

Top compliance mistakes UK law firms are making

Hazlewoods

Take a look at some of the key compliance failures firms are making and see what step you can take to stay compliant.

Compliance has become a critical concern for UK law firms, with regulatory scrutiny reaching unprecedented levels.

The Solicitors Regulation Authority (SRA) has significantly increased its enforcement activity, issuing a record-breaking fine of £4 million. These penalties highlight the growing risks associated with non-compliance, which extend beyond financial loss to include reputational damage and potential disciplinary action.

As the legal landscape evolves, firms must treat compliance not as a box-ticking exercise but as a strategic priority that safeguards their clients, their practice, and their professional standing.

Website breaches

- Missing or outdated fee information
- Lack of complaints procedure visibility

Anti-money laundering (AML)

- No firm-wide AML risk assessment
- Inadequate policies, controls and staff training
- Failure to notify SRA of compliance officer changes
- Use of client accounts as banking facilities



Lack of staff training

- Employees awareness of regulatory obligations
- No ongoing compliance education
- Training not tailored to firm-specific risks



Data protection

- Weak GDPR compliance
- Poor access controls in place
- No regular data audits or breach protocols

Weak fraud prevention controls



- No formal fraud risk assessment
- Generic policies not tailored to firm risks
- Support for fraud prevention

Inconsistent record keeping

- No firm-wide AML risk assessment
- Inadequate policies, controls and staff training
- Failure to notify SRA of compliance officer changes
- Use of client accounts as banking facilities

How to stay compliant

- Conduct AML and fraud risk assessments
- Deliver regular training across the firm
- Maintain accurate records and audit trails
- Subscribe to SRA and ICO updates

Compliance isn't optional, it's a strategic priority.



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