

IN THE MATTER OF CHRISTINE LIGGINS, solicitor's clerk

- AND -

IN THE MATTER OF THE SOLICITORS ACT 1974

Mr. J.N. Barnecutt (in the Chair)
Mr. R.B. Bamford
Mr. G. Saunders

Date Of Hearing: 6th July 1995

FINDINGS

of the Solicitors' Disciplinary Tribunal
constituted under the Solicitors Act 1974

An application was duly made on behalf of the Law Society on 15th May 1995 by Carlton Maurice Edwards, solicitor, of Southfield House, 11 Liverpool Gardens, Worthing, West Sussex BN11 1SD that an Order be made by the Tribunal directing that as from a date to be specified in such order no solicitor should except in accordance with permission in writing granted by the Law Society for such a period and subject to such conditions as the Society might think to specify in the permission, employ or remunerate in connection with the practice as a solicitor Christine Liggins of Anslow, Nr. Burton on Trent, Staffordshire DE13 a person who was or had been a clerk to a solicitor or that such other Order might be made as the Tribunal should think right.

The allegations were that the respondent had misappropriated clients monies held by the solicitors of not less than £157,676.60.

The application was heard at the Court Room, No. 60 Carey Street, London WC2 on 6th July 1995 when Harvey Silverman, solicitor and partner in the firm of Marsh Ferriman & Cheale of Southfield House, 11 Liverpool Gardens, Worthing, West Sussex appeared for the applicant and the respondent did not appear and was not represented.

The evidence before the Tribunal included a letter dated 3rd June 1995 written by the respondent in which she acknowledged receipt of the papers and receipt of the hearing date.

At the conclusion of the hearing the Tribunal ORDERED that as from 6th July 1995 no solicitor should except in accordance with permission in writing granted by the Law Society for such period and subject to such conditions as the Society might think fit to specify in the permission, employ or remunerate in connection with the practice as a solicitor Christine Liggins of , Anslow, Near Burton on Trent, Staffordshire DE13 , a person who is or was a clerk to a solicitor and the Tribunal further Ordered that she do pay the costs of and incidental to the application and enquiry fixed in the sum of £2,976.27.

The facts are set out in paragraphs 1 to 5 hereunder.

1. On 26th October 1993 the Chief Investigation Accountant of the Solicitors Complaints Bureau inspected the books of account of the firm Talbot & Co. at Burton upon Trent. The respondent was employed as a legal assistant to that firm from 1979 until she was dismissed on 30th October 1992.
2. Insofar as it was relevant, the books of account showed a shortage of an amount in excess of £55,000 as at 30th September 1993. The partners said that the false entries in the books had come to light following the discovery of irregularities perpetrated by their former assistant, the respondent, many of which still stood to be corrected. On 1st November 1993 £55,000.00 was received from the Solicitors Indemnity Fund and paid into client bank account in part rectification of the shortage. The partners Accountant's Report for the year ended 31st December 1992, received on 23rd June 1993 was qualified specifically in relation to irregularities perpetrated over a number of years by the respondent. The irregularities totalled £157,676.60. On 30th October 1992, as soon as they were discovered, the partners paid £70,000 into client bank account. On 26th July 1993 an amount in excess of £34,000 was recovered from the Solicitors Indemnity Fund and paid into client bank account. The irregularities perpetrated by the respondent included (inter alia) misappropriation of Social Security benefits collected in cash by the respondent in respect of eight clients totalling £113,074.20. The largest of these, totalling £27,937.50 of war disablement pension monies was collected in cash by the respondent on behalf of a client Mr. A between August 1989 and October 1992. No evidence was seen to suggest that the funds had been either lodged in client bank account or paid directly to the client.
3. The partners' investigation revealed that funds held in connection with twenty-nine client matters had been improperly used by the respondent for the benefit of other unconnected clients and examples were given by the Investigation Accountant. The unauthorised payments made from the accounts of some clients for the benefit of other clients totalled £153,733.76.
4. The solicitors made their observations upon the Investigation Accountant's report citing (inter alia) the efforts they made to put matters right upon discovery and a devious and complex arrangement of "teeming and lading" undertaken by the respondent. It was suggested that the partners general supervision had been adequate. She had been considered by the firm as a trusted senior fee earner in her own right.
5. On 25th January 1995 the Adjudication and Appeals Committee of the Solicitors Complaints Bureau resolved that application should be made to the Solicitors' Disciplinary Tribunal for an order under Section 43(2) of the Solicitors Act 1974 in respect of the respondent that she, having been a clerk to a solicitor but not being a

solicitor, had in the opinion of the Society, occasioned or been a party to, with or without the connivance of the solicitor to whom she was or had been a clerk, an act or default in relation to that solicitors practice which involved conduct on her part of such a nature that in the opinion of the Law Society it would be undesirable for her to be employed by a solicitor in connection with his/her practice.

The submissions of the applicant

6. The applicant wished to make it known to the Tribunal the extraordinary manner in which this case came to light. A member of the Monitoring Unit had been in the Burton on Trent area in relation to another matter when he was told that a clerk had absconded from a local firm with a six figure sum of clients' monies. Upon receipt of this information, the Monitoring Unit reported back to the Solicitors Complaints Bureau and the Investigation Accountant was requested to carry out an audit at Messrs. Talbots whereupon the shortfall was discovered. There was no doubt that the misappropriations were carried out in a skilful and manipulative manner. As far as is known all defalcations had been made good by the firm. There were no police proceedings pending. The respondent had submitted a fifteen page letter to the Tribunal but nothing that she could say therein could counter the fact of her gross misappropriations.
7. The applicant sought an order under Section 43 and requested costs of the Investigation Accountant, being some £2,342.22 inclusive, and his own costs of £554.60 with VAT of £79.45 making a total of £2,976.27 in all.

The submissions of the respondent (as appears in her correspondence of 3rd June 1995)

8. The respondent confirmed that she would not be attending the hearing as she could not afford representation. There were a number of facts that she disputed. She considered she was overworked and underpaid. She did not have the money she was accused of taking but could not prove this. When she first realised the money was not where it should have been she began to make payments from other client's funds. She knew she should not have done this but was frightened of losing her job. She described the circumstances surrounding her dismissal. She denied that she was adequately supervised by the firm. She could not see any point in an order being made against her as she was near to retirement age and in any event never wanted to work in a solicitors office again.

The Tribunal FOUND the allegation to have been substantiated, they had no hesitation in concluding that it was right that an Order pursuant to Section 43 should be made in respect of the respondent and that she should pay the fixed costs as asked. There were aspects of this case which the Tribunal found very disturbing indeed and the applicant undertook to report their concern to those instructing him.

DATED this 1st day of August 1995

on behalf of the Tribunal

J.N. Barnecutt
Chairman

Findings filed with the
Law Society on the 1st
day of September 1995

