation does not currently allocate the duties of the Money Laundering Officer and needs to be amended to do so as set out in the report.

4. STATUTORY OFFICER COMMENTS

- 4.1 The Monitoring Officer's comments are: Included in the report.
- 4.2 The Section 151 Officer's comments are: Included in the report.
- 4.3 Community Impact Assessment Comments: None
- 4.4 Other Consultee Comments, if any: None

5. HOW WILL THE PROPOSALS BE PROJECT MANAGED AND HOW ARE THE RISKS GOING TO BE MANAGED?

- 5.1 Full training on the role of the Money Laundering Officer will be undertaken by the two nominated officers and will be widened to include other interested parties as appropriate. A full analysis of the Council procedures will be carried out to ensure compliance with Money Laundering rules.

6. WHAT MEASURABLE OUTCOMES OR OUTPUTS WILL ARISE FROM THIS REPORT?

- 6.1 The role of the Money Laundering Officer will be explicitly set out in the Scheme of Delegation.

List of Appendices

None

List of Background Documents:

CIPFA – Proceeds of Crime (Anti Money Laundering) – Practical Guidance for Public Service Organisations