propertymark

HM Treasury Policy note – The draft Money Laundering and Terrorist Financing (Amendment and Miscellaneous Provisions) Regulations 2025
Feedback from Propertymark
October 2025

Background

1. Propertymark is the UK's leading professional body of property agents, with over 19,000 members representing over 12,500 branches. We are member-led with a Board which is made up of practicing agents and we work closely with our members to set professional standards through regulation, accredited and recognised qualifications, an industry-leading training programme and mandatory Continuing Professional Development.[1]

Policy note

2. HM Treasury's policy note accompanies the draft Money Laundering and Terrorist Financing (Amendment and Miscellaneous Provision) Regulations 2025 ("the SI"), which is published alongside the note for technical consultation. The SI comprises amendments to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs) and related legislation.

Feedback from Propertymark

Making customer due diligence more proportionate and effective

Enhanced Due Diligence

3. Clarity on the countries where Enhanced Customer Due Diligence (EDD) needs to be applied is good – however this doesn't address how the vast majority of cases are low risk, and agents don't see any point in carrying out Customer Due Diligence (CDD). This is a larger barrier to carrying out customer due diligence where it is needed the most.[2]

RECOMMENDATION: Set out in guidance or legislation explicitly where simplified customer due diligence is required for property transactions.

RECOMMENDATION: Guidance must include a link as to where property agents can access countries on the call-to-action list.

4. Changes to definition of "complex and large transactions" will need guidance for specific sectors. For example, what is an "unusually complex" property transaction? What is

[1] https://www.propertymark.co.uk/
[2] https://www.gov.uk/government/publications/proposed-amendments-to-the-money-laundering-regulations-draft-si-and-policy-note

considered “unusually large or unusually complex” would differ from business to business and between cities and rural areas.

RECOMMENDATION: Set out in guidance or legislation what constitutes an “unusually complex or property transaction” for property; either total values or a percentage over “typical” transactions specific for the individual firm.

Pooled Client Accounts

5. The removal of PCAs from simplified due diligence and to offer them only to AML/CTF-regulated customers is welcome. Combined with a provision to ensure all financial and credit institutions to take reasonable measures to understand the purpose of the PCA, this will likely have a positive impact for the sector. There may be some GDPR concerns around providing information on clients, but this can be avoided through clarity in guidance from HMRC and Propertymark.

RECOMMENDATION: Clarity is needed in two areas. Firstly, what is going to be the enforcement of banks who simply do not gather information on the PCA and state that they believe the firm to be too high of a risk without properly reviewing the agent or specific clients? Secondly, what is stopping the bank from no longer offering the PCA due to one client on the account being high-risk?

Strengthening system coordination

6. We welcome the scope of Companies House within the scope of the duty to cooperate obligations among AML supervisors but think that scope should be extended.

RECOMMENTATION: HM Treasury should extend the duty to cooperate with the Registers of Property across the UK such as HM Land Registry. Property ownership is linked to the Title of property and a more joined up approach is needed. This is important because agents will start with the title deed once instructed (because agents deal in property addresses) and will help to speed up and improve the verification of data through cross referencing as well as provide equivalence to overcome criminal property transactions. Through data cross-referencing, property agents, finance professionals and solicitors will have the ability to report discrepancies in CDD findings. Furthermore, property agents must be legally able to rely on verification of beneficial owners on the Register of Overseas Entities as part of their own CDD, this is not possible under the current legislation.

Providing clarity on scope and registration issues

Currency thresholds and definitions

7. The £10,000 threshold for the lettings sector to register for anti-money laundering supervision should be removed. Changing the currency from Euros to Sterling does not make that much of an impact but is helpful.

Regulation of sale of off-the-shelf companies by Trust and Company Service Providers (TCSPs)

8. No comments to make.

Registration and change in control for crypto asset service providers

9. No comments to make.

Reforming registration requirements for the Trust Registration Service

10. We would encourage reconsidering new exclusions for trusts to join the Trust Registration Service – this could provide a loophole for Trusts to join the Registration Service if they are hiding their value or would say it would be inappropriate to join.

Proposed further MLRs revisions

11. No comments to make.