



Stephensons (Stephensons)
57-59 High Street, Brierley Hill , DY5 3ED
Recognised body
055861

[Fined Date: 5 June 2025](#)

Decision - Fined

Outcome: Fine

Outcome date: 5 June 2025

Published date: 9 July 2025

Firm details

Firm or organisation at date of publication and at time of matters giving rise to outcome

Name: Stephensons

Address(es): 57-59 High Street, Brierley Hill, DY5 3ED

Firm ID: 055861

Outcome details

This outcome was reached by SRA decision.

Decision details

Short summary of decision

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

Facts of the misconduct

The firm is an 'in scope' firm for the purposes of the MLRs 2017.

In January 2024, the SRA's anti-money laundering (AML) proactive supervision team carried out an inspection of the firm to assess its compliance with the MLRs 2017. In his outcome letter the AML Officer



told the firm that he had identified compliance failures in relation to its firm-wide risk assessment (FWRA) documentation and client/matter risk assessments (CMRAs) on the client files reviewed.

These concerns led to a referral to the SRA's AML investigation team. The firm was provided with guidance and promptly took steps to rectify the issues and bring itself into compliance with the MLRs 2017.

It was found that the firm:

- Between 26 June 2017 and November 2023 failed to have in place a documented assessment of the risks of money laundering and terrorist financing to which its business was subject (a firm-wide risk assessment (FWRA)) pursuant to Regulation 18(1) and 18(4) of the MLRs 2017.
- Based on five of the six files reviewed as part of the inspection, failed to carry out client and matter risk assessments, 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 up to 24 November 2019, the firm breached outcomes 7.2 and 7.5 of the SRA Code of Conduct 2011 and Principles 6 and 8 of the SRA Principles 2011, and to the extent that the conduct took place from 25 November 2019 onwards, the firm breached Principle 2 of the SRA Principles 2019 and Paragraphs 2.1(a) and 3.1 of the SRA Code of Conduct for Firms 2019.

Decision on sanction

It was decided that a financial penalty was an appropriate and proportionate sanction.

The firm was directed to pay a financial penalty of £15,051 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:

- The findings relate to breaches of the MLRs 2017, which protect the public from the serious consequences of money laundering and terrorist financing. The associated risks were heightened given the high proportion of the firm's work that was 'in scope' of the MLRs 2017.
- 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.
- Its conduct was a breach of its regulatory obligations which persisted for longer than was reasonable.
- 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.

- Any lesser sanction would not provide a credible deterrent to the firm, and others. A credible deterrent plays a key role in maintaining professional standards and upholding public confidence.

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. The firm's conduct was placed at band C2 (2% of annual domestic turnover).

The following mitigating factors were considered:

- The firm co-operated fully with the SRA's investigation.
- There was no evidence that harm had materialised as a result of the misconduct.
- The firm took steps to bring itself into compliance with the rules.

The financial penalty was reduced by 15% in recognition of these factors.

SRA Standards and Regulations breached

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 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 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 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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