

# HMRC National Risk Assessment 2025 (EAB)

The HMRC National Risk Assessment 2025 (NRA 2025) is the UK government's official assessment of how criminals and terrorists exploit the UK's High-Risk Sectors to launder money or finance terrorism.

The NRA was produced jointly by HM Treasury and the Home Office, with input from HMRC, the Financial Conduct Authority, law enforcement agencies, and supervisory bodies and was issued on the 9 September 2025.

## Risk Indicators

Whilst the NRA 2025 is not a change to money laundering regulations, the assessment has identified 34 Risk Indicators. These Risk Indicators have been grouped into three main Money Laundering and Terrorist Financing categories below:

VULNERABILITY INDICATORS	SCALE INDICATORS	MITIGATION INDICATORS
These determine how easily a sector or activity could be exploited:	These measure how widespread and significant the risks are:	These assess the strength of the defences in place:
<ol style="list-style-type: none"> <li>1. Volume and speed of money movement through the sector.</li> <li>2. Exposure to high-risk jurisdictions.</li> <li>3. Exposure to high-risk individuals (domestic and international).</li> <li>4. Level of anonymity possible in transactions.</li> <li>5. Complexity of services offered.</li> <li>6. Ease of access to the services.</li> <li>7. Use of cash or value transfer systems.</li> <li>8. Use of modern technologies (e.g., crypto, AI).</li> <li>9. Reliance on intermediaries or agents.</li> <li>10. Level of customer due diligence (CDD) compliance.</li> </ol>	<ol style="list-style-type: none"> <li>1. Frequency with which the sector is used for ML/TF.</li> <li>2. Popularity of the sector among criminals for laundering funds.</li> <li>3. Financial scale and value of transactions processed.</li> <li>4. Number of entities or participants in the sector.</li> <li>5. Cross-border exposure or global footprint.</li> <li>6. Presence of high-value or cash-intensive activities.</li> <li>7. Concentration of high-risk clients or PEPs.</li> <li>8. Volume of suspicious activity reports (SARs) indicating abuse.</li> </ol>	<ol style="list-style-type: none"> <li>1. Capacity and capability of law enforcement to mitigate risks.</li> <li>2. Capacity and capability of supervisors or regulators.</li> <li>3. Capacity and capability of firms (AML controls, governance).</li> <li>4. Effectiveness of technology in detecting suspicious activity.</li> <li>5. Availability and quality of intelligence sharing.</li> <li>6. Legal powers and frameworks supporting enforcement.</li> <li>7. Sanctions and penalties applied for non-compliance.</li> <li>8. Sectoral awareness and training on ML/TF risks.</li> <li>9. Monitoring and audit effectiveness.</li> <li>10. Effectiveness of reporting mechanisms (SARs, KYC updates).</li> <li>11. Market entry controls and fit-and-proper checks.</li> <li>12. Oversight of third-party intermediaries or agents.</li> <li>13. Transparency of beneficial ownership and corporate structures.</li> <li>14. Effectiveness of international cooperation.</li> <li>15. Industry culture and tone from the top regarding AML/CTF.</li> <li>16. Public-private partnership engagement (e.g., JMLIT, NECC collaboration)</li> </ol>

## Abbreviations

AML – Anti-Money Laundering	CDD – Client Due Diligence	CTF – Counter Terrorist Financing
ECCTA – Economic Crime and Corporate Transparency Act 2023	FATF – Financial Action Task Force	JMLIT – Joint Money Laundering Intelligence Taskforce
KYC – Know your Customer	ML – Money Laundering	NECC – National Economic Crime Centre's
PEPS – Politically Exposed Person	SAR – Suspicious Activity Report	TF – Terrorist Financing

## Estate Agency Businesses (EABS) recommendations

The NRA recommends Estate Agency Businesses complete the following actions as soon as possible to mitigate the risks identified.

Category	Requirements
<b>Governance and oversight</b>	<ul style="list-style-type: none"> <li>Register for HMRC Money Laundering Supervision and where applicable the Economic Crime Levy.</li> <li>Appoint a Money Laundering Reporting Officer (MLRO) and Deputy MLRO.</li> <li>Establish a Board-level AML/CTF oversight committee or designate compliance reporting to the Audit &amp; Risk Committee.</li> <li>Ensure the Board receives quarterly AML compliance reports, including SARs statistics, breaches, and training completion rates.</li> </ul>
<b>Business-wide Risk Assessment</b>	<ul style="list-style-type: none"> <li>Conduct a comprehensive written risk assessment addressing: <ul style="list-style-type: none"> <li>Customer risk (PEPs, corporate structures, trusts).</li> <li>Geographic risk (HRTCs, overseas jurisdictions).</li> <li>Transactional risk (super-prime, commercial, bridging loans).</li> <li>Delivery channel risk (non-face-to-face, intermediaries, online).</li> </ul> </li> <li>Review at least annually or following any business model change.</li> <li>Align the assessment with the National Risk Assessment 2025 and OFSI threat assessment.</li> </ul>
<b>Policies, Controls, and Procedures (PCPs)</b>	<ul style="list-style-type: none"> <li>Implement policies covering: <ul style="list-style-type: none"> <li>Customer Due Diligence (CDD) and Enhanced Due Diligence (EDD).</li> <li>Source of Funds/Wealth verification for all property transactions.</li> <li>Screening against sanctions and PEP lists</li> <li>Monitoring of clients during the relationship, reacting to changes.</li> <li>Record-keeping and audit trail maintenance for five years.</li> <li>Third-party reliance and due diligence for compliance service providers.</li> <li>Introduce a risk-based escalation procedure for unusual or complex transactions</li> </ul> </li> </ul>
<b>Customer Due Diligence</b>	<ul style="list-style-type: none"> <li>Verify identity before establishing a business relationship.</li> <li>CDD steps include: <ul style="list-style-type: none"> <li>Identify and verify the customer's identity (using reliable independent documents).</li> <li>Identify beneficial owners of companies or trusts (via Companies House or trust documentation).</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Understand the purpose and intended nature of the relationship or transaction.</li> <li>• Apply enhanced due diligence (EDD) when: <ul style="list-style-type: none"> <li>○ The customer is a Politically Exposed Person (PEP).</li> <li>○ The customer is based in or funds come from a high-risk third country.</li> <li>○ The transaction appears complex or unusual.</li> </ul> </li> <li>• Document rationale for risk rating and EDD steps taken.</li> </ul>
<b>Suspicious activity reporting</b>	<ul style="list-style-type: none"> <li>• MLRO must assess all internal suspicions and file SARs to the NCA without delay.</li> <li>• Maintain a confidential internal reporting process.</li> <li>• Staff must be trained to recognise red flags, including: <ul style="list-style-type: none"> <li>○ Unexplained wealth or mismatched profiles.</li> <li>○ Rapid resale or unusual pricing.</li> <li>○ Unusual payment patterns or third-party payments.</li> </ul> </li> </ul>
<b>Training and awareness</b>	<ul style="list-style-type: none"> <li>• Deliver mandatory annual AML/CTF training for all relevant employees.</li> <li>• Tailor training for: <ul style="list-style-type: none"> <li>○ Frontline sales and lettings staff.</li> <li>○ Management and compliance teams.</li> <li>○ Maintain records of completion and assessment results.</li> </ul> </li> </ul>
<b>Ongoing monitoring and review</b>	<ul style="list-style-type: none"> <li>• Introduce periodic independent AML audits.</li> <li>• Review customer files on a risk-based frequency (e.g., high-risk clients every 6 months)</li> <li>• Use adverse media checks and PEP/sanctions screening tools.</li> <li>• Maintain comprehensive records for at least five years after the relationship ends, including: <ul style="list-style-type: none"> <li>○ CDD and EDD documentation.</li> <li>○ Risk assessments and internal audit reports.</li> <li>○ Transaction histories and correspondence.</li> <li>○ Copies of SARs and related decisions.</li> <li>○ Records must be secure, accessible, and made available to HMRC upon request.</li> </ul> </li> <li>• EABs must regularly review and update their AML framework: <ul style="list-style-type: none"> <li>○ Annual internal reviews are best practice.</li> <li>○ External audits may be used for high-risk or multi-branch agencies.</li> <li>○ Monitor HMRC updates and sector-specific guidance, including from the Propertymark and JMLIT.</li> </ul> </li> </ul>

## How movebutler can help you comply

- In-depth Money Laundering Officer guidance to help your MLROs understand their key responsibilities, obligations, how to complete risk assessments and how to report SARS via the NCA.
- Robust Identification and Verification checks using Biometric Identity checks that use unique biological characteristics to verify a person's identity, passive liveness checks, verification of identity documents (such as passports and driving licenses), and digital address verification to reduce the risk of sophisticated fraudulent documents going undetected.
- Electronic PEP and Sanction checks, allowing you to identify where your clients may be subject to PEP or Sanctions either directly, or through their close connections with others.

- NFC document verification (depending on device compatibility and passport)
- Helpful guidance in relation to anti-money laundering matters including risk assessments, understanding and dealing with PEPS, Sanctions and high-risk transactions.
- MLROs can make SARS reports through a direct link to the NCA portal via movebutler compliance
- To help with colleague training our AML Training Library along with videos created by David Beaumont of Compliance Matters, has modules covering topics such as introduction to AML, what is money laundering, agent obligations, how to complete Risk Assessments and Client Due Diligence.
- Specific onboarding questions helping you to identify risks and then need to apply enhanced due diligence
- An AML Policy Template to help our Agents consider their risks and create the framework for their AML Policy
- Easy to access and download client onboarding and identity checks through the iamproperty compliance portal, allowing you to maintain records for audit purposes
- AML Certification allowing you to annually test your knowledge and understanding when it comes to Money Laundering obligations.
- Compliance Matters also provide free advice to Agents that use movebutler services. Compliance Matters can be contacted by calling 0161 727 8191 or emailing [david@compliance-matters.co.uk](mailto:david@compliance-matters.co.uk).

**DISCLAIMER:** This document is provided for guidance purposes only. It is based solely on iamproperty's interpretation of the NRA 2025 and AI has been used in part for the creation of this document. We strongly recommend you review the NRA 2025 in its entirety and obtain independent professional advice.

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