

Davenport & Scott Limited
Lancaster House, Lake Road, Ambleside , LA22 0AD
Recognised body
613129

[Agreement Date: 13 August 2025](#)

Decision - Agreement

Outcome: Regulatory settlement agreement

Outcome date: 13 August 2025

Published date: 14 August 2025

Firm details

No detail provided:

Outcome details

This outcome was reached by agreement.

Decision details

1. Agreed outcome

1.1 Davenport & Scott Limited, (the firm), a recognised body, authorised and regulated by the Solicitors Regulation Authority (SRA), agrees to the following outcome to the investigation:

- a. it is fined £2,809.
- b. to the publication of this agreement.
- c. it will pay the costs of the investigation of £600.

2. Summary of Facts

2.1 We carried out an investigation into the firm following a desk-based review (DBR) by our AML Proactive Supervision team.

2.2 Our DBR and subsequent 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].

Firm-wide risk assessment

2.3 Between 26 June 2017 and 6 March 2025, the firm 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 Regulations 18(1) and 18(4) of the MLRs 2017.

2.4 The firm is required to have a FWRA which includes details of the firm's assessment of risks in five key areas. The firm failed to have in place an appropriate FWRA prior to March 2025.

2.5 The firm has now provided a FWRA, which is compliant with Regulation 18 of the MLRs 2017.

3. Admissions

3.1 The firm admits, and the SRA accepts, that by failing to comply with the MLRs 2017:

From 26 June 2017 to 24 November 2019 (when the SRA Handbook 2011 was in force), the firm has breached:

- 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 provision of legal services.
- b. Principle 8 of the SRA Principles 2011 – which states you must run 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 has failed to achieve:

- c. 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 March 2025, the firm has breached:

- d. Paragraph 2.1(a) of the SRA Code of Conduct for Firms – 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.
- e. Paragraph 2.2 of the SRA Code of Conduct for Firms – which states you keep and maintain records to demonstrate compliance with your obligations under the SRA's regulatory arrangements.
- f. Paragraph 3.1 of the SRA Code of Conduct for Firms – which states you keep up to date with and follow the law and regulation



governing the way you work.

- g. Principle 2 of the SRA Principles – 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.

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

- a. The conduct showed a disregard towards 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 established adequate AML documentation and controls.
- 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.

4.3 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.

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). This is because the firm failed to ensure that it was fully compliant with its statutory obligations until March 2025, a period of almost eight years since the MLRs 2017 came into effect. The breach has arisen because of recklessness and a failure to pay sufficient regard to money laundering regulations, published guidance and SRA warning notices.

5.3 The SRA and the firm agree that the impact of the harm or risk of harm is low (score of two). The nature of conveyancing is considered high-risk, owing to the risk of abuse of the system by criminals. Almost half of the firm's work is in the field of conveyancing, plus the firm performs other in-scope work too. However, there is no evidence of there being any direct loss to clients or actual harm caused as a result of the firm's failure to ensure it had proper AML documentation in place.

5.4 The nature and impact scores add up to five and this places the penalty in Band 'B' as directed by the Guidance. The Guidance indicates a broad penalty bracket of between 0.4% and 1.2% of the firm's annual domestic turnover.

5.5 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 £3,304.

5.6 The SRA considers that the basic penalty should be reduced to £2,809 to take account of the following factors set out in the Guidance:

- a. Remedying harm - the firm took steps to rectify its failings, reviewed and amended its FWRA and is compliant with the MLRs 2017.
- b. Cooperating with the investigation - the firm has cooperated with the SRA's AML Proactive Supervision and AML Investigation teams.
- c. Admitting the breaches at the earliest opportunity and the firm is remorseful of its actions.

5.7 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 to remove this and the amount of the fine is £2,809.

6. Publication

6.1 The SRA considers it appropriate that this agreement is published in the interests of transparency in the regulatory and disciplinary process. The firm agrees to the publication of this agreement.

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 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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