# SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974 Case No. 12401-2022

**BETWEEN:**

SOLICITORS REGULATION AUTHORITY LTD. Applicant

and

CHRISTOPHER MICHAEL HADDOCK Respondent

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Before:

Mr B Forde (in the chair)
Mr M N Millin
Mr B Walsh

Date of Hearing: 20-22 June 2023

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**Appearances**

Victoria Sheppard-Jones, barrister of Capsticks LLP for the Applicant.

Satpal Roth-Sharma, barrister of Exchange Chambers for the Respondent.

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# JUDGMENT

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**Allegations**

1. The allegations against Mr Haddock were that while in practice as a partner, Compliance Officer for Legal Practice ("COLP") and Compliance Officer for Finance and Administration ("COFA") at Haddock and Company ("the Firm"):

1.1 On or around 13 November 2017, he accepted a loan of £25,000.00 from his lay client, Andrew Bell, and thereby acted where there was an own interest conflict or a significant risk of an own interest conflict and in doing so he breached Outcome O (3.4) of the SRA Code of Conduct 2011 ("the Code") and/or any or all of Principles 2, 3 and 6 of the SRA Principles 2011 ("the Principles").

PROVED IN FULL.

1.2 On 13 November 2017, he caused or allowed the loan from Andrew Bell to be received into the Firm's client account, which was not in respect of instructions relating to an underlying transaction nor formed part of his normal regulated activities, thus allowing the client account to be used as a banking facility and he thereby breached Rule 14.5 of the Solicitors Accounts Rules 2011 ("the SARs") and/or Principles 2 and 6 of the Principles.

PROVED IN FULL.

1.3 In or around January 2018, he prepared or caused to be prepared an agreement which was misleading in that it purported to show that the loan monies were a fixed fee relating to open files for Andrew Bell and which was back dated to 10 November 2017, and in doing so he thereby breached either or both of Principles 2 and 6 of the SRA Principles.

PROVED IN FULL.

2. In addition, allegations 1.2 and 1.3 set out above are advanced on the basis that Mr Haddock's conduct was dishonest. Dishonesty is alleged as an aggravating feature of the misconduct but was not an essential ingredient in proving the allegation.

PROVED IN FULL – 1.2 and 1.3.

**Executive Summary**

3. Mr Haddock took a loan of £25,000 from his client, Mr Bell, and paid it into his office account. He subsequently drew up a purported, backdated, agreement which sought to portray the £25,000 as being on account of legal fees.

4. Mr Haddock denied the £25,000 represented a loan and maintained it was in relation to fees and legal services provided to Mr Bell. He denied all the Allegations.

5. The Tribunal heard evidence from Mr and Mrs Bell as well as the Forensic Investigation Officer and Mr Haddock. The Tribunal found all Allegations proved including dishonesty in relation to Allegations 1.2 and 1.3.

**Sanction**

6. The Tribunal ordered that Mr Haddock be struck-off the Roll of Solicitors and it made no order for costs, on account of Mr Haddock's means.

**Documents**

7. The Tribunal considered all of the documents in the case which were contained in an agreed electronic bundle.

**Preliminary Matter**

Anonymity of Clients C and D

8. Ms Sheppard-Jones applied for Clients C and D to remain anonymised in the hearing and in the written Judgment. She submitted that their identity is not relevant. They were not witnesses and they had made no complaint against Mr Haddock. In those circumstances, open justice did not require their identity to be disclosed. Ms Sheppard-Jones submitted that pursuant to Lu v SRA [2022] EWHC 1729 (Admin) Clients C and D would have had a reasonable expectation of confidence when instructing Mr Haddock.

9. The application was not opposed.

10. The Tribunal was satisfied that that open justice was not compromised by Clients C and D remaining anonymous in these circumstances. There was a public interest in clients being able to instruct solicitors without the risk that their expectation of confidentiality would be breached, particularly where they had not made a complaint and were not witnesses in the proceedings. The application was therefore granted.

**Factual Background**

11. Mr Haddock was admitted to the Roll on 15 May 2000. He was a partner, COLP and COFA of the Firm, at the time of the alleged misconduct.

12. The conduct in this matter came to the attention of the SRA following receipt of a complaint about Mr Haddock from Andrew Bell dated 30 May 2018 but received by the SRA on 24 August 2018.

13. Mr Haddock represented Mr Bell in respect of civil and criminal matters from around June 2016 until 2018.

The Allegations

14. Mr Bell first instructed Mr Haddock in June 2016 to act for him and his neighbours, Client C and Client D, in respect of an ongoing land dispute. On 6 June 2016, Mr Haddock wrote to Mr Bell and Clients C and D confirming the outcome of his attendance at Leeds County Court. He enclosed an invoice for his work to date and stated that:

> "The cost has been split into two invoices and I hope you regard it as fair.".

15. The Forensic Investigation Officer (the "FIO") was provided with the two invoices dated 6 June 2016, one addressed to Mr Bell and the other to Client C and Client D. The invoices were in the same terms, charging £500.00 plus £100.00 VAT in respect of preparation and presentation at Leeds County Court on 6 June 2016.

16. On 13 June 2016, Mr Haddock wrote to the clients to confirm that there appeared to be "general agreement that this case should be resolved by negotiation". The letter advised that litigating the matter could be costly, to the tune of £50,000.00 or more and that resolution by way negotiation "is a lot cheaper". In respect of information regarding his fee structure, Mr Haddock stated:

> "The first hearing was dealt with on a fixed fee basis £1000.00 plus vat which was split between you and the other Defendant but from now on my work must be charged at an hourly rate of £200.00 with £20 being charged for letters, emails and telephone calls."

17. The client ledger for Client C and Client D recorded that they paid the total figure of £1,200.00 in respect of the 6 June invoice directly into the office account of the Firm. Both Client C and Client D and Mr Bell's ledgers showed that £600 was transferred across from Client C and Client D's ledger to Mr Bell's ledger, to reflect the fact that Client C and Client D had paid his half of the invoice.

18. This arrangement for payment of costs on the land dispute matter was confirmed by Sharon Bell in her email to the SRA dated 19 August 2020, in which she stated that she and Mr Bell were not sent any bills or invoices, and they gave their part of the payment in cash to Client C and Client D.

19. The FIO was unable to find any evidence, on the documents provided to her, of Mr Haddock having provided any further costs information to the parties beyond that set out in the letter of 13 June 2016. When this was put to him in interview, Mr Haddock stated that there was "ongoing communication, telephone communication, various discussions… I haven't recorded every jot and tittle of my communication with them". He accepted that there was no letter on file in respect of an update on costs.

20. Between 6 June 2016 and 6 November 2017 the client ledger for the land dispute for Mr Bell recorded no bills as having been raised and no money having been received from Mr Bell.

21. The invoices provided to the FIO for this period, were as follows:

- Invoice dated 29 November 2016 in the joint names of Mr Bell and Client C and Client D in the sum of £6,000 inclusive of VAT;

- Invoice dated 25 January 2017 in the name of Client C and Client D only in relation to the same work for the same sum.

22. Both of those invoices stated that payment had been made on account in the sums of £1,500.00 and £5,950.00. The client ledger for Client C and Client D recorded the following payments during that period:

- £1,500.00 on 20 September 2016
- £2,250.00 on 14 December 2016
- £1,000.00 on 4 January 2017
- £1,200.00 on 23 January 2017

23. Those sums totalled £5,950.00, the figure stated in the invoice of 25 January 2017 as having been paid on account.

24. A further invoice was raised solely in the name of Client C and Client D dated 2 May 2017 in the sum of £3,000.00 inclusive of VAT. That payment was not reflected on Client C and Client D's ledger. The ledger shows that they made payments of £1,000.00 on 28 July 2017 and £1,977.50 on 10 November 2017. Client C and Client D provided payment details for five of the six payments shown on their ledger.

25. In respect of Mr Bell, the only monies received from him were £727.50 on 6 November, for monies due to Chadwick Lawrence in respect of a costs order and a payment of £25,000.00 on 13 November 2017 which was paid into the client account and recorded on the client ledger for Mr Bell's civil matter with the reference "Of Client".

26. The SRA's case was that Mr Haddock had come to regard Mr Bell as a close friend and that, upon Mr Bell noticing some paperwork relating to debts in Mr Haddock's office, had offered to loan him some money. The SRA's case was that Mr Haddock had down the sum of £25,000.00 and that it was agreed that Mr Bell would loan the money to Mr Haddock, who would repay the loan within 6 months, whilst also making the interest payments on the loan.

27. Mr Haddock's case was that this was entirely untrue in that there had been no loan.

28. Mrs Bell had provided the FIO with a copy of an email to Mr Haddock dated 12 November 2017, in which she stated:

> "Hi Chris, I'm going to be transferring the £25,000.00 Andy's lending you, the bank want a reference, what do you want me to put for it".

29. Mr Haddock had replied at 21.44 on the same day,

> "Found your email! Just put Andrew Bell."

30. Mr Haddock disputed the authenticity of this email.

31. Mr Bell drew down the sum of £25,000.00 from his mortgage account, which resulted in monthly interest being due, the payments for which were approximately £100 per month. Mr Haddock paid the monthly interest payments directly from his personal savings account. The statements for the mortgage account show that between 13

November 2016 and 8 January 2020, twenty four payments were made to a total value of £2,630.00.

32. The SRA's case was that an agreement dated 10 November 2017, signed by Mr Bell and Mr Haddock, was in fact drafted and signed in January 2018 to give the impression that the £25,000 was money on account in an attempt to conceal the fact that it had been a loan. Mr Haddock entirely disputed this. Mr Haddock had been the subject of an SRA forensic investigation in January 2018.

33. The agreement stated that:

> "1. Due to his present circumstances, it is agreed that Andrew Bell, a client of Haddock & Company Solicitors, is facing an uncertain future and that this uncertainty extends to his wife. Sharon Bell (also known as Hearn). The most uncertain factor could result in both of them receiving a sentence of imprisonment.
>
> 2. In consideration of this fact, Andrew Bell will lodge with Haddock & Company Solicitors the sum of £25000 (twenty five thousand pounds) on the understanding that this firm will take care of his legal affairs and those of his wife.
>
> 3. This sum will cover profit costs and disbursements which have arisen to date and may arise in the future as a result of Haddock & Company acting on his instructions. This does not cover costs awards against Andrew and Sharon Bell or other debts which they may incur.
>
> 4. Haddock & Company are, effectively, accepting this sum as a fixed fee and will not claim any further costs for their work unless it is for dealing with matters which are unforeseeable at this time. Should the reasonably unforeseeable arise then the firm will not undertake further work without a specific instruction from or agreement with Andrew Bell
>
> 5. For the avoidance of doubt, the work covered by this payment relates to matters which are the subject of current open files in the name of Andrew Bell. Where there is a grant of public funding, which covers the cost of any legal work, that work will not give rise to additional charges where the contract with the Legal Aid Agency provides payment for that work."

34. In an email to Mr Haddock dated 8 February 2018, sent from Mrs Bell's email address but 'signed off' by Mr Bell, the following passage made reference to a loan:

> "But to put it bluntly, you have me by the short & curlies. I can't refuse to pay. You will simply take the money from the £25000 I lent you. You have refused my 'many' requests for bills. You've done the same to Sharon. She's told you categorically you are 'Not' to take any money owed by her from the 25k, but to bill her direct. You've refused to do this! You assured me you knew you was responsible for the interest on the 25k & would pay it."

35. Following receipt of the £25,000.00 on 13 November 2017, four bill entries were recorded on the ledger for Mr Bell between 23 November 2017 and 22 December 2017, to the value of £22,000.00. The Firm's client account bank statements showed those monies being transferred from the client account to the office account.

36. These transfers were made at a time when the Firm's overdraft facility on the office account was close to its limit of £110,000.00.

37. Mr Haddock had provided three invoices to the FIO in respect of Mr Bell's matter, which did not match the four payments made in November and December 2017. Each invoice included the description "Interim Account in regard to Land Matters":

38. Further, the purported costs of £22,000.00 between November and December 2017 on Mr Bell's ledger did not match the costs billed to Client C and Client D during that period, who were only billed a further £625.00, on 21 May 2019.

39. In summary, Client C and Client D paid the Respondent £9,375.00 in costs between instruction in June 2016 and the last entry on the ledger of May 2019. Mr Bell paid £25,727.50, of which £22,600.00 was recorded on the client ledger as being in relation to costs, between instruction in June 2016 and December 2017.

40. The land dispute was settled and did not result in litigation before the Court. Matters were delayed and Mr Haddock was ordered to pay wasted costs. On 30 January 2020, Mr Haddock produced a purported final invoice for the civil matter, which charged a total of £45,896.00 inclusive of VAT, 50% of which was to be paid by Mr Bell and 50% by Client C and Client D. The invoice stated that payment on account had been made of £10,127.50, plus wasted costs paid by Mr Haddock of £575.00, totalling £10,702.50. Mr Haddock deducted £10,702.50 from £45,896.00 to reach a total due of £35,193.50, which was to be split between the parties, resulting in £17,596.75 being due from each client.

41. In a letter dated 30 January 2020, attaching the final invoice, Mr Haddock advised Mr Bell that he had paid in full in advance and was due a balance of £3,695.25. This was not fully repaid until 6 November 2020.

42. Mr Haddock had been interviewed by the FIO on 6 November 2020, in which he denied that the £25,000 had been a loan and he denied using the client account as a banking facility.

<u>Recording of meeting on 23 February 2018</u>

43. On 23 February 2018 Mr and Mrs Bell attended Mr Haddock's office for a meeting. Part of that meeting was covertly recorded by Mrs Bell. An agreed transcript was before the Tribunal. The relevant sections are set out below, taken from an agreed transcript that was adduced in evidence before the Tribunal:

| | |
|---|---|
| **AB** | **Yeah? Right. Subject you hate talking about now, money.** |
| **CH** | **Right go on.** |
| **AB** | **Right. The twenty-five grand…** |
| **CH** | **Yes.** |

| | |
|---|---|
| **AB** | **… okay explain to me how you propose what's supposed to happen with that.** |
| **CH** | **Right I,** |
| **AB** | **I have, right I happened to lend you the twenty-five grand.** |
| **CH** | **Yeah you did.** |
| **AB** | **You said I'm gonna put it in a …** |
| **CH** | **Yeah it got spent and I'll tell you why …** |
| **AB** | **Yeah.** |
| **CH** | **… but it doesn't matter it got spent but go on.** |
| **AB** | **Right. You changed it to cover you, for you know auditors and everything else …** |
| **CH** | **Yeah, yeah** |
| **AB** | **… to put it in…** |
| | **Right** |
| | **As if payment on account, yeah?** |
| **CH** | **Yeah.** |
| **AB** | **…as if payment on account, yeah?** |
| **AB** | **Well of course, whether that's all absolute bollocks whatever.** |
| **CH** | **Whatever.** |
| **AB** | **Well it covered you so fine not a problem alright so from day one you were supposed to pay interest right. It's three and a half months later and you've given me what, two hundred and [**inaudible – talking at same time**]** |
| **CH** | **My apologies on that.** |
| **AB** | **[**inaudible**]** |
| **CH** | **I didn't understand. No. It's me. I didn't register. I've had a lot on my mind.** |
| **AB** | **[**inaudible**]** |
| **CH** | **But the fact of the matter is that interest will be paid.** |
| **AB** | **Right.** |
| **CH** | **Sorry I didn't fully understand. I've brought it up-to-date now and in future …** |
| **AB** | **That, that, that's, that's …** |
| **CH** | **… all of the [**inaudible**] don't send me any papers, you just …** |

| | |
|---|---|
| **AB** | **Yeah.** |
| **CH** | **… send me text saying …** |
| **AB** | **[**inaudible**]** |
| **CH** | **… boom, boom that money will be paid.** |
| **AB** | **Chris. That's up-to-date at 24th of January. Right?** |
| **CH** | **Fine.** |
| **AB** | **That's interest today. Not, its another month's interest on that today cos its 23rd of February.** |
| **CH** | **Tell me how much it is and I'll pay it. Okay?** |
| **AB** | **Well in the first place when I very first said to ya about lending it I thought it was the same interest of 1.45% as the house. That's what somebody at the bank told me.** |
| **CH** | **Yeah.** |

| | |
|---|---|
| **AB** | **But when I rung em up to find out that's why I sent you the text …** |
| **CH** | **[**inaudible**]** |
| **AB** | **… it's 4.49 plus 0.5 base rate of the Bank of England so 4.99. Well that's more than three times the amount. Then you talk about interest rates going up in the paper the Bank of England what's his name governor is going to start putting em up by 4%.** |
| **CH** | **Yeah.** |
| **AB** | **Right? So that's fucking interest.** |
| **CH** | **I know.** |
| **AB** | **Are you that fucked for money?** |
| **CH** | **I am that fucked for money and I will pay the interest. No, agreements have gotta be honoured. I didn't fully take it in there cos I had other things on me mind but like I say to you Andrew this is not something I will ever argue about. If you tell me, right, and again I don't need to see the papers, I don't need to see the statements, you sent me a text the other day that's all I need.** |
| **AB** | **I'll send you the fucking statements.** |
| **SB** | **[sniggering]** |
| **CH** | **No, I, I don't want them. Look you know I don't believe you tried to lie to me.** |
| **AB** | **Don't do stuff totally different to me. You know what I'm like and I can't have a debt [**inaudible – talking at same time**]** |
| **CH** | **[**inaudible – talking at same time**]** |
| **AB** | **My debts [**inaudible – talking at same time**] the day after they get paid.** |
| **CH** | **Look I, I, I could. There I have got shall we say issues. People working with me who don't properly tell me what is going on. Who you know and it's weird…** |

| | |
|---|---|
| **AB** | **Aye, but that's, that's not related. This, this agreement's between us.** |
| **CH** | **No, no I know it is. Because of course it's my responsibility and its no-one else's responsibility [**inaudible**] I, I get that but I didn't realise. I knew I had a problem. Didn't fucking realise what the problem was until certain…** |

**Witnesses**

44. The written and oral evidence of witnesses is 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 of all witnesses. 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. The following witnesses gave oral evidence:

45. Lindsey Barrowclough (FIO)

45.1 Ms Barrowclough confirmed that her FIR was true to the best of her knowledge and belief and required no corrections.

45.2 In cross-examination, Ms Barrowclough told the Tribunal that she had first come into contact with Mr Haddock during the 2018 investigation. This had followed the submission of a qualified accountant's report due to anomalies in the reconciliations. Ms Roth-Sharma put to her that Mr Haddock had appointed someone to come in and rectify the breaches. Ms Barrowclough stated that she had mainly dealt with Ms Grainger. At that point the issue of the alleged loan did not form part of her investigation. Ms Barrowclough confirmed that both Ms Grainger and Mr Haddock had been co-operative during the investigation.

45.3 Ms Roth-Sharma cross-examined Ms Barrowclough about the land dispute matters and drew her attention to a letter to Mr Haddock from Wilkinson Woodward Bearders ("WWB") (solicitors involved in the land issues) dated 17 January 2019 which referred to monies being held on account by Mr Haddock and attached an invoice dated 16 January 2019.

45.4 There was further cross-examination about the Client C and D ledgers, which did not go directly to the Allegations that the Tribunal was required to determine. In relation to the £25,000 alleged loan, Ms Roth-Sharma asked Ms Barrowclough if it was her experience that clients would put money on account and ask for a ceiling not to be exceeded. Ms Barrowclough replied that if there is a payment on account she would expect there to be a cost estimate running alongside this and regular cost updates to see how close costs were to the payment on account sum.

46. Andrew Bell

46.1 Mr Bell adopted his witness statements as his evidence.

46.2 In cross-examination he told the Tribunal that he had instructed Mr Haddock in 2016 following a recommendation by his neighbours. He explained that Clients C and D

would pay 50% and he would pay 50% of the legal fees. Mr Bell would give effect to this by giving Clients C and D the cash and they would make the bank transfer to the firm. Ms Roth-Sharma put to Mr Bell that there was no evidence of such an arrangement. Mr Bell stated that this arrangement was agreed with Mr Haddock in the first place and that he had handed over a "whole box load of evidence" to the SRA.

46.3 Ms Roth-Sharma showed Mr Bell a letter dated 13 June 2016 from Mr Haddock to him. This letter estimated that if the land dispute continued to be litigated then it could cost Mr Bell in excess of £50,000. Mr Bell told the Tribunal that this letter was "made up" and that Mr Bell had never sent it to him.

46.4 Ms Roth-Sharma showed Mr Bell the letter from WWB and the attached invoice and put to him that this was evidence that Mr Haddock was holding funds to pay legal fees. Mr Bell stated that Mr Haddock had borrowed £25,000 - the implication being that the monies were paid off-set from that.

46.5 Ms Roth-Sharma took Mr Bell to a document 6 June 2018 submitted to Leeds Crown Court in relation to the criminal proceedings in which he had stated that he had no complaint against Mr Haddock. Mr Bell stated that he had put a formal complaint and had sought help and advice. The Judge had listed the matter and then Mr Haddock had telephoned Mr Bell and assured him that he would do a good job in the proceedings. Mr Haddock had told Mr Bell that he could not mention the £25,000 "or I would be in trouble".

46.6 Ms Roth-Sharma put it to Mr Bell that it was "peculiar" that the alleged loan was in November 2017 but by June 2018 Mr Bell was signing a document saying he had no complaint against him. Mr Bell told the Tribunal that Mr Haddock had apologised to him and Mr Bell had decided to stick with him due to the large amount of evidence that needed to be gone through. Mr Bell decided this as the "biggest mistake of my life" but he had not thought he could change legal representation and had therefore decided "better the devil you know".

46.7 Ms Roth-Sharma put to Mr Bell that on the one hand he had complained about Mr Haddock's services but on the other hand had continued to instruct him. Mr Bell reiterated his point about not feeling able to change solicitors.

46.8 Ms Roth-Sharma put to Mr Bell that he changed his mind "like the weather" in that when things were going well he was happy to praise Mr Haddock but when cases went against him he would turn on him. Mr Bell denied this.

46.9 Ms Roth-Sharma took Mr Bell to the letter sent to him by Mr Haddock dated 30 January 2020 which referred to the payment of £25,000. Mr Bell described this letter as "a fantasy".

46.10 Mr Bell denied that the £25,000 was money on account and told the Tribunal that he had not signed the agreement in November 2017 but in 2018.

46.11 Ms Roth-Sharma put to Mr Bell that the reference to a loan in the recording in February 2018 was a "charade" for the benefit of concealing his financial details from

Mrs Bell. Mr Bell described the situation as the "exact opposite" and denied that the tape recording was set up for the benefit of fooling Mrs Bell.

46.12 Ms Roth-Sharma suggested that it was far-fetched for Mr Bell to have made a loan with no loan agreement or terms not having known Mr Haddock for long. Mr Bell told the Tribunal that he thought he knew Mr Haddock and considered him a friend. As with family, he would not ask him for a loan agreement. Further, his trial was approaching and Mr Haddock had offered him good representation, as opposed to a basic representation.

46.13 Ms Roth-Sharma noted that the complaint to the SRA was dated 30 May 2018 but not sent until later in the year. Mr Bell stated that this was sent after Mr Haddock's poor performance in Court.

46.14 Ms Roth-Sharma put to Mr Bell that he had drawn down funds to cover his legal fees and to manage his affairs while he was away and that when things had not gone as Mr Bell had hoped, he had sat "ready in preparation to press the button to ruin" Mr Haddock's career. Mr Bell described this as "nonsense" and told the Tribunal that Mr Haddock had ruined his life on purpose to avoid having to pay back the loan.

47. Sharon Bell

47.1 Mrs Bell adopted her witness statement as her evidence.

47.2 In cross-examination, Mrs Bell told the Tribunal that she had made the recording because at the time she did so, no interest had been paid on the loan since November 2017. She was therefore trying to get evidence that it was a loan and not payment on account.

47.3 Ms Roth-Sharma referred to the email dated 12 November 2017 from Mrs Bell to Mr Haddock in which she asked what reference to put on the bank transfer and in which she referred to the £25,000 being loaned. She put to Mrs Bell that the reply in which Mr Haddock purported to say "Just put Andrew Bell" was a fabricated document. Mrs Bell maintained that the reply was from Mr Haddock.

48. The Respondent

48.1 Mr Haddock relied on his response to the SRA notice of intention to refer the matter to the Tribunal dated 26 January 2022, his further response dated 21 May 2022, his Answer dated 9 January 2023 and his witness statement dated 16 June 2023 as his evidence.

48.2 Ms Sheppard-Jones referred to the email exchanges between Mr Haddock and Mrs Bell dated 12 November 2017 and asked Mr Haddock if he accepted responding to Mrs Bell's email in those terms. Mr Haddock told the Tribunal that he did not recall this exchange and considered the style "a little unusual" in that he would normally respond in the same style that he had been written to. Ms Sheppard-Jones put to Mr Haddock that there was no evidence that the email was fabricated. Mr Haddock accepted there was no such evidence.

48.3 Ms Sheppard-Jones took Mr Haddock to the email dated 8 February 2018 from Mrs Bell but signed off by Mr Bell in which a loan was referred to. She put to Mr Haddock that he had not corrected or challenged the references to a loan. Mr Haddock replied that he had decided to speak to Mr Bell about it personally. Mr Haddock denied that the £25,000 was a loan. Ms Sheppard-Jones further took Mr Haddock to the formal complaint dated 24 May 2018 in which there were various references to the loan. She put to Mr Haddock that, again, he had not challenged this. Mr Haddock told the Tribunal that he had not done so in writing. Ms Sheppard-Jones put to him that the real reason was that it was true. Mr Haddock denied this.

48.4 Ms Sheppard-Jones put to Mr Haddock that he "had [Mr Bell] over a barrel" in that Mr Haddock was holding his £25,000 and was heavily involved in his criminal trial. Mr Haddock denied that Mr Bell had no choice as to his representation as he was in receipt of legal aid for those matters.

48.5 Ms Sheppard-Jones put to Mr Haddock that if the agreement dated November 2017 had related to fixed fees, there would have been documents setting out a structure. Mr Haddock told the Tribunal that "it wasn't a fixed fee in the traditional sense". He described it as a "qualified fixed fee" in that he would take the fee and if he spent less time on the case then he would reimburse Mr Bell the difference.

48.6 Ms Sheppard-Jones put it to Mr Haddock that the agreement was a "woolly attempt" to account for the £25,000 when the SRA were investigating in 2018. Mr Haddock told the Tribunal that he was not panicking and did not fully understand what had gone on, but that this issue had not been raised.

48.7 Ms Sheppard-Jones took Mr Haddock to sections of the audio recording of the meeting in February 2018 in which he had agreed that the money was a loan. Mr Haddock told the Tribunal that he did not know the recording was being made and that he should have asked Mrs Bell to leave that meeting so that he could have discussed matters with Mr Bell. Instead, he had respected his confidence. He told the Tribunal that "we had a bit of theatre for her benefit", referring to Mrs Bell. Mr Haddock denied the suggestion from Ms Sheppard-Jones that it was "complete nonsense" that he had decided to go along with some "spontaneous theatrical performance". Ms Sheppard-Jones referred Mr Haddock to the section that referred to repayment of a debt. Mr Haddock told the Tribunal that the "debt" was money he had received from Mr Bell for representation and that if he was unable to do so then he would reimburse him.

48.8 Ms Sheppard-Jones put to Mr Haddock that the £25,000 was paid after the Tomlin order settling the land dispute. Mr Haddock agreed, but told the Tribunal that the lenders still had to approve the terms of the Tomlin order and this took time.

48.9 Mr Haddock conceded that the accounting scenario was "a shade shambolic", for which he apologised, but he denied the Allegations and denied acting dishonestly. He also denied using the client account as a banking facility.

48.10 Towards the end of his evidence Mr Haddock told the Tribunal that Mr and Mrs Bell had offered to lend him £6,000 and he had refused. It was put to Mr Haddock by Ms Sheppard-Jones that this was the first time he had mentioned this. Mr Haddock

denied this and told the Tribunal that Mr and Mrs Bell had previously said this themselves.

**Findings of Fact and Law**

49. The Applicant was required by Rule 5 of The Solicitors (Disciplinary Proceedings) Rules 2019 to prove the allegations to the standard applicable in civil proceedings (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 Mr Haddock'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.

50. The parties' submissions are summarised below in relation to the Allegations as a whole. It was clear that the factual elements of the Allegations were interlinked and stood or fell together.

Applicant's Submissions

50.1 Ms Sheppard-Jones relied on the evidence of Mr and Mrs Bell and on her case as put to Mr Haddock in cross-examination.

50.2 Ms Sheppard-Jones submitted that the evidence showed that the £25,000.00 was provided to Mr Haddock as a loan, which Mr Bell expected to be paid back within 6 months. It was further agreed that Mr Haddock would pay the interest due on the mortgage account from which Mr Bell had advanced the loan. Ms Sheppard-Jones submitted that the evidence before the Tribunal was consistent with the monies representing a loan. This created a significant risk of an own interest conflict and therefore Mr Haddock had breached O (3.4) of the Code.

50.3 Ms Sheppard-Jones submitted that Mr Haddock had lacked integrity, in breach of Principle 2. She referred the Tribunal to the test in Wingate v Solicitors Regulation Authority v Malins [2018] EWCA Civ 366 and submitted that a solicitor acting with integrity would not accept a significant loan from a client. Mr Haddock was an experienced solicitor, would have known that accepting such a loan would be unethical and would create a significant conflict with the client. The same applied to the use of the client account as a banking facility, which would be the logical conclusion of any finding that the monies were a loan and did not relate to an underlying transaction, and to the drafting of the purported agreement.

50.4 Ms Sheppard-Jones further submitted that by accepting a loan from Mr Bell, Mr Haddock had compromised his independence, given that he was acting for Mr Bell in a number of matters and had therefore breached Principle 3.

50.5 Ms Sheppard-Jones submitted that the conduct alleged also amounted to a breach of the requirement to behave in a way which maintains the trust placed by the public in them and in the provision of legal services and that Mr Haddock had therefore breached Principle 6.

50.6 Ms Sheppard-Jones submitted that Mr Haddock's actions were dishonest in relation to Allegations 1.2 and 1.3. Ms Sheppard-Jones relied on the test in Ivey v Genting Casinos [2017] UKSC 67. In relation to Mr Haddock's state of knowledge, Ms Sheppard-Jones submitted that Mr Haddock knew that he had agreed a fee structure for the civil matter with Mr Bell and Client C and Client D in his letter to them dated 13 June 2016. He also knew that he had agreed to accept a loan from Mr Bell.

50.7 Ms Sheppard-Jones submitted that Mr Haddock was aware of the money coming into the client account because over the next four weeks he transferred £22,000.00 of it to the office account, where it was used to discharge the Firm's liabilities. Ms Sheppard-Jones submitted that Mr Haddock had purported to account for the same as costs, even though he knew that no such costs had been charged to Client C and Client D and were not in fact due. Mr Haddock knew that the £25,000.00 was not in fact client money relating to an underlying transaction or forming part of his normal regulated activities but caused it to be paid into his client account in any event, to make it look as though it was.

50.8 In relation to Allegation 1.3, Ms Sheppard-Jones submitted that Mr Haddock knew the true nature of the agreement with Mr Bell and was also aware that the firm was being investigated by the SRA in January 2018. Ms Sheppard-Jones submitted that the agreement, which he signed, did not reflect the true nature of the loan. He also knew that the agreement was not made in November 2017, but rather in January 2018.

50.9 Ms Sheppard-Jones submitted that in relation to Allegation 1.2 and 1.3, Mr Haddock's actions would be considered dishonest by the standards of ordinary decent people.

Respondent's Submissions

50.10 Ms Roth-Sharma submitted that Mr Haddock had been the COLP and COFA of the Firm but that the day to day administration was done by Ms Grainger.

50.11 Ms Roth-Sharma submitted that Mr Bell had "changed his mind like the weather" in his views about Mr Haddock. When things were not going his way he was "essentially throwing tantrums". Ms Roth-Sharma submitted that this was why Mr Bell had sat on the draft complaint to the SRA for several months before sending it. Ms Roth-Sharma submitted that Mr Bell told the Tribunal that two barristers and a Judge had been aware of this alleged loan, but noted that they had not made a complaint, which one would expect from officers of the Court. Ms Roth-Sharma reminded the Tribunal of the document sent to Leeds Crown Court in which it was confirmed that there was no complaint by Mr Bell against Mr Haddock. Ms Roth-Sharma submitted that Mr Bell could not be believed and that Mr Haddock had been set up by Mr and Mrs Bell.

50.12 Ms Roth-Sharma submitted that Mr Haddock was in poor health at the time of the Allegations. This had not stopped Mr Bell pressuring him and imposing on him. The Firm was struggling financially but Mr Haddock had not asked the Bells for a loan.

50.13 Ms Roth-Sharma submitted that Mr Haddock had represented over 3000 clients over 23 years. He enjoyed repeat business and was a pillar of community. He was reliable and was considered a first rate Higher Court Advocate who was devoted to his clients. Ms Roth-Sharma referred the Tribunal to the testimonials that had been adduced.

50.14 Ms Roth-Sharma submitted that Mr Haddock had been consistent in the SRA investigation and before the Tribunal that the £25,000 was not a loan. It was a loose arrangement that was not well documented or thought-out by either party. Mr Haddock ought to have known better and should have documented everything, but in 2018 he was recovering from illness and was in a "situation of despair". Ms Roth-Sharma submitted that Mr Haddock was "anything but dishonest".

50.15 In relation to the audio recording, Ms Roth-Sharma submitted that while it may appear to be damming evidence, the reality was that Mr Haddock was playing along with a charade that Mr Bell had started. Mr Haddock had found himself "trapped in a web of lies and deceit".

50.16 Ms Roth-Sharma submitted that the SRA had failed to prove the Allegations and invited the Tribunal to accept Mr Haddock's evidence on the balance of probabilities.

The Tribunal's Findings

*Allegation 1.1*

50.17 The Tribunal considered whether or not the £25,000 was a loan. In doing so the Tribunal considered the contemporaneous documentary evidence and the audio recording from February 2018.

50.18 The Tribunal noted that there were emails, detailed above, which contained references to Mr Bell having loaned monies to Mr Haddock. This was consistent with the contents of the audio recording, in which the loan was discussed in detail. It was further consistent with the fact that £25,000 came into the client account and was then largely dispersed for reasons that did not appear to relate to any work being undertaken by Mr Haddock to justify that. Further, there was an absence of any documentation setting out a fee structure which would come close to explaining the sum of £25,000 being paid. There was no evidence of a fixed fee agreement, or any sort of arrangement for payment on account of a retainer. All of the contemporaneous evidence was consistent with the monies representing a loan from Mr Bell.

50.19 Mr Bell and Mrs Bell had both given credible and coherent evidence that was also consistent with the contemporaneous material. The Tribunal concluded that Mr Bell's account of matters was plausible and chimed with the rest of the evidence referred to above. It was clear that the relationship between the Mr Bell and Mr Haddock had been hot and cold. It was also plain that Mr Bell had a number of ongoing cases and he would have needed Mr Haddock to be at his best. In that context it was entirely plausible that he had offered him a loan by way of assistance.

50.20 In assessing Mr Haddock's evidence, the Tribunal had regard to the character evidence that had been submitted. Nevertheless, Mr Haddock's evidence was at odds with the contemporaneous evidence. It would have been extraordinary for Mr

Haddock to have allowed erroneous references to a loan to pass unchallenged in several items of correspondence. There was absolutely no evidence that the emails were forgeries – something that could easily have been demonstrated if that was indeed the case.

50.21 Mr Haddock's suggestion that the conversation recorded by Mrs Bell was part of some charade to fool her was utterly preposterous. What the recording demonstrated was that an extremely unhealthy relationship had developed between Mr Haddock and his client. More to the point of this Allegation, it also proved that there had indeed been a loan made by Mr Bell to Mr Haddock. There would have been no reason for Mr Bell to conceal the fact that he was paying legal fees from his wife and there was no evidence whatsoever that the monies were for fees anyway. Mr Haddock's evidence was incapable of belief. The Tribunal noted Ms Roth-Sharma's submission that Mr Haddock had been "trapped in a web of lies and deceit". The Tribunal noted that this in itself indicated dishonesty on the part of Mr Haddock, albeit not for the reasons advanced by Ms Roth-Sharma.

50.22 The Tribunal was satisfied on the balance of probabilities that Mr Haddock had accepted a loan from Mr Bell. This had inevitably caused a clear own-interest conflict, something that was graphically illustrated by the audio recording. The Tribunal was clear that accepting a loan from a client, particularly in the sum of £25,000, created a conflict in and of itself. The Tribunal was therefore satisfied on the balance of probabilities that Mr Haddock had failed to achieve Outcome 3.4.

*Principle 2*

50.23 In considering whether Mr Haddock had lacked integrity, the Tribunal applied the test set out in Wingate. At [100] Jackson LJ had stated:

> "Integrity connotes adherence to the ethical standards of one's own profession. That involves more than mere honesty. To take one example, a solicitor conducting negotiations or a barrister making submissions to a judge or arbitrator will take particular care not to mislead. Such a professional person is expected to be even more scrupulous about accuracy than a member of the general public in daily discourse".

50.24 At [101] (iii) the specific example was given of "Subordinating the interests of the clients to the solicitors' own financial interests" as lacking integrity.

50.25 This was a clear conflict of interest which was entirely the result of Mr Haddock putting his own interests and that of the Firm ahead of Mr Bell's interests. The Tribunal considered it completely unethical to have taken a loan from Mr Bell. Solicitors should not take loans from their clients as it automatically created, at the very least, a significant risk of a conflict of interests. In this case that conflict had become real almost immediately. The Tribunal found the breach of Principle 2 proved on the balance of probabilities.

50.26 Principle 3 was proved as a matter of logic from the Tribunal's findings, in that a solicitor's independence was evidently compromised in the context of an own-client conflict of interests.

50.27 The Tribunal further found Principle 6 proved on the balance of probabilities. The trust the public placed in Mr Haddock and in the provision of legal services was seriously undermined in the circumstances set out above.

*Allegation 1.2*

50.28 The Tribunal, having found that the £25,000 was a loan, had no difficulty in finding that Mr Haddock had caused the loan to be received into the client account in circumstances where there was no link to any instructions or underlying transaction and was not part of Mr Haddock's normal regulated activities. The Tribunal found the breach of Rule 14.5 proved on the balance of probabilities.

*Principles 2 and 6*

50.29 In Wingate, at [101] (iv), "Making improper payments out of the client account" was given an example of a lack of integrity. The Tribunal took the view that the same could be said of improper payments into the client account, particularly in circumstances where the reason the £25,000 had been paid into the client account was to conceal the fact that it was a loan and not in relation to costs. The Tribunal found the breach of Principle 2 proved on the balance of probabilities. It followed from that finding that the breach of Principle 6 was similarly proved.

Dishonesty

50.30 The test for considering the question of dishonesty was that set out in Ivey v Genting Casinos at [74] as follows:

> "the test of dishonesty is as set out by Lord Nicholls in Royal Brunei Airlines Sdn Bhd v Tan and by Lord Hoffmann in Barlow Clowes: ….. 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 knowledgeable belief as to facts is established, the question whether his conduct was honest or dishonest is to be determined by the factfinder 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."

50.31 The Tribunal applied the test in Ivey and in doing so, when considering the issue of dishonesty adopted the following approach:

- Firstly the Tribunal established the actual state of Mr Haddock's knowledge or belief as to the facts, noting that the belief did not have to be reasonable, merely that it had to be genuinely held.

- Secondly, once that was established, the Tribunal then considered whether that conduct was honest or dishonest by the standards of ordinary decent people.

50.32 The Tribunal made the following findings as to Mr Haddock's state of knowledge:

- Mr Haddock knew that he had accepted a payment of £25,000 from Mr Bell.
- Mr Haddock knew that these funds had been paid into the client account.
- Mr Haddock knew that this was a loan. The evidence came from the contemporaneous emails, the audio recording of the meeting and the oral evidence of Mr and Mrs Bell.
- Mr Haddock knew that as a loan, the funds ought to have been paid into the office account and not the client account. Mr Haddock was an experienced solicitor who had not suggested that he was unfamiliar with the Solicitors Accounts Rules.
- Mr Haddock had subsequently tried to argue that the £25,000 was on account of costs. The Tribunal concluded from this stance that the reason Mr Haddock put the monies into the client account was to conceal the fact that it was a loan.
- Mr Haddock therefore knew that the monies were not in respect of instructions relating to an underlying transaction and the receipt of them did not form part of his normal regulated activities.
- Mr Haddock had therefore knowingly allowed the client account to be used as a banking facility.

50.33 Ms Roth-Sharma had referred to Mr Haddock's ill-health at the time. However, no medical evidence had been adduced on this point, despite the proceedings having been issued many months ago. There was certainly no evidence that the health problems altered Mr Haddock's awareness of the facts at the time.

50.34 The Tribunal was satisfied on the balance of probabilities that Mr Haddock's conduct would be considered dishonest by the standards of ordinary decent people and so the Tribunal found dishonesty proved in relation to Allegation 1.2.

*Allegation 1.3*

50.35 The Tribunal, having found that the £25,000 was a loan, found that the purported agreement dated 10 November 2017 describing the monies as relating to legal work was completely fictitious. It was misleading as anybody reading it would be likely to conclude that the £25,000 was in respect of fees and not a loan. The document had been backdated, on the evidence of Mr Bell. The Tribunal found the factual basis of Allegation 1.3 proved on the balance of probabilities.

Dishonesty

50.36 The Tribunal made the following findings in relation to Mr Haddock's state of knowledge. These are in addition to the findings made as to his state of knowledge in Allegation 1.2.

- Mr Haddock had drawn up and signed the purported agreement in January 2018.

- Mr Haddock knew that he had dated it 10 November 2017.

- Mr Haddock had done so at a time when he was aware that there was a Forensic Investigation being undertaken by the SRA.

- Mr Haddock knew that the purported agreement did not reflect the true reason that the monies had been advanced to him.

50.37 The Tribunal was satisfied on the balance of probabilities that Mr Haddock's actions in creating this purported agreement would be considered dishonest by the standards of ordinary, decent people. There could be no honest circumstance in which a solicitor would deliberately create a false document. The Tribunal found dishonesty proved in relation to Allegation 1.3.

*Principles 2 and 6*

50.38 It followed from the Tribunal's findings that these Principles had been breached by Mr Haddock and the Tribunal found those breaches proved on the balance of probabilities.

**Previous Disciplinary Matters**

51. There were no previous findings at the Tribunal.

**Mitigation**

52. Ms Roth-Sharma accepted that the Tribunal's findings were serious. She submitted that the purpose of sanction in this case was to protect client money. Ms Roth-Sharma told the Tribunal that Mr Haddock was 72 years of age and was approaching the end of his career. Mr Haddock wanted to limit his work to appearing as a Higher Court Advocate in the criminal courts. He had been a specialist solicitor for 23 years with an unblemished record, during which time he had helped 3000 clients.

53. Ms Roth-Sharma submitted that a strike-off would be disproportionate and instead invited the Tribunal to impose "stringent" conditions on Mr Haddock. Ms Roth-Sharma proposed conditions that Mr Haddock would not handle client money and would seek the permission of the SRA before working in a firm.

54. Ms Roth-Sharma submitted that this episode was a "blip" that had occurred spontaneously in the context of a relationship that had overtaken Mr Haddock. The Firm had been in financial difficulties. Some of the funds had been returned to Mr Bell. Ms Roth-Sharma reminded the Tribunal that Ms Grainger had day to day involvement in the accounts. Ms Roth-Sharma submitted that Mr Haddock had been quick to admit anomalies in the client account and had co-operated with the SRA. To that extent, he had made open and frank admissions when dealing with the FIO.

55. Ms Roth-Sharma submitted that Mr Haddock had already been punished in that he had not practised since September 2022. Ms Roth-Sharma argued that exceptional circumstances applied, having regard to Solicitors Regulation Authority v Sharma

[2010] EWHC 2022, the principle such circumstance being Mr Haddock's poor health.

**Sanction**

56. The Tribunal had regard to the Guidance Note on Sanctions (June 2022). The Tribunal assessed the seriousness of the misconduct by considering Mr Haddock's culpability, the level of harm caused together with any aggravating or mitigating factors.

57. In assessing culpability, the Tribunal identified the following factors:

- The motivation was personal financial gain to keep the Firm afloat and to avoid scrutiny of the £25,000 payment by the SRA.
- While taking the loan itself was spontaneous, the drafting of the fake agreement was planned.
- Mr Haddock had complete control of these matters and was fully responsible for his actions. The role of Ms Grainger was irrelevant to this as the agreement was between Mr Haddock and Mr Bell. Ms Grainger had no involvement.
- Mr Haddock's actions represented a breach of the trust placed in him by Mr Bell.
- Mr Haddock was highly experienced – as Ms Roth-Sharma had pointed out in her submissions.
- The SRA had been misled – that was the whole point of the fake agreement document.

58. The Tribunal concluded that Mr Haddock was highly culpable in this matter.

59. In assessing the harm caused, the Tribunal recognised the significant financial loss to Mr Bell. In terms of the reputation of the profession, the Tribunal considered that the public would be shocked that a solicitor could behave in such a way. The level of harm caused was therefore high.

60. The Tribunal identified the following aggravating features:

- Mr Haddock's dishonesty. Coulson J in Sharma had observed:

> "34. there is harm to the public every time a solicitor behaves dishonestly. It is in the public interest to ensure that, as it was put in Bolton, a solicitor can be "trusted to the ends of the earth"."

- The misconduct was deliberate and calculated.
- Mr Haddock had blamed Mr and Mrs Bell by accusing them of fabricating their accounts and he had sought to imply some blame on the part of Ms Grainger, though this was not properly explained.

- Mr Haddock knew he was in material breach of his professional obligations.

61. The Tribunal was unable to identify any mitigating factors. The co-operation with the SRA and the admissions referred to by Ms Roth-Sharma appeared to relate to the 2018 investigation, which was not what the Tribunal was required to impose a sanction for.

62. The misconduct was so serious that a Reprimand, Fine or Restriction Order would not be a sufficient sanction to protect the public or the reputation of the profession from future harm by Mr Haddock. The Tribunal noted that the usual sanction where misconduct included dishonesty would be a strike-off and the Tribunal had regard to Sharma. The circumstances in which such a sanction was not imposed were exceptional, described in Sharma as "a small residual category where striking off will be a disproportionate sentence in all the circumstances ...".

63. In Solicitors Regulation Authority v James [2018] EWHC 3058 (Admin) at [101], Flaux LJ set out the basis of which question of exceptional circumstances was assessed:

> "First, although it is well-established that what may amount to exceptional circumstances is in no sense prescribed and depends upon the various factors and circumstances of each individual case, it is clear from the decisions in Sharma, Imran and Shaw, that the most significant factor carrying most weight and which must therefore be the primary focus in the evaluation is the nature and extent of the dishonesty, in other words the exceptional circumstances must relate in some way to the dishonesty."

64. The Tribunal considered whether the circumstances in this case were exceptional, having regard to James. Ms Roth-Sharma had made reference to Mr Haddock's health but, as noted previously, no evidence had been adduced as to this. Specifically, there was no evidence that linked the ill-health to the dishonesty. There were no other exceptional circumstance advanced or identified by the Tribunal.

65. In the circumstances, the only appropriate sanction was that Mr Haddock be struck-off the Roll.

**Costs**

Applicant's Submissions

66. Ms Sheppard-Jones applied for costs in the sum of £28,827, which equated to a notional hourly rate of £135. Ms Sheppard-Jones submitted that this was a case in which an order ought to be made. The statement of means had been served late. No objection was raised to the document being taken into consideration. However, Ms Sheppard-Jones submitted that there was no supporting evidence, save for the accounts of the Firm. There was no other documentation as to income or expenditure, as required by Rule 43 of the SDPR 2019. Ms Sheppard-Jones submitted that this case could be distinguished from Barnes v Solicitors Regulation Authority [2022] EWHC 677 (Admin), in that Mr Haddock was not bankrupt and he had not provided the numerous and detailed documentation that Ms Barnes had.

Respondent's Submissions

67. Ms Roth-Sharma told the Tribunal that Mr Haddock was in receipt of a state pension. He was still liable for the "bounceback" loan and had an overdraft secured against his property of £109,000. His liabilities totalled £148,000. In terms of his monthly expenditure, Mr Haddock was left with little or nothing most months. His employment prospects were poor and Ms Roth-Sharma submitted that in the circumstances it would be disproportionate to make an order for costs. Mr Haddock had provided a statement of means, which the Tribunal was invited to consider.

The Tribunal's Decisions

68. The Tribunal assessed the SRA's costs in this matter. It was satisfied that the work undertaken and the costs claimed were reasonable in the circumstances. The Tribunal noted the hourly rate was not excessive.

69. The Tribunal considered the statement of means. It agreed with Ms Sheppard-Jones that more documentary evidence would have been helpful. That said, the contents of the statement were not specifically challenged by the SRA and the Tribunal therefore took them at face value.

70. The Tribunal had regard to Barnes v Solicitors Regulation Authority [2022] EWHC 677 (Admin) and the importance of making a "reasonable assessment of the current and future circumstances" in relation to Mr Haddock's ability to pay.

71. At [46], Cotter J stated:

> "[46] The courts have held for a long time that the guiding principle is that fines, costs and compensation should be capable of being paid off within a reasonable time if imposed in circumstances such as this (i.e. not in ordinary civil litigation). The decision of the tribunal on the reasonable assumption that she had an entitlement to half the monthly surplus would mean that the Appellant would never pay off the debt, on the then current level of remuneration at the time of the hearing (i.e. before she lost her job). I accept, as Mitting J set out, that the Solicitors Regulation Authority does not have the aim of pursuing impecunious solicitors against whom orders have been made and who cannot pay. However, I cannot see how the Authority or the profession is in any way better off leaving to the Enforcement Unit a debt that can never be paid, save in exceptional circumstances. The exceptional circumstances provision can be dealt with by what is known as "a football pools" order. That description may not now be understood by a number of younger people. I believe "a lottery order" would be more widely understood."

72. At [48] he stated:

> "[48] No proper exercise of discretion under the Rules could, produce an order for costs that will never be satisfied and will remain a burden on a party for life. I reject Ms Culleton's submission to the contrary i.e. that that is a proper order open to the tribunal even given the exercise of its generous discretion.

> Nor, as I have stated, can it be correct to leave what is effectively an unrecoverable debt to the Recovery Unit in the hope that it will then take a reasonable view. The tribunal itself is the one with the regulatory requirement to consider means and the Unit should only be required to recover debts which the tribunal considered to be properly recoverable."

73. The Tribunal noted that the liabilities owed by the Firm were in excess of £350,000. Mr Haddock was not currently working and given his age and the sanction imposed, the prospect of a return to long-term highly paid employment was remote. At present, his monthly income and outgoings showed a significant shortfall.

74. The Tribunal concluded that there was no realistic prospect of a costs order being satisfied at all and certainly not without creating a burden on Mr Haddock for the rest of his life. In the circumstances, applying the factors set out in Barnes, the Tribunal made no order for costs. For the avoidance of doubt, the sole reason for this decision was Mr Haddock's means. Had he had the available means, the Tribunal would have made a costs order in the sum claimed by the SRA.

**Statement of Full Order**

75. The Tribunal Ordered that the Respondent CHRISTOPHER MICHAEL HADDOCK, solicitor, be STRUCK OFF the Roll of Solicitors and it further makes no order as to costs

Dated this 31st day of July 2023
On behalf of the Tribunal



*B Forde*

B Forde
Chair