

Solomon Taylor & Shaw LLP
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Recognised body
837943

[Agreement Date: 7 October 2025](#)

Decision - Agreement

Outcome: Regulatory settlement agreement

Outcome date: 7 October 2025

Published date: 13 October 2025

Firm details

No detail provided:

Outcome details

This outcome was reached by agreement.

Decision details

1. Agreed outcome

1.1 Solomon Taylor & Shaw LLP (the Firm), a recognised body, authorised and regulated by the Solicitors Regulation Authority (SRA), agrees to the following outcome to the investigation:

- a. Solomon Taylor & Shaw LLP will pay a financial penalty in the sum of £25,000, under Rule 3.1(b) of the SRA Regulatory and Disciplinary Procedure Rules;
- b. to the publication of this agreement, under Rule 9.2 of the SRA Regulatory and Disciplinary Procedure Rules; and
- c. Solomon Taylor & Shaw LLP will pay the costs of the investigation of £600, under Rule 10.1 and Schedule 1 of the SRA Regulatory and Disciplinary Procedure Rules.

2. Summary of Facts

2.1 We carried out an investigation into the firm following an AML desk-based review (DBR) by our AML Proactive Supervision team.



2.2 Our DBR and subsequent investigation identified areas of concern in relation to the firm's compliance with the Money Laundering, Terrorist Financing (Information on the Payer) Regulations 2017 (MLRs 2017), the SRA Principles 2011 and the SRA Principles [2019], the SRA Code of Conduct 2011 and the SRA Code of Conduct for Firms [2019].

Client and matter risk assessments (CMRAs)

2.3 Between 1 April 2022 (when the firm started trading as an LLP) and March 2025, the firm failed to sufficiently assess and document the level of client and matter risk (in a CMRA), as required by Regulation 28(12) and Regulation 28(13) of the MLRs 2017, and therefore it was unable to demonstrate that the extent of the measures it had taken were appropriate pursuant to Regulation 28(16) of the MLRs 2017.

2.4 Risk assessing clients and their matters is a mandatory requirement under Regulation 28(12) and Regulation 28(13) of the MLRs 2017. CMRAs must be documented, and rate and justify the risk with a supporting rationale.

2.5 The firm has since provided a compliant CMRA template form. The process utilised by the firm now meets the requirements of Regulation 28(12), Regulation 28(13) and Regulation 28(16) of the MLRs 2017, and files are adequately having the risks identified, assessed and documented.

3. Admissions

3.1 The firm admits, and the SRA accepts, that by failing to comply with the MLRs 2017:

Between 1 April 2022 and March 2025, the firm has breached:

- a. Principle 2 of the SRA Principles 2019 – which states you act in a way that upholds public trust and confidence in the solicitors' profession and in legal services provided by authorised persons.
- b. Paragraph 2.1(a) of the SRA Code of Conduct for Firms – which states you have effective governance structures, arrangements, systems and controls in place that ensure you comply with all the SRA's regulatory arrangements, as well as with other regulatory and legislative requirements, which apply to you.
- c. Paragraph 3.1 of the SRA Code of Conduct for Firms 2019 – which states that you keep up to date with and follow the law and regulation governing the way you work.

4. Why a fine is an appropriate outcome

4.1 The SRA's Enforcement Strategy sets out its approach to the use of its enforcement powers where there has been a failure to meet its

standards or requirements.

4.2 When considering the appropriate sanctions and controls in this matter, the SRA has taken into account the admissions made by the firm and the following mitigation:

- a. Making an early admission – the firm admitted the results of a file review (conducted by an independent compliance firm) fell well below the required standards.
- b. Remedying harm – the firm took steps to put in place a compliant CMRA template form and process.
- c. Cooperating with the investigation – the firm has cooperated with the SRA’s AML Proactive Supervision and AML Investigation teams.

4.3 The SRA considers that a fine is the appropriate outcome because:

- a. The conduct showed a disregard towards statutory and regulatory obligations and had the potential to cause harm, by facilitating dubious transactions that could have led to money laundering (and/or terrorist financing). This could have been avoided had the firm established adequate AML documentation and controls.
- b. It was incumbent on the firm to meet the requirements set out in the MLRs 2017. The firm failed to do so. The public would expect a firm of solicitors to comply with its legal and regulatory obligations, to protect against these risks as a bare minimum.
- c. The agreed outcome is a proportionate outcome in the public interest because it creates a credible deterrent to others and the issuing of such a sanction signifies the risk to the public, and the legal sector, that arises when solicitors do not comply with anti-money laundering legislation and their professional regulatory rules.

4.4 Rule 4.1 of the Regulatory and Disciplinary Procedure Rules states that a financial penalty may be appropriate to maintain professional standards and uphold public confidence in the solicitors' profession and in legal services provided by authorised persons. There is nothing within this Agreement which conflicts with Rule 4.1 of the Regulatory and Disciplinary Rules and on that basis, a financial penalty is appropriate.

5. Amount of the fine

5.1 The amount of the fine has been calculated in line with the SRA’s published guidance on its approach to setting an appropriate financial penalty (the Guidance).

5.2 Having regard to the Guidance, the SRA and the firm agree that the nature of the misconduct was less serious (score of one). This is because while the firm did have a CMRA template form in place, it was found to be non-compliant. However, despite it having been a statutory requirement to carry out and document CMRAs since 26 June 2017 and having been highlighted in our warning notice on CMRAs published on 18



October 2023, over three quarters of client files reviewed by an independent compliance firm were found to contain no, or non-compliant CMRAs. The firm has therefore failed to comply with the regulations and pay sufficient regard to the warning notice issued by its regulator.

5.3 The impact of the harm or risk of harm is assessed as being medium (score of four). The nature of conveyancing is considered high-risk, owing to the risk of abuse of the system by criminals. We note over two thirds of the work carried out by the firm is in scope of the MLRs 2017, with the majority of this in-scope work being in the field of conveyancing alone. This puts it at a greater risk of being used to launder money.

5.4 The score reflects that, although there is no evidence of actual harm having occurred, it had the potential to cause loss or have impact.

5.5 The nature and impact scores add up to five and this places the penalty in Band 'B', as directed by the Guidance, which indicates a broad penalty bracket of between 0.4% and 1.2% of the firm's annual domestic turnover.

5.6 We recommend a basic penalty in the middle of the bracket. This is because the firm has implemented a compliant CMRA template form, provided training to its fee earners on the completion of the CMRA, and has employed the ongoing services of an independent compliance firm to assist with its AML control environment.

5.7 The financial penalty is £25,000. This is based on the evidence the firm has provided of its annual domestic turnover and includes a reduction which reflects the mitigation at paragraph 4.2 above, and using our discretion for proportionality reasons.

5.8 The firm does not appear to have made any financial gain or received any other benefit as a result of its conduct. Therefore, no adjustment is necessary to remove this and the amount of the financial penalty is £25,000.

6. Publication

6.1 Rule 9.2 of the SRA Regulatory and Disciplinary Procedure Rules states that any decision under Rule 3.1 or 3.2, including a Financial Penalty, shall be published unless the particular circumstances outweigh the public interest in publication.

6.2 The SRA considers it appropriate that this agreement is published as there are no circumstances that outweigh the public interest in publication and it is in the interest of transparency in the regulatory and disciplinary process.

7. Acting in a way which is inconsistent with this agreement

7.1 The firm agrees that it will not deny the admissions made in this agreement or act in any way which is inconsistent with it.

7.2 If the firm denies the admissions, or acts in a way which is inconsistent with this agreement, the conduct which is subject to this agreement may be considered further by the SRA. That may result in a disciplinary outcome based on the original facts and allegations.

7.3 Acting in a way which is inconsistent with this agreement may also constitute a separate breach of Principles 1, 2 and 5 of the SRA Principles and paragraph 3.2 of the Code of Conduct for Firms.

8. Costs

8.1 Solomon Taylor & Shaw LLP agrees to pay the costs of the SRA's investigation in the sum of £600.

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