Solicitors Regulation Authority

Wildings Solicitors LLP (Wildings Solicitors)
862-864 Washwood Heath Road, Birmingham , B8 2NG
Recognised body
552128

Fined Date: 5 June 2025

Decision - Fined

Outcome: Fine

Outcome date: 5 June 2025

Published date: 5 June 2025

Firm details

No detail provided:

Outcome details

This outcome was reached by SRA decision.

Decision details

1. Agreed outcome

1.1 Wildings Solicitors LLP (the firm), a recognised body authorised and regulated by the Solicitors Regulation Authority (SRA), agrees to the following outcome to the investigation:

a. Wildings Solicitors LLP is fined £8,061, under Rule 3.1(b) of the SRA Regulatory and Disciplinary Procedure Rules (RDPRs).
b. to the publication of this agreement under Rule 9.2 of the RDPRs.
c. Wildings Solicitors LLP will pay the costs of the investigation of £600, under Rule 10.1 and schedule 1 of the RDPRs.

2. Summary of Facts

2.1 We carried out an investigation into the firm following a review by our AML Proactive Supervision team.

2.2 Our 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,

the SRA Code of Conduct 2011, the SRA Principles 2019 and the SRA Code of Conduct for Firms 2019.

3. Allegation

3.1 In six of the files reviewed, the firm failed to assess the level of risk, as required by Regulation 28(12) and Regulation 28(13) of the MLRs 2017.

4. Admissions

4.1 The firm admits, and the SRA accepts, that by failing to comply with the MLRs 2017, that it breached, for conduct up to 24 November 2019 (when the SRA Handbook 2011 was in force):

a. Principle 6 of the SRA Principles 2011 – which states you must behave in a way that maintains the trust the public places in you and in the provisions of legal services.
b. Principle 8 of the SRA Principles 2011 – which states you must run in your business or carry out your role in the business effectively and in accordance with proper governance and sound financial risk management principles.

And the firm failed to achieve:

c. Outcome 7.2 of the SRA Code of Conduct 2011 – which states you have effective systems and controls in place to achieve and comply with all the Principles, rules and outcomes and other requirements of the Handbook, where applicable.
d. Outcome 7.5 of the SRA Code of Conduct 2011 – which states you comply with legislation applicable to your business, including anti-money laundering and data protection legislation.

And from 25 November 2019 (when the SRA Standards and Regulations came into force) until 15 November 2024:

e. 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.
f. Paragraph 2.1(a) of the SRA Code of Conduct for Firms 2019 – 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.
g. 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.

5. Why a fine is an appropriate outcome

5.1 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.

5.2 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. There is no evidence of harm to consumers, or third parties, and our view is that the risk of repetition is low.
b. The firm took steps to rectify its failures and has since implemented a client and matter risk assessment (CMRA) process, which is now compliant with the MLRs 2017, and the published LSAG and SRA guidance.
c. The firm has cooperated with the SRA's AML Proactive Supervision and AML Investigations teams.

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

a. The conduct showed a disregard for 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 conducted and documented appropriate risk assessments on its clients and files, on in-scope matters.
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.

5.4 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.

6. Amount of the fine

6.1 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).

6.2 Having regard to the Guidance, the SRA and the firm agree that the nature of the misconduct was more serious (score of three). This is

because the firm should have been ensuring compliance with its obligation to complete client and matter risk assessments. The firm undertakes significant amounts of conveyancing (around two thirds of the firm's total turnover) and has failed to meet the requirements of the MLRs 2017. Although the firm put in place a client and matter risk assessment process, after employing the services of a compliance firm, both client risk and matter risk were not being adequately assessed for a significant period of time following the introduction of the regulations.

6.3 Furthermore, this is not a new concept, as Regulation 7(3) of the Money Laundering Regulations 2007, which were in force from December 2007 to June 2017 (and therefore applied to the firm from 2010 when it started trading), stated firms must determine the extent of customer due diligence measures on a risk-sensitive basis, depending on the type of customer, business relationship, product or transaction; and further be able to demonstrate to the supervisory authority that the extent of the measures is appropriate in view of the risks of money laundering and terrorist financing.

6.4 The SRA considers that the impact of harm or risk of harm is assessed as being low (score of two). This is because there is no evidence of any harm being caused, as a result of the firm not completing client and matter risk assessments. We have seen no evidence that the lack of CMRA has caused the firm to not identify high-risk clients, such as politically exposed persons. A sample of the new client and matter risk assessments were reviewed, and these are now comprehensive and compliant with the MLRs 2017. There is therefore minimal risk of repetition of this conduct.

6.5 The nature and impact scores add up to five. This places the penalty in Band 'B' as directed by the guidance.

6.6 Since November 2024, the firm has confirmed it put in place measures to ensure continuing and future compliance, reviewed all live in-scope files and ensured the necessary documentation has been placed on them. Despite its current compliance, it failed to do this for a period of several years. The lack of client and matter risk assessments on files, over this period, shows a pattern of behaviour and increases the risks of the firm laundering illicit funds. The SRA, therefore, considers a basic penalty in the higher end of the bracket to be appropriate.

6.7 Based on the evidence the firm has provided of its annual domestic turnover for the most recent tax year, this results in a basic penalty of £10,077.

6.8 The SRA considers that the basic penalty should be reduced to £8,061. This reduction reflects the mitigation set out in paragraph 5.2 above.

6.9 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 and the financial penalty is £8,061.

7. Publication

7.1 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.

7.2 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.

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

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

8.2 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 or a referral to the Solicitors Disciplinary Tribunal on the original facts and allegations.

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

9. Costs

9.1 The firm agrees to pay the costs of the SRA's investigation in the sum of £600. Such costs are due within 28 days of a statement of costs due being issued by the SRA.

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