

Section;	<b>Finance and Resources</b>
Policy name;	<b>Anti-money laundering policy</b>
Policy Type;	<b>Corporate</b>
Executive responsible;	<b>Chief Executive</b>
Review by;	<b>Finance Director</b>
Type of review;	<b>Exception</b>
Authority to amend;	<b>Board</b>
Frequency of review;	<b>3 years</b>
Last review;	<b>July 2019</b>
Next review;	<b>July 2022</b>
Responsibility for delivery;	<b>Finance Director</b>
Strategy;	
Associated risk;	<b>Risk ID no.50 – Compliance with legislation (risk score 6)</b>
Health & safety;	<b>N/A</b>
Equality & diversity;	<b>N/A</b>
VFM & benchmarking;	<b>Policy to prevent loss of resources.</b>

<b>VERSION CONTROL</b>			
<b>Version Number</b>	<b>Sections Amended</b>	<b>Date of update</b>	<b>Approved by</b>
1.1	/	September 2016	Board
1.2	Job titles updated	July 2019	CE

## **POLICY STATEMENT**

The Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2007 place obligations on Cornerstone Housing Limited and its employees to establish internal procedures to prevent the use of its services for money laundering.

Cornerstone recognises its responsibility under the relevant legislation.

This policy aims to maintain the high standards of conduct which currently exist within the Association by preventing criminal activity through money laundering. The Policy is supported by procedures which must be followed to enable the Association to comply with its legal obligations

## **DEFINING MONEY LAUNDERING**

Money laundering can be defined as “The process of creating the appearance that large amounts of money obtained from serious crimes, such as drug trafficking or terrorist activity, originated from a legitimate source”.

Not all of the Association’s business is “relevant” for the purposes of the legislation. It is mainly accountancy, and property transactions undertaken by Development Section. However, the safest way to ensure compliance with the law is to apply them to all areas of work undertaken by the Association. Therefore, **all** staff are required to comply with the reporting procedures.

Whilst the risk to the Association of contravening the legislation is low, it is important that all employees are familiar with their legal responsibilities. Serious criminal sanctions may be imposed for breaches of the legislation. The key requirement on employees is to promptly report any suspected money laundering activity to the Money Laundering Reporting Officer.

## **WHAT ARE THE OBLIGATIONS ON THE ASSOCIATION?**

Under the relevant legislation Cornerstone must:

- appoint a Money Laundering Reporting Officer (“MLRO”) to receive disclosures from employees of money laundering activity (their own or anyone else’s);
- implement a procedure to enable the reporting of suspicions of money laundering;
- maintain client identification procedures in certain circumstances; and
- maintain record keeping procedures, specifically a Register of all potential money cases.

### **THE MONEY LAUNDERING REPORTING OFFICER (MLRO)**

The officer nominated to receive disclosures about money laundering activity within the Association is the Chief Executive, Rick Williams. He can be contacted as follows:

Tom Woodman  
Chief Executive  
Cornerstone Housing Limited  
Cornerstone House  
Western Way  
Exeter  
EX1 1AL  
e-mail: [tom.woodman@cornerstonehousing.net](mailto:tom.woodman@cornerstonehousing.net)  
Telephone: 01392 273462

In the absence of the MLRO, the Finance Director acts on his behalf.

#### **Key Performance Areas:**

The Finance Director, in conjunction with the Executive Team, establishes the appropriate procedures and training requirements relating to Anti-Money Laundering for all those involved with property sales.

The Finance Director, in conjunction with the Executive Team, assesses the risks relating to Anti-Money Laundering and includes, as necessary, details on the Risk Map.

In addition, Cornerstone will :

- a) Follow the Federation guidance on Anti-Money Laundering.
- b) Consider regularly (and at least every three years) whether to register with the Office of Fair Trading (OFT).
- c) Put in place procedures to verify the identity of customers.
- d) Keep records on the customer's identity and the selling transaction for six years.
- e) Report serious offences to SOCA (Serious Organised Crime Agency). The MLRO will determine which instances should be reported and will take Police advice on this as appropriate, and report all such instances to the Audit Committee.
- f) The MLRO will monitor adherence to the policy and ensure that the policy is regularly reviewed in accordance with best practice, legislation and corporate policies.