

SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974

Case No. 12387-2022

BETWEEN:

SOLICITORS REGULATION AUTHORITY LTD.

Applicant

and

UMAR REHMAN

Respondent

Before:

Mr G Sydenham (in the Chair)
Ms L Boyce
Dr S Bown

Date of Consideration: 4 January 2023

Appearances

There were no appearances as the matter was dealt with on the papers.

JUDGMENT ON AN AGREED OUTCOME

Allegations

1. The allegation against the Respondent, Umar Rehman, made by the SRA is that, while in practice as a solicitor at M&K Solicitors (“the Firm”):
 - 1.1 Between June 2018 and June 2020, he misappropriated professional fees due on at least forty-one immigration matters totalling £31,300.00, by receiving said fees personally when they should have been paid to the Firm. In so doing, he thereby breached any or all of the following:

Principles 2 and 6 of the SRA Principles 2011, so far as the conduct predated 25 November 2019.

Principles 2, 4 and 5 of the SRA Principles 2019, so far as the conduct occurred on or after 25 November 2019.

Documents

2. The Tribunal had before it the following documents:-
 - Statement of Agreed Facts and Proposed Outcome (“the AO”) dated 21 December 2022.
 - Applicant’s Schedule of Costs dated 10 October 2022.

Background

3. Mr Rehman was admitted to the Roll of Solicitors in August 2018. As at the time of consideration of the AO he did not hold a Practising Certificate. As at the time of the misconduct, he held a Practising Certificate free from conditions.
4. Mr Rehman was employed by the Firm from July 2015, as a paralegal, and thereafter as a trainee solicitor from August 2016. Upon admission to the Roll, he continued as a qualified solicitor practising in the field of immigration law.
5. Mr Rehman was dismissed from the Firm in July 2020 following his admission, during the Firm’s internal disciplinary process, to having misappropriated approximately £30,000.00 of fees which were due to the Firm.
6. The Firm reported Mr Rehman to the Applicant on 10 July 2020.

Application for the matter to be resolved by way of Agreed Outcome

7. The parties invited the Tribunal to deal with the Allegations against the Respondent in accordance with the Statement of Agreed Facts and Outcome annexed to this Judgment. The parties submitted that the outcome proposed was consistent with the Tribunal’s Guidance Note on Sanctions.

Findings of Fact and Law

8. The Applicant was required to prove the allegations on the balance of probabilities. The Tribunal had due regard to its statutory duty, under section 6 of the Human Rights Act 1998, to act in a manner which was compatible with the Respondent's rights to a fair trial and to respect for their private and family life under Articles 6 and 8 of the European Convention for the Protection of Human Rights and Fundamental Freedoms.
9. The Tribunal reviewed all the material before it and was satisfied on the balance of probabilities that the Respondent's admissions were properly made.

Sanction

10. The Tribunal considered the Guidance Note on Sanction (10th Edition: June 2022). In doing so the Tribunal assessed the culpability and harm identified together with the aggravating and mitigating factors that existed.
11. Mr Rehman admitted to the dishonest appropriation of client money on at least forty-one occasions over a protracted period of time spanning two years. He did not advance, and the Tribunal did not find on the papers, any suggestion of exceptional circumstances.
12. The Tribunal determined that the only sanction which sufficiently protected the overarching public interest, namely the protection of the public from harm, the declaration and upholding of proper standards within the profession and maintenance of public confidence in the regulatory system, was an Order Striking Mr Rehman from the Roll of Solicitors.

Costs

13. Costs were agreed in the sum of £6,350.00 which the Tribunal determined were reasonable and proportionate.

Statement of Full Order

14. The Tribunal Ordered that the Respondent, Umar Rehman, 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 £6,350.00.

Dated this 10th day of January 2023
On behalf of the Tribunal



G Sydenham
Chair

JUDGMENT FILED WITH THE LAW SOCIETY
10 JAN 2023

IN THE SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974 (as amended)

AND THE MATTER OF:

SOLICITORS REGULATION AUTHORITY LIMITED

Applicant

and

UMAR REHMAN

Respondent

STATEMENT OF AGREED FACTS AND OUTCOME

Introduction

1. By statement made by John Tippett-Cooper on behalf of the Solicitors Regulation Authority Limited (the "SRA") pursuant to Rule 12 of the Solicitors (Disciplinary Proceedings) Rules 2019, dated 10 October 2022, the SRA brought proceedings before the Tribunal making allegations of professional misconduct against the Respondent.
2. The Respondent admits the allegation in the Rule 12 statement, including the aggravating feature of dishonesty, as set out herein.

Allegation

3. The allegation against the Respondent, Umar Rehman, made by the SRA is that, while in practice as a solicitor at M&K Solicitors ("the Firm"):
 - 1.1 Between June 2018 and June 2020, he misappropriated professional fees due on at least forty-one immigration matters totalling £31,300.00, by receiving said

fees personally when they should have been paid to the Firm. In doing so he thereby breached all or any of the following:

Principles 2 and 6 of the SRA Principles 2011, so far as the conduct predated 25 November 2019.

Principles 2, 4 and 5 of the SRA Principles 2019, so far as the conduct occurred on or after 25 November 2019.

Agreed Facts

4. The Respondent is a solicitor, having been admitted to the Roll on 15 August 2018. He does not hold a current practising certificate. At the time of the alleged conduct he held a practising certificate free from conditions.
5. The Respondent was employed by the Firm from July 2015 as a paralegal and from August 2016 as a trainee solicitor. Once admitted to the Roll, the Respondent continued his employment with the Firm as a qualified solicitor, practising in immigration law.
6. As part of his employment the Respondent was provided with training on how to open a file on the Firm's case management system and on the procedure for billing clients for professional fees. The Respondent understood that professional fees were due to the Firm and did not belong to him.
7. The Firm's head office is in Luton. A branch office in Birmingham opened in February 2018. The Respondent was initially based at the Luton office, but moved to the Birmingham branch in May 2019.
8. The Respondent was dismissed from his employment at the Firm on 2 July 2020 following his admission during the Firm's internal disciplinary process to the misappropriation of approximately £30,000.00 of the Firm's fees.
9. On 10 July 2020, the Firm provided a copy of its internal disciplinary report ("the report") into the conduct of the Respondent to the SRA.
10. The report stated that the Firm first became aware of an issue on 11 June 2020 when the Luton office received a call from a client enquiring into the status of their immigration application. However, the Firm's case management system had no record of any such matter. The client advised that the Respondent had been handling the matter and that he had paid the Respondent £1300.00 in professional fees. The Respondent was on Furlough at the time but attended the office for an interview in

relation to the matter on 17 June 2020, when he stated that the file was in the Birmingham office and the fees were in the office safe. One of the Firm's managers, Ms B Khan, attended the Birmingham office but neither the file nor any fees were found. On 24 June 2020, the Respondent attended for further interview and stated that he had forgotten to register the matter on the case management system and that he had misplaced the file and the fees. On 25 June 2020, he attended the office and paid £1300.00 to Ms B Khan.

11. Also on the 25 June 2020, a further client contacted the Firm and asked for an update in relation to their immigration application. As with the first matter, there was no record of any such case on the system. The Respondent attended for a further interview on 26 June 2020, and admitted that he had not registered the case, nor had he registered the original case and a further four matters. He said that he had kept the professional fees in relation to the same, and contrary to what he had said about misplacing the fees on the first matter, he had in fact retained the fees on that as well. The Respondent was suspended pending further investigation.
12. The Respondent was interviewed by the Firm again on 29 June and 1 July 2020, when he admitted that his conduct went beyond those matters identified on 26 June. He admitted that he had been conducting cases outside of the Firm's systems, and taking professional fees directly from those clients, who were led to believe that the Firm was conducting their matters.
13. On 2 July 2020, the Respondent attended the Firm for a disciplinary hearing, and admitted that he had deliberately not followed the Firm's procedures or the Solicitors Code of Conduct. He provided the Firm with his bank statements which showed that some of the monies received from clients were paid directly into his bank account. He further provided a spreadsheet of forty-two matters in which he had acted for the clients outside of the Firm's systems, and received fees personally instead of accounting to the Firm.
14. The report included a "Breach Reporting Table" which reproduced the spreadsheet provided by the Respondent and added the original case in relation to which the Respondent had repaid £1300.00. The Breach Report Table therefore set out a list of forty-three matters on which the Respondent acted outside of the Firm's case management system and in respect of forty-one of those matters received professional fees directly from the client.
15. The Firm stated that the money that was taken by the Respondent related to professional fees that would have been owed to the Firm. It further confirmed that

there were no deadlines missed or immediately pending, in relation to the work conducted by the Respondent.

16. A forensic investigation was commissioned by the SRA, which commenced on 25 February 2021. A forensic investigation report ("FIR") was produced on 19 October 2021. The forensic investigation conducted by the SRA confirmed the content of the Firm's report. It clarified that on eleven occasions, in respect of nine matters, the Respondent had received professional fees from clients into his bank account, totalling £7,500.00. On the remaining thirty two matters, he had received cash directly from the clients, totalling £23,800.00.
17. During the investigation, on 8 September 2021, the Respondent was interviewed by the forensic investigation officer ("FIO"). During the interview, the Respondent admitted that he had misappropriated professional fees on 41 cases, to the value of £31,300.00, of which he had repaid £1,300.00.

Admissions

18. The Respondent admits that he understood the procedures for file opening and registration of cases onto the Firm's case management system. He further understood the correct process for billing clients and knew that monies in respect of professional fees were due to the Firm not him personally.
19. The Respondent admits that he did not follow the Firm procedures for registering the forty one clients pleaded in allegation 1.1, and that he did not register the matters in order that he could conduct them outside of the Firm's controls. Thus enabling him to divert the monies due for professional fees away from the Firm to himself without the Firm realising.
20. The Respondent admits that in respect of the forty one matters identified in the Firm's report and the FIR, he misappropriated professional fees due to the Firm in the total sum of £31,500.00.
21. As a consequence of his conduct, the Respondent admits that he failed to act with integrity, i.e. with moral soundness, rectitude and steady adherence to an ethical code and therefore breached Principle 2 of the SRA Principles 2011 in so far as the conduct pre dated 25 November 2019 and Principle 5 of the SRA Principles so far as the conduct occurred on or after 25 November 2019.

22. The Respondent also admits that his conduct amounted to a breach of the requirement to behave in a way which maintains the trust placed by the public in solicitors and in the provision of legal services. The Respondent therefore breached Principle 6 of the SRA Principles 2011 so far as the conduct predated 25 November 2019 and Principle 2 of the SRA Principles 2019, so far as the conduct occurred on or after 25 November 2019.
23. The Respondent further admits that his conduct was dishonest, in accordance with the test set out in *Ivey v Genting Casinos [2017] UKSC 67*. The Respondent knew the correct procedures for handling professional fees and chose not to follow those procedures, but rather to divert money due to the Firm to himself. The Respondent admitted that he misappropriated £31,300.00 of professional fees during the Firm's disciplinary process and during the forensic investigation. The Respondent agrees that ordinary, decent people would consider the conduct dishonest. So far as the conduct occurred on or after 25 November 2019, the Respondent admits that he breached Principle 4 of the SRA Principles 2019.

Mitigation

24. The following points are advanced by way of mitigation on behalf of the Respondent but their inclusion in this document does not amount to adoption or endorsement of such points by the SRA:
- 24.1 In 2014, following completion of his law degree at Birmingham City University, Mr Rehman volunteered at M & K Solicitors ("the Firm") in order to gain work experience. Whilst completing his legal practice course, the Respondent continued to work at the Firm on an unpaid basis.
- 24.2 After a year of unpaid work, the Respondent was offered a paralegal role with the Firm in July 2015. As a paralegal the Respondent was predominantly working on immigration cases and was on a minimum wage salary. As a result of his performance the Respondent was offered a training contract in August 2016 and started training at the Firm.
- 24.3 Although the Respondent received training in family and property law his training contract predominantly evolved around immigration law. As a trainee the Respondent was on a salary of £16,600.

- 24.4 The Respondent qualified as an immigration solicitor in August 2018 and worked at the Firm's Luton office. In February 2018 the Firm opened a new office in Birmingham at 796 Stratford Road Sparkhill, B11 4BP, with one solicitor being based in that office.
- 24.5 However that solicitor handed in their notice at the beginning of 2019 and in order to keep the Birmingham office going the Firm advertised for the solicitor position in their Birmingham office. Following discussion with Ms Khan in February 2019 our client agreed to move to the Birmingham office to run the immigration department and the office.
- 24.6 In May 2019 the Respondent, together with one reception paralegal and one person working for the firm on work experience, moved to the Birmingham office. Although the Birmingham office was advertised as offering a full service; work other than immigration was referred on to the Luton office. With just 9 months of post qualification experience the Respondent was in de facto in charge of the Birmingham office. His salary was £27,500.
- 24.7 Having gained experience in immigration work throughout his time as a volunteer, paralegal and trainee, in assisting the Clients the Respondent never took on any work he was not capable or trusted to undertake within the Firm. Furthermore, he has been able to obtain successful outcomes for a majority of the Clients.
- 24.8 When confronted by Ms Khan regarding the work undertaken outside of the Firm the Respondent acknowledged his wrongdoing and assisted Ms Khan by preparing a detailed spreadsheet of the Clients he had assisted outside of the firm. This spreadsheet was sent to Ms Khan on 2nd July 2020 and sets out all 42 clients he assisted.
- 24.9 The Respondent fully accepts that his behaviour has fallen well under that of what is expected by both the public and profession. He has great shame in his actions over this timeframe and realises that he has thrown away that which he strived so hard to achieve coming from his social background as the first generation son of immigrants from Pakistan. The Respondent has had to explain all the issues involved to his immediate family and friends.

24.10 The respondent realises that there is a long road back to redeeming his personal and professional reputation in the eyes of the profession and public but he is determined to use his legal education for the benefit of society in whatever form that the may be allowed to by the SRA once these proceedings have been completed.

24.11 The Respondent asks that the above information along with his co-operation with the Firm, the SRA investigation and the fact that he was a newly qualified solicitor placed into a position of running an office without supervision be taken into account when considering this matter.

Agreed Outcome

25. The Respondent agrees:

25.1 to be Struck-Off the Roll.

25.2 to pay costs to the SRA in the sum of **£6,350.00**.

26. In light of the admission to dishonesty, the parties agree that the proposed outcome represents the appropriate resolution of the matter, consistent with the Tribunal's Guidance Note on Sanctions 10th Edition ("The Guidance Note").

27. Paragraph 17 of the Guidance Note states that,

"The Tribunal will assess the seriousness of the misconduct in order to determine which sanction to impose. Seriousness is determined by a combination of factors, including:

- the respondent's **level of culpability** for their misconduct.*
- the **harm** caused by the respondent's misconduct.*
- the existence of any **aggravating factors**.*
- the existence of any **mitigating factors**."*

28. The Respondent's culpability in this matter is high, for the following reasons:

- i. He was motivated by financial gain.
- ii. The misconduct was deliberate and planned.
- iii. He acted in breach of the trust placed in him by the Firm.

- iv. He was directly responsible for the misconduct.
29. In respect of the harm caused, the Firm has advised that all matters were conducted appropriately and the monies taken by the Respondent would have been professional fees due to the Firm. However, there was a clear risk to the clients in having their matters dealt with outside of the Firm's framework, which affords protection to clients.
30. The Respondent's misconduct is aggravated by the following facts:
- i. He admits that his misconduct was dishonest.
 - ii. The misconduct was deliberate and repeated.
 - iii. The misconduct occurred for a period of two years.
31. The Respondent's misconduct is mitigated by the following factor:
- i. The early admissions, including to dishonesty, made by the Respondent.
32. In circumstances where dishonesty is alleged and proven, the appropriate sanction will almost invariably be that the Respondent is struck off the Roll unless exceptional circumstances exist (Solicitors Regulation Authority v Sharma [2010] EWHC 2022 (Admin)).
33. It is agreed between the parties that exceptional circumstances do not exist in this case.
34. In the circumstances, it is submitted that the proposed outcome of a Strike-Off is the appropriate outcome in this case.

Signed by the parties:

The Respondent

Date:

21/12/2022

For and on behalf of the Applicant

Date: 22 December 2022

Mark Rogers, Partner
Capsticks Solicitors LLP