

SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974

Case No. 12680-2024

BETWEEN:

GRANVILLE GOMEZ CADAL HODGE

Applicant

and

SOLICITORS REGULATION AUTHORITY LTD.

Respondent

Before:

Ms A E Banks (in the chair)
Mr U Sheikh
Mr C Childs

Date of Hearing: 17 January 2025

Appearances

Leszek Werenowski, counsel of Suite 411 Wellington House 90-92 Butt Road Colchester CO3 3DA for the Applicant.

Montu Miah, counsel in the employ of the Solicitors Regulation Authority Ltd, The Cube, 199 Wharfside Street, Birmingham B1 1RN for the Respondent.

**DECISION ON AN APPLICATION
TO VARY/REMOVE CONDITIONS**

Background

1. On 9 January 2007, the Tribunal found the following allegations proved against Mr Hodge:
 - He failed to keep an accurate record of dealings with client and/or office money contrary to Rule 32 of the Solicitors Accounts Rules 1998 (“the SAR”);
 - He withdrew money from client account in breach of Rule 22 of the SAR;
 - He breached Regulation 37(2) of the Training Regulations 1990 (“the Training Regulations”) by failing to comply with the requirements for Continuing Professional Development (“CPD”);
 - He breached Regulation 39 of the Training Regulations by failing to keep a record of his CPD;
 - He failed to file Accountant’s Reports for the six month periods ending 30th April 2005 and 31st October 2005 in breach of section 34(2) of the Solicitors Act 1974;
 - He breached Rule 8 of the Solicitors Indemnity Insurance Rules 2004 (“the SIIR”) by failing to apply for indemnity cover for the period 1st October 2004 to 30th September 2005 before 1st October 2004;
 - He breached any or all of the provisions of Rule 1(a), (d) and (e) of the Solicitors Practice Rules 1990 by including misleading figures for the firm’s gross fees in his application to the Assigned Risks Pool (“the ARP”);
 - He breached Rule 16 of the SIIR by failing to pay the premiums due to the ARP before 24th February 2005;
 - He failed to comply with Paragraph 3 of the Adjudicator’s decision of 12th May 2005;
 - He practised uncertificated between 19th December 2005 and 25th January 2006 in breach of Section 1(c) of the Solicitors Act 1974;
 - He failed to adequately supervise his practice in accordance with Rule 13 of the Solicitors Practice Rules 1990.
 - He failed to file his Accountant’s Report for the six month period ending 30th April 2006 (“the April 2006 Report”) by 30th June 2006 in breach of section 34(2) of the Solicitors Act 1974.
2. The Tribunal sanctioned Mr Hodge to an indefinite suspension.
3. On 10 December 2009, Mr Hodge applied to lift the indefinite suspension. That application was refused on the basis that the application was premature. On

9 December 2013, the Tribunal granted the further application for determination of the indefinite suspension. The Tribunal imposed the following restrictions on Mr Hodge's practice:

- He may not practise as a sole practitioner, a partner or a member of a Limited Liability Partnership (LLP), Legal Disciplinary Practice (LDP) or Alternative Business Structure (ABS);
 - He may not hold client money;
 - He may only work as a solicitor in employment approved by the Solicitors Regulation Authority.
4. Since 2015, Mr Hodge has been granted conditional practising certificates by the SRA. The SRA approved his employment with Artist Accord Agency from 7 December 2015 to 10 January 2018. Thereafter it approved his employment with Furneaux Aviation Limited from May 2018 to date.

Application

The Applicant's Submissions

5. In his supporting witness statement, Mr Hodge explained that he was applying to vary the conditions made by the Tribunal so that he could work as a freelance solicitor. He considered that he had made further progress in his rehabilitation since the conditions were imposed in December 2013. There had been no regulatory issues or complaints since he returned to practice. He did not intend to operate a client account or hold client money. Whilst he would still retain an accountant, he would not need to submit an accountant's report.
6. Further, as he did not intend to undertake reserved activities, he would not need to obtain solicitor's indemnity insurance.
7. As regards his rehabilitation, Mr Hodge submitted that he had developed self-awareness and insight into his conduct. He acknowledged his shortcomings that had led to his misconduct and understood that his misconduct had affected public trust in the reputation of the profession.
8. In his oral evidence, Mr Hodge explained that he would continue in his current position but would also be able to take on additional work. He stated that he did not have fixed hours and that his salary was therefore variable. Mr Hodge confirmed that he had been made subject to a bankruptcy order in 2017 as a result of non-payment of his council tax bill. He stated that he was now debt free and that he had no outstanding creditors.
9. Mr Werenowski submitted that the overriding objective in considering the application was whether it remained necessary to continue to impose the restrictions in order to protect the public and the reputation of the profession.
10. Mr Hodge, it was submitted, had learned from his misconduct, and had taken a mature approach to his rehabilitation and the timing of the application. There had been no

repeat of the matters that had led to the imposition of the indefinite suspension and Mr Hodge had been working in approved employment for a significant period of time.

11. As regards the bankruptcy order of 2017, the debt had been accumulating over a period of time, including at a time when Mr Hodge was unable to work as a solicitor as a result of the indefinite suspension.
12. Mr Werenowski submitted that given the age of the misconduct and the rehabilitative work undertaken by Mr Hodge, the restrictions imposed by the Tribunal should be varied such as to allow him to work as a freelance solicitor. Such a variation would not include Mr Hodge working in such a way as to repeat his previous misconduct.

The Respondent's Submissions

13. In its Answer to the application, the SRA confirmed that it was neutral as regards the application, however, it had a number of observations.
14. The SRA had imposed the following conditions on Mr Hodge's 2017/18 practising certificate:
 - He may act as a solicitor only as an employee whose role has first been approved by the SRA.
 - He may not act as a manager or owner of an authorised body.
 - He does not hold client money.
 - He shall immediately inform any actual or prospective employer of the conditions and the reasons for their imposition.
15. In his application for his 2018/19 practising certificate, Mr Hodge applied for the conditions imposed by the SRA to be removed. The SRA determined that given that Mr Hodge had been employed for several years without regulatory issue, it was no longer necessary for him to gain approval before taking on employment. Further, as there were no concerns about his honesty and integrity, it was no longer necessary for Mr Hodge to inform actual or prospective employers about the conditions.
16. Given that Mr Hodge had been adjudged bankrupt in 2006 and 2017, the SRA determined that there were concerns about his ability to manage a firm in accordance with proper governance and sound financial principles. Accordingly, it issued a practising certificate subject to the following conditions:
 - He may not act as a manager or owner of any authorised body; and
 - He may not hold or receive client money.
17. In its Answer, the SRA stated that it had given particular consideration as to whether the variation or removal of the conditions would give rise to a risk of reputational damage or public harm. The SRA was satisfied that Mr Hodge had demonstrated that requiring him to only work as a solicitor in employment approved by the SRA should

be removed. However, it considered that the other conditions imposed by the Tribunal should remain. The continuation of those conditions, it was submitted, would not prevent Mr Hodge from working as a freelance solicitor and would ensure the continued protection of the public and the reputation of the profession.

18. The SRA remained concerned about Mr Hodge's ability to be a manager/owner/partner of a firm together with his ability to handle client monies, although it was acknowledged that until he was afforded an opportunity to do so, Mr Hodge would be unable to demonstrate his competence in these areas.
19. The SRA was satisfied that Mr Hodge had complied with both the condition imposed by the Tribunal and those imposed by the SRA, and that he had been working successfully with no regulatory concerns. It was also accepted that Mr Hodge had shown insight into his misconduct.
20. Given Mr Hodge's previous misconduct, the SRA considered that the conditions detailed above in relation to ownership/management of a firm and the ability to hold client monies, remained necessary for the protection of the public and the reputation of the profession.

The Tribunal's Decision

21. The Tribunal had regard to its Guidance Note on Other Powers – 6th Edition. Whilst that Guidance Note did not relate specifically to applications to vary/remove conditions, the Tribunal determined that a number of the factors detailed therein were relevant considerations in the determination of the application.

Details of the original order

22. Whilst the Tribunal who considered the substantive matter had determined that the misconduct was such that Mr Hodge should be indefinitely suspended from practice, the Tribunal had, in 2013, considered that it was safe for Mr Hodge to be allowed to practise subject to conditions in order to protect the public and the reputation of the profession. The SRA, it was noted, conceded that there had been no further regulatory concern and that until Mr Hodge had an opportunity to demonstrate that he was able to comply with the regulatory requirements of running a firm, he would be unable to do so. The Tribunal was satisfied that given the lack of any regulatory concerns for some time and Mr Hodge's successful employment history since his return to practice, it was no longer necessary for Mr Hodge to be excluded from managing/owning a firm. The Tribunal noted that it was not Mr Hodge's intention to do so, but having considered the significant progress he had made since his suspension, he was now capable of complying with his regulatory obligations in this regard.

Evidence of Training

23. Mr Hodge had provided some evidence of his training, including a course for those who were considering becoming freelance solicitors or consultants and a professional ethics course. The Tribunal inferred that Mr Hodge, who had returned to practice in 2013, had completed the necessary reflection on his practice as was required of him. Indeed, it had been expressly asserted that there were no regulatory concerns. The Tribunal noted

that Mr Hodge had not provided any evidence that he had attended courses that related to solicitors accounting and specifically in relation to the running and maintenance of a client account.

Evidence of employment

24. As detailed above, Mr Hodge had been in approved employment since December 2015. The reference from his current employer stated that Mr Hodge was professional and reliable and there had been no concerns whatsoever regarding his abilities and dedication.
25. The Tribunal noted that on 26 March 2018, the SRA approved Mr Hodge's employment with his current employer on the basis that it was satisfied with the arrangements the company had in place for the supervision of Mr Hodge. That approval was retained for each subsequent application for a practising certificate. The Tribunal also noted that the SRA had removed its conditions in relation to approved employment and notification to employers.
26. Mr Hodge's responsibilities in his current employment included:
 - Drafting and negotiation
 - Corporate governance
 - Compliance
 - Risk management
 - Providing legal advice
27. The Tribunal was satisfied that the evidence of his employment and the references submitted, demonstrated Mr Hodge's rehabilitation.

Insight

28. The Tribunal was satisfied that Mr Hodge had shown insight into his misconduct. He had complied with all conditions imposed on his practice by both the Tribunal and the SRA, and he had worked successfully for a number of years without any regulatory concern. It was clear that Mr Hodge had reflected upon his misconduct and the Tribunal was satisfied that he would not make the same mistakes as regards the mismanagement of his practice.
29. The Tribunal was not satisfied that Mr Hodge had insight into the findings in relation to his withdrawal of client money in breach of the SAR. In his witness statement, Mr Hodge stated that he had "*never wrongly taken client money*" notwithstanding the Tribunal's finding that he had breached Rule 22 of the SAR. Whilst it had not been alleged that the breaches of the SAR involved dishonesty, the Tribunal had found that Mr Hodge had transferred client monies in breach of the SAR. Given this position, the Tribunal remained concerned about the potential risks to client monies should there be no condition preventing Mr Hodge from holding client monies.

References

30. The Tribunal was satisfied with the references provided on Mr Hodge's behalf which spoke to his professionalism, reliability and integrity.

Discharge of financial penalties

31. The Tribunal noted that Mr Hodge had paid all of the costs orders imposed by the Tribunal following the proceedings in 2007, 2009 and 2013. The Tribunal also noted that Mr Hodge had been discharged from his bankruptcies and that he was now debt free. It also noted that his last bankruptcy had been over 8 years previously.

The SRA's response to the application

32. The SRA was neutral as regards the application. It had made observations on any potential variation, but did not oppose the application in principle.

Continuing Risk

33. For the reasons detailed above, the Tribunal did not consider that there was a continuing risk to the public as regards Mr Hodge being able to be a member of a firm. Nor did it consider that there was any risk in Mr Hodge no longer having to seek approved employment. The Tribunal considered that there remained a risk to the public and the reputation of the profession if Mr Hodge was permitted to hold or receive client money given his lack of insight into the Tribunal's findings of 2007 in that regard. Further, Mr Hodge had provided no evidence of any training in solicitors accounts and in particular the regulatory requirements of handling client monies. Accordingly, the Tribunal found that it was necessary for Mr Hodge to remain subject to conditions in that regard. The Tribunal determined that in the circumstances, the client money condition should be indefinite and subject to the Tribunal's approval before it could be removed. Should Mr Hodge wish to remove that condition, at the very least he would need to evidence that he had undertaken all necessary SRA approved training in relation to the handling of client money.
34. Accordingly, the Tribunal granted the application to remove the following conditions it had imposed in December 2013:
- He may not practise as a sole practitioner, a partner or a member of a Limited Liability Partnership (LLP), Legal Disciplinary Practice (LDP) or Alternative Business Structure (ABS);
 - He may only work as a solicitor in employment approved by the Solicitors Regulation Authority.
35. The Tribunal varied the following condition that Mr Hodge may not hold client money such that the condition now stated that Mr Hodge may not hold or receive client money.

Costs

36. The parties agreed costs in the sum of £2,483.00. The Tribunal found that the agreed amount was reasonable and proportionate. Accordingly, it ordered that Mr Hodge pay costs in the agreed sum.

Statement of Full Order

37. The Tribunal ORDERED that the application of GRANVILLE GOMEZ CADAL HODGE, for the variation of the conditions imposed by the Tribunal on 9 December 2013 be **GRANTED**.
38. The Tribunal Ordered the conditions be hereby varied as follows:
- That the Applicant is not to hold or receive client money.
 - There be liberty to apply.
 - The Tribunal further Ordered that the Applicant do pay the costs of the response of the Solicitors Regulation Authority Ltd to this application fixed in the sum of £2,483.00.

Dated this 31st day of January 2025
On behalf of the Tribunal

A E Banks

A E Banks
Chair

JUDGMENT FILED WITH THE LAW SOCIETY
31 JANUARY 2025