

IN THE MATTER OF SEWA SINGH, solicitor

AND

IN THE MATTER OF THE SOLICITORS' ACT 1974

Mr. S. N. Jones (in the chair)
Mr A Gaynor-Smith
Lady Bonham Carter

Date of Hearing: 7th September 2004

FINDINGS

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

An application was duly made on behalf of the Law Society by George Marriott solicitor and partner in the firm of Gorvins of 4 Davy Avenue, Knowhill, Milton Keynes, MK5 8NL on 19th February 2004 that Sewa Singh of East Hunsbury, Northampton, might be required to answer the allegations contained in the statement which accompanied the application and that such order might be made as the Tribunal should think right.

On 9th August 2004 the Applicant, Mr Marriott, made a supplementary statement containing further allegations.

The allegations set out below are those contained in both the original and supplementary statements.

The allegations were that the Respondent had been guilty of conduct unbecoming a solicitor in that he:-

1. failed to keep proper accounting records to show accurately the position with regard to the money held for each client contrary to Rule 1(g) of the Solicitors Accounts Rules 1998;

2. failed to cause client money to be paid into client account contrary to 15 Solicitors Account Rules 1998;
3. permitted client accounts to be overdrawn contrary to Rule 22 of the Solicitors Accounts Rules 1998;
4. failed to rectify breaches of the rules contrary to Rule 7 of the Solicitors Accounts Rules 1998;
5. failed to establish and maintain proper accounting systems and proper internal controls over systems to ensure compliance with Rules contrary to 1(f) of the Solicitors Accounts Rules 1998;
6. failed to supervise properly or at all the work of another solicitor contrary to Rule 13 of the Solicitors Practice Rule 1990;
7. abandoned his practice and thereby compromised and impaired his integrity, a person's freedom to instruct a solicitor of his or her own choice, his duty to act in the best interests of his client, his good repute and that of the solicitors' profession, and his proper standard of work contrary to Rule 1 of the Solicitors Practice Rules 1990;
8. failed to reply promptly and substantively to correspondence from the Office;
9. misrepresented to the Law Society that he had indemnity insurance for the indemnity year 2000 to 2001;
10. practised as a solicitor for the practising year 2000-2001 without any indemnity insurance.

The application was heard at the Court Room, 3rd Floor, Gate House, 1 Farringdon Street, London, EC4M 7NS on 7th September 2004 when George Marriott appeared as the Applicant and the Respondent did not appear and was not represented.

On the morning of the hearing a letter (dated 6th September 2004) was received in the Tribunal's office by fax expressed to be from the Respondent's brother. The Respondent's brother said that the Respondent was too ill to attend the hearing and sought an adjournment. The letter stated that medical evidence was available and if this was required it could be supplied. The Tribunal's office responded to the number appearing on the fax to say that up to date formal medical evidence would be required by the Tribunal. A telephone call was received from a shop stating that the fax had been sent from that shop but it was a service offered to the sender. The sender was not known to the shop and there was no facility for responses to be passed to a fax sender.

Mr Marriott pointed out to the Tribunal that he had had difficulty in contacting the Respondent. The Tribunal had made an order for substituted service in April 2004. The Applicant had, as a result, been in touch with the Respondent's sister, with whom the Applicant had spoken on the telephone on a number of occasions. She had indicated that the Respondent was ill. The formal medical evidence before the Tribunal was of some age and could be considered to be stale.

The Applicant had served Civil Evidence Act notices and notices to admit at the address at 7 Chads Close, Rochdale believed to be that of the Respondent but no response had been received. An enquiry agent had been employed.

The enquiry agent had ascertained that the Respondent lived at that address.

The indication from earlier medical evidence was that the Respondent had a serious drink problem, but there was no current report or prognosis.

Mr Marriott accepted that the required thirty days notice of the supplementary statement had not been achieved. It had been served twenty seven days before the hearing date. The Law Society would be content for the Tribunal to deal with the allegations in the original statement and would be likely to take a pragmatic view as to the remaining allegations.

The Tribunal concluded that the Respondent was well aware of the proceedings having arranged for the letter of 6th September 2004 to be sent to the Tribunal. The Tribunal had before it no up-to-date medical evidence. The Tribunal was mindful of its duty to protect the interests of the public. It appeared that the Respondent, and members of his family were aware of the hearing date and the subject matter of the proceedings and had sought an adjournment without supplying formal up to date medical evidence. On the basis of the evidence before it the Tribunal was not persuaded that it should adjourn the matter in the interests of justice and bearing in mind the duty to protect the public. Further in view of the fact that the Respondent had had twenty seven days notice of the allegations contained in the supplementary statement, which were not in themselves complex, the Tribunal ordered that time for service should be abridged to twenty six days and that the matter should proceed to a substantive hearing to deal with the allegations contained in the original and supplementary statement.

The evidence before the Tribunal included the documents annexed to the Rule 4 statement and the supplementary statement.

At the conclusion of the hearing the Tribunal made the following order:-

The Tribunal Orders that the Respondent, Sewa Singh of Rochdale, Lancashire (formerly of, East Hunsbury, Northampton) solicitor, be suspended from practice as a solicitor for an indefinite period to commence on the 7th September 2004 and they further Order that he do pay the costs of and incidental to this application and enquiry fixed in the sum of £14,550.53

The facts are set out in paragraphs 1 to 22 hereunder:-

1. The Respondent, born in 1959, was admitted as a solicitor in 1990. He carried on practice as a sole principal under the name of Singh & Company from 15 Water Street, Rochdale, Manchester, OL16 ATL. The Respondent's practice had ceased. The most recent address of the Respondent was Rochdale, Lancashire.
2. Following authorisation the Law Society's Investigating Officer, (the IO) commenced an inspection of the Respondent's books of account on 23rd October 2001. His report dated 27th March 2002 was before the Tribunal.
3. The report revealed that there was a minimum cash shortage of £11,311.78 with regard to liabilities to clients. During the course of the inspection, that cash shortage was rectified by funds being paid into client bank account and payment of disbursements from office bank account.

4. The shortage arose for three reasons, namely:
 - a) client funds being improperly withheld from client bank account
 - b) overpayments
 - c) funds received to settle disbursements not held in client account while creditors remained unpaid (£727.28)
5. The Respondent's bookkeeper admitted that he had received £5,778.50 in cash on behalf of clients which he had improperly withheld from client bank account. He was unable to identify the specific matters to which the funds related, save eleven matters totalling £3,222.50 which occurred between 16th February 1998 and 22nd June 2001, and ranged in value from £45 to £1,000.
6. Amounts of £40 and £5,000 respectively were paid from client bank account on two separate matters in excess of the funds held on those matters. The shortage caused by the largest payment was reduced to £4,4,766 prior to 26th September by the receipt of funds from the client.
7. In the second matter the ledger card showed a receipt of £50,000 but there was no corresponding lodgement in client account.
8. The IO went on to report non compliance with mortgage lenders' instructions.
9. The Respondent engaged ZB initially as a trainee solicitor, then as an assistant solicitor and ultimately as a partner. ZB had conduct of conveyancing matters and on two occasions acted on behalf of clients purchasing properties assisted by mortgages from institutional lenders. On both occasions, the instructions from the institutional lenders were to achieve the perfection of their security in accordance with the Council of Mortgage Lenders Handbook.
10. The Handbook stated among other things that the solicitor must report to the lender if he did not have control over the payment of purchase money. In the first matter there was no evidence on the file to indicate that the institutional lender had been notified that £3,000 of the purchase money had not been under the firm's control. In the second matter there was no evidence on the file that the institutional lender had been informed that £5,561.77 had not passed through the practice.
11. A letter was sent by the Law Society dated 8th May 2002 asking for his explanation.
12. By letter dated 22nd May 2002 the Respondent accepted the accounts breaches but put the blame upon the cashiers and denied that he had failed to discharge his duty of supervision over ZB.
13. During the course of the inspection, ZB resigned his partnership with the Respondent and the Respondent continued on his own as a sole practitioner. He subsequently resolved to close his practice on 28th June 2002.
14. The Law Society received many complaints from the Respondent's former clients. In the main, the Respondent had failed to return clients' title deeds. An institutional lender wrote to the Law Society on 21st October 2002 requesting the urgent return of title deeds relating to a property, ZB complained that the Respondent had failed to deal with the registration of the interests of a private client and an institutional lender client. Another client was unable to effect the sale of his property without the title

deeds. An institutional lender pointed out the registration had not been completed and it could not make contact with the Respondent.

15. The Rochdale Law Association wrote to the Law Society on 14th November 2002 expressing its concern over the lack of action following the closure of the Respondent's practice.
16. The Law Society made several attempts to contact the Respondent. On 20th November 2002 the Respondent contacted the Law Society when he said that he had difficulty receiving calls on his mobile phone and asked for contact via his landline. He requested details of clients who had been in contact with the Office and agreed that he would make immediate arrangements to return their deeds.
17. The Respondent did not respond to the Law Society's letter of 25th November 2002 giving him full details of complaints received. A further letter was sent to him on 5th December 2002 about his failure to deal with the matters raised.
18. The Law Society thereafter attempted to contact the Respondent both on his mobile telephone and his landline. No response was made.
19. The Respondent completed a form RF1 for the practising year 2001-2002 and dated it 31st October 2001. Within the form he indicated that he had professional indemnity cover at a Lloyds Syndicate and quoted the policy number and the period of cover. By signing the RF1 he agreed that he had taken reasonable steps to make certain that the information provided within the form was correct and complete.
20. Enquiries made by the Law Society of the insurer revealed that the Respondent did not have professional indemnity insurance with the Lloyds Syndicate as he had represented.
21. The Law Society wrote to the Respondent on 20th April 2004 asking him to confirm with whom he was insured. No response was received to that letter. The Law Society's further enquiries demonstrated that the Lloyds Syndicate had never covered the Respondent's practice.
22. Further letters were sent to the Respondent dated 26th May 2004 and 7th June 2004. Both letters were returned by the Royal Mail indicating that the addressee had "gone away".

The Findings of the Tribunal

23. The Tribunal found all of the allegations to have been substantiated. The Tribunal accepted that the medical evidence, although it was not up to date, did indicate that the Respondent was in poor health. He had been drinking heavily and it was suggested by the most recent report before the Tribunal that without help his condition would deteriorate.
24. In finding the allegations to have been substantiated the Tribunal had borne in mind that the Respondent's actions might well have been taken whilst he was under the influence of alcohol. The Tribunal expressed the hope that the Respondent might seek appropriate help and guidance and in particular accept help from *LAWCARE*.
25. In all of the circumstances, and given the nature of the allegations and having regard to its duty to protect the public and the good reputation of the solicitors' profession

the Tribunal concluded that it was right to impose an indefinite period of suspension upon the Respondent. It was also right that he should pay the costs of and incidental to the application and enquiry, to include the costs of the Law Society's Investigation Officer, and in order to save time and further cost the Tribunal ordered that those costs should be in the fixed sum of £14,550.53.

Dated this 9th day of November 2004
On behalf of the Tribunal

S N Jones
Chairman