

Westgate Solicitors Limited
74 Cambridge Heath Road, London , E1 5QJ
Recognised body
621173

[Fined Date: 21 December 2023](#)

Decision - Fined

Outcome: Fine

Outcome date: 21 December 2023

Published date: 2 February 2024

Firm details

No detail provided:

Outcome details

This outcome was reached by SRA decision.

Decision details

Who does this disciplinary decision relate to?

Westgate Solicitors Limited (the firm) is a recognised body whose office is at 74 Cambridge Heath Rd London E1 5QJ.

Summary of Decision

The firm was fined for failing to have in place or to maintain relevant documentation to prevent activities relating to money laundering and terrorist financing as required by the Money Laundering Regulations 2007 (MLRs 2007) and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (the MLRs 2017).

Facts of the misconduct

In May 2023, the SRA assessed the firm's compliance in terms of money laundering as it had been undertaking in-scope work (conveyancing) since 2016. The firm took remedial action when alerted to the investigation on 17 May 2023. However, the investigation identified several areas of non-compliance before this point, as detailed below.



Conduct

It was found that the firm failed to:

1. Between 2016 and 25 June 2017, establish and maintain appropriate and risk-sensitive policies and procedures (P&Ps) pursuant to Regulation 20(1) of the Money Laundering Regulations 2007 (MLRs 2007).
2. Between 26 June 2017 and 17 May 2023, have in place a firm wide risk assessment (FWRA) as required by Regulation 18 of the MLRs 2017.
3. Between 26 June 2017 to 17 May 2023, establish and maintain policies, controls and procedures (PCPs) to mitigate and manage effectively the risks of money laundering and terrorist financing in any risk assessment pursuant to Regulation 19(1)(a) of the MLRs 2017, and regularly review and update them pursuant to Regulation 19(1)(b) of the MLRs 2017.
4. Between around 2018 and 17 May 2023, establish an independent audit function with the responsibility to examine and evaluate the adequacy and effectiveness of its PCPs pursuant to Regulation 21(1)(c) of the MLRs 2017.
5. To conduct adequate client and matter risk assessments on 19 client files, as required by Regulations 28(12)(a)(ii) and 28(13) of the MLRs 2017.

In doing so, to the extent that the conduct took place before 24 November 2019, the firm breached Principles 6 and 8 of the SRA Principles 2011 and failed to achieve Outcomes 7.2 and 7.5 of the SRA Code of Conduct 2011.

To the extent that the conduct took place after 25 November 2019, the firm breached Principle 2 of the SRA Principles 2019, and breached Paragraph 2.1(a) and Paragraph 3.1 of the SRA Code of Conduct for Firms (2019).

Decision on sanction

The firm was directed to pay a financial penalty of £9,750 and ordered to pay costs of £1,350.

This was because the firm's conduct was serious by reference to the following factors in the SRA Enforcement Strategy:

1. Its conduct was a breach of its regulatory obligations which persisted for longer than was reasonable. It demonstrated a pattern of non-compliance.
2. For a long period of time the firm failed to have proper regard to the SRA's guidance and warning notices which explained what was required, the risks that failure to comply with AML requirements posed, and the regulatory consequences of failing to comply.



3. The firm was responsible for its own conduct which was serious and had the potential to cause harm to the public interest and to public confidence in the legal profession.

In view of the above, the firm's conduct was placed in conduct band C which has a financial penalty of 1.6% to 3.2% of annual domestic turnover. In light of mitigating factors, including the fact that the firm was now in compliance with the MLRs 2017, had made some admissions and had co-operated with the investigation process, the firm's conduct was placed towards the bottom end of this bracket (band C2).

SRA Principles 2011

Principle 6 You must behave in a way that maintains the trust the public places in you and in the provision of legal services Principle 8 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

SRA Code of Conduct 2011

Outcome 7.2 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

Outcome 7.5 You comply with legislation applicable to your business, including anti-money laundering and data protection legislation

SRA Principles 2019

Principle 2 You act in a way that upholds public trust and confidence in the solicitors' profession and in legal services provided by authorised persons.

SRA Code of Conduct for Firms (2019)

Paragraph 2.1(a) 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.

Paragraph 3.1 You keep up to date with and follow the law and regulation governing the way you work.

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