

CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting: 6 October 2009
Report of: Head of Internal Audit and Compliance
Subject/Title: Anti Money Laundering Policy
Portfolio Holder: Cllr David Brown (and Cllr Frank Keegan)

1.0 Report Summary

- 1.1 The purpose of this report is to present an Anti-Money Laundering Policy (Appendix A) for the Cabinet to consider.

2.0 Decision Requested

- 2.1 Cabinet is requested to approve the Anti Money Laundering Policy.

3.0 Reasons for Recommendations

- 3.1 To ensure that the Council establishes prudent and responsible anti-money laundering controls and reporting arrangements designed to detect and avoid involvement in the offences described in the Regulations..

4.0 Wards Affected

- 4.1 Not applicable

5.0 Local Ward Members

- 5.1 Not applicable

6.0 Policy Implications including – Climate change - Health

- 6.1 None

7.0 Financial Implications for Transition Costs (Authorised by the Borough Treasurer)

- 7.1 None

8.0 Financial Implications 2009/10 and beyond (Authorised by the Borough Treasurer)

- 8.1 There will be some costs associated with the provision of training and briefings for employees on the Anti Money Laundering Policy and the risks of money laundering. The training will be proportionate and will be provided to those employees who are most likely to encounter situations where money laundering is suspected and the costs will be contained within existing budgets.

9.0 Legal Implications (Authorised by the Borough Solicitor)

- 9.1 Money laundering offences can attract fines of up to £5000 and/or up to six months in prison if tried in a magistrates Court or unlimited fines and a sentence of two to 14 years if tried in a Crown Court.

10.0 Risk Management

- 10.1 The risk of the Council being involved in attempted money laundering is considered to be low. This is because;
- the majority of the Council's income is received from government bodies or other public sector organisations;
 - the Council does not carry out trading activity which would generate significant amounts of cash income;
 - the Council's treasury management arrangements comply with the CIPFA Treasury Management Code.
- 10.2 The risks could be reduced further if the Council prohibited the receipt of payments in cash for the purchase of land and property and if it set a maximum amount of £3000 for the receipt of other payments in cash.

For further information:

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Background Documents: