

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO POLICY AND FINANCE COMMITTEE

---

meeting date: 10 SEPTEMBER 2024  
title: REVIEW OF VARIOUS POLICIES  
submitted by: DIRECTOR OF RESOURCES  
principal author: LAWSON ODDIE

## 1 PURPOSE

1.1 To seek approval from committee for the proposed changes that have been made to the policies listed below, following an annual review of the same:

- Counter Fraud, Bribery and Corruption Policy Statement and Strategy.
- Corporate Debt Write Off Policy.
- Anti-Money Laundering Policy.

1.2 Relevance to the Council's ambitions and priorities:

- This report contributes to the council's ambition to be a well-managed council providing efficient services based on identified customer needs.

## 2 BACKGROUND

2.1 The Council's Counter Fraud, Bribery and Corruption Policy Statement and Strategy, the Corporate Debt Write Off Policy and the Anti-Money Laundering Policy are key components of the Council's Corporate Governance arrangements.

2.2 These documents are reviewed on an annual basis and any proposed amendments are reported to committee for approval. It is good practice to keep them under regular review in order to take account of evolving working practices and changes to law.

## 3 THE POLICY REVIEW

3.1 A full review has been undertaken of the Counter Fraud, Bribery and Corruption Policy Statement and Strategy, the Corporate Debt Write Off Policy and the Anti-Money Laundering Policy.

3.2 Following review, there have been a number of changes to each of the policies, which are shown in the relevant annexes as tracked changes. The only changes made to the Anti-Money Laundering Policy are to reflect the post title changes of 'Director of Resources and Deputy Chief Executive'.

- Counter Fraud, Bribery and Corruption Policy Statement and Strategy – **Annex 1**
- Corporate Debt Write Off Policy – **Annex 2**
- Anti-Money Laundering Policy – **Annex 3**

## 4 CONCLUSION

4.1 A full annual review of the Counter Fraud, Bribery and Corruption Policy Statement and Strategy, the Corporate Debt Write Off Policy and the Anti-Money Laundering Policy has been undertaken and the changes are provided in the relevant annexes as tracked changes.

## 5 RISK ASSESSMENT

5.1 The approval of this report may have the following implications

- Resources – There are no direct financial implications from the approval of the proposed changes to the policies

- Technical, Environmental and Legal – The annual review of the policies helps ensure that the policies are reflective of the latest legislation.
- Political – None identified
- Reputation – The documents being reviewed are key elements of the council's governance arrangements.
- Equality and Diversity – None identified directly from the approval of the proposed changes to the policies

1 RECOMMENDED THAT COMMITTEE

1.3 Approve the proposed changes that have been made to the policies listed below, following an annual review of the same:

- Counter Fraud, Bribery and Corruption Policy Statement and Strategy.
- Corporate Debt Write Off Policy.
- Anti-Money Laundering Policy.

HEAD OF FINANCIAL SERVICES

DIRECTOR OF RESOURCES  
AND DEPUTY CHIEF EXECUTIVE

PF42-24/LO/AC  
20 August 2024

BACKGROUND WORKING PAPERS:

For further information please ask for Lawson Oddie, extension 4541



Ribble Valley  
Borough Council

---

[www.ribblevalley.gov.uk](http://www.ribblevalley.gov.uk)

# **COUNTER FRAUD, BRIBERY AND CORRUPTION POLICY STATEMENT AND STRATEGY**



# POLICY ADMINISTRATION

## POLICY OWNERSHIP

For any queries about this policy, please contact the plan owner.

<b>Department</b>	Resources		
<b>Owner</b>	Lawson Oddie	lawson.oddie@ribblevalley.gov.uk	01200 414541
<b>Committee</b>	Policy and Finance Committee		

This policy is maintained and published on behalf of Ribble Valley Borough Council. A copy of this policy will be published on the Council Intranet and will be reviewed and updated as stated below.

## VERSION CONTROL AND REVIEW DATE

Version	Date	Reason for Publication	Approved by Committee / Date	Next Review Date
V1	19 August 2022	Annual Review	Policy and Finance Committee – 27 September 2022	September 2023
V2	30 August 2023	Annual Review	Policy and Finance Committee – 12 September 2023	September 2024
<u>V3</u>	<u>16 August 2024</u>	<u>Annual Review</u>		<u>September 2025</u>

This policy will be reviewed, as a minimum, on an annual basis. However, consideration should be given to reviewing the policy should there be any changes in legislation or guidance. The policy/procedure owner will ensure the document is reviewed as stated.

## EQUALITY IMPLICATIONS

	Action	Yes / No
An Equality Impact Assessment (EIA) has been completed		No – Not Required having completed EIA Checklist
EIA Hyperlink	Not Applicable	

## SUPPORTING DOCUMENTS OR LEGISLATION RELATING TO THIS POLICY

Please include any supporting documents / legislation
1. Section 151 of the Local Government Act 1972
2. The Local Government Finance Act 1988
3. The Local Government and Housing Act 1989
4. The Accounts and Audit Regulations 2015
5. The Local Government Act 2003.

## **COUNTER FRAUD, BRIBERY AND CORRUPTION POLICY STATEMENT**

The council is committed to adopting a zero-tolerance approach to fraud, bribery and corruption from both internal and external sources. It is committed to acting professionally, fairly and with integrity and to implementing and enforcing effective systems to counter fraud, bribery and corruption.

The overall objective is to limit the council's exposure to fraud, bribery and corruption, and to minimise financial loss and the potential adverse effects on its reputation in the event of this occurrence by:

- creating a counter fraud culture;
- understanding the fraud risks facing the council;
- implementing measures to deter, prevent and detect fraud;
- promptly and professionally investigating alleged or detected fraud; and
- imposing appropriate sanctions and redress where fraud, bribery or corruption are proven.

All members, employees, suppliers and contractors of the council should ensure the highest standards of stewardship of public funds. The detection, prevention and reporting of fraud, bribery and corruption is the responsibility of all members and employees of the council and also of our suppliers and contractors. The council aims to fight fraud, bribery and corruption by encouraging prevention whilst also promoting detection.

It is important to note that fraud may be committed both from within the council and externally. Fraud may be complex or simple; opportunistic, pre-planned or continuous. Unlike fraud, bribery and corruption usually require the involvement of a council member or employee.

# COUNTER FRAUD, BRIBERY AND CORRUPTION STRATEGY

## 1. INTRODUCTION

1.1. This counter fraud, bribery and corruption strategy sets out the systems and procedures the council has in place to manage the risk of fraud, bribery and corruption. It is concerned with both operational activity to detect and investigate fraud, bribery and corruption and also proactive deterrence and prevention of fraud, bribery and corruption through the development of a counter fraud, bribery and corruption culture.

1.2. The council has a range of policies and procedures which aim to counter fraud, bribery and corruption. These include:

- Members' Code of Conduct
- Code of Conduct for Staff
- Financial Regulations
- Contract Procedure Rules
- Whistleblowing Policy
- Register of Gifts and Hospitality
- Protocol for Member/Officer Relations
- Disciplinary Procedure
- Recruitment and Selection Procedure
- Anti-Money Laundering Policy
- Internet and Email Acceptable Use Policy
- Register of Interests
- Complaints Procedure

1.3. Although this document specifically refers to fraud, bribery and corruption, it equally applies to any forms of malpractice by individuals that could reduce public confidence in the council and its services and may also include acts committed outside official duties but which impact upon the council's trust in the individual concerned. Examples include:

- theft of property, including assets and cash;
- false accounting;
- falsification of records;
- obtaining by deception;
- pecuniary advantage by deception; and
- computer abuse and computer crime.
- bribery and corruption

### **Fraud**

1.4. The Chartered Institute of Public Finance and Accountancy (CIPFA) defines fraud as

## **Ribble Valley Borough Council Counter Fraud, Bribery and Corruption Policy Statement and Strategy**

---

"the intentional distortion of financial statements or other records by persons internal or external to the organisation which is carried out to conceal the misappropriation of assets or otherwise for gain."

1.5. The Fraud Act 2006 defines fraud in law in three classes:

- fraud by false representation;
- fraud by failing to disclose information; and
- fraud by abuse of position.

### **Bribery**

1.6. CIPFA defines bribery as

"an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage".

1.7. The Bribery Act 2010 contains the following four categories of offence and, whilst it was updated in May 2013, these categories of offence remained unchanged:

- offering, promising or giving a bribe to another person;
- requesting, agreeing to receive or accepting a bribe from another person;
- bribing a foreign public official; and
- a corporate offence of failing to prevent bribery.

### **Corruption**

1.8. CIPFA defines corruption as:

"the offering, giving, soliciting or acceptance of an inducement or reward, which may influence the action of any person."

1.9. The Serious Fraud Office provides a number of indicators of corruption, including:

- private meetings with public contractors or companies hoping to tender for contracts;
- making unexpected or illogical decisions accepting projects or contracts;
- abuse of the decision process or delegated powers; and
- agreeing contracts not favourable to the organisation.

## **2. CREATING AND MAINTAINING A STRONG COUNTER FRAUD CULTURE**

2.1. The council aims to foster honesty and integrity, and to uphold the Seven Principles of Public Life developed by the Nolan Committee on Standards in Public Life and set out in Annex 1. High ethical standards are an integral part of good governance. In promoting good governance, the council aims to create a counter fraud culture to help deter people from committing fraud and to encourage those who suspect fraudulent activity to report it.

2.2. Elected members are informed of the council's governance standards following their election and as part of their declaration of acceptance of office. Elected members must also sign an undertaking to comply with the Members' Code of Conduct before they act as members and must register their financial and other interests with the Monitoring Officer within 28 days of taking office. It is the duty of individual members to notify the Monitoring Officer of any changes to their original declaration.



## Ribble Valley Borough Council

### Counter Fraud, Bribery and Corruption Policy Statement and Strategy

---

- 2.3. New employees receive induction training covering the Code of Conduct for Staff which details the council's expectations of them. The Code also refers to standards that employees are expected to demonstrate. Any breach of good conduct will be dealt with under the council's disciplinary procedures and may result in dismissal. Additionally, all staff are required to complete a 'Declaration of Interests' form on an annual basis declare any business or personal interests for consideration by the Corporate Management Team.
- 2.4. Equally, members of the public, clients and external organisations such as suppliers and contractors are expected to act with integrity in any dealings they may have with the council.
- 2.5. Members and officers are positively encouraged and expected to raise any concerns that they may have on these issues where they are associated with the council's activity. The council has a Whistleblowing Policy which is regularly reviewed to ensure it provides a safe environment where concerns can be raised in confidence and provides guidance on how to do so.
- 2.6. Staff in Financial Services are periodically required to complete e-learning to increase counter fraud awareness and receive regular reminders about their responsibilities and fraud alerts as appropriate.
3. DETERRENCE
- 3.1. The council values its reputation for financial probity and reliability. It recognises that over and above any financial damage suffered, fraud, bribery and corruption may also reflect adversely on its reputation. The council's aim therefore, is to limit its exposure to fraud, bribery and corruption by:
- developing and maintaining cost effective measures and procedures to deter fraud, bribery and corruption;
  - taking firm and vigorous action against any individual or group perpetrating fraud, bribery or corruption against the council;
  - encouraging members and employees to be vigilant and to report any suspicion of fraud, bribery or corruption, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately;
  - rigorously investigating instances of alleged fraud, bribery or corruption and pursuing perpetrators to seek restitution of any asset fraudulently obtained together with the recovery of costs; and
  - assisting the police and any other appropriate authorities in the investigation and prosecution of those suspected of fraud, bribery or corruption.
4. PREVENTION
- 4.1. Managers and staff throughout the council are responsible for designing, maintaining and operating systems and processes which minimise the opportunity for fraud, bribery and corruption.
- 4.2. The following internal control measures are in place to assist with the prevention of fraud:
- The Monitoring Officer (Head of Legal and Democratic Services) has a duty to report to the council where it appears to them that any proposal, decision or omission by the council, a committee, a sub-committee or officer has given rise to, (or is likely to give rise to), a contravention of any enactment, rule of law or statutory code of practice.
-

## Ribble Valley Borough Council Counter Fraud, Bribery and Corruption Policy Statement and Strategy

---

- The Section 151 officer (Director of Resources and Deputy Chief Executive) has a statutory responsibility under the Local Government Act 1972 to ensure the proper administration of the council's financial affairs.
- The Accounts and Audit Regulations 2015, require the council to maintain a sound system of internal control and the council has delegated this responsibility to the Director of Resources.
- Heads of Service ensure that internal controls, including those in a computerised environment are adequately designed and effectively operated.
- The Internal Audit team reviews the adequacy of the council's internal controls including those to prevent fraud and supports the council's participation in the National Fraud Initiative (a data matching exercise) that identifies indications of potential fraud.

### 5. DETECTION

5.1. Whilst having regard to the requirements of the Data Protection Act (2018) and the General Data Protection Regulation (GDPR) 2018, the council actively participates in an exchange of information with external agencies on fraud, bribery and corruption activity in relation to public bodies. These include:

- Lancashire Constabulary and other police forces;
- Lancashire Chief Financial Officers' Group;
- The council's external auditor;
- National Anti-Fraud Network;
- The National Fraud Initiative;
- Other local authorities; and
- The Department for Work and Pensions and other government departments.

5.2. It is the responsibility of all the council's management to prevent and detect fraud, corruption and bribery. In addition, Internal Audit and External Audit will liaise closely and implement an annual programme of audits that will test for fraud and corruption. However, despite the best efforts of managers and auditors, many frauds are discovered by chance or "tip off". It is often the alertness of employees and the public that enables detection to occur.

### 6. INVESTIGATION

6.1. The council's internal control systems are designed to deter fraud, but, such activity may nevertheless occur. The Financial Regulations require that Directors, Heads of Service and other staff immediately notify the internal audit team, on behalf of the Director of Resources and Deputy Chief Executive upon discovery or suspicion of any financial irregularity, whether affecting cash, stores, property, financial records or otherwise and that the Director of Resources and Deputy Chief Executive will notify the Chief Executive in all significant cases.

6.2. Reporting of suspected irregularities is essential as it facilitates proper investigation and ensures the consistent treatment of information regarding fraud, bribery and corruption.

6.3. The designated investigating officer will:

- report the matter to the Director of Resources and Deputy Chief Executive

## **Ribble Valley Borough Council Counter Fraud, Bribery and Corruption Policy Statement and Strategy**

---

- deal promptly with the matter;
  - record the evidence found and ensure its security and confidentiality;
  - work closely with senior managers of the service concerned and any other agencies, such as the Police to ensure that all issues are properly investigated and reported upon;
  - ensure that funds are recovered as far as possible for the council;
  - where appropriate arrange for the Council's insurers to be informed and for any necessary claims to be made; and
  - implement disciplinary procedures where appropriate.
- 6.4. Depending on the nature and extent of the allegations the investigating officer will work closely with the corporate management team, legal and human resources teams and external organisations such as the police as necessary to ensure that all allegations are properly investigated.
- 6.5. Senior management are responsible for following up any allegation of fraud, corruption or bribery that they receive and are required to inform the Internal Audit team of all suspected irregularities, irrespective of whether they are ultimately proven. Internal Audit must be informed to ensure that procedures and controls can be re-assessed to ensure further similar irregularities should not arise.
7. APPROPRIATE SANCTIONS AND REDRESS AGAINST FRAUDULENT ACTIONS
- 7.1. The council deals firmly with any financial impropriety, irrespective of whether this is committed by members, officers or external individuals or organisations, and refers such matters to the police for advice and investigation where appropriate. The Crown Prosecution Service (CPS) would determine whether or not a prosecution would be pursued. Referral to the police and any subsequent decision by CPS around prosecution will not prohibit or restrict disciplinary action.
- 7.2. Wherever possible the council seeks to recover all proven financial losses through court action or by invoicing an individual but it is not always possible to recover the full value of the loss. The council will exercise its discretion to seek to recover any money owing as a result of a former employee's grave misconduct, or criminal, negligent or fraudulent acts or omissions from the employee's pension benefits if the employee is a member of the Local Government Pension Scheme.
- 7.3. Where possible, recovery will be sought under Regulation 93 of the Local Government Pension Scheme Regulations 2013 (or the corresponding equivalent regulation in earlier legislation) but, where that is not possible, would take an unreasonable length of time or incur a disproportionate cost, and recovery under Regulation 91 of the Local Government Pension Scheme Regulations 2013 (or the corresponding equivalent regulation in earlier legislation) is possible, then this will be pursued instead.
- 7.4. The council's Human Resources team will provide advice for managers who receive requests for references for employees who are dismissed as a result of a disciplinary investigation or who resign during a disciplinary investigation.

## Ribble Valley Borough Council Counter Fraud, Bribery and Corruption Policy Statement and Strategy

---

### 8. KEEPING MANAGEMENT AND ELECTED MEMBERS INFORMED

- 8.1. At all stages described within this policy, the Director of Resources and Deputy Chief Executive will be kept informed and they will keep the Council's Corporate Management Team ~~will be kept~~ informed, where this is deemed necessary. Other suitable reporting arrangements would be put in place should this present any form of conflict of interests.
- 8.2. Furthermore, where the investigation permits, regular information would be provided to the Accounts and Audit Committee through their cycle of meetings, or otherwise directly to the Chair, again to keep them informed and to assist in the fulfilment of their role in respect of governance arrangements and oversight of such matters.

### 9. RAISING CONCERNS

- 9.1. Although the Policy specifically refers to fraud, corruption and bribery, it equally applies to all financial malpractice. Fraud and corruption includes a wide range of irregularities and criminal acts that are financial or finance related. It includes for example:
- Theft of property, including assets and cash
  - False accounting
  - Falsification of records
  - Obtaining property by deception
  - Pecuniary advantage by deception
  - Computer abuse and computer crime
  - Bribery and corruption
- 9.2. Officers and Members can be exposed to a number of pressures from contractors, landlords, and the public to act in a particular way in a particular case. This may involve pressure to show "favouritism" regarding access to all kinds of services and benefits (e.g. grants, benefits, gaining contracts, planning permission etc).
- 9.3. Members and Officers are an important element in the Council's stance on fraud, corruption and bribery, and they are positively encouraged and expected to raise any concerns that they may have on these issues where they are associated with the Council's activity.
- 9.4. Officers should normally raise concerns through their immediate manager, however it is recognised that they might feel inhibited in certain circumstances. In this case, officers should raise their concerns under the whistleblowing policy and contact:

**Head of Legal and Democratic Services (Monitoring Officer)**

Ribble Valley Borough Council, Council Offices, Church Walk, Clitheroe, BB7 2RA

Email: [whistleblowing@ribblevalley.gov.uk](mailto:whistleblowing@ribblevalley.gov.uk)

Telephone: 01200 425111 (*Please ask for the Head of Legal and Democratic Services*)

## **THE SEVEN PRINCIPLES OF PUBLIC LIFE**

### **1. Selflessness**

Holders of public office should act solely in terms of the public interest.

### **2. Integrity**

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

### **3. Objectivity**

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

### **4. Accountability**

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

### **5. Openness**

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

### **6. Honesty**

Holders of public office should be truthful.

### **7. Leadership**

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.



Ribble Valley  
Borough Council

---

[www.ribblevalley.gov.uk](http://www.ribblevalley.gov.uk)

# **CORPORATE DEBT WRITE OFF POLICY**



# POLICY ADMINISTRATION

## POLICY OWNERSHIP

For any queries about this policy, please contact the plan owner.

<b>Department</b>	Resources		
<b>Owner</b>	Lawson Oddie	lawson.oddie@ribblevalley.gov.uk	01200 414541
<b>Committee</b>	Policy and Finance Committee		

This policy is maintained and published on behalf of Ribble Valley Borough Council. A copy of this policy will be published on the Council Intranet and will be reviewed and updated as stated below.

## VERSION CONTROL AND REVIEW DATE

Version	Date	Reason for Publication	Approved by Committee / Date	Next Review Date
V1	27 September 2022	Annual Review	Policy and Finance Committee – 27 September 2022	September 2023
V2	28 March 2023	Review for Impact of Changes to Financial Regulations	Policy and Finance Committee – 28 March 2023	September 2024
V3	12 September 2023	Annual Review	Policy and Finance Committee – 12 September 2023	September 2024
V4	10 September 2024	Annual Review		September 2025

This policy will be reviewed, as a minimum, on an annual basis. However, consideration should be given to reviewing the policy should there be any changes in legislation or guidance. The policy/procedure owner will ensure the document is reviewed as stated.

## EQUALITY IMPLICATIONS

	Action	Yes / No
An Equality Impact Assessment (EIA) has been completed		No – Not Required having completed EIA Checklist
EIA Hyperlink	Not Applicable	

## SUPPORTING DOCUMENTS OR LEGISLATION RELATING TO THIS POLICY

Please include any supporting documents / legislation
1. <a href="#">Section 151 of the Local Government Act 1972</a>
2. <a href="#">Financial Regulations</a>
3. <a href="#">Corporate Debt Policy</a>
4. <a href="#">Accounts and Audit Regulations 2003 (as amended)</a> .



## 1. Debt Recovery Aim

- 1.1. Ribble Valley Borough Council's policy is to recover 100% of recoverable debt in compliance with the law. However, while making all reasonable efforts to maximise the Council's recovery it is sometimes necessary to write off debt.
- 1.2. The council endeavours to ensure that the interests of the general taxpayer are maintained whilst recognising the needs and circumstances of individual debtors.
- 1.3. The council's corporate debt policy and financial regulations should also be considered alongside this corporate write off policy.

## 2. General Provisions

- 2.1. For the avoidance of doubt this policy document applies to all debts and income due to the Council.
- 2.2. As per the Accounts and Audit Regulations 2003 (as amended), debts should only be written off with approval of the responsible finance officer (Section 151), who at this Council is the Director of Resources and Deputy Chief Executive, or such members of their staff that are nominated by them for this purpose.
- 2.3. Where there is an ongoing liability for a charge due to the provision of a service or there is an ongoing liability for tax or rates, write off of any arrears would not be appropriate.
- 2.4. Liaison with services and good reporting mechanisms should be in place in order to ensure that any service provision is stopped where recovery of the debt is not possible and any arrears are being considered for write off. It must be noted that a service cannot be withdrawn where the council has a statutory responsibility to continue to provide it.
- 2.5. Following the write off of a debt, should any information become available that could lead to the recovery of the debt, then the debt can be resurrected and the write off reversed subject to part or all of the balance being paid.
- 2.6. Where an individual debtor owes the council in excess of £5,000, such debt may be written off only following approval of the Policy and Finance Committee.
- 2.7. Where an individual debtor owes the Council no more than £5,000, the Director of Resources may approve the write off of that debt **where there is satisfactory evidence that it is irrecoverable.**
- 2.8. The table shown below provides a summary of the action and authorisation required for the different levels of debt. The approval of any debt write offs must be documented prior to the actioning of the same on any systems or in any other records.

Category	Action	Authorisation Required
Debts under £15.00 deemed uneconomical to pursue	Monthly system (or manual) report to be prepared with <u>reasons for the write off request</u> , details of amounts proposed to be written off below £15.00 and passed to the Director of Resources.	Reports to be signed off by the Director of Resources

Category	Action	Authorisation Required
Debts over £15.00 but less than £5,000	Form at Annex 1 to be completed and passed to the Director of Resources with supporting documentation.	Form to be signed off by the Director of Resources
Debts over £5,000	A report to be prepared for Policy and Finance Committee providing details of the debtor and the debt to be written off, with reasons for the recommended action.	Policy and Finance Committee

### 3. Debt Write Off

3.1. The following outlines the general conditions and circumstances when a debt may be considered for write off. These are not specific to any particular type of debt and are designed to cover the vast majority of debt considered for write off. This list is not exhaustive and there may be instances where it is appropriate to write off debt for a reason other than those stated.

- **Uneconomical to recover:** The cost of recovery is likely to outweigh or equate to a significant proportion of the balance outstanding.
- **Untraceable debtor:** If a debtor cannot be found after making all efforts to trace them, the debt and any administration penalty will be temporarily written off. These debts will be written back on again if the debtor is retraced.
- **Uncollectable as recovery options exhausted:** on a few occasions all types of recovery have been attempted and there is no further action that can be taken
- **Bankruptcy/Insolvency:** If a debtor is declared bankrupt/insolvent and it is not possible to recover any monies from the debtor's assets.
- **Deceased:** If the debtor has died and there is either no estate or no available funds from the estate. A letter from a solicitor or personal representative (executor or administrator) may be required to confirm this.  
Where sums are due from a deceased's estate, action should be taken as quickly as possible to try and secure monies to clear any outstanding debts. Where there is an estate, the personal representative will need to be notified of the Council's claim as soon as possible.
- **Time limited debt:** If after the end of six years from the date the debt became due it has not been possible to commence or continue recovery in that period
- **Unrecoverable debt:** Where a debt has been raised and subsequently the charge has been found to be due to 'official error'.

### 4. Policy Review

- 4.1. The write off of debt will be subject to regular audit in order to ensure that the policy and associated procedures have been applied properly and fairly.
- 4.2. The Director of Resources shall ensure that this policy is reviewed on an annual basis to ensure its effectiveness and also relevance in the case of any legislative changes.

## **5. Complaints and Appeals**

- 5.1. Where a debtor wishes to complain about any decision made under the terms of this policy they may do so first in writing to the relevant Head of Service.
- 5.2. In the event that a debtor's complaint is not resolved by the relevant Head of Service the issue may be escalated to the Director of Resources, following which the debtor would be required to follow the council's Official Complaints Procedure.



## Ribble Valley Borough Council

### Request for Debt Write Off

<b>Debtor Name</b>	
<b>Reference</b>	
<b>Debt Address</b>	
<b>Current Address (if known)</b>	

Details of Debt	
Description	Amount

Reason for write off

Recovery Action Taken to Date <i>Please attach copies of all relevant documentation</i>

Recommended by \_\_\_\_\_ Date \_\_\_\_\_

Reviewed by \_\_\_\_\_ Date \_\_\_\_\_

Director of Resources \_\_\_\_\_ Date \_\_\_\_\_



Ribble Valley  
Borough Council

---

[www.ribblevalley.gov.uk](http://www.ribblevalley.gov.uk)

# **ANTI MONEY LAUNDERING POLICY**

# POLICY ADMINISTRATION

## POLICY OWNERSHIP

For any queries about this policy, please contact the plan owner.

<b>Department</b>	<b>Resources</b>		
<b>Owner</b>	<b>Lawson Oddie</b>	<b>lawson.oddie@ribblevalley.gov.uk</b>	<b>01200 414541</b>
<b>Committee</b>	<b>Policy and Finance Committee</b>		

This policy is maintained and published on behalf of Ribble Valley Borough Council. A copy of this policy will be published on the Council Intranet and will be reviewed and updated as stated below.

## VERSION CONTROL AND REVIEW DATE

<b>Version</b>	<b>Date</b>	<b>Reason for Publication</b>	<b>Approved by Committee / Date</b>	<b>Next Review Date</b>
V1	19 August 2022	Annual Review	Policy and Finance Committee – 27 September 2022	September 2023
V2	30 August 2023	Annual Review	Policy and Finance Committee – 12 September 2023	September 2024
<u>V3</u>	<u>16 August 2024</u>	<u>Annual Review</u>		<u>September 2025</u>

This policy will be reviewed, as a minimum, on an annual basis. However, consideration should be given to reviewing the policy should there be any changes in legislation or guidance. The policy/procedure owner will ensure the document is reviewed as stated.

## EQUALITY IMPLICATIONS

	<b>Action</b>	<b>Yes / No</b>
An Equality Impact Assessment (EIA) has been completed		No – Not Required having completed EIA Checklist
EIA Hyperlink	Not Applicable	

## SUPPORTING DOCUMENTS OR LEGISLATION RELATING TO THIS POLICY

<b>Please include any supporting documents / legislation</b>
1. Money Laundering and Terrorist Financing (Amendment) (No 2) Regulations 2022 (MLR 2022)
2. The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017
3. Proceeds of Crime Act 2002

# Contents

	Page
Introduction	2
What is Money Laundering	2
What are the Obligations on the Council	5
Customer Due Diligence (Client Identification Procedure)	5
The Money Laundering Reporting Officer (MLRO)	6
Disclosure Procedure and Reporting Requirements	7
Risk Management and Internal Control	7
ANNEX 1: Report to Money Laundering Reporting Officer	8

## 1. INTRODUCTION

- 1.1. The Money Laundering and Terrorist Financing (Amendment) (No 2) Regulations 2022 (MLR 2022) came into force on 1 September 2022. These regulations updated the existing UK anti-money laundering (AML) legislation by making some time sensitive updates to The Money Laundering Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (the MLRs).
- 1.2. The fundamentals of performing risk assessments and due diligence as required by The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLR 2017) which came into force on 26 June 2017 remain unchanged.
- 1.3. Whilst the majority of money laundering activity in the UK falls outside of the public sector, vigilance by employees of the Council can help identify those who are or may be perpetrating crimes relating to the financing of terrorism and money laundering.
- 1.4. This policy aims to support staff in identifying potential suspect transactions during the course of their work at the council. The policy provides a mechanism for such transactions to be reported to an appropriate officer for evaluation and potentially passed on to the relevant authorities.

## 2. WHAT IS MONEY LAUNDERING?

- 2.1. Money laundering is the generic term used to describe the process by which criminals disguise the original ownership and control of the proceeds of criminal conduct by making such proceeds appear to have derived from a legitimate source. In other words, the process of changing 'bad' money into 'good' money in order to hide the fact that the money originated from criminal activity.

### ***Primary Offences***

- 2.2. The following primary offences constitute the act of money laundering:
  - concealing, disguising, converting, transferring criminal property or removing it from the UK (section 327 of the Proceeds of Crime Act 2002); or
  - 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 (section 328); or
  - acquiring, using or possessing criminal property (section 329);

### ***Secondary Offences***

- 2.3. There are also two secondary offences: failure to disclose any of the primary offences and tipping off.
  - **Failure to Disclose** – A Council employee commits an offence if they know or have reasonable grounds to suspect that another person is engaged in money laundering and they do not make the required disclosure as soon as is practicable after the information comes to them.



- **Tipping Off** – A Council employee commits an offence if they inform a person or people who are, or are suspected of being, involved in money laundering, in such a way as to reduce the likelihood of it being investigated or prejudicing an investigation.

2.4. Whilst the risk to the Council 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. **The key requirement on employees is to promptly report any suspected money laundering activity to the Money Laundering Reporting Officer (MLRO).**

***Examples of Money Laundering Activity***

2.5. By way of example, consider the following hypothetical scenario:

*‘A Housing Grants Officer is assessing a grant applicant’s finances to calculate how much should be paid towards the cost of improvement works, and then goes on to arrange for a grant to be awarded, in the course of which they become aware of, or suspect the existence of, criminal property.’*

2.6. In this scenario the Housing Grants Officer may commit an offence under the section 328 by *‘being concerned in an arrangement’* which they know or suspect *‘facilitates the acquisition, retention, use or control of criminal property’* if they do not report their concerns. Any lawyer involved could also be guilty of an offence if they assist in the transaction.

2.7. Any person found guilty of a primary money laundering offence is liable to imprisonment (maximum of 14 years), a fine or both; however an offence is not committed if the suspected money laundering activity is reported to the MLRO and, where necessary, official permission obtained to continue in the transaction.

***Possible indicators of money laundering***

2.8. It is impossible to give a definitive list of ways in which to spot money laundering or how to decide whether to make a report to the MLRO. The following table gives the types of risk factors which may suggest the possibility of money laundering activity within the normal conduct of the Council’s activities:

Indicator	Area(s) of Activity	Comments
General		
a) Attempted payment of a substantial sum in cash (over €10,000 or £8,800 in the case of this Council).	Any activity where cash payments are accepted	Cash payments in excess of £8,800 should not be accepted unless firstly approved by the Director of Resources <u>and Deputy Chief Executive</u> or the Head of Financial Services.
b) Overpayments or money paid on account.	Council Tax Business Rates Other Debts Rents	Care must be taken, especially with requests for refunds. A significant overpayment (whether by cash or other means), which results in a repayment should be

Indicator	Area(s) of Activity	Comments
		properly investigated and authorised before payment.
c) Where, without reasonable explanation, the size, nature and frequency of transactions is out of line with normal expectations.	Council Tax Business Rates	A real threat is, for example a landlord who owns several properties, which were acquired through the proceeds of crime, who attempts to pay Council Tax on those properties in cash by way of several transactions, the aggregate of which exceeds the money laundering limit of €10,000 or £8,800 (this is recognised nationally as a method of attempting to avoid detection).
d) Unusual patterns of transactions which have no apparent economic, efficient or visible lawful purpose.		
e) The cancellation or reversal of an earlier transaction (where the person is likely to request the return of previously deposited monies).	Council Tax Business Rates	Where a payment is made using a credit or debit card then any refund must be made to the credit or debit card in question and not, under any circumstances, in any other form because to do so one could unwittingly facilitate the laundering of money.
f) Any other activity which is particularly likely by its nature to be related to money laundering or terrorist financing.	Markets Activities involving Property visits/ inspections	e.g. individuals holding or attempting to transfer/ sell stocks of electrical goods.
<b>Property Matters</b>		
a) A cash buyer.	Council property sales and purchases  Conveyancing	Property transactions are a slightly higher risk for the Council. For example, if the Council agrees to sell a parcel of land to a developer or other third party, at a price that is far in excess of its estimated value, or the buyer offers to pay the full price in cash, then this may be evidence of money laundering activity.
b) A sudden change of buyer.		
c) Unusual property investment transactions if there is no apparent investment purpose or rationale.		
d) Re property transactions, funds received for deposits or prior to completion from an unexpected source or where instructions are given for settlement funds to be paid to an unexpected destination.		
e) No clear explanation as to the source of funds along with lack of clarity as to how the party would be in a position to finance the purchase.		
f) Money comes in from an unexpected source.		

### 3. WHAT ARE THE OBLIGATIONS ON THE COUNCIL?

- 3.1. Whilst Local Authorities are not directly covered by the requirements of the Money Laundering Regulations 2022, guidance from finance and legal professions, including the Chartered Institute of Public Finance and Accounting (CIPFA), indicates that public service organisations should comply with the underlying spirit of the legislation and regulations and put in place appropriate and proportionate anti-money laundering safeguards and reporting arrangements.
- 3.2. The Regulations apply to “relevant persons” acting in the course of business carried on by them in the UK. Not all of the council’s business is “relevant” for the purposes of the legislation. It is mainly accountancy and financial, company and property transactions. However, the safest way to ensure compliance with the law is to apply them to all areas of work undertaken by the Council; therefore, all staff are required to comply with the reporting procedure set out in this policy.
- 3.3. The obligations on the Council are to establish and maintain appropriate and risk sensitive policies and procedures. Organisations must:
  - appoint a Money Laundering Reporting Officer (“MLRO”) to receive disclosures from employees of money laundering activity;
  - implement a procedure to enable the reporting of suspicions of money laundering;
  - maintain client identification procedures in certain circumstances; and
  - maintain record keeping procedures.
- 3.4. Directors, Heads of Service and other staff must immediately notify the internal audit service, on behalf of the Director of Resources and Deputy Chief Executive, upon discovery or suspicion of any financial irregularity

### 4. CUSTOMER DUE DILIGENCE (CLIENT IDENTIFICATION PROCEDURE)

#### ***Standard Customer Due Diligence***

- 4.1. Where the Council is carrying out certain regulated business (accountancy, audit and tax services and legal services re financial, company or property transactions) and as part of this
  - a) forms an ongoing business relationship with a client
  - b) undertakes a one off or occasional transaction amounting to €10,000 (approximately £8,800) or more (whether carried out as a single transaction or several linked ones)
  - c) suspects money laundering or terrorist financing;

then the Customer Due Diligence Procedure must be followed before any business is undertaken for that client. This basically means identifying the customer and verifying the customer's identity on the basis of information obtained from a reliable and independent source (i.e. passport/driving licence).

***Enhanced Customer Due Diligence (and Ongoing Monitoring)***

- 4.2. It will in certain circumstances be necessary to undertake what is known in the Regulations as Enhanced Customer Due Diligence. In summary, this will be necessary where:
- The customer has not been physically present for identification purposes; or
  - In any other situation which by its nature can present a higher risk of money laundering or terrorist financing.
- 4.3. Where this applies, the Council will need to take adequate measures to compensate for the higher risk. For example, this will mean ensuring that the customer's identity is established by additional documents, data or information and ensuring ongoing monitoring is carried out for the duration of the business relationship.
- 4.4. Similarly, where the Council is in an ongoing "business relationship" with a customer, the Regulations impose a special obligation to carry out ongoing monitoring.
5. THE MONEY LAUNDERING REPORTING OFFICER (MLRO)
- 5.1. The officer nominated to receive disclosures about money laundering activity within the council is the Internal Audit Manager.
- 5.2. In the absence of the MLRO, the Head of Financial Services will be able to assist.
- 5.3. Both of these officers can be contacted as follows:
- Ribble Valley Borough Council  
Council Offices  
Church Walk  
CLITHEROE  
BB7 2RA  
Internal Audit Manager  
01200 414540  
[ruth.parker@ribblevalley.gov.uk](mailto:ruth.parker@ribblevalley.gov.uk)
- Head of Financial Services  
01200 414541  
[lawson.oddie@ribblevalley.gov.uk](mailto:lawson.oddie@ribblevalley.gov.uk)
- 5.4. All disclosures will also be reported in confidence to the Monitoring Officer (the Head of Legal and Democratic Services) and the S151 Officer (the Director of Resources and Deputy Chief Executive).
- 5.5. The MLRO must promptly evaluate any disclosure to determine whether it should be reported to the National Crime Agency ("NCA").
- 5.6. A "Suspicious Activity Report" can be completed online on the NCA website: [www.nationalcrimeagency.gov.uk](http://www.nationalcrimeagency.gov.uk). The NCA can also be contacted on 0370 496 7622.

## 6. DISCLOSURE PROCEDURE AND REPORTING REQUIREMENTS

### ***Regular Receipts, Cash Payments, and Refunds***

- 6.1. Regular receipts – the Council in the normal operation of its business accepts payments from individuals and organisations in respect of a range of activities. If an employee or elected Member has reasonable grounds to suspect the existence of a money laundering activity or proceeds of crime or is simply suspicious, the matter should be reported to the MLRO, prior to processing the payment irrespective of the amount involved.
- 6.2. Cash payments – no payment will be accepted in cash (including notes, coins or travellers cheques in any currency) if it exceeds €10,000 or £8,800 unless there are compelling reasons to do so. In any such case the Director of Resources and Deputy Chief Executive or the Head of Financial Services must approve the cash transaction and document the justification for accepting the payment.
- 6.3. Refunds – any significant overpayment, which results in a repayment, will need to be properly investigated and authorised before payment.

### ***Reporting to the Money Laundering Reporting Officer (MLRO)***

- 6.4. Any employee who suspects money laundering activity is taking place, or an employee who becomes concerned that their involvement in a matter may amount to a prohibited act under the legislation, must disclose this promptly to the MLRO.
- 6.5. The disclosure should be made to the MLRO using the proforma report attached at Appendix 1. The report must include as much detail as possible.
- 6.6. The employee must follow any subsequent directions from the MLRO and must not make any further enquiries themselves into the matter. Additionally, they must not take any further steps in the transaction without authorisation from the MLRO.
- 6.7. The employee must not disclose or otherwise indicate their suspicions to the person(s) suspected of money laundering. They must not discuss the matter with others or note on a file that a report has been made to the MLRO in case this results in the suspect becoming aware of the suspicion.

## 7. RISK MANAGEMENT AND INTERNAL CONTROL

- 7.1. The risk to the Council of contravening the Anti-Money laundering legislation will be assessed on a periodic basis and the adequacy and effectiveness of the Anti-Money Laundering Policy will be reviewed in light of such assessments. Money Laundering as a risk is included on the Council's Risk Management System.

### ***Record Keeping***

- 7.2. To comply with the legislation, records must be kept for a period of five years and be sufficient to provide an audit trail for any subsequent investigation.

# CONFIDENTIAL

REPORT TO MONEY LAUNDERING REPORTING OFFICER  
PLEASE ATTACH ANY SUPPORTING DOCUMENTATION OR EVIDENCE

From: .....

Department and Section:.....

Ext/Tel No:.....

## DETAILS OF SUSPECTED OFFENCE

Name(s) and address(es) of person(s) involved:  
***[if a company/public body please include details of nature of business]***

Nature, value and timing of activity involved:  
***[Please include full details eg what, when, where, how. Continue on a separate sheet if necessary]***

Nature of suspicions regarding such activity and the type of money laundering activity involved:  
***[Please continue on a separate sheet if necessary]***

Has any investigation been undertaken (as far as you are aware)?

Yes  No

***[Please tick the relevant box]***

If yes, please include details below:

Have you discussed your suspicions with anyone else?

Yes  No

***[Please tick the relevant box]***

If yes, please specify below, explaining why such discussion was necessary:

Have you consulted any supervisory body guidance re money laundering? (e.g. the Law Society)

Yes  No

***[Please tick the relevant box]***

If yes, please specify below:

Do you feel you have a reasonable excuse for not disclosing the matter to the NCA?  
(E.g. are you a lawyer and wish to claim legal professional privilege?)

Yes  No

**[Please tick the relevant box]**

If yes, please set out full details below:

Are you involved in a transaction which might be a prohibited act under Sections 327- 329 of the Act and which requires appropriate consent from the NCA?

Yes  No

**[Please tick the relevant box]**

If yes, please enclose details in the box below:

Please set out below any other information you feel is relevant:

Signed:.....

*I confirm that I have disclosed all relevant information and I also acknowledge that the matter may be reported onwards to the National Crime Agency by the MLRO.*

Dated:.....

Please do not discuss the content of this report with anyone else and **in particular** with anyone you believe is involved in the suspected money laundering activity described above. To do so may constitute a Tipping Off offence, which carries a maximum penalty of 5 years' imprisonment.



**THE FOLLOWING PART OF THIS FORM IS FOR COMPLETION BY THE MLRO**

Date report received: .....

Date receipt of report acknowledged: .....

**CONSIDERATION OF DISCLOSURE:**

Action Plan:

**OUTCOME OF CONSIDERATION OF DISCLOSURE:**

Are there reasonable grounds for suspecting a money laundering activity?

If there are reasonable grounds for suspicion, will a report be made to the NCA?

Yes  No

***[Please tick the relevant box]***

If yes, please confirm date of the report to the NCA: .....

**and complete the box below:**

Details of liaison with the NCA regarding the report:

Notice Period: ..... to .....

Moratorium Period: ..... to .....

Is consent required from the NCA to any ongoing or imminent transactions which would otherwise be prohibited acts?

Yes  No

***[Please tick relevant box]***

If yes, please confirm full details in the box below:

Date consent received from the NCA: .....

Date consent given by you to the Council's employee: .....

If there are reasonable grounds to suspect a money laundering activity, but you do not intend to report the matter to the NCA, please set out below the reason(s) for the non-disclosure:

***[Please set out any reasonable excuse for non-disclosure]***

Date consent given by you to employee for any prohibited act transactions to proceed: .....

Other relevant information:

Signed:.....

Dated:.....

THIS REPORT TO BE RETAINED FOR AT LEAST FIVE YEARS