

Morgan Kelly Solicitors Limited
Pippingford Manor, Pippingford Park, Nutley , TN22
3HW
Recognised body
624343

[Agreement Date: 18 September 2025](#)

Decision - Agreement

Outcome: Regulatory settlement agreement

Outcome date: 18 September 2025

Published date: 22 September 2025

Firm details

No detail provided:

Outcome details

This outcome was reached by agreement.

Decision details

1.1 Morgan Kelly Solicitors Limited (the firm), a recognised body, agrees to the following outcome to the investigation of its conduct by the Solicitors Regulation Authority (SRA):

- a. the firm will pay a financial penalty in the sum of £4,407 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. it 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 a desk-based 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 and Transfer of Funds (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].

2.3 Between 26 June 2017 and 8 May 2025, the firm failed to have in place adequate assessment of the risks of money laundering and terrorist financing to which its business was subject (a firm-wide risk assessment (FWRA)), pursuant to Regulations 18(1) and 18(4) of the MLRs 2017.

2.4 Between 26 June 2017 and 8 May 2025, the firm failed to establish and maintain fully compliant policies, controls, and procedures (PCPs) to mitigate and manage effectively the risks of money laundering and terrorist financing, identified in any risk assessment (FWRA), pursuant to Regulation 19(1)(a) of the MLRs 2017 and/or regularly review and update them pursuant to Regulation 19(1)(b) of the MLRs 2017.

2.5 Since May 2025, the firm has had in place fully a fully compliant FWRA and fully compliant PCPs and has put in place measures for ensuring continuing and future compliance.

3. Admissions

3.1 The firm makes the following admissions which the SRA accepts, that by failing to comply with the MLRs 2017 it has breached:

To the extent that the conduct took place on or before 24 November 2019:

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

And the firm has failed to achieve:

- c. Outcome 7.2 of the SRA Code of Conduct 2011 - which states that you must 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 that you must comply with legislation applicable to your business, including anti-money laundering and data protection legislation.

To the extent that the conduct took place from 25 November 2019 onwards, it has breached:



- e. Principle 2 of the SRA Principles [2019] – which states that you must 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 must 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 must 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 considered the admissions made by the firm and the following mitigation:

- a. there has been no evidence of harm to consumers or third parties and there is minimal risk of repetition,
- b. the firm has assisted the SRA throughout the investigation, admitted the breaches and shown remorse for its actions, and
- c. the firm did not financially benefit from the misconduct.

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

- i. it was incumbent on the firm to meet the requirements set out in the MLRs 2017 and 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, and
- ii. 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 the anti-money laundering legislation and their professional regulatory duties.

4.4 Rule 4.1 of the Regulatory and Disciplinary Procedure Rules states that 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 more serious (score of three) because the firm's conduct continued after it was known to be improper. There has been a requirement to have a compliant FWRA and PCPs in place since the MLRs 2017 came into force, on 26 June 2017. The firm also failed to pay sufficient regard to the SRA's warning notice on FWRAs, first issued on 7 May 2019 (updated 25 November 2019).

5.3 The SRA considers that the impact of the misconduct was medium (score of four).

This is because failing to ensure it had a compliant FWRA and PCPs in place left the firm vulnerable to the risks of money laundering, particularly when providing in-scope work such as conveyancing, which forms the majority of the work carried out by the firm. The firm left itself without effective arrangements in place to manage compliance with the MLRs 2017.

5.4 The nature and impact scores add up to seven. This places the penalty in Band 'C' as directed by the Guidance.

5.5 We and the firm agree a financial penalty toward the lowest end of the penalty bracket. This is because the firm now has a compliant FWRA and PCPs and has put in place measures to ensure continuing and future compliance. However, this must be balanced against the long-standing nature of the breaches.

5.6 Based on the evidence the firm has provided of its annual domestic turnover; this results in a basic penalty of £4,897.

5.7 The SRA considers that the basic penalty should be reduced to £4,407. This reduction reflects the mitigation at paragraph 4.2 above.

5.8 The firm does not appear to have made any financial gain or received any other benefit because of its conduct. Therefore, no adjustment is necessary to remove this, and the amount of the fine is £4,407.

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 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 or a referral to the Solicitors Disciplinary Tribunal 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 2 and 5 of the Principles and paragraph 3.2 of the Code of Conduct for Firms.

8. Costs

8.1 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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