



# Anti-Money Laundering Policy & Guidance

**November 2020**

**Lead Officer: Mark Perrin, Head of Finance**

<u>Version No.</u>	<u>Purpose/Changes</u>	<u>Approval Date</u>	<u>Approved By</u>	<u>Suggested Review Date</u>
<b>2.0</b>	<b>Full Review</b>	<b>11/12/2020</b>	<b>Executive Leadership Team</b>	<b>November 2023</b>
1.0	New Procedure	May 2016	HOST	May 2019

## **Contents**

		<b>Page</b>
1.	Our policy is...	2
2.	It applies to...	2
3.	Because we want to...	2
4.	We will...	2
5.	Guidance	4
6	Making sure we do what we say...	8
7.	Other things to bear in mind...	9
8.	We'll look at this again...	9

## **1. Our policy is...**

- 1.1 At Ongo, we are committed to the highest legal, ethical and moral standards. This policy makes clear our zero-tolerance stance on prevention, control, detection, and response to money laundering
- 1.2 It is important that all colleagues are aware of the risk factors in order to comply with relevant legislation including the Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 which are applicable throughout the United Kingdom.
- 1.3 Money Laundering is generally defined as the process used by criminals through which the proceeds of crime, and the true ownership of those proceeds, are changed so that they appear to come from a legitimate source (“cleaned up”) and then fed back into the financial system. It also covers money, however come by, which is used to fund terrorism.
- 1.4 It is important that colleagues read and understand this document, because if a person is actively involved in money laundering or suspect money laundering and do nothing about it that person is personally liable and can face prosecution
- 1.5 All employees are legally required to report knowledge or suspicion of money laundering. Guidance on how to recognise and report suspicious transactions is included in this document and in appendix 1.

## **2. It applies to...**

- 2.1 This policy and guidance applies to all areas of the Ongo group including Ongo Roofing Ltd. (trading as Ashbridge Roofing Solutions) and Ongo Heating and Plumbing Ltd. (trading as Hales & Coultas).
- 2.2 This policy and guidance applies to all Ongo employees (permanent and temporary), including agency workers, apprentices, consultants and contractors working on our behalf.

## **3. Because we want to...**

- 3.1 The aims of this policy and guidance are to ensure that:
  - We comply with legislation and relevant regulation
  - We minimise / mitigate the risk of money laundering within the Ongo Group
  - Everyone understands how money laundering can occur in the course of our business and how suspicions and / or finding of money laundering should be dealt with.

## **4. We will...**

- 4.1 **Ongo is not regulated under the 2017 Regulations, therefore we are not required to formally appoint a Money Laundering Reporting Officer. However, should we move to carry out regulated activity as detailed within the NHF Guidance on anti-money laundering, we will be required to review our stance on this.**

- 4.2 The Director of Resources and Commercial Services has ultimate responsibility for Anti-Money Laundering at Ongo and will act as a focal point for overseeing all anti-money laundering activity and ensuring that all legal and regulatory requirements are fulfilled.
- 4.3 However, it is everyone's responsibility and a requirement of the law that any suspected money laundering activity is reported promptly. Serious criminal sanctions to individuals may be imposed for breaches of the legislation.
- 4.4 The Director of Resources and Commercial Services will report any suspected money laundering activity to the National Crime Agency (NCA).
- 4.5 In the absence of the Director of Resources and Commercial Services, the Head of Finance is authorised to deputise.
- 4.6 Examples of money laundering could include:
- Criminals may try to buy a house from Ongo and want to pay for it in cash and then sell it on later
  - Criminals using the dirty cash to make a large payment to Ongo (like for a high value of rent or rent arrears) and then keep their clean money for themselves
- 4.7 There are three principal money laundering offences:
- **Laundering** the proceeds of crime or assisting in the process – conviction resulting in a maximum of 14 years imprisonment and/or a fine (this applies to everyone)
  - **Failing to report** a knowledge or suspicion of money laundering – conviction resulting in a maximum of 5 years imprisonment and/or a fine
  - **Tipping off** - conviction resulting in a maximum of 5 years imprisonment and/or a fine (this applies to everyone)
- 4.8 At Ongo, we will make sure that relevant colleagues are fully trained and there is clear guidance in place to ensure suspicions and / or findings of money laundering are dealt with in the appropriate way.
- 4.9 Relevant colleagues should refer to Appendix One, which provides detail of the risk factors that may, either alone or cumulatively, indicate the possibility of money laundering activity.
- 4.10 We will make sure that everyone knows to follow our identification and record keeping procedures, further detail is provided in Appendices two and three.
- 4.11 At Ongo, we will take appropriate action against any colleague who fails to comply with the procedures set out in this document.
- 4.12 Any cash payments will be reported immediately to the Director of Resources and Commercial Services or the Head of Finance in their absence if:
- It involves the receipt of £5,000 or more in cash

- It involves a lower sum but you have reasonable grounds to believe that money laundering is taking place (or being attempted)

4.13 The Director of Resources and Commercial Services, or the Head of Finance in their absence, will respond with a decision to proceed before acceptance of any cash over the £5,000 limit.

4.14 The effectiveness of anti-money laundering controls is tested within our Internal Audit programme. An annual opinion will be provided assessing if adequate controls are in place and are effective and working appropriately.

## 5. Guidance...

### 5.1 Who does what?

Position	Responsibilities
<b>All relevant colleagues</b>	<ul style="list-style-type: none"> <li>• Must be familiar with their responsibilities as serious criminal sanctions may be imposed for breaches of the legislation</li> <li>• Must promptly report any suspected money laundering activity to the Director of Resources and Commercial Services or the Head of Finance in their absence</li> </ul>
<b>Director of Resources and Commercial Services</b>	<ul style="list-style-type: none"> <li>• Required to ensure that colleagues are properly trained because a business that does not do so, commits an offence and is liable to civil penalties</li> <li>• Implement a procedure to enable the reporting of suspicions of money laundering</li> <li>• Maintain customer identification procedures in certain circumstances</li> <li>• Maintain appropriate record keeping procedures</li> <li>• Receiving reports on suspicions of money laundering activities</li> <li>• Investigating reported suspicions of money laundering</li> <li>• Reporting suspected money laundering occurrences to the NCA and other agencies as required</li> <li>• Ensuring that all employees involved in handling cash transactions are provided with suitable training and awareness raising</li> </ul>
<b>Audit &amp; Risk Committee</b>	<ul style="list-style-type: none"> <li>• Ensuring that Ongo is complying with internal policies and procedures to prevent it being used for money laundering and financial crime</li> <li>• Receive reporting information about suspected money laundering from the Director of Resources and Commercial Services</li> <li>• Reports to the Group Common Board any relevant information in respect of Money Laundering at Ongo</li> </ul>

## 5.2 What to do if you suspect money laundering

Step	Detail	Who?
<p><b>Step 1: Reporting to the Director of Resources and Commercial Services</b></p>	<p>Where it is suspected that money laundering activity is taking/has taken place, or an employee becomes concerned that their involvement in a matter may amount to a prohibited act under the legislation, this must be disclosed as soon as the information comes to their attention to the Director of Resources and Commercial Services or the Head of Finance in their absence.</p> <p><b>If this is not done, the individual may be liable to prosecution.</b></p> <p>Disclosure should be made using the pro-forma report (Appendix 4).</p> <p>The employee reporting the incident should include all available information to enable the Director of Resources and Commercial Services to make a sound judgement as to whether there are reasonable grounds for knowledge or suspicion of money laundering and to help inform their report to the NCA, where appropriate. Copies of any relevant supporting documentation should be enclosed.</p> <p>Once the matter is reported to the Director of Resources and Commercial Services, directions given by them must be followed.</p> <p><b>No further enquiries will be made into the matter by the reporting employee.</b> Any necessary investigation will be undertaken by NCA. The employee who reports the matter is required to co-operate with the Director of Resources and Commercial Services and the authorities during any subsequent money laundering investigation.</p> <p>Similarly, <b>at no time and under no circumstances should the employee making the report voice any suspicions</b> to the person(s) suspected of money laundering, even if NCA has</p>	<p>Anyone</p>

	<p>given consent to a particular transaction proceeding, without the specific consent of the Director of Resources and Commercial Services; otherwise a criminal offence of “tipping off” may be committed.</p> <p><b>The matter should not, at any point be discussed with anyone</b> other than the Director of Resources and Commercial Services, your manager and / or Head of Service. Discussing with anyone else may result in involving them in the investigation or increase the chance of the offence of “tipping off” to be committed.</p> <p><b>No reference should be made on a customer’s file</b> to a report having been made to the Director of Resources and Commercial Services – should the customer exercise their right to see the file, then such a note will obviously tip them off to the report having been made and may render an employee liable to prosecution. The Director of Resources and Commercial Services will keep the appropriate records in a confidential manner.</p>	
<p><b>Step 2: Consideration of the disclosure by the Director of Resources and Commercial Services</b></p>	<p>Upon receipt of a disclosure report, the Director of Resources and Commercial Services must note the date of receipt on their section of the report and acknowledge receipt of it. They should also advise the employee of the timescale within which they expect to respond.</p> <p>The Director of Resources and Commercial Services will consider the report and any other available internal information they think relevant e.g.</p> <ul style="list-style-type: none"> <li>✓ Reviewing other transaction patterns and volumes</li> <li>✓ The length of any business relationship involved</li> <li>✓ The number of any one-off transactions and linked one-off transactions</li> <li>✓ Any identification evidence held</li> </ul>	<p>Director of Resources and Commercial Services</p>

	<p>The Director of Resources and Commercial Services will undertake such other reasonable inquiries they deem appropriate in order to ensure that all available information is taken into account in deciding whether a report to NCA is required (such enquiries being made in such a way as to avoid any risk of tipping off those involved). The Director of Resources and Commercial Services may also need to discuss the report with the employee who reported the case.</p> <p>Once the Director of Resources and Commercial Services has evaluated the disclosure report and any other relevant information, they must make a timely determination as to whether:</p> <ul style="list-style-type: none"><li>✓ There is actual or suspected money laundering taking place</li><li>✓ There are reasonable grounds to know or suspect that is the case; and</li><li>✓ Whether they need to seek consent from NCA for a particular transaction to proceed</li></ul> <p>Where the Director of Resources and Commercial Services does so conclude, they must disclose the matter as soon as practicable to NCA on their <u>Suspicious Activity Report (SAR) form</u>, unless they have a reasonable excuse for non-disclosure to NCA (for example, a lawyer can claim legal professional privilege for not disclosing the information).</p> <p>Where the Director of Resources and Commercial Services suspects money laundering but has a reasonable excuse for non-disclosure, then they must note the report accordingly; they can then immediately give their consent for any ongoing or imminent transactions to proceed.</p> <p>In cases where legal professional privilege may apply, the Director of Resources and Commercial</p>	
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	<p>Services must liaise with the legal adviser to decide whether there is a reasonable excuse for not reporting the matter to NCA.</p> <p>Where consent is required from NCA for a transaction to proceed, then the transaction(s) in question must not be undertaken or completed until NCA has specifically given consent, or there is deemed consent through the expiration of the relevant time limits without objection from NCA.</p> <p>Where the Director of Resources and Commercial Services concludes that there are no reasonable grounds to suspect money laundering then they shall mark the report accordingly and give their consent for any ongoing or imminent transaction(s) to proceed.</p> <p>All disclosure reports referred to the Director of Resources and Commercial Services and reports made by them to NCA must be retained by the Director of Resources and Commercial Services in a confidential file kept for that purpose, for a minimum of five years.</p>	
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## **6. Making sure we do what we say...**

- 6.1 We recognise that the continuing success of this Policy will depend largely on the effectiveness of programmed training and responsiveness of employees throughout the group. In order to facilitate this, the Group supports the concept of induction training for new Board Members and employees and ongoing refresher courses, particularly for those involved in internal control systems.
- 6.2 We have a clear network of systems and procedures to assist us in dealing with instances of money laundering at Ongo. It is determined that these arrangements will keep pace with any future developments in both preventative and detection techniques regarding this type of activity.
- 6.3 Any instances of suspected money-laundering, where the initial findings have some substance, will be reported to our Audit & Risk Committee, our Auditors and other relevant agencies, including the RSH.



6.4 Policy & Guidance compliance will be included in the annual report to the Audit & Risk Committee.

## **7. Other things to bear in mind...**

7.1 This policy also links to our:

- Delegations Framework (incorporating the Financial Regulations)
- Fraud Management Policy & Plan
- Whistleblowing Policy
- Data Protection Policy
- Probity Policy
- Group Money Handling Procedure

7.2 The key pieces of legislation around money laundering are:

- Money Laundering Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017
- Criminal Finance Act 2017
- The Proceeds of Crime Act 2002 (POCA)
- Terrorism Act 2000
- Serious Organised Crime and Police Act 2005

7.3 Further information can be obtained from the Director of Resources and Commercial Services and the following sources:

- NHF Guidance on Anti-Money Laundering (2018)
- National Crime Agency web site
- Anti-Money Laundering Guidance for the Legal Sector March 2018
- CCAB Guidance Money Laundering Regulations
- CCAB Guidance Accountants and Terrorist Financing

## **8. We'll look at this again...**

8.1 This policy will be reviewed every three years. We will review earlier if any organisational, regulatory or legislative changes occur and have an impact on this policy.