

Anti-Terrorism Policy

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Introduction

This policy sets out and highlights the practice and procedures for all staff and volunteer associated with Veterans Relief and Support to follow. It follows guidance from the National Crime Agency, the Proceeds of Crime Act (2000) and the Terrorism Act (2000)

Money laundering is the term used for a number of offences involving the proceeds of crime or terrorist funds. It includes possessing, or in any way dealing with, or concealing, the proceeds of any crime.

The process of money laundering has three stages:

- placement, through which the funds (often in cash) enter the financial systems.
- layering, by which the funds pass through a complex sequence of transactions designed to make it impossible for investigators to follow a trail of evidence back to the origin of the funds; and
- integration, the point at which the funds emerge from the process back into the legitimate economy in a way that they are unrecognisable as the proceeds of crime. Charities can be especially susceptible to the attentions of potential money launderers. An international presence often in regions where there are serious issues in control and regulation, make them particularly attractive for use as a stage in the layering process.

Anti-Terrorism Considerations

Veterans Relief and Support is a charity whose purpose is to provide relief of poverty through the provision or assisting with the provision of education, training, healthcare projects and all the necessary support designed to enable individuals to generate a sustainable income and become self-sufficient. Where funds are allocated to partner organisations, it is for their exclusive use on humanitarian aid and to relieve poverty. Terrorism, in common with other criminal acts, infringes the fundamental rights of the innocent and the powerless and diverts money and attention from the real needs of the communities we are committed to helping. We do not engage with terrorist organisations or give money to partners who carry out, or fund, or advocate terrorist activity. We are fully committed to ensuring all our business processes minimise the risk of funds being diverted for terrorist or any other criminal purposes. We work within the law to ensure that our work and that of our partners is free

from interference and that resources are used for the purposes intended. Further information can be found in our Anti-Terrorism Policy which works along this policy.

Obligations of all employees, trustees and volunteers

Current criminal law places three obligations on all persons:

- not to assist in the money laundering process through acquiring, concealing, disguising, retaining or using the proceeds of crime
- not to prejudice an investigation
- not to contact any person who has been suspected of, and reported for, possible money laundering in such a way as to make them aware of the suspicion or report ("tipping off")
- It is important to bear in mind that the law requires all cases of suspicion to be reported, regardless of size.

Risk assessment

There are a number of specific areas where Veterans Relief and Support is potentially vulnerable to falling prey to money laundering:

- Country offices may receive requests for unusual transactions, such as a request to pass funds through an office account, or to hold cash on behalf of a third party, or to pass this in some way back to Veterans Relief and Support
- Overseas programmes and partners may be subject to suspicious or unusual transactions resulting from money laundering.
- Interest-free loans
- Donors requesting unusual or over-specific restrictions on a gift or requesting its return in whole or part.
- Requests to use Veterans Relief and Support as a conduit and pass money through it.
- Using staff as couriers to carry cash or small items of value to persons or organisations overseas; and

- Suppliers may be set up to provide such money laundering facilities, so we must ensure that due tender and procurement process is followed, and suppliers are confirmed as bone fide.

Reporting procedures

It is a legal requirement to appoint a Money Laundering Reporting Officer ('MLRO') to be responsible in law for receiving suspicion reports in an organisation and for passing these on to the National Criminal Investigation Service (NCIS).

Following best practice, the MLRO for Veterans Relief and Support is the trustee/treasurer Brian Goldstone. He/she will handle all responsibilities regarding this policy and receive suspicious activity report forms. He/she will also be responsible for communication with the NCIS.

If any member of staff knows or suspects that money laundering is taking place, they must report it to the MLRO as soon as the knowledge or suspicion first strikes them. Any delay leaves them open to the two charges of failure to report, and of assisting an offence. There is no need for them to ascertain the nature of the crime which leads them to suspect that the unusual transaction may be an instance of money laundering. However, they must be able to explain what made them suspicious. The report should always be made immediately to the MLRO, even if later knowledge proves the suspicion to be unfounded.

It is best not to discuss any suspicion with colleagues, especially if they also have dealings with the person suspected, as they may (even inadvertently) say or do something which might lead that person to realise that they might be the object of suspicion. The matter should never be discussed with anyone outside Veterans Relief and Support other than the appropriate statutory authorities, except with the permission of the MLRO.

Any suspicion should be reported in writing using a Suspicious Activity Report form, an example of which may be found in the Appendix to this document. The Suspicious Activity Report form should be submitted in **hard copy only**, or by fax; email will not suffice to discharge the statutory responsibility and is not sufficiently secure to avoid the danger of alerting the potential money launderer.

Once a report has been submitted, any contact with the person or organisation suspected should only be made with the express agreement of the MLRO. If the MLRO decides to submit a report to the NCIS, then all activity involving the suspected party must be frozen immediately, and no contact made without the consent of NCIS.

Remember that Veterans Relief and Support also has a whistleblowing policy and an anti-fraud policy and anti-terrorism policy. We procedures around the management of cash funds and transfers of funds in the general finance procedures as well as a fraud recovery plan. This policy on anti-money laundering sits alongside those other policies.