

Firm Wide Risk Assessment

Letting agents must register with the Financial Conduct Authority for supervision if they are dealing with customers on behalf of the Organisation. They must comply with the Money Laundering Regulations 2017 as amended by The Money Laundering Regulations 2019 ('the Regulations') which requires letting agents to ensure that the Organisation has identified the risks of money laundering and terrorism financing.

This risk assessment was carried out by the Money Laundering Reporting Officer (MLRO) of the Organisation.

In preparing this Risk Assessment, the MLRO has:

1. taken into account all guidance issued by HMRC;
2. taken into consideration all relevant legislation, the HM Treasury Sanctions list and latest list of high-risk third countries;
3. [<<The Organisation>>] has carried out internal controls, policies and file reviews and any other relevant information;
4. [<<Other>>].

This assessment will be reviewed annually.

.....
[Signature of MLRO]

.....
[Date]

1. <<The Organisation>> carries out letting agency work, which is defined under Section 13(3) and 13(4) of the Money Laundering Regulations 2019. 13(3) "letting agent" means a person who, or whose employees, carry out letting agency work, whether or not they are acting in the course of a business. 13(4) For the purposes of this Regulation, "letting agency work" means work— (a) consisting of this work, or (i) a person who, or whose employees, carry out letting agency work, whether or not they are acting in the course of a business, to whom the work is referred, or (ii) a person who, or whose employees, carry out letting agency work, whether or not they are acting in the course of a business, to whom the work is referred, or (b) done in a case where the person to whom the work is referred is a letting agent.

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(i) for a term of less than 12 months and

(ii) at a rent which is not less than 10% of the term is, or is equivalent to, a monthly rent of at least £1,000.

2. Overall Risk Assessment The risk is **[HIGH]** risk.

[Add here a summary high level risk for the Organisation].

3. <<The Organisation>> is not a Letting Agency Work which is exposed to the following risks of money laundering and terrorism financing:

THE BELOW ARE EXAMPLES ONLY. YOU MUST TAILOR THIS TEMPLATE TO YOUR SPECIFIC PRACTICE

Landlords

[Risks:

- Individuals may provide false information as to their identity and ownership of the property, which they don't own and receive the rental income.
- Criminals may lease the property to cover the rental income.
- If a landlord is not a registered landlord, this may amount to a criminal offence.
- <<Other>>].

This specific risk is judged to be [low/medium/high] because <<state the reasons why the risk is [low/medium/high] based on the Organisation's customers and instructions.>>

[Add here what steps the Organisation has in place to mitigate the risks posed; for example, all rental income is approved by the MLRO, the identity of all customers is verified, and if high-risk, enhanced due diligence is carried out].

Tenants

[Risks:

- Criminals may put the property out to a connected third party and the rental income is disguised.
- Criminals may also use the property to carry out their criminal activities.
- <<Other>>].

This specific risk is judged to be [low/medium/high] because <<state the reasons why the risk is [low/medium/high] based on the Organisation's customers and instructions.>>

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why the risk is [low/medium/high] and the Organisation's customers and instructions

[Add here what steps the Organisation has in place to mitigate the risks posed; for example, the identity of the customer must be verified for those at high risk and if high-risk, enhanced due diligence must be carried out on the customer and its beneficial owners]

Cash

[Risks:

- Customers may wish to withdraw cash payments may be requested
- <<Other>>].

This specific risk is judged to be [low/medium/high] because <<state the reasons why the risk is [low/medium/high] and the Organisation's customers and instructions

[Add here what steps the Organisation has in place to mitigate the risks posed; for example, the amount of cash withdrawn there is a limit on the amount]

Politically Exposed Persons

[Risks:

- PEPs or their family members are seen as high risk due to their position and therefore they are more likely to be involved in bribery
- <<Other>>].

This specific risk is judged to be [low/medium/high] because <<state the reasons why the risk is [low/medium/high] and the Organisation's customers and instructions

[Add here what steps the Organisation has in place to mitigate the risks posed; for example, carrying out enhanced due diligence and getting the MLRO to approve new customers]

Mortgage Fraud

[Risks:

- Mortgage Fraud occurs when a customer provides false information to obtain a mortgage.
- Criminals may misrepresent the value of their property to obtain a greater loan than they are entitled to
- Organised crime syndicates may be involved in mortgage fraud and fail to make any attempt to repay the loan
- <<Other>>].

This specific risk is judged to be [low/medium/high] because <<state the reasons why the risk is [low/medium/high] and the Organisation's customers and instructions

carried out, the Organisation's customers and instructions

in place to mitigate the risks posed; for example, the identity of the customer must be verified for those at high risk and if high-risk, enhanced due diligence must be carried out on the customer and its beneficial owners]

needs in our account and/or cash payments may be requested

] because <<state the reasons why the risk is [low/medium/high] and the Organisation's customers and instructions

in place to mitigate the risks posed; for example, the amount of cash withdrawn there is a limit on the amount]

associates are seen as high risk due to their position and therefore they are more likely to be involved in bribery

] because <<state the reasons why the risk is [low/medium/high] and the Organisation's customers and instructions

in place to mitigate the risks posed; for example, carrying out enhanced due diligence and getting the MLRO to approve new customers]

de false information to obtain a mortgage.

or property value to obtain a greater loan than they are entitled to

properties, using false identities

] because <<state the reasons why the risk is [low/medium/high] and the Organisation's customers and instructions

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h] because <<state the reasons
k carried out, the Organisation's

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[Add here what steps were proposed; for example, Laundering, regular review of the account].

put in place to mitigate the risks
ory staff training on Anti-Money
MLRO can approve transactions out

[Risks:

- Customers may come from high of corruption.
- It is not possible
- Payments may accounts.
- <<Other>>].

Overseas landlords or tenants may be in tax havens or have high levels

customers face to face.

sent to third parties from overseas

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/high] because <<state the reasons
work carried out, the Organisation's

[Add here what steps are proposed; for example, what additional checks would be required for high-risk third country nationals.]

put in place to mitigate the risks
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y sanctions are in place and what
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