

Extra powers for regulators to clamp down on rule-breaking solicitors

- Solicitors Regulation Authority's fining powers to increase from £2,000 to £25,000
- Increased deterrents to clamp down on misconduct from law firms and solicitors
- Updated measures will allow cases to be resolved quicker

The changes mean the SRA can now fine law firms and individual solicitors for a broader range of offences – from lower-level cases involving inadequate staff training to those with more serious consequences including failure to implement the appropriate checks required to uncover signs of money laundering by clients.

Previously, disciplinary matters requiring fines over £2,000 would be referred to the independent Solicitors Disciplinary Tribunal (SDT).

Given nearly 90 per cent of fines currently issued by the tribunal are under £25,000, these reforms will allow them to focus on fewer, more significant allegations, like firms working for sanctioned Russian oligarchs and businesses.

Deputy Prime Minister, Lord Chancellor and Secretary of State for Justice, Dominic Raab said:

The UK can be proud of our world-leading legal services. But it is essential the sector retains its international reputation for the highest standards of probity.

That's why we are allowing swifter and firmer action to be taken against those who break the codes of conduct. And we're freeing up the solicitors' disciplinary tribunal to focus on the most serious breaches, such as those involving Russian sanctions.

The increased powers will reduce the number of cases referred to the SDT, shortening the average time taken for cases to be resolved.

Anna Bradley, Chair of the Solicitors Regulation Authority, said:

The overwhelming majority of solicitors meet the standards we all expect, but when they don't, we step in to protect the public and maintain confidence in the profession.

There was strong public support for increasing our fining powers when we consulted last year and this change will mean we can resolve issues more quickly, saving time and cost for everyone. It

will reduce stress and allow more focus on the most complex and challenging or serious cases.

The SRA investigates almost 2,000 cases annually and handed out over 250 fines in the last year, which is only set to increase as the changes take effect. They will continue to refer firms and solicitors to the tribunal in the most serious cases.

Notes to editors

- Between 2014-2021, around 90 per cent of fines levied by the Solicitors Disciplinary Tribunal were under £25,000.
- [Example](#) of a recent case handled by the tribunal that would now be handled by the Solicitors Regulation Authority under new measures:
 - In January 2022, the Tribunal fined a solicitor £25,000 for failing to follow the appropriate processes to guard against the risk of money laundering.
 - This included failing to carry out appropriate checks on his client, and improper use of his firm's client account as a banking facility allowing payments of around €300,000 to be made into and out of the firm's account.
 - The solicitor admitted all the allegations in full.