SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974 — Case No. 11605-2017

BETWEEN:

SOLICITORS REGULATION AUTHORITY — Applicant

and

PAUL ANTHONY DUMBLETON — Respondent

Before:
Ms J. Devonish (in the Chair)
Mrs C. Evans
Mrs N. Chavda

Date of Hearing: 11–15 December 2017

Appearances

Edward Levey, counsel, of Fountain Court Chambers, Fountain Court, Temple, London EC4Y 9DH for the Applicant.

Benjamin Tankel, counsel, of 39 Essex Chambers, 81 Chancery Lane, London, WC2A 1DD instructed by Andrew Tonge, solicitor, of Nexus Solicitors, Carlton House, 16-18 Albert Square, Manchester M2 5PE for the Respondent.

JUDGMENT

Allegations

1. The allegations against the Respondent made by the Solicitors Regulation Authority ("SRA") were that:

1.1 Having received monies for the purpose of discharging professional disbursements he failed to either pay those disbursements on to the appropriate recipients and/or in the absence of such payments transfer the monies from office to client account in breach of Rule 17.1(b) of the SRA Accounts Rules 2011 ("the SAR").

1.2 Failed to ensure that all dealings with client money were appropriately recorded in breach of Rule 29.1 of the SAR.

1.3 Withdrawn.

2. Whilst in practice as a principal of the Firm the Respondent:

2.1 Instructed Mr Lloyd-Lewis (the Firm's legal cashier) to effect transfers of funds received in respect of professional disbursements to office account but to then retain the corresponding cheques instead of sending them out to their rightful recipients. By doing so the Respondent breached Principles 2 and 6 of the SRA Principles 2011 ("the Principles").

3. Dishonesty was alleged with respect to allegation 2.1; however proof of dishonesty was not an essential ingredient for proof of that allegation.

Documents

4. The Tribunal reviewed all the documents submitted by the parties, which included:

- Notice of Application dated 27 January 2017
- Rule 5 Statement and Exhibit SM1 dated 20 January 2017
- Respondent's Answer to the Rule 5 Statement dated 15 May 2017
- Applicant's Reply to the Respondent's Answer dated 9 August 2017
- Applicant's Schedule of Costs dated 4 December 2017
- Respondent's Schedule of Costs dated 8 December 2017

Preliminary Matters

Applicant's Application to adduce additional Witness Evidence

5. The Applicant served statements of Shane Palmer and Robert Thomas on the Respondent on 4 December 2017. Mr Palmer was a former employee at the Firm in its accounts department. Mr Thomas was the reporting accountant who had prepared the Firm's accounts reports. On 6 December 2017, the Respondent confirmed that any application to admit that evidence and/or to adjourn the hearing was objected to. In a further email to the Tribunal dated 7 December 2017, the Respondent explained that if the choice was "between the admission of late evidence on the one hand or an adjournment on the other, an adjournment would prejudice [the Respondent] more greatly than the late admission of the evidence."

6. Mr Levey submitted that the question for the Tribunal to determine was whether the evidence could be fairly admitted. It was not disputed that the evidence was relevant and in part responsive to evidence served by the Respondent. As regards prejudice, the Applicant had offered to apply to adjourn the proceedings due to the late service of the evidence so as to give the Respondent an opportunity to consider that evidence. The Applicant had also offered to pay the Respondent's costs occasioned by any adjournment. As regards the admission of the evidence, it would be prejudicial to the Applicant not to allow it to call evidence in rebuttal of assertions made by the Respondent's witness. Whilst it was regrettable that the evidence had been served late, there was no real prejudice caused to the Respondent by the admission of that evidence, whereas there would be real prejudice to the Applicant if that evidence was not admitted.

7. Mr Tankel submitted that in the absence of the underlying documents upon which Mr Thomas had based the conclusions reached in his statement, the Respondent was unable to ascertain how he had reached those conclusions and would thus be prejudiced when it came to the cross examination of Mr Thomas. That issue was not resolved by the Applicant's assertion that Mr Thomas would attend with his complete file and that the file would be made available to the Respondent to look through. In order to be able to deal with that evidence effectively, the Respondent required time to examine and consider the evidence and the underlying documents. If the evidence was admitted, he would be unable to do so and would suffer real prejudice. Further, Mr Thomas' evidence was not wholly responsive, as it dealt which matters that had not been relied upon by the Applicant in its Rule 5 Statement. As regards Mr Palmer, his evidence was also more than responsive. He detailed matters upon which the Applicant sought to rely, that had not been particularised in its Rule 5 Statement; that was clearly prejudicial.

8. There was no question of fairness to the Applicant. The matter had been investigated three years ago, and the proceedings had been certified by the Tribunal as showing a case to answer on 21 March 2017; the Applicant had had a fair opportunity to put its case together. Rather than it being a question of fairness to the Applicant, it was in fact the Applicant breaching the Tribunal's order in relation to the mutual exchange of witness evidence. The fact that the Applicant was the regulator and acting in the public interest was not a "trump card" which allowed it to introduce evidence at any time. The only principled decision was to refuse the admission of the evidence and the application to adjourn.

9. The Tribunal determined that the statements were relevant and probative and were admissible. The decision as to whether to admit the evidence had to be balanced with any prejudice the Respondent may suffer. The Tribunal noted that a number of the issues raised in the statements were matters that were not new, and could be adequately dealt with by the Respondent in cross-examination. The Tribunal determined that the probative nature of the evidence outweighed any prejudicial effect. Accordingly, the Tribunal directed that the evidence be admitted, save for an exhibit attached to the statement of Mr Thomas. The prejudicial effect of that exhibit, it was determined, outweighed its probative value.

Respondent's Application to adduce additional Witness Evidence

10. At the conclusion of the Respondent's evidence, Mr Tankel applied to adduce additional witness evidence from Mr Buxton and evidence from Ms Dabinett. Given that the statements were obtained on 13 December 2017 during the course of the hearing, and without prior notice of any requirement to attend, the witnesses were not available to be tendered for cross examination. The Applicant did not object to the admission of that evidence. The Tribunal determined that the evidence was relevant and probative; the Respondent's application to admit the evidence was granted.

The Schedule created by Mr Palmer ("the SP Schedule")

11. During the course of his cross-examination, it was put to Mr Lloyd-Lewis that the schedule that he said had been created by Mr Palmer did not exist. Mr Lloyd-Lewis stated that the schedule did exist and that he had brought a copy of it with him. The Applicant applied for the schedule to be disclosed and admitted into evidence. The Respondent did not object to its admission. The Applicant's application to admit the evidence was granted.

Application to withdraw Allegation 1.3

12. Mr Levey submitted that in the course of correspondence with the Respondent, it had been agreed that the Applicant would not pursue allegation 1.3 against the Respondent. Accordingly, an application was made to withdraw allegation 1.3. That application was granted.

Factual Background

13. The Respondent was born in 1958 and was admitted to the Roll in August 1988. His name remained on the Roll. He did not hold a current practising certificate.

14. Beech Jones Limited ("the Firm") was a recognised body which commenced trading on 30 September 2011. The Respondent was a director of the Firm. He resigned on 1 October 2014. The Firm entered liquidation and closed on 21 November 2014. A forensic investigation, due to concerns regarding the Firm's financial stability, commenced without notice on 20 November 2014. The Investigation Officer ("FIO") produced an interim report dated 9 December 2014 ("the Interim Report"), and a final report dated 9 November 2015 ("the Final Report").

15. On attending the Firm, the FIO was informed by Martin Gabriel who was a part owner of the Firm ("MG"), that a decision had been taken to close the Firm following the unexpected departure of the Respondent on or about 22 or 23 October 2014. He further explained that the Respondent was the managing partner and that he retained sole responsibility for the running of the Firm to the extent that neither he nor Barrie Jones, (a Director of the Firm since his appointment on 1 October 2012 ("BJ")), had authority to make any payments from office or client bank accounts with the exception of routine payments in relation to ongoing legal matters.

16. The FIO noted that client ledgers showed that payment had been made for disbursements and that monies had been transferred from client to office account for payment of the same. This was not an accurate reflection of the position as the corresponding cheques had been retained at the Firm, and had not been sent out to the intended recipients.

17. On 25 November 2014 Mr Lloyd-Lewis produced a schedule of all unpaid fees which totalled £285,270.82 ("the LL Schedule"). The LL Schedule identified £191,589.35 of unpaid counsels' fees and other unpaid fees of £93,681.47. He also provided the FIO with a file containing fee notes that remained unpaid despite money for payment having been received. Attached to the fee notes were signed cheques.

18. On 27 November 2014, Mr Lloyd-Lewis wrote to the FIO and stated that:

> "Counsel fees cheques issued and not paid. I have found a schedule from my colleague, Shane, which shows approx. £145k compared to my £191k so perhaps it should be something in between".

19. On 23 December 2014, Mr Thomas provided the Firm's Accounts report for the period 1 October 2013 – 21 November 2014 to the SRA. The report stated that there had been a "substantial departure" from the SAR as "Funds were transferred from client account to office account to cover professional disbursements. Cheques were raised in office account to pay these professional disbursements but did not clear the bank and the clients funds have not been returned to client account. Breach of rule 17.1(b)(ii)."

Witnesses

20. The following witnesses provided statements and gave oral evidence:

- Richard Esney – Forensic Investigation Officer
- Robert Thomas – Former Reporting Accountant for the Firm
- Byron Lloyd-Lewis – Former Accounts Manager at the Firm
- Shane Palmer – Former Accounts Assistant at the Firm
- Martin Gabriel – Former Director of the Firm
- Paul Dumbleton – Respondent

21. The following witnesses provided statements:

- Barrie Jones – Former Director of the Firm
- Michael Buxton – Chartered Accountant
- Hannah Dabinett – Former Lexcel and Administration Manager at the Firm

22. The written and oral evidence of the witnesses is quoted or summarised in the Findings of Fact and Law below. The evidence referred to will be that which was relevant to the findings of the Tribunal, and to facts or issues in dispute between the parties. For the avoidance of doubt, the Tribunal read all of the documents in the case and made notes of the oral evidence. The absence of any reference to particular evidence should not be taken as an indication that the Tribunal did not read, hear or consider that evidence.

Findings of Fact and Law

23. The Applicant was required to prove the allegations beyond reasonable doubt. The Tribunal had due regard to the Respondent's rights to a fair trial and to respect for his private and family life under Articles 6 and 8 of the European Convention for the Protection of Human Rights and Fundamental Freedoms.

24. **Allegation 1.1 - Having received monies for the purpose of discharging professional disbursements he failed to either pay those disbursements on to the appropriate recipients and/or in the absence of such payments transfer the monies from office to client account in breach of Rule 17.1(b) of the SAR.**

Allegation 1.2 - Failed to ensure that all dealings with client money were appropriately recorded in breach of Rule 29.1 of the SAR.

Applicant's Submissions

24.1 Rule 17.1(b) of the SAR required that where monies were received for the payment of professional disbursements incurred but not yet paid, those disbursements must either be paid within two working days, or the monies should be transferred to client account.

24.2 Rule 29.1 of the SAR required that accounting records must be properly written up to show the dealings with client money received or held.

24.3 During his investigation, the FIO identified that the Firm's books of account were not in compliance with the SAR as client ledgers did not accurately reflect the correct position; ledgers indicated that various disbursements had been paid when that was not the case. The failure to pay those disbursements led to a cash shortage on client account.

24.4 Mr Levey exemplified the following matters:

Matter of J

24.4.1 A fee note dated 14 July 2014 in the sum of £4,244.04 was delivered. Attached to the fee note was a signed cheque for the full amount, dated 18 July 2014. A bill was delivered to the client which included those fees. Funds were received from the client, and monies were transferred from client to office account to pay those fees on 18 July 2014, however the cheque was not sent to counsel. The bill to the client, and the transfer of monies between office and client account for the payment of the fees were noted on the ledgers. In an email dated 10 November 2014, counsel stated that he had not received payment of those fees. The outstanding fees appeared on both the LL Schedule and the SP Schedule.

Matter of K

24.4.2 A fee note in the sum of £960, for work undertaken on 4 June 2014 was delivered. An equivalent sum was transferred from client account to office

account on 1 August 2014 for that payment, however the cheque was not sent to counsel. The bill to the client, and the transfer of monies between office and client account for the payment of the fees were noted on the ledgers. In an email dated 13 July 2017 from counsel's clerk, it was confirmed that payment of the fees remained outstanding. The outstanding fees appeared on both the LL Schedule and the SP Schedule.

Matter of P

24.4.3 A fee note dated 10 July 2014, in the sum of £12,000 was delivered. Attached to the fee note was a signed cheque for the full amount, dated 8 August 2014. At the time when the fee note was delivered, there were no funds in client account. A bill was delivered to the client and funds were received. The bill included counsel's fees. Monies were transferred from client account to office account on 8 August 2014 for the payment of counsel's fees, however those fees remained outstanding. The bill to the client, and the transfer of monies between office and client account were noted on the ledgers. The outstanding fees appeared on both the LL Schedule and the SP Schedule.

Matter of Z

24.4.4 A fee note dated 25 June 2014, in the sum of £3,885, and a fee note dated 19 May 2014 in the sum of £4,410 were delivered. Attached to both fee notes were signed cheques for the full amounts, both dated 14 July 2014. Monies were received from the client for the payment of those fees. On 14 July 2014 sums were transferred from client account to office account for the settlement of those fee notes. The bill to the client, and the transfer of monies between office and client account were noted on the ledgers. In his email of 10 November 2014, counsel stated that he had not received payment of those fees. The outstanding fees appeared on both the LL Schedule and the SP Schedule.

Matter of W

24.4.5 A fee note dated 25 April 2013, in the sum of £1,680 was delivered. Attached to the fee note was a signed cheque for the full amount, dated 19 March 2014. On 14 March 2014 monies were received into client account for the settlement of costs and disbursements. On 19 March 2014 a bill was delivered to the client, and on that date monies were transferred from client account to office account in settlement. The bill to the client, and the transfer of monies between office and client account were noted on the ledgers. Counsel's fees remained outstanding. The outstanding fees appeared on both the LL Schedule and the SP Schedule.

Matter of S

24.4.6 An invoice dated 18 July 2014, in the sum of £1,991.26 was delivered. Attached to the invoice was a signed cheque for the full amount, dated 24 July 2014. Monies for the payment of that invoice were transferred from client account to office account on 24 July 2014, however the invoice

remained unpaid. The bill to the client, and the transfer of monies between office and client account were noted on the ledgers. The outstanding invoice appeared on the LL Schedule.

Matter of C

24.4.7 A fee note dated 13 May 2014, in the sum of £5,580 was delivered. Attached to the invoice was a signed cheque for the full amount, dated 4 July 2014. A fee note dated 2 June 2014, in the sum of £10,309.08 was delivered. Attached to the invoice was a signed cheque in the sum of £4,729.08, dated 27 August 2014. The bills to the client, and the transfer of monies from client account to office account for the payment of those fees were noted on the ledgers. In an email dated 10 November 2014, counsel stated that he had not received payment on this matter in a sum in excess of those fees. The outstanding fees appeared on both the LL Schedule and the SP Schedule.

Respondent's Submissions

24.5 In his skeleton argument dated 6 December 2017, Mr Tankel accepted, on the Respondent's behalf that there had been breaches of Rule 17 and Rule 29.1 in relation to the matters of J and K. During his closing submissions, Mr Tankel accepted on the Respondent's behalf that all the matters exemplified by the Applicant during the hearing (and detailed above) demonstrated that there had been breaches of Rule 17 and Rule 29.1.

24.6 It was submitted that the Respondent's maintenance of his defence in relation to the exemplified matters should not be held against him. In circumstances where the Respondent had believed that payments were made by transfer, it was not unreasonable for him to want to see the bank statements so as to check whether payment had been made. The statements were not included in the evidence served by the Applicant. In the absence of those statements, and the SP Schedule, the retained cheques were not conclusive proof that the Rules had been breached. Further, the Respondent had believed that the LL Schedule was the schedule which it was being submitted demonstrated that monies had been received and payment retained. There was nothing on the LL Schedule that made it clear that there had been breaches of Rule 17. The LL Schedule included a number of items, including numerous office expenses. The Respondent had also relied on the findings of Mr Buxton, who in his report dated 31 October 2017, had identified the breaches in the matters of K and J (hence the Respondent's admission in relation to those matters prior to the hearing), but had not found the other matters to be conclusively proven. The Respondent continued to deny that there had been a breach of the Rules in relation to the matter of G.

The Tribunal's Findings

24.7 In the Rule 5 Statement the Applicant submitted that there was a minimum cash shortage of £26,546.21. This included the amount of £8,100 on the matter of G. The Tribunal noted that this particular shortage, and any breach of the SAR, was not put to the Respondent during the hearing. The Respondent had explained that this was a book-keeping error, and that payment received for profit costs was incorrectly

recorded as payment received for disbursements. The Tribunal could not be sure, beyond reasonable doubt that the payment in the matter of G was for disbursements, and accordingly did not find that monies were taken by the Firm in breach of Rule 17.1(b).

24.8 Save for the matter of G detailed above, the Tribunal found beyond reasonable doubt that there had been breaches of the relevant accounts Rules as alleged. Monies had been transferred from client account to office account for the settlement of unpaid professional disbursements, however those disbursements were not then paid to the relevant recipient within 2 days as was required by Rule 17.1(b). The ledgers showed that those disbursements had been paid when that was not in fact the case, thus the ledgers did not accurately reflect dealings with client monies in breach of Rule 29.1. This was the conclusion of both the FIO and Mr Thomas, both of whom confirmed that they had reached that conclusion independently. Accordingly the Tribunal found allegations 1.1 and 1.2 proved beyond reasonable doubt on the facts, evidence and admissions of the Respondent.

25. **Allegation 2.1 - Instructed Mr Lloyd-Lewis (the Firm's legal cashier) to effect transfers of funds received in respect of professional disbursements to office account but to then retain the corresponding cheques instead of sending them out to their rightful recipients. By doing so he breached Principles 2 and 6 of the Principles.**

Applicant's Submissions

25.1 The central issue was whether the Respondent instructed Mr Lloyd-Lewis not to pay professional disbursements when the Firm had received funds in respect of those disbursements and the Respondent instructed Mr Lloyd-Lewis to transfer the funds from client to office account. Mr Levey submitted that the seven exemplified matters were specific examples of a wider practice within the Firm that was ongoing from around June 2014 until the Respondent's departure.

25.2 During a meeting with the FIO on 25 November 2014, Mr Lloyd-Lewis informed the FIO that monies were initially received into the Firm's client account before being transferred into the office account. The Respondent would direct that the disbursements were not paid; cheques were written but not sent out. The client ledger would indicate that the disbursement had been paid when that was not in fact the case. He also explained to the FIO that he had advised the Respondent that failure to pay the disbursements was a breach of the SAR, but that the Respondent continued to direct non-payment.

25.3 Following a request for clarification, Mr Lloyd-Lewis emailed the FIO on 28 November 2014 explaining that he would show the Respondent the report and "explain to him on a number of occasions that these had been paid by the client and we would need to pay these asap … I had told him in the past how much was owing to Counsels (sic) and we had received monies from Clients…"

25.4 In his statement of 23 July 2016, Mr Lloyd-Lewis explained that he became concerned about the direction of the Firm in June 2014, as he could see that the Firm was spending more than it was making. He often told the Respondent that certain fee

notes needed to be paid. The Respondent would decide whether payment could be made. He stated that:

> "I was aware of situations where we had received money from the client intended for the payment of Barristers' fees but [the Respondent] would refuse to make the payment. In these cases the money would have been transferred from client account to the office account. I do not know why [the Respondent] would refuse to authorise payment in these cases as the money had been received from the client for the payment."

25.5 Mr Lloyd-Lewis also explained that the Respondent maintained complete control over which of counsels outstanding fees would be paid. A schedule of outstanding fees was maintained by the accounts department; the schedule would be discussed with the Respondent who would decide which fees could be paid. As regards the withheld cheques:

> "The cheque for payment of the fees would have been written and the money transferred from client to office bank account however the cheque would not have been sent out. I knew this to be the case with absolute certainty as I would keep the cheque in a book. [The Respondent] would then tell me to "keep hold of that one" or would allow me to release others as he saw fit. … I would regularly tell [the Respondent] about the number of outstanding fee notes which amounted to some £140,000.00. He was completely aware of the position and had sight of the schedule prepared by me and my assistant which itemised the outstanding amounts. … I understand that [the Respondent] has indicated that he was unaware of the position in relation to unpaid disbursements. I find that ridiculous as it was something we discussed on a regular basis. … [The Respondent] knew everything in relation to the running of the firm and was certainly aware of the financial position of the firm including the unpaid fee notes."

25.6 In a further statement of August 2017, Mr Lloyd-Lewis stated that the Firm began holding back the payment of disbursements, despite the money having been received, in June 2014, when the Firm started to experience cashflow problems, as a result of which:

> "… it became more difficult to ensure that all disbursements were paid. Gradually it became the case that the payment of some disbursements, not all, would be withheld despite the firm having received the money to make those payments. I would say this situation arose gradually rather than being a specific direction. … I understand that [the Respondent] has stated that he did not have knowledge of the fact that money had been received in order to pay disbursements. That is not true. [The approval sought by Mr Lloyd-Lewis from the Respondent for the payment of disbursements] included seeking approval for the payment of disbursements, despite money having been received for that explicit purpose."

25.7 Mr Lloyd-Lewis further explained that he had produced a schedule of payments to be made to the FIO, but that further schedules were maintained by Mr Palmer which identified cases where money had been received for the payment of disbursements however they remained unpaid:

> "I would generally take these schedules into a meeting with [the Respondent] and we would discuss it. [The Respondent] was fully aware of situations where money had been received for the payment of disbursements but would still refuse to authorise the payment of some disbursements. Not only did we discuss these specific issues but I recall that the schedules maintained by [Mr Palmer] made it clear on which cases the money had been received. There is no doubt in my mind that [the Respondent] was fully aware of the situation and made the informed decision to withhold the payment of disbursements."

25.8 Whilst in his August 2017 statement Mr Lloyd-Lewis found it "difficult to comment on the scale or number of matters where the payment of disbursements was withheld", he stated that following the onset of cashflow problems in June 2014, "the practice of delaying payment of disbursements became common."

25.9 In his oral evidence, Mr Lloyd-Lewis confirmed that it was very unlikely that fees were paid by electronic transfer; this would only happen rarely. The reduction in the overdraft facilities had a massive impact on the Firm. He accepted that it was possible that on occasion there could have been confusion between the information he provided and what the Respondent understood, however he did not accept that there was an ongoing misunderstanding between him and the Respondent as regards the disbursements where monies had been received and cheques retained. The SP Schedule made the position clear; it listed the date the cheque was raised and clearly showed that the cheque had not been sent. Mr Lloyd-Lewis explained that he would attend meetings with the Respondent on a regular basis and would bring the SP Schedule together with the cheques which he kept in a signature book. There was no possibility for confusing those cheques with other professional disbursements or office expenditure, as the signature books only contained cheques for counsels' fees. Further, when he discussed the issue of the retained cheques with the Respondent he specifically referred to breaches of the SAR.

25.10 Mr Palmer confirmed that he had created the SP Schedule. It had not been created at the specific request of the Respondent in or around June 2014, it was a living document that he had updated regularly. It had previously been in a different format, containing the same information, but he had made it easier to read by re-formatting the document. It had been created so as to keep a running record of the situation with counsels' fees. Mr Palmer stated that payments to counsel by electronic transfer were rare; in 95% of cases payment was made by cheque. In the event that a cheque had been written, and payment was subsequently made by electronic transfer, the physical cheque would be struck through and attached to the stub in the cheque book. The ledger would then be amended to reflect that the matter had not been paid by cheque but by electronic transfer, and the record on the ledger of the payment by cheque would be "reversed" out of the ledger. When it was put to Mr Palmer that the SP Schedule was not a list of Rule 17 breaches, Mr Palmer explained that it was a list

of cheques raised where monies had been received into client account and the cheques were not sent out.

25.11 Mr Levey submitted that the evidence of Mr Lloyd-Lewis was very clear – the Respondent had, knowing that monies had been received for payment, directed Mr Lloyd-Lewis to retain those monies. This was a deliberate direction and was not the result of confusion or crossed wires. The SP Schedule was also very clear and showed that monies had been received and cheques had been written but not sent. This was shown to the Respondent regularly – there could be no confusion about what it meant. Further, there could be no confusion or misunderstanding when the Respondent was informed by Mr Lloyd-Lewis that the retention of the monies was in breach of the SAR.

25.12 As regards the quirk in the software, Mr Lloyd-Lewis said in his August 2017 statement that he recalled that the software did not allow for the provision of anticipated disbursements and as such it was the case that cheques would have to be written in situations where monies had not been received for the payment of disbursements.

25.13 In his skeleton argument, Mr Levey explained that Mr Lloyd-Lewis no longer believed his statement to be correct, as the quirk related to a previous software package (AIM) that had been changed a few years prior to the events in question. Accordingly, the concession made in the Applicant's Reply as to the quirk in the software was withdrawn, as it was based on what was now understood to be the mistaken position of Mr Lloyd-Lewis.

25.14 In his oral evidence, Mr Lloyd-Lewis explained that he could not be sure that the quirk did not exist in the new accounting software (Partner), as he was not very involved in putting matters onto the ledgers using Partner. He deferred to the knowledge of Mr Palmer on that point, as Mr Palmer used Partner more frequently and recorded the daily transactions and book-keeping on that system.

25.15 Mr Palmer confirmed that previously cheques needed to be written before a disbursement could be logged onto the system, as a cheque number was required in order to log the disbursement. This quirk was remedied with the move to Partner. With reference to the SP Schedule, Mr Palmer stated that the quirk was remedied by October 2012, as bills appeared on the SP Schedule that were dated October 2012, but did not have an associated cheque number. This meant that the bill had been logged without the need for a physical cheque to be written.

25.16 In response to a question from the Tribunal, Mr Palmer explained that it would take no more than five days for a quirk cheque to be issued and signed. When there was no quirk, the disbursement would be added to the system as an unpaid disbursement and then billed to the client. No cheque would be raised until the bill had been settled by the client.

25.17 Mr Levey submitted that the documentary evidence proved, on a number of occasions, that the quirk had been resolved. For example, in the matter of C, the fee note was dated 13 May 2014. The disbursement was added to the system and billed to the client on 22 May 2014. The cheque was dated 4 July 2014. Had the quirk still

existed at that time, the cheque would have been written when the disbursement was added to the system, and so would have been written in May 2014. Given that the Respondent authorised the payment of all disbursements, he would have realised when he signed the cheque that the quirk no longer existed – the cheque being written two months after the date of the invoice.

25.18 Mr Levey submitted that the Respondent's reliance on a quirk in the accounting system was, in any event, a red-herring. The Applicant's case did not rely on the existence of the physical cheques that had not been sent out to the recipients, but on the fact that the Firm had received money to cover disbursements, and having transferred that money from client to office account, failed to pay those disbursements.

Respondent's Submissions

25.19 The Respondent denied that he had instructed Mr Lloyd-Lewis to withhold payment of professional disbursements in circumstances where he knew that relevant sums had already been paid into the Firm.

25.20 In his email to the FIO of 27 November 2017, the Respondent stated:

> "You said that the Accounts Manager knew of breaches of the accounting rules and told me of them. He did not. Nor as far as I am aware did he tell Mr Gabriel or our reporting accountants. … Most payments have for some time been made by bank transfer. The Accounts Manager and his assistant have full authority to make such transfers. … I am told by our Accounts Manager that it is a feature of our accounts software (Partner an SRA recommended providers (sic)) that an invoice or fee note cannot be put on the system unless a corresponding cheque is drawn. This has caused some consternation in the past and has been noted by our reporting accountants. So a cheque might be drawn even if:
>
> 1. We had not been paid
> 2. The invoice or fee note or part of it was in dispute."

25.21 In a response from the Respondent's then solicitors dated 12 August 2015, to a letter from the FIO dated 22 July 2015, it was confirmed that the Respondent was not aware of any shortage on the client account. He accepted that he discussed the non-payment of professional disbursements with Mr Lloyd-Lewis. He had no recollection of ever instructing anyone at the Firm to withhold payment of a professional disbursement despite having received money intended to make such a payment. The Respondent explained that fee earners did not need to seek his approval before paying disbursements, the fee earner handling a file would mandate the payment of counsel's fees on that file. He did not recall the LL Schedule; he discussed many schedules with Mr Lloyd-Lewis. The Respondent also confirmed that Mr Lloyd-Lewis was authorised to pay professional disbursements without recourse to him (the Respondent) first.

25.22 In Mr Buxton's report of 19 February 2016, it was explained that the quirk in the accounting system which required a cheque reference to be produced when entering office expenses, disbursements and invoices onto the office side of the client ledger was common knowledge and an agreed anomaly with Mr Lloyd-Lewis, the Directors and Mr Thomas. Further:

> "With regards to [the Respondent] permitting Mr Lloyd-Lewis to write cheques in respect of disbursements and then retaining those cheques this would appear to be linked to [the quirk]. [The Respondent] has no recollection of instructing Mr Lloyd-Lewis to retain payment on any professional disbursements unless there was a genuine reason, such as a dispute of the amounts payable … the Accounts Manager had been delegated the task of ensuring the firm's fees were paid over on a timely basis from client account and that any professional disbursements were dealt with as per Rule 17 … [the Respondent] assumed that Mr Lloyd-Lewis was dealing with these correctly."

25.23 In his Answer to the Rule 5 Statement, the Respondent explained his understanding of the quirk, and re-iterated his belief that the numerous unpresented cheques were as a result of that quirk. He also detailed the payment system in place at the Firm. The Respondent (or Mr Gabriel) would authorise the payment of a disbursement once it had been considered and authorised by the relevant fee earner. When a client paid a disbursement invoice, it was Mr Lloyd-Lewis's responsibility to allocate it to the relevant invoice; the Respondent was not involved in the "mechanical exercise of paying out for disbursements money that had come in for disbursements"; he was not involved in that process. Further:

> "Given that it was no part of [the Respondent's] … role to approve or otherwise the payment out of disbursements when money that (sic) had come in for disbursements, [the Respondent] was simply not in a position to orchestrate the widespread withholding of professional fees as (appears to be) alleged."

25.24 In his witness statement, the Respondent again confirmed his understanding that the unpresented cheques were as a result of the quirk, and that as far as he was concerned once Mr Lloyd-Lewis had determined that incoming monies related to a professional disbursement he would then make the appropriate payment. The Respondent did not expect or ask to be involved with the mechanics of such payments as the process was already determined.

25.25 In his oral evidence the Respondent explained that he did not accuse Mr Lloyd-Lewis of being untruthful in his statements or evidence. He explained that they may have been at cross purposes in that during their meetings Mr Lloyd-Lewis *thought* he was telling the First Respondent about retained cheques where monies had been paid but the First Respondent had not understood this. The retention of monies in breach of Rule 17 may well have happened as a result of miscommunication either in the accounts department or between the accounts department and himself. At no point did Mr Lloyd-Lewis tell the Respondent that monies were being retained in breach of Rule 17. The Respondent did not accept that the SP Schedule had ever been discussed with him by Mr Lloyd-Lewis, and he had no recollection of ever having

seen it before it was produced in the proceedings. He believed that the SP Schedule had been prepared at his request in or around October 2014, but that he had left the Firm prior to seeing it. He did not believe that the SP Schedule was a living document, and was not the type of document that he would need to see.

25.26 The Respondent stated that he would have expected Mr Lloyd-Lewis to bring to his attention any breaches of Rule 17. Had the list been in existence as a living document, showing that there was £97,000 of fees that should have been paid to counsel but were not, the accounts department would have brought this to his attention in the same way that they had previously informed him when they had discovered minor breaches of the Rules.

25.27 The Respondent confirmed that there was no difference in relation to the process for the authorisation of any disbursements.

25.28 Mr Tankel submitted that Mr Lloyd-Lewis's evidence was changeable, vague and unclear. His witness statements did not distinguish between money received for the payment of professional disbursements and other disbursements. In his first statement he described telling the Respondent that "certain fee notes" needed to be paid. This lacked clarity. He was "aware of situations" where monies had been received from the client for payment of invoices, but he did not suggest how many times this had occurred. When he spoke of the Respondent refusing to authorise payment, it was not clear that the Respondent was aware that monies had come in for the payment of those disbursements. He did not distinguish between monies paid in for professional disbursements, or disbursements generally or that he had told the Respondent about monies received into the Firm.

25.29 If the SP Schedule was the one that was discussed with the Respondent on a regular basis, it was extraordinary that this was not provided to the FIO. Further, the SP Schedule was not a list of Rule 17 breaches. Even if the Tribunal accepted that Mr Lloyd-Lewis went to meetings with the Respondent and took the signature book with him, that book would contain a mixture of cheques that were retained in breach of Rule 17 as well as cheques that had been written due to the quirk in the accounting system. The Respondent would not know that the cheques contained in the book were there for any reason other than that there was a quirk.

25.30 Mr Lloyd-Lewis was referred to an email dated 21 January 2013, sent by the Respondent to Mr Thomas and copied to accounts. In that email the Respondent asked:

> "Byron – is the balance reflecting cheques drawn for disbursements and creditors not sent because they have to be drawn for the software peculiarities?"

25.31 In response to that email Mr Lloyd-Lewis stated "Yes they are Paul".

25.32 This was unchallenged evidence that the Respondent and Mr Lloyd-Lewis believed that the quirk was still in existence in January 2013. It was clear from his evidence that the Respondent was unaware that the quirk had been resolved. Indeed, Mr Lloyd-Lewis was not aware of the correct position as was demonstrated in his

changing evidence in that regard. Mr Tankel submitted that if the Accounts Manager could not be sure of the position, the Respondent had little hope of being any clearer.

25.33 Mr Tankel asked Mr Palmer to comment on the email dated 21 January 2013, referred to in paragraph 25.31 above. Mr Palmer explained that when the Firm moved from Aim to Partner, all matters were transferred across, including those where cheques had been raised due to the quirk. There were therefore some instances recorded on Partner where quirk cheques had been drawn, but they were historic. No cheques were written using the Partner system until funds for payment had been received. He also confirmed that the signature book could contain both historically written quirk cheques, and cheques where money had been received but the cheque had not yet been sent.

25.34 There were further emails dated 17 and 22 September 2014 that referred to adjustments required due to the outstanding cheques. The Respondent understood these adjustments to be necessary because of the accounting quirk.

25.35 In her statement of 13 December 2017, Ms Dabinett confirmed that she was aware that there was a quirk in the accounting system. In his witness statement of 13 December 2017, Mr Buxton explained that in April 2017 he was informed by the software company that produced the Partner software that the quirk (as described by the Respondent) had previously existed, but had been resolved by way of a software update, although the company was unable to say when. Mr Tankel submitted that the real issue was not whether and when the quirk was resolved, but the Respondent's understanding in relation to that issue.

25.36 The Respondent's position had been consistent since the outset of the proceedings. He believed that when he saw books of unpresented cheques, or references to 'cheques not sent', those cheques and references related to cheques written as a result of the quirk in the software. This meant that when he was speaking with Mr Lloyd-Lewis, they were speaking at crossed purposes. Mr Tankel submitted that Mr Lloyd-Lewis was not the most lucid communicator when he gave his evidence, and so perhaps he had not made himself clear when he was in meetings with the Respondent. The non-specific references made by Mr Lloyd-Lewis sustained the Respondent's understanding that the quirk remained, and the unpresented cheques were a consequence of the quirk.

25.37 Mr Tankel submitted that the Respondent's belief that there was a quirk leading to the existence of unpresented cheques was both reasonable and credible. The email of 21 January 2013 specifically referred to the quirk, and it was not disputed by any of the Applicant's witnesses that a quirk had existed.

25.38 As regards a motive for the deliberate retention of payments, it had been suggested by Mr Lloyd-Lewis that the Firm was experiencing cashflow issues. Mr Gabriel stated in his oral evidence that he attended regular meetings with the Respondent in relation to cashflow. At no point was there a suggestion in those meetings that the Firm suffered from anything other than the usual cashflow issues. Mr Tankel submitted that if the Firm was in financial difficulties, that would have been mentioned at those meetings. Mr Tankel referred the Tribunal to the cashflow forecasts prepared by external accountants. Whilst the forecasts were projections, they were the best evidence of the

cash flow position. As to the reducing overdraft facilities, given the cashflow projections, the bank had offered to reduce the facility over time, with a review of the position the following year.

25.39 Mr Tankel submitted that when assessing the Respondent's credibility, the Tribunal should note the consistency of the explanations provided by him; his position had remained unchanged throughout – the explanation he had given to the FIO was the same as the explanation given to the Tribunal and provided in his written evidence. Further, the Respondent had no motive to direct the retention of payments and thus breaches of the SAR.

The Tribunal's Findings

25.40 The Tribunal considered the evidence of Mr Lloyd-Lewis. The Tribunal noted that on 25 November 2014, Mr Lloyd-Lewis told the FIO that he had informed the Respondent that the failure to pay the disbursements represented a breach of the Rules but that the Respondent continued to direct that the disbursements should not be paid. When asked by the FIO whether he had made the Respondent aware that non-payment represented a breach of the Rules, Mr Lloyd-Lewis responded "gosh, I told him it was wrong".

25.41 In his email to the FIO of 28 November 2014, Mr Lloyd-Lewis clearly stated that he showed the Respondent the report and explained to him "on a number of occasions that these had been paid to the client and would need to be paid asap" and that "I had told him in the past how much was owing to Counsels (sic) and we had received monies from Clients".

25.42 In his statement of 23 July 2016, Mr Lloyd-Lewis stated the Respondent's assertion that he was unaware of the position in relation to unpaid disbursements was "... ridiculous as it was something we discussed on a regular basis. He was also fully aware of the schedule of unpaid disbursements that I maintained with Shane's assistance." His statement of August 2017 was similarly clear: "I understand that [the Respondent] has stated that he did not have knowledge of the fact that money had been received in order to pay disbursements. That is not true ... I would seek [the Respondent's] approval for the majority of payments out of the firm. That included seeking approval for the payment of disbursements, despite money having been received for that explicit purpose."

25.43 His oral evidence was similarly consistent as regards the provision of information about the breaches to the Respondent, and he was clear that the Respondent fully understood the position.

25.44 The Tribunal determined that far from being 'vague, changing and unclear' as was submitted by Mr Tankel, the evidence of Mr Lloyd-Lewis was clear and consistent in relation to his having told the Respondent that cheques were being retained in breach of the Rules. The Tribunal found the evidence of Mr Lloyd-Lewis to be compelling and unequivocal in that regard, and accepted that evidence as being an accurate reflection of the facts.

25.45 The Tribunal did not find that the Respondent and Mr Lloyd-Lewis were talking at cross purposes, and accepted the suggestion that this was the case was "frankly ridiculous". Whilst it was possible that on occasion there could be some misunderstanding, the Tribunal did not accept that there was an ongoing and continuous misunderstanding on the part of the Respondent in relation to the retained monies; the Tribunal did not find it credible that the Respondent was confused as regards the status of those monies.

25.46 The Tribunal found that there was a quirk in the accounting system that had led to the Firm having to write cheques prior to the receipt of funds. It also accepted that the Respondent may have believed that the quirk had not been remedied with the move to the new accounting system. Whilst this would have explained the existence of a number of unpresented cheques, it was not relevant to whether the Respondent knowingly instructed Mr Lloyd-Lewis to retain cheques that should have been sent out. It was not suggested that the signature books containing the unpresented cheques were left with the Respondent for him to decide which cheques were to be sent out. Had that been the case it was conceivable that the Respondent would not have known which matters required payment so as to ensure there was no breach of Rule 17. Mr Lloyd-Lewis discussed the unpresented cheques with the Respondent and made him aware that certain cheques were required to be sent out as the money for payment of those cheques had been received from clients, and those monies had been transferred into the office account.

25.47 The Tribunal also accepted that there was an authorisation process in place as regards payment of disbursements. However, it did not accept that the Respondent, having authorised an invoice then had no further involvement in approving the actual payment. The quirk required authorisation of the invoice on receipt, at which point a cheque was also required. The Tribunal found it inconceivable that the Respondent would not be consulted about the actual payment, and whether and when it could be made. The assertion that he had no further involvement led to the conclusion that he left the financial management of the Firm in the hands of his accounts team. The evidence of Mr Gabriel, Mr Jones, Mr Palmer and Mr Lloyd-Lewis was that the Respondent maintained strong financial control of the Firm. The Tribunal found that to be the case.

25.48 The Tribunal found the Respondent's explanation contained in his statement as to why errors may have occurred, such that there was no deliberate breach of the Rules to be unconvincing.

25.49 Given the above, the Tribunal found that the Respondent had directed Mr Lloyd-Lewis to transfer funds received for the payment of professional disbursements to office account and to then retain the cheques rather than send them to the intended recipients.

25.50 Having made those findings, the Tribunal then went on to consider the SP Schedule. The Tribunal found that the SP Schedule provided further support to the evidence of Mr Lloyd-Lewis and Mr Palmer. It was one of the schedules that Mr Lloyd-Lewis regularly discussed with the Respondent. The Tribunal accepted Mr Lloyd-Lewis's and Mr Palmer's evidence that this was a living document that was regularly updated. The Tribunal noted that in his oral evidence, the Respondent stated that he believed

that the SP Schedule had been created following a request from him in October 2014. However, he also stated that it contained information that he had no reason to want to see. The Tribunal found the Respondent's evidence in this regard to be contradictory. It was highly unlikely that a schedule would be produced at the request of the Respondent that contained information that he did not need or want to see.

25.51 The section of the SP Schedule entitled "Counsels Fees Cheques Raised and Not Sent" clearly showed that cheques had been written to counsel and not sent out. If that was the full extent of the SP Schedule, it was conceivable that it could be misconstrued. However, the SP Schedule also detailed "Counsels Fees Cheques **Raised and Sent**", "Counsels Fees Billed and Not Paid" and "Counsels Fees not Billed" **(the Tribunal's emphasis)**. The Tribunal determined that reading the SP Schedule as a whole, including the details as to when bills had been paid, it was clear that the section entitled "Counsels Fees Cheques Raised and Not Sent" referred to fees that had been billed to and paid by the client. It was equally clear from the column detailing cheque numbers that a cheque for payment had been written. It was similarly clear from the blank boxes in the cheque sent column that cheques had not been sent to counsel. The Tribunal considered that even if the Respondent had been too busy to look at the SP Schedule in full, Mr Lloyd-Lewis regularly discussed the raised and not sent cheques with the Respondent at their meetings, such that he was aware of that issue.

25.52 The Tribunal found that the Respondent's actions were clearly in breach of Principle 2 – no solicitor, acting with integrity, would direct the retention of monies that ought to have been used for the payment of professional disbursements, and had been provided for that specific purpose. In failing to act with integrity he had also failed to behave in a way that maintained the trust the public placed in him and in the provision of legal services in breach of Principle 6. Accordingly, the Tribunal found allegation 2.1 proved beyond reasonable doubt.

26. **Dishonesty**

26.1 Mr Levey submitted that should the Tribunal find allegation 2.1 proved, it would follow that the Respondent had acted dishonestly as the practice of withholding fees could not be done in an honest way.

26.2 Mr Tankel submitted that the Respondent had not directed the withholding of fees and thus denied dishonesty.

26.3 The Tribunal considered that the appropriate test for dishonesty was that formulated by Lord Hughes in Ivey v Genting Casinos [2017] UKSC 67:

> "When dishonesty is in question the fact-finding tribunal must first ascertain (subjectively) the actual state of the individual's knowledge or belief as to the facts. The reasonableness or otherwise of his belief is a matter of evidence (often in practice determinative) going to whether he held the belief, but it is not an additional requirement that his belief must be reasonable; the question is whether it is genuinely held. When once his actual state of mind as to knowledge or belief of those facts is established, the question whether his conduct was honest or dishonest it to be determined by the fact-finder by

applying the (objective) standards of ordinary decent people. There is no requirement that the defendant must appreciate that what he has done is, by those standards, dishonest."

26.4 Given the Tribunal's findings in relation to allegation 2.1 above, the Tribunal found that the Respondent knew that his actions were dishonest; it was not suggested that the knowing direction to retain monies could be given honestly. The Respondent was an experienced solicitor who was aware of the Rules in relation to client monies. Further, he had been informed by Mr Lloyd-Lewis that his actions were in breach of the Rules. The Tribunal did not accept that a solicitor with the Respondent's experience could be so confused as to the position and found his evidence to be extraordinary and incredible. The Tribunal found that ordinary decent people would consider that the Respondent's actions were dishonest. Accordingly, the Tribunal found beyond reasonable doubt that the Respondent's conduct was dishonest.

Previous Disciplinary Matters

27. Subsequent to the announcement in Court that the Respondent had no previous disciplinary matters, it was discovered that the Respondent had appeared before the Tribunal on one previous occasion (case no 7564-1998) in 1998. The Respondent was fined £1,000 and ordered to pay the costs of and incidental to the application and enquiry for failure to maintain properly written up books of account, such conduct having been found to be unbefitting of a Solicitor.

Mitigation

28. The Respondent had found the downfall of the Firm extremely difficult. It had also meant that he was unable to receive his anticipated share buyout, upon which he had relied as a pension. His wife and son, who were also employed by the Firm, lost their employment. He had not worked for the previous 30 months.

Sanction

29. The Tribunal had regard to the Guidance Note on Sanctions (5th Edition-December 2016). The Tribunal's overriding objective, when considering sanction, was the need to maintain public confidence in the integrity of the profession. In determining sanction, it was the Tribunal's role to assess the seriousness of the proven misconduct and to impose a sanction that was fair and proportionate in all the circumstances.

30. The Tribunal found that the Respondent was completely culpable for the misconduct and that his culpability was high. He was the managing director of the Firm and was in control of the Firm's finances. He had regular meetings with Mr Lloyd-Lewis and was fully aware that monies had been received for the payment of professional disbursements and directed that those monies should be retained by the Firm. The Tribunal considered that the motivation for the Respondent's misconduct was his desire to alleviate the difficulties that the Firm was experiencing regarding its cashflow. It was accepted that the Firm's overdraft facility was being reduced at the rate of £10,000 per month. The Tribunal found that this reduction, together with the Firm's fluctuating income had caused cashflow issues such that the Firm was

experiencing difficulties in paying its creditors. The Respondent's actions were planned and were in breach of his position of trust as the custodian of client monies. He had direct control and was entirely responsible for the circumstances. He was an experienced and senior solicitor, who understood the Rules and the sacrosanct nature of client monies.

31. The Respondent's misconduct had caused foreseeable harm to the reputation of the profession, and departed from the standards of integrity, probity and trustworthiness expected of a solicitor. His misconduct was aggravated by his dishonesty. His actions were deliberate, calculated and repeated. The Tribunal considered that the exemplified matters were evidence of a wider practice that built up over a period of time, commencing in or around June 2014, and continuing until the Respondent's departure from the Firm. The Respondent had sought to conceal his wrongdoing by ensuring that an examination of the ledgers would show that monies had been paid when that was not in fact the case. The Respondent knew that his actions were in breach of his obligation to protect the reputation of the profession. The Tribunal recognised that the Respondent had shown a degree of insight into his conduct as he had accepted allegations 1.1 and 1.2.

32. Given the serious nature of the allegations, the Tribunal considered and rejected the lesser sanctions within its sentencing powers such as no order, a reprimand or restrictions. The Tribunal had regard to the case of Bolton v Law Society [1994] 2 All ER 486 in which Sir Thomas Bingham stated:

> "....Lapses from the required standard (of complete integrity, probity and trustworthiness)....may....be of varying degrees. The most serious involves proven dishonesty....In such cases the tribunal has almost invariably, no matter how strong the mitigation advanced by the solicitor, ordered that he be struck off the roll of solicitors."

33. The Tribunal did not find any circumstances (and indeed none were submitted) that were enough to bring the Respondent in line with the residual exceptional circumstances category referred to in the case of Solicitors Regulation Authority v Sharma [2010] EWHC 2022 Admin. The Tribunal found that the seriousness of the Respondent's misconduct was such that the protection of the public and the protection of the reputation of the profession required that he be struck off the Roll of Solicitors, and that no lesser sanction would be appropriate in the circumstances.

Costs

34. Mr Levey applied for costs in the sum of £31,320.54. He submitted that the case had not been "shambolic", and whilst evidence had been submitted late, the additional work created was not reflected in the costs application. It was also noted that the Respondent's costs schedule showed that the Respondent had spent £84,071.02 in defending the allegations. Further, the Respondent had provided no evidence of his means. Given the Tribunal's findings, it was right that the Applicant be awarded its costs in full.

35. Mr Tankel accepted the principle that the Applicant should recover its costs. However, the case had been through many "twists and turns" commencing on 4 December 2017, when the Applicant served its additional witness statements. Up until that point, there were a number of missing pieces of evidence. The schedules that had been served did not demonstrate that there had been any accounts rules breaches. The late service of the evidence was shambolic, particularly as the evidence could have been obtained much earlier. Had the FIO followed up on his conversation and email correspondence with Mr Lloyd-Lewis, it was highly likely that the SP Schedule would have been provided much sooner that it was. As to quantum, Mr Tankel had no submissions save that the Respondent had no money and had not worked over the preceding 30 months.

36. The Tribunal noted that the case had been prepared on the basis that the Respondent did not accept any of the allegations. His admission in relation to allegations 1.1 and 1.2 were made firstly in Mr Tankel's skeleton argument in relation to 2 of the exemplified matters. That skeleton argument was received by the Tribunal on 7 December 2017. A further admission was made during the Respondent's evidence, and matters were admitted in full (save for the matter of G) in Mr Tankel's closing submissions. Had those matters been admitted earlier, it would have shortened the hearing time considerably. Whilst it was regrettable that evidence had been served extremely late in the proceedings, this had not been reflected in the costs claimed by the Applicant. The Tribunal considered that the quantum claimed was reasonable, and noted that the Respondent made no representations in that regard. The Respondent had provided no evidence of his means. The Tribunal considered that as the costs claimed were reasonable, it was appropriate to award the Applicant its costs as claimed.

Statement of Full Order

37. The Tribunal Ordered that the Respondent, PAUL ANTHONY DUMBLETON, solicitor, be STRUCK OFF the Roll of Solicitors and it further Ordered that he do pay the costs of and incidental to this application and enquiry fixed in the sum of £31,320.54.

Dated this 4th day of January 2018
On behalf of the Tribunal

Jacqueline Devonish

J. Devonish
Chair

Judgment filed
with the Law Society
on 04 JAN 2018