



ANTI-MONEY LAUNDERING POLICY

February 2025

Version Control

Most recent update - February 2025

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Next review date – February 2026

Introduction

This Policy applies to all staff of the University and aims to prevent criminal activity through money laundering. The Policy sets out the procedures which should be followed to enable compliance with legislation.

Whilst the risk of contravening the legislation is low, it is extremely important that all employees are familiar with their legal responsibilities: serious criminal sanctions may be imposed for breaches of the legislation. 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. The maximum penalty for concealing, acquiring, possessing or assisting in these offences is 14 years imprisonment and / or an unlimited fine. The maximum penalty for tipping off a suspect is 5 years imprisonment and / or an unlimited fine.

What is money laundering?

Money Laundering relates to any involvement or interaction with the proceeds of crime. This can apply to cash, goods, services and property (including intellectual property rights).

The statutory framework surrounding money laundering is centred on the following legislation:

- Proceeds of Crime Act (2002)
- Money Laundering Regulations (2017, updated 2019)
- Terrorism Act (2006)

The legislation defines money laundering as:

- Concealing, disguising, converting, transferring criminal property or removing it from the UK;
- 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;
- Acquiring, using or possessing criminal property.

There are further associated offences regarding due diligence and disclosures.

Due diligence offences include:

- Failure to apply counter-party due diligence.
- Failure to apply on-going monitoring of business relationship and counter-party due diligence.
- Failure to comply with timing on verification of clients and any beneficial owner.
- Failure to apply enhanced counter-party due diligence and monitoring where required.
- Failure to keep required records.
- Continuing with a business relationship where unable to apply counter-party due diligence.

Disclosure offences include:

- Making a disclosure to a person which is likely to prejudice a money laundering investigation (“tipping off”).
- Failing to disclose.
- Prejudicing an investigation.

The Money Laundering Reporting Officer (MLRO)

The Chief Operating Officer is the officer nominated to receive disclosures in respect of suspected transactions or activity within the University. In the absence of the MLRO, the Director of Finance and Planning is authorised to act as a deputy.

Contact details are:

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Chief Operating Officer
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Director of Finance and Planning
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Indicative signs of money laundering

It is not possible to provide a definitive list of instances that would indicate that money laundering is being attempted. However, the following are types of risk factors that may, either alone or collectively, suggest the possibility of money laundering activity:

- A person or company makes a large cash payment to the University, but fails to provide proper evidence to confirm their identity and address;
- A person or company attempts to engage in circular transactions, where a payment to the University is followed by an attempt to obtain a refund from the University's accounts. (This may occur where a student pays a significant sum in fees, and then withdraws and seeks a refund);
- Unusual or unexpected large payments are made into the University's accounts;
- Concerns about the honesty, integrity, identity or location of the people involved;
- Involvement of an unconnected third party without a logical reason or explanation;
- Overpayments for no apparent reason;
- Absence of any legitimate source for the funds received.

Procedures to be followed

Under the statutory framework, there are no minimum thresholds for acting on and reporting suspected money laundering activities to the authorities.

Finance staff are particularly likely to be exposed to money laundering activities, and are required to follow a separate check-list before issuing refunds over £3,000.

It is also important for staff in the Academic Registry to ensure that they obtain satisfactory evidence of a student's identity at the time of enrolment.

However all staff need to be aware of the possibility of money laundering activities: **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 must be made to the MLRO: either in writing or verbally. This disclosure should be made on the same day the information came to your attention. It is very important that you act on any suspicions, because if you fail to act you may be personally liable to prosecution under the regulations. The following should be disclosed to the MLRO:

- Name of person or persons suspected;
- Nature, value and timing of activity;
- Nature of suspicions regarding such activity;
- Whether any investigation has been undertaken (as far as you are aware);
- Whether you have discussed your suspicions with anyone else.

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

If appropriate, the MLRO will refer the case to the National Crime Agency (NCA) who will undertake any necessary investigation. This may include consent to continue with a particular transaction and care should be taken not to 'tip off' the individuals concerned.

Action and Disclosure by the MLRO (Money Laundering Reporting Officer)

On receipt of the disclosure the MLRO will:

- Make a written note of the disclosure and any other relevant information, undertaking further enquiries as necessary to decide if a report should be made to the NCA;
- Assess and advise the individuals concerned when a response can be expected.

The MLRO will decide 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 NCA for a particular transaction to proceed.

Where the MLRO concludes that the case should be disclosed to NCA this needs to be done in a timely manner and in a prescribed NCA format.

Where the MLRO 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.

Record Keeping Procedure

All disclosure reports and relevant documents will be retained in a confidential file by the Finance Department for a minimum of six years.