

Anti-Money Laundering Policy

Policy review area	Finance
Lead Manager	Chief Operating Officer
Approval Level	Board
Start Date	April 2020
Review Cycle	1
Next Review	April 2021

1. Introduction

This policy has been prepared to set out Greater Brighton Metropolitan College's responsibilities for complying with the UK AML regime (principally, The Money Laundering, Terrorist financing and Transfer of Funds (Information on the Payer) Regulations 2017 ('the Regulations'), and the Proceeds of Crime Act 2002). The College is committed to upholding its AML obligations under UK legislation.

The Money Laundering Reporting Officer (MLRO) for the college is the Chief Operating Officer.

The Chief Operating Officer must regularly review this policy (and in any case at least annually) to ensure it remains up-to-date and adequate. A written record must be kept of when the policy was last reviewed and any changes that were made.

This policy applies to all staff of the Greater Brighton Metropolitan College and its subsidiary company. Any member of staff could be potentially committing an offence if he or she suspects money laundering, becomes involved in some way, or does nothing about it. Disciplinary action may be taken against any member of staff who fails to comply with this policy

2. What is Money Laundering

Money laundering is the process by which criminally obtained money or other assets (criminal property) are exchanged for 'clean' money or other assets with no obvious link to their criminal origins.

Criminal property may take any form, including money or money's worth, securities, tangible property and intangible property. It also covers money, however come by, which is used to fund terrorism.

- Money laundering activity includes:
- Acquiring, using, possessing or transferring criminal property
- Handling the proceeds of crimes such as theft, fraud and tax evasion
- Being knowingly involved in any way with criminal or terrorist property
- Entering into arrangements to facilitate laundering criminal or terrorist property
- Investing the proceeds of crimes in other financial products
- Investing the proceeds of crimes through the acquisition of property/assets
- Transferring criminal property.

3. College Obligations

The College has a responsibility to;

- Appoint a Money Laundering Reporting Officer (MLRO) to receive, consider and report as appropriate, disclosure of suspicious activity reported by employees.
- Implement a procedure to enable the reporting of suspicious activity.
- Maintain customer identification procedures to 'know your customer', in relevant circumstances.
- Maintain adequate records of transactions.

4. Employee Obligations

Money laundering legislation applies to ALL employees. Potentially any member of staff could be committing an offence under the money laundering laws if they suspect money laundering or if they become involved in some way and do nothing about it. If any individual suspects that money laundering activity is or has taken place or if any person becomes concerned about their involvement, it must be disclosed as soon as possible to the MLRO.

Failure to do so may result in you being personally liable to prosecution.

5. Relevant circumstances

Money laundering regulations apply to cash transactions in excess of 15,000 euros (approximately £10,000). However, the Proceeds of Crime Act applies to all transactions and can include dealings with agents, third parties, property or equipment, cheques, cash or bank transfers.

By way of example at the College, this may include circumstances where a student pays fees exceeding £10,000 by cash. Or where a student pays a fee for another student who is not present at the time or a sponsor/third party not known to the College pays fees for students. In practice at the College third party details are checked for all cash and card transactions over £5,000.

Particular rules apply to foreign students and the immigration service needs to be notified if a student or employer with a tier 4 visa discontinues and Revenue & Customs need to be notified with details of all foreign students studying at the College. These cases should be dealt with by the International team/Admissions team in the normal course of business. Fees paid in advance by foreign students who have subsequently been refused a visa are only refundable providing appropriate documentary evidence is available to demonstrate the circumstances. Refunds should only be made to the person making the original payment. Precautions should also be taken in respect of refunds requested following a payment by credit card or bank transfer. In these cases, refunds should only be made by the same method to the same account.

Refunds will not be made in cash.

6. Know your customer

It is important that controls are in place to identify the student, customer or other party dealing with the College. Satisfactory evidence of identity must be obtained from one of the following:

- Passport and/or Visa
- Birth Certificate
- Letters or documents proving name, address and relationship with student
- If an organisation (for example, a sponsor/agent) is not known to the College: - Check the following information:
 - Check that invoices show a registered office and VAT number
 - Check with Companies House
 - Meet key sponsors/agents

If there is any doubt about the identity of the person attempting to make a payment the transaction should not be accepted.

Records (including identity evidence) must be retained for a period of six years from the end of the transaction or business relationship with the relevant student, customer or third party.

7. The Money Laundering & Proceeds of Crime Nominated Officer (MLNO)

The Chief Operating Officer is the officer nominated to receive disclosures in respect of suspected transactions or activity within the College. In the absence of the MLNO the Deputy Chief Operating Officer is authorised to act as the Deputy.

8. Disclosure Procedure to be followed by Individuals

Where you know or suspect that money laundering activity is taking or has taken place, or you become concerned that your involvement in a transaction may amount to a breach of the regulations, you must disclose this immediately to your line manager. If in consultation with your line manager reasonable suspicion is confirmed a disclosure report must be made to the MLNO. This disclosure should be made by email and should be completed the same day the information came to your attention. Should you not do so you may be personally liable to prosecution under the regulations.

Your report should include as much detail as possible including:

- Full available details of the people, companies involved including yourself and other members of staff if relevant.
- Full details of transaction and nature of each person's involvement in the transaction.
- Suspected type of money laundering activity or use of proceeds of crime with exact reasons as to why you are suspicious.
- The dates of any transactions, where they were undertaken, how they were undertaken and the likely amount of money or assets involved.
- Any other information that may help the MLNO judge the case for knowledge or suspicion of money laundering and to facilitate any report to the Serious Organised Crime Agency (SOCA).

Once you have reported your suspicions to the MLNO you must follow any instructions provided. You must not make any further enquires unless instructed to do so by the MLNO. At no time and under no circumstances should you voice any suspicions to the person(s) you suspect of money laundering.

9. Action & Disclosure by the MLNO (Money Laundering Nominated Officer)

On receipt of a disclosure report the MLNO will:

- Note the date of receipt and acknowledge receipt of it.
- Assess and advise the individuals concerned when a response can be expected.
- Consider the report and any other relevant information, undertaking further enquires necessary to decide if a report should be made to the SOCA. If appropriate, the MLNO will refer the case to the SOCA who will undertake any necessary investigation. This may include consent to continue with a particular transaction and care should be taken not to inform the individuals concerned, otherwise you may be committing a criminal offence. For example, at the College, this may include circumstances where a student or company pays fees.

Once the MLNO has evaluated the case a timely determination will be made as to if:

- There is actual or suspected money laundering taking place.
- There are reasonable grounds to know or suspect that is the case.
- Consent is required from SOCA for a particular transaction to proceed.

Where the MLNO concludes that the case should be disclosed to SOCA this needs to be done:

- In a timely manner
- In the prescribed manner on a standard report format provided by SOCA

Where the MLNO concludes that there are no reasonable grounds to suspect money laundering then consent will be given for transactions to proceed and the disclosure report will be marked accordingly.

10. Record Keeping Procedure

- All disclosure reports and relevant documents will be retained in a confidential file by the Head of HR for a minimum of six years.
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- Departments conducting relevant transactions must maintain records for at least six years of:
 - Student / Customer identification evidence
 - Details of financial transactions carried out.

11. Summary

Instances of suspected money laundering are likely to be rare given the nature of services provided by the College. However, we must be aware of the legislative requirements, as failure to comply would have serious implications for both the College and individuals concerned.

Please take prompt action referring to the guidance in this policy and if you have any suspicions please consult the MLRO about your concerns.