Case No:

BEFORE THE SOLICITORS DISCIPLINARY TRIBUNAL

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

AND IN THE MATTER OF:

SOLICITORS REGULATION AUTHORITY LIMITED

Applicant

and

ANBANANDEN SOOBEN

Respondent

STATEMENT PURSUANT TO RULE 12 (2) OF THE SOLICITORS (DISCIPLINARY PROCEEDINGS RULES) 2019

I, Louise Fuller, am a Solicitor and Partner at Blake Morgan LLP of New Kings Court, Tollgate, Chandler's Ford, Eastleigh, SO53 3LG. I make this Statement on behalf of the Applicant, the Solicitors Regulation Authority Limited ("SRA").

The Allegations

1 The allegations against the Respondent, Anbananden Sooben, made by the SRA are that, while in practice as a sole principal at Duncan Ellis Solicitors (SRA ID: 661060) ("the Firm"):

1.1 On 1 September 2023, the Respondent provided information to an insurer in a covering letter for professional indemnity insurance which he knew or ought to have known was inaccurate and/or misleading as he:

1.1.1 Failed to inform his insurers that the SRA's investigation was ongoing due to the SRA's concerns with the Firm;

1.1.2 Stated that he had reported the alleged misconduct of a caseworker to the SRA, which was not true;

And in doing so he thereby breached any or all of Principles 2, 4 and 5 of the SRA Principles 2019 (the "Principles") and Paragraph 1.4 of the Code of Conduct for Solicitors 2019 ("the Code for Solicitors").

The facts and matters relied upon in support of this allegation are set out in paragraphs 22 to 39 below.

1.2 Between 4 to 29 August 2023, the Respondent caused client care letters and invoices to be created and/or amended them to give the misleading impression that costs information had been provided to clients when this was not true and in doing so he therefore breached any or all of Principles 2, 4 and 5 of the Principles and Paragraph 1.4 of the Code for Solicitors.

The facts and matters relied upon in support of this allegation are set out in paragraphs 40 to 51 below.

1.3 As Sole Practitioner and COFA, the Respondent failed to ensure that the Firm complied with the SRA Accounts Rules during the period of 13 April 2021 to 12 February 2024 in the following ways:

1.3.1 He caused and/or allowed a minimum shortage of £9,120 to exist on client account;
1.3.2 He failed to ensure reconciliations were completed every five weeks for the Firm;
1.3.3 He failed to keep and maintain accurate, contemporaneous and chronological records either at all, or accurately
1.3.4 He failed to keep a client cashbook;
1.3.5 He failed to correct any breaches of the rules promptly on discovery.

And in doing so he thereby, breached any or all of Rules 6.1, 8.1 and 8.3 of the SRA Accounts Rules (2019), Principles 2, 5 and 7 of the Principles, Paragraph 4.2 of the Code for Solicitors and Paragraph 9.2 of the SRA Code of Conduct for Firms 2019 ("the Code for Firms").

The facts and matters relied upon in support of this allegation are set out in paragraphs 52 to 73 below.

1.4 He failed to supervise members of staff at the Firm's branch office adequately or at all and in doing so thereby breached any or all of Principles 3 and 5 of the Principles and Paragraph 3.5 of the Code for Solicitors.

The facts and matters relied upon in support of this allegation are set out in paragraphs 74 to 83 below.

Recklessness

2 In addition, allegation 1.4 above is advanced on the basis that the Respondent's conduct was reckless. Recklessness is alleged as an aggravating feature of the Respondent's misconduct but is not an essential ingredient in proving the allegations. For further particulars of recklessness, please see paragraphs 84 to 87 below.

Appendices and Documents

3 I attach to this Statement the following appendices:

3.1 Appendix 1: Relevant Rules and Regulations

3.2 Appendix 2: Anonymisation Schedule

4 I attach to this statement a bundle of documents, marked LAF1 to which I refer in this statement. Unless otherwise stated, the page references ("LAF1 p [ ]") in this statement relate to documents contained in that bundle.

5 The bundle is divided into the following sections:

Section A: Notice recommending referral to the Solicitors Disciplinary Tribunal

Section B: Forensic Investigation Report, appendices and additional documents

Section C: Correspondence between the SRA and its representatives and the Respondent

Professional Details

The Respondent

6 The Respondent, who was born on 1 June 1942, is a solicitor having been admitted to the Roll on 15 February 2006. He was the sole Principal at the Firm. The Respondent was appointed as the Firm's Compliance Officer for Legal Practice ("COLP"), Compliance Officer for Finance and Administration ("COFA"), Money Laundering Reporting Officer ("MLRO"), Training Principal and was authorised to supervise. The Firm's main practice area was immigration claims.

7 The Firm was intervened on 12 February 2024 and the Respondent's practising certificate was initially suspended. It was reinstated with conditions following termination of the suspension of the Respondent's practising certificate on 1 October 2024. The conditions are that the Respondent:

7.1 May not act as a manager or owner of an authorised body.

7.2 May only act as a solicitor as an employee where the role has first been approved by the SRA.

7.3 May not act as a COLP or COFA for any authorised body.

7.4 May not hold or receive client money, or act as a signatory to any client or office account or have the power to authorise transfers from any client or office account.

7.5 Shall immediately inform any actual or prospective employer of these conditions and the reason for their imposition.

The facts and matters relied upon in support of the allegations

Background

The Firm

8 Duncan Ellis Solicitors was initially comprised of one office in Hounslow (the "Hounslow Office"), which began trading on 23 September 2019. At the time the

allegations arose in July 2023, the Firm had "absorbed" a second branch based in Colliers Wood (the "Colliers Wood Office"), formerly [redacted] Law.

9 [redacted] (SRA ID: [redacted]) ([redacted], was a non-admitted fee earner who, according to the Respondent, was previously running [redacted] Law.

10 The Respondent became involved with [redacted] Law following the death of its sole practitioner in May 2020. The Respondent applied for a Temporary Emergency Authorisation ("TEA"), which confirmed that the Respondent was asked by the family of the former sole principal to manage the practice [LAF1 p445]. However, during the initial interview on 28 July 2023 (the "Initial Interview"), the Respondent suggested that he had been asked by [redacted] to become supervisor of [redacted] Law [LAF1 p46].

11 The TEA, granted on 18 May 2020, contained a condition that [redacted] Law had to be wound up by the end of the 12-month period.

12 The Respondent applied to the SRA to keep [redacted] Law authorised but the application was refused by the SRA. As a result, client files were transferred to the Respondent's firm, Duncan Ellis Solicitors, on 13 April 2021. At this time, the Colliers Wood Office became a branch of Duncan Ellis Solicitors, where the Firm's client care letters for clients of the Colliers Wood Office stated that [redacted] was a caseworker and the Respondent was the Principal.

13 In practice, however, it is understood that [redacted] continued to run the branch office at Colliers Wood on a day-to-day basis, specifically:

13.1 The lease to the Colliers Wood office was in [redacted] personal name;

13.2 All payments, including staff salaries, were made to and from a bank account for [redacted] (a private limited company of which [redacted] is the sole director and shareholder [LAF1 p461]) ("the [redacted] Bank Account");

13.3 All payments made by clients were paid to the [redacted] Bank Account and there was no client account used;

13.4 The Respondent did not have access to the [redacted] Bank Account and all expenses for the Colliers Wood office were paid in to, and out from, the [redacted] Bank Account. [redacted] worked as a caseworker and the Respondent was the sole principal and supervised [redacted];

13.5 The employees of the Colliers Wood Office, including [redacted], did not have contracts of employment with the Firm;

13.6 [redacted] took fees directly from clients with the knowledge and permission of the Respondent.

14 The conduct in this matter came to the attention of the SRA when the Daily Mail published an article on 24 July 2023 in respect of staff at five solicitors' firms agreeing to help an undercover reporter posing as an economic migrant to get refugee status through the use of deceit. The article alleged that [redacted] had provided information to undercover reporters which included advice to falsify stories in order for an asylum claim to succeed [LAF1 p52-59].

15 As a result of the Respondent being informed by the Daily Mail of the prospective article, on 11 July 2023, the Respondent dismissed [redacted].

16 The Respondent was notified on 27 July 2023 that the SRA would be conducting an investigation into the Firm (the "Notification Letter") [LAF1 p343]. In the Notification Letter, the Respondent was informed of documents which were to be made available for the investigation. The documents included [LAF1 p344, 346-347]:

16.1 Provide books of account

16.2 Bank accounts

16.3 Third party managed accounts

16.4 Trust accounts

16.5 Last accountant's report

16.6 The Firm's most recent insurance claims history

16.7 Certificate of insurance

16.8 Last submitted indemnity insurance proposal form

16.9 Last set of practice accounts

16.10 Details of the equity structure of the firm to include any profit sharing arrangement with any staff

16.11 The Firm's register of breaches

16.12 List of qualified and non-qualified staff – their names and roles

16.13 Written money laundering policy

16.14 AML Firm wide risk assessment

16.15 Evidence of the Firm being on the FCA register (if appropriate)

16.16 E&D policy

16.17 The Respondent was also asked to contact every bank in which the Firm held accounts to confirm:

16.17.1 The balances on the extraction date (30 June 2023) of all accounts held for the Firm; and

16.17.2 That those are the only accounts held for the Firm.

17 The SRA attended the Firm's Colliers Wood office on 28 July 2023 and noted that the documents requested were not made available for inspection.

18 During this inspection and Initial Interview, the SRA advised the Respondent that the documents requested in the Notification Letter must be provided, plus the latest reconciliation and a list of [redacted] matters.

19 [redacted] was made subject to a Section 43 Order by the SRA on 31 July 2023 [LAF1 p37].

20 The SRA's investigation resulted in a Forensic Investigation Report dated 19 December 2023 [LAF1 p30]. The investigation concluded that:

20.1 The Respondent had not provided any compliant or up-to-date books of account during the course of the investigation and therefore the Forensic Investigation Officer ("FIO") was unable to confirm whether the Firm held sufficient funds in its client account (used for clients of the Hounslow Office) to meet liabilities. As at 3 August 2023, the FIO noted that there was a minimum client account shortage of £9,120 [LAF1 p34].

20.2 The Respondent was unable to confirm whether sufficient client funds were available because he allowed clients of the Colliers Wood Office to pay funds directly into the [redacted] Bank Account, which he did not operate nor have control over.

20.3 The Colliers Wood Office appeared to be managed by [redacted], who paid salaries and office expenses from the [redacted] Bank Account [LAF1 p35].

21 On 22 September 2023, the FIO provided the Respondent with a Production Notice. At the regulatory interview held on 15 November 2023 (the "Regulatory Interview"), the Respondent was asked why he had not complied with the Production Notice, to which he gave a number of explanations, including that he "*didn't pick it up maybe*", "*there was a problem with [his] laptop*", despite the Respondent replying to the FIO to provide other documents. The Respondent then confirmed that he had received the Production Notice but that he could not recall seeing it [LAF1 p92-93].

Allegation 1 .1 – Providing information to an insurer in a covering letter for professional indemnity insurance which he knew or ought to have known was inaccurate and/or misleading

22 On 1 September 2023 (over one month since the SRA's investigation into the Firm commenced), the Respondent completed and submitted a Professional Indemnity Insurance application to Hera Indemnity (the "Insurer") on behalf of the Firm (the "Insurance Application"). The Insurance Application contained a declaration which, *inter alia*, stated:

22.1 *"We declare that to the best of our knowledge or belief that the particulars and statements given in this application are true and complete"*

22.2 *"We declare that we have informed the insurer of all facts which are likely to influence the Insurer in the acceptance or assessment of the insurance. We accept that if we are in doubt whether any fact may influence the Insurer, we should disclose it"* [page 458]

23 The Respondent signed the Insurance Application [LAF1 p458].

24 The Insurance Application contained the following question at paragraph 15: "*has the firm ever been the subject of any visit or enquiry from the Forensic Investigation Unit of the Law Society or Solicitors Regulation Authority or has notice of any proposed visit or enquiry been given?"* to which the Respondent correctly ticked "*Yes*" [LAF1 p454].

25 Also at paragraph 15, the Insurance Application contained the statement: *"If you have answered 'Yes' to any of the above questions, please provide full details on a separate sheet and include a copy of all reports and relevant correspondence issued by the SRA, Legal Ombudsman, the former LCS, CCS or OSS, Forensic Investigation Unit, Disciplinary Tribunal and/or any regulatory body."* [LAF1 p455]. The Respondent therefore was under an obligation to provide the Insurer with full details of the SRA's investigation into the Firm.

26 However, in the Respondent's covering letter to the Insurer dated 1 September 2023, the Respondent stated: "*Further to paragraph 15 of the Proposal Form, we would like to inform you that as a result of the alleged misconduct of a caseworker, and following dismissal of the caseworker and reporting the matter to the SRA, we had a visit from the SRA.*" [LAF1 p460]

27 The FIO first contacted the Firm on 27 July 2023. The Respondent was made aware (prior to submission of the Insurance Application) that the SRA had wider concerns surrounding the Firm's operation and dealings with investigation matters.

28 In particular, the Respondent had engaged in discussions with the SRA on 3 August 2023 and had received correspondence from the SRA confirming the content of those

discussions on 4 August 2023 [LAF1 p353]. This correspondence explained, among other things, the SRA's concerns around the Firm's potential serious breaches of the SRA Accounts Rules and asked the Respondent to provide a plan of how the Respondent proposed "*to resolve the accounting issues"* [LAF1 p353].

29 The covering letter enclosing the Insurance Application neglected to reference that the SRA's investigation was ongoing due to concerns with the operation and management of the Firm, despite the Respondent being aware of the extent of the SRA's investigation. In addition, the covering letter insinuated that [redacted] conduct had been reported to the SRA by the Respondent, which was incorrect.

30 The Respondent has stated that he considers the conclusion that he was dishonest to be "*wrong and unfair*" [LAF1 p469] and that he "*did not intend any wrongdoing or misleading issues*" [LAF1 p473].

Breaches of the Principles and the Code of Conduct in relation to Allegation 1.1

Principle 4 (dishonesty)

31 The Respondent provided information to an insurer in a covering letter dated 1 September 2023 for professional indemnity insurance which was inaccurate and/or misleading. The Respondent failed to inform his insurers that the SRA's investigation was also in respect of concerns with the Firm. This was inaccurate and misleading. The Respondent told his insurers that he had reported the alleged misconduct of a caseworker ([redacted]) to the SRA, when this was not true as he had not reported any concerns about [redacted] to the SRA. This was inaccurate and misleading.

32 The Applicant relies upon the test for dishonesty stated by the Supreme Court in *Ivey v Genting Casinos [2017] UKSC 67*, which applies to all forms of legal proceedings, namely that the person has acted dishonestly by the ordinary standards of reasonable and honest people:

"*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 knowledge or belief as to facts is established, the question whether his conduct was honest or dishonest is to be determined by the fact-finder 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."

33 At the time that the Respondent completed and signed the Insurance Application together with the covering letter, he knew or believed the following matters:

33.1 The Respondent knew when he wrote and sent the covering letter that there was an ongoing forensic investigation into the Firm by the SRA and it was not limited to the alleged conduct of [redacted].

33.2 The Respondent knew that he was under an obligation to provide full details of SRA's forensic investigation into his firm because he had ticked "Yes" to the question on the insurance application form, yet the Respondent failed to notify the Insurer of the extent of the investigation.

33.3 He knew the SRA had written to him on 27 July 2023 requesting various accounting details and documents, and he therefore knew that the SRA were also investigating the Firm's accounts.

33.4 He knew on 28 July 2023, when the FIO visited the Firm that the purpose of the visit was also to discuss the Firm's books of accounts, as the FIO asked him to provide the latest reconciliation together with all the documents requested in the Notification Letter.

33.5 He knew that the SRA's investigation had commenced because of a Daily Mail article and concerns about the Firm's dealings with immigration matters, not because either himself nor the Firm had reported [redacted]s conduct.

34 In those circumstances, the Respondent was dishonest by the standards of ordinary decent people and he has breached Principle 4.

Principle 5 (integrity)

35 By failing to disclose to the Insurer the full details of the SRA's investigation together with all correspondence the Respondent had received from the SRA despite the obligation to do so, and telling his insurers that he had reported the alleged misconduct of a caseworker ([redacted]) to the SRA, when this was not true, as he had not reported any concerns about [redacted], the Respondent failed to act with integrity, i.e. with moral soundness, rectitude and steady adherence to an ethical code. In *Wingate v Solicitors Regulation Authority v Malins [2018] EWCA Civ 366*, it was said that integrity connotes adherence to the ethical standards of one's own profession. A solicitor acting with integrity would have been open and frank with their insurer, and provided full information about the reasons why the SRA were investigating the Firm when applying for insurance cover. In failing to do so, the Respondent risked the insurance cover which he obtained being invalidated which could have exposed his clients. The Respondent must have known, or ought to have known, that his correspondence to the Insurer was inaccurate and likely to mislead the Insurer. The Respondent therefore breached Principle 5 of the Principles.

Principle 2 (public trust)

36 Solicitors are required to act in a way that upholds public trust and confidence in the profession. The trust that the public places in solicitors, and in the provision of legal services, depends upon the reputation of the solicitors' profession as one in which every member, of whatever standing, may be trusted to the ends of the earth. Solicitors are required to discharge their professional duties with integrity, probity and trustworthiness. Providing inaccurate and incomplete information to a provider of professional indemnity insurance about the reasons for an ongoing SRA investigation into the Firm would breach public trust and confidence. Even if the Respondent was unsure of the reasons for the SRA's investigation, the public would reasonably expect a solicitor to provide full and complete details of the SRA investigation to the Insurer and / or clarify the position with the SRA if there was any doubt. The declaration on the Insurance Application form also specifically stated that if there was any doubt as to whether any fact may influence the Insurer, it should be disclosed. There is no evidence that the Respondent provided full information to his insurers.

37 By failing to disclose accurate and / or material facts to his Insurer, there was a risk that no insurance cover would be available in the event that client(s) wished to make a claim against the Firm if the Insurer declined to provide cover. Consequently, clients would have to apply to the SRA Compensation Fund which is a fund of last resort.

Any clients who were businesses with a turnover of more than £2 million per annum, would not be eligible for payments from the Compensation Fund. The Respondent's failure to provide accurate information to the Insurer risked invalidating his insurance cover. The Respondent has undermined public trust and confidence in the solicitors' profession and in the delivery of his legal services, and has therefore breached Principle 2 of the Principles.

Paragraph 1.4 of the Code of Conduct

38 Paragraph 1.4 of the Code for Solicitors requires a solicitor not to mislead or attempt to mislead their clients, the court or others, either by their own acts or omissions or allowing or being complicit in the acts or omissions of others (including their client). The Respondent failed to disclose to the Insurer the extent of the SRA's investigation into the Firm and instead stated that the investigation related to the *"alleged misconduct of a caseworker"* only [LAF1 p460], despite knowing at the time the covering letter was prepared that the SRA's investigation also related to the Firm. The Respondent was obliged to provide the Insurer "*full details"* and "*a copy of all reports and relevant correspondence issued by the SRA"* [LAF1 p455]. The Respondent failed to provide accurate information surrounding the SRA's investigation to the Insurer which he was obliged to provide, and gave information which was misleading and gave the impression that:

38.1 The SRA's investigation related only to the alleged conduct of [redacted], which was incorrect; and

38.2 The Firm and / or the Respondent had reported [redacted]'s conduct to the SRA, which was incorrect.

39 The Respondent must have known, or ought to have known, that the covering letter was inaccurate and likely to mislead the insurers. The Respondent has therefore breached paragraph 1.4 of the Code of Conduct.

Allegation 1.2 – Creating and/or amending client care letters and invoices

40 The SRA relies upon paragraphs 8 to 21 above. Additionally, the SRA relies upon the following facts and matters.

41 On 3 August 2023, the SRA attended the Colliers Wood Office and conducted a review of several files, including files for Client [redacted] and Client [redacted]. On review of those files, the FIO found no evidence of bills or written notification of costs being issued [LAF1 p35].

42 On 30 August 2023, the FIO returned to the same files and noted several handwritten amendments that had been made to the documents, and bills had been added to them. For example:

42.1 Client [redacted]'s file contained a client care letter, dated 2 March 2023, which initially provided a fixed fee of £200 plus VAT [LAF1 p425-426]. On the FIO's return, she noted that figure had been amended (by hand) to £500 plus VAT [LAF1 p427-428].

42.2 An invoice in the sum of £500 (originally dated 2 March 2023) also on Client [redacted]'s file had been amended by hand to 9 May 2023 [LAF1 p164]. The FIO discovered that two payments had been made by Client [redacted] to the [redacted] Bank Account of £500 each on 9 May 2023 [LAF1 p273] and 16 May 2023 [LAF1 p272]. Therefore, Client [redacted] had made a total payment of £1,000, and the handwritten amendment made by the Respondent on both the client care letter and the invoice were inaccurate. In the Regulatory Interview, the Respondent could not explain why he had amended the date on the invoice, but stated that the bills were created after the files had been reviewed by the FIO [LAF1 p91].

42.3 On 3 August 2023 the Respondent advised the FIO that there was no client file available, either in electronic or hard copy form, for Client [redacted]'s matter. On the FIO's return on 30 August 2023, the Respondent produced a client file which he said he had constructed from the system [LAF1 p97, p372]. In the Regulatory Interview, the Respondent was unable to provide an explanation for how or why a file had become available. The FIO noted a client care letter dated 23 May 2022 which provided a fixed fee of £500 plus VAT. The invoice on the file contained an unclear handwritten date within December 2022 [LAF1 p180]. A review of the bank statements for the [redacted] Bank Account shows that a payment of £500 was received from Client [redacted] on 22 December 2022. In the Regulatory Interview, the Respondent was unable to clarify:

42.3.1 whether the invoice was the original version

42.3.2 whether it had been sent to the client [LAF1 p100]; or

42.3.3 why the date had been amended [LAF1 p99];

The Respondent did however confirm that Client [redacted]'s file had been created after they were initially reviewed by the FIO. He stated: "*The amount was correct. When you came there was no file ok. So this bill was created"* [LAF1 p100]. This means both dates included on the bills were incorrect, having been prepared on a date after 3 August 2023.

43 The Respondent has admitted that he made corrections to documents for two client files. In his response sent on 18 November 2024, he stated that he told the FI Manager in the Regulatory Interview that there had been a "*genuine misunderstanding*" that the Respondent was "*meant to make the corrections*" for the FIO's second visit. The Respondent states that the two relevant clients were "*informed verbally of the changes*" when they visited the Colliers Wood Office and that "*there should have been attendance notes for the meeting with the clients on file from the staff involved*" [LAF1 p495].

Breaches of the Principles and the Code of Conduct in relation to Allegation 1.2

Principle 4

44 The test for dishonesty is set out at paragraph 32 above.

45 The Respondent acted dishonestly by the standards of ordinary decent people when he created and/or amended client care letters and invoices, which gave the misleading impression that costs information had been provided to clients when this was not the case. As to his knowledge and belief as to the facts, the SRA relies on the following:

Invoices

45.1 In relation to Client [redacted], the Respondent amended the invoice dated 2 March 2023 by hand to 9 May 2023 and provided it to the FIO on 30 August 2023. The invoice showed that the amount due was £500. However, this was not correct because Client [redacted] had made an initial payment of £500 on 9 May 2023 and a second payment for a further £500 on 16 May 2023. Client [redacted]'s payments totalled £1,000, and therefore even after

the Respondent had amended the documents on Client [redacted]'s file, the financial information remained inaccurate when presented to the FIO.

45.2 The Respondent could not explain why he had amended the date on the invoice in the Regulatory Interview but stated that the bills were created after the files had been reviewed by the FIO. He later disclosed on 11 November 2024 that Client [redacted] was informed verbally of the changes when he visited the office.

45.3 The Respondent therefore must have known that the invoice provided to the FIO on 30 August 2023 had not been sent to Client [redacted] and he produced it to the FIO to give the impression that it had been sent when this was not the case.

45.4 In relation to Client [redacted], the Respondent told the FIO on 3 August 2023 that there was no client file available, either in electronic or hard copy form. However, when the FIO returned to the Firm on 30 August 2023, the Respondent told the FIO that he had constructed a file from the system, despite earlier telling the FIO that there was no electronic file.

45.5 In relation to Client [redacted], the Respondent amended the invoice by hand to 22 December 2022 and provided this to the FIO on 30 August 2023. He must have known when he provided the invoice to the FIO on 30 August 2023 that it had recently been produced because when the FIO first visited on 3 August 2023, he knew there was no file available. He could not explain how or why a file had become available and could not confirm whether the invoice was sent to Client [redacted]. It was not until 11 November 2024 the Respondent disclosed that Client [redacted] was informed verbally of the changes when he visited the office. The Respondent therefore must have known that the invoice provided to the FIO on 30 August 2023 had not been sent to the client and he produced it to the FIO to give the impression that it had been sent when this was not the case.

<u>Client care letters</u>

45.6 In relation to Client [redacted], the original client care letter dated 2 March 2023 provided a fixed fee of £200 plus VAT, which was later amended by hand between 4 to 29 August 2023 to £500 plus VAT. This was provided to the FIO on 30 August 2023.

45.7 The Respondent later disclosed on 11 November 2024 that Client [redacted] was informed by the Firm verbally of the changes when he visited the office and therefore must have known on 30 August 2023 that the letter had not been sent to Client [redacted].

45.8 The Respondent therefore knew that the client care letter provided to the FIO on 30 August 2023 had not been sent to the client as he amended the letter five months after the date of original letter (2 May 2023).

45.9 In relation to Client [redacted], the Respondent knew when he provided the client care letter dated 23 May 2022 on 30 August 2023 to the FIO that he advised the FIO that there was no client file available, either in electronic or hard copy form on 3 August 2023. He was unable to provide an explanation for how or why a file had become available. He later disclosed on 11 November 2024 Client [redacted] was informed verbally of the changes when he visited the office.

45.10 The Respondent therefore must have known that the letter provided to the FIO on 30 August 2023 had not been sent to Client [redacted] and he produced it to the FIO to give the impression that it had been sent when this was not the case.

46 In those circumstances, the Respondent was dishonest by the standards of ordinary decent people and has therefore breached Principle 4 of the Principles.

Principle 5

47 Paragraph 35 is repeated as to the test for lack of integrity.

48 A solicitor acting with integrity (i.e. with moral soundness, rectitude, and steady adherence with an ethical code) would not create or amend documents on client matters to give the impression that correct financial information had been provided to clients, when it had not.

49 In creating and/or presenting amendments to the SRA's FIO in order to purportedly comply with the requirement to provide costs information to clients, the Respondent failed to act with integrity in breach of Principle 5 of the Principles.

Principle 2

50 The conduct alleged also amounted to a breach by the Respondent 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. The public would not expect a solicitor to create or amend documents on client matters which gave the misleading impression that costs information had been sent to clients when this was not the case. Public confidence in the in solicitors and in the provision of legal services is likely to be undermined by the Respondent's actions. The Respondent therefore failed to behave in a way that maintains the trust the public placed in him and in the provision of legal services and has breached Principle 2 of the Principles.

Paragraph 1.4 of the Code of Conduct

51 The invoices and client care letter on files for Client [redacted] and Client [redacted] were created and/or amended by the Respondent in order to give the impression that financial information had been sent to clients of the Firm when it had not been sent. This was misleading. Any person (including the FIO) who subsequently looked at the amended documents, would have no reason not to believe that costs information had been sent to the clients. The Respondent could not confirm that the costs information was sent to clients and the Respondent therefore acted in breach of Rule 1.4 of the Code of Conduct.

Allegation 1.3 – Failure to ensure that the Firm complied with the SRA Accounts Rules

52 The SRA relies upon paragraphs 8 to 21 above. Additionally, the SRA relies upon the following facts and matters.

<u>Colliers Wood Office</u>

53 The Respondent stated that he did not operate a client account for the Colliers Wood Office as he did not consider it necessary on the basis that he did not consider he was receiving client funds. In the Regulatory Interview the Respondent suggested that as clients were told to pay for barrister's fees and medical reports, he understood there was no need to have a client account [LAF1 p65-66].

54 "Client money" is defined in Rule 2.1 of the SRA Accounts Rules and includes "*money held or received*"… "*relating to regulated services delivered by you to a client*". Therefore funds received from these clients fell within this definition and should have

been held in the Firm's client account. Instead, [redacted] operated the [redacted] Bank Account and clients of the Colliers Wood Office were sent client care letters which stated that the Firm was acting on their behalf, but were instructed to make payments to [redacted]" [LAF1 p42]. Further, the client files in the Colliers Wood Office did not contain bills or evidence that bills were sent to clients [LAF1 p35].

55 As a result, the FIO reported a minimum shortage of £9,120 on the Firm's client account:

55.1 The FIO identified the following funds paid by clients by reviewing the bank statements for [redacted]. The statements showed the following funds, which were not held in a client bank account:

Name of client (together, the "Clients")	**Date monies paid to [redacted]**	**Funds incorrectly held in the [redacted] Bank Account**
Client [redacted]	6 March 2023	£2,760.00
Client [redacted]	8 March 2023	£2,760.00
Client [redacted]	28 March 2023	£2,000.00
Client [redacted]	22 December 2022	£500.00
Client [redacted]	3 January 2023	£300.00
	Total:	£8,320.00

55.2 There was no evidence that written notification of costs had been provided to the Clients.

55.3 In addition, where written notification of costs had been provided to Client [redacted], on the following matter, the client paid funds in excess of the original fee estimate:

Name of client	**Costs client advised of**	**Date monies paid to [redacted]**	**Funds incorrectly held in the [redacted] Bank Account**
Client [redacted]	£200	9 May 2023 (£500) 16 May 2023 (£500)	£800.00
		Total:	£800.00

56 The minimum shortage was caused by the Respondent allowing the Firm's clients to pay funds to the [redacted] Bank Account, operated and controlled by [redacted], who was the sole signatory to the [redacted] Bank Account.

Hounslow Office

57 In respect of the Hounslow office, the Respondent failed to comply with the SRA Accounts Rules, in that he failed to:

57.1 maintain a cashbook;

57.2 record all transactions accurately in client ledgers; and

57.3 undertake three-way client account reconciliations.

58 The Respondent advised the FIO on 3 August 2023 that he was responsible for the accounts at the Hounslow Office, but that [redacted] was maintaining them at the Colliers Wood Office [LAF1 p350]. As sole principal for the Firm, the Respondent was responsible for complying with the obligations imposed upon the Firm under the SRA Accounts Rules, for both branches of the Firm. The Respondent failed to ensure proper books of account were kept, in breach of Rule 6.1 of the SRA Account Rules and Paragraph 9.2 of the Code of Conduct for Firms.

59 In the absence of compliant accounting records, the FIO was unable to review any client matter listings or accurate client account reconciliations to:

59.1 Calculate the Firm's liabilities to its clients [LAF1 p372]; or

59.2 Confirm whether the Firm had sufficient funds in the client bank account to meet its liabilities to clients [LAF1 p34].

60 The Respondent acknowledged during the Regulatory Interview that he was responsible for the breaches of the SRA Accounts Rules [LAF1 p68, p121]. However, the Respondent has stated in his response that the client account shortage is "*misleading*", as he "*asked the clients to pay the funds direct to* [redacted]" and that there was "*nothing untoward*" [LAF1 p495]. The Respondent denies that he has

acted without integrity, although confirms that [redacted] has agreed to refund the client account shortage [LAF1 p495] but has failed to do so to date.

Breaches of the Principles, the Code of Conduct, SRA Account Rule in relation to Allegation 1.3

Rules 8.1 and 8.3 SRA Accounts Rules

61 The Respondent failed to ensure the Firm complied with the SRA Accounts Rules.

62 In breach of rule 8.1 of the SRA Accounts Rules, the Respondent failed to:

62.1 Provide any compliant or up to date books of accounts;

62.2 Maintain any accounting records, including client ledgers, for matters conducted in the Colliers Wood Office.

63 In breach of rule 8.3 of the SRA Accounts Rules, the Respondent failed to:

63.1 Provide a compliant three-way client account bank reconciliation or a list of client liabilities;

63.2 Produce evidence of manual client account reconciliations, despite advising the FIO that he had completed them;

63.3 Provide a compliant client account reconciliation for the Hounslow Office.

Rule 6.1 of the SRA Accounts Rules

64 A solicitor who becomes aware of a breach of the SRA Accounts Rules must correct such a breach promptly upon discovery and any money improperly withheld or withdrawn from a client account must be immediately paid or replaced as appropriate. Client money was not paid into a client account. Instead, it was paid into the [redacted] Bank Account. This meant that there was a client account shortage. The Respondent, in breach of Rule 6.1, failed to replace the client shortage identified by the FIO, which remained (and remains) a shortage as at the date of the Firm's intervention in February 2024.

Principle 5 of the Principles

65 The test for integrity is set out at Paragraph 35 above.

66 A solicitor acting with integrity would ensure they were complying with the SRA Account Rules and safeguard client money, by ensuring that accurate records were kept and maintained and by paying client monies into a client account. However, the Respondent failed to adhere to these standards and his behaviour is a clear departure from the higher standards society expects of solicitors. Further, in the Respondent's role as COLP and COFA, he is expected to demonstrate better judgment, foresight and insight into the compliance of the SRA Accounts Rules and professional standards.

Principle 2 of the Principles

67 Members of the public must be able to place their trust in those who provide regulated services that their money and assets will be protected and that regulated individuals will comply with the Accounts Rules. Any behaviour within or outside professional practice which undermines the trust damages not only the regulated person, but also that of the legal profession as a whole.

68 Proper record keeping for holding client monies goes to the core of the SRA's regulatory role and public interest purpose. The Respondent's conduct in causing and/or allowing the client shortage of £9,120 to arise damages the public trust and confidence in the legal profession. A client shortage is a serious breach of the SRA professional standards and in turn, constitutes a failure on the part of the Respondent (in his role as COFA or otherwise) to ensure compliance with the SRA Accounts Rules.

69 The public would also expect solicitors to complete timely client account reconciliations and ensure they adhere to the SRA's Account Rules, which the Respondent failed to do adequately (in the case of the Hounslow Office) or at all (in the case of the Colliers Wood Office). As the Firm's sole Principal, the Respondent was responsible for ensuring the Firm's compliance and as an experienced solicitor who held the role of COFA, should have been aware of the rules and how vital reconciliations were.

70 By failing to comply with the SRA Account Rules and by causing/allowing a client account shortage, the Respondent's conduct has undermined the public's trust and confidence in the legal profession in breach of Principle 2.

Principle 7 of the Principles

71 Solicitors are required to act in the best interests of each client. By failing to complete client account reconciliations, accurately record transactions pertaining to client monies and allowing a shortage to arise on the client account, the Respondent has failed to act in his clients' best interests in breach of Principle 7.

Paragraph 4.2 of the Code for Solicitors

72 Paragraph 4.2 of the Code for Solicitors requires solicitors to safeguard money and assets entrusted to them by clients and others. Client money was paid into the [redacted] Bank Account. A solicitor looking to safeguard client money would have ensured that client money was paid into a client account and when notified that there was a client account shortage, would seek to replace this promptly. In failing to replace the funds, the Respondent has failed to safeguard client money in breach of paragraph 4.2.

Paragraph 9.2 of the Code for Firms

73 The Respondent had an additional responsibility as a COFA of the firm to ensure that the Firm complied with its obligations under the SRA Accounts Rules. This would include ensuring that there were resources in place at the Firm to carry out the reconciliations, maintain accurate and contemporaneous accounting records and correcting breaches of the SRA Accounts Rules promptly on discovery. The Respondent's omissions are exacerbated given that the Respondent was sole Principal and held the roles of COLP, COFA and MLRO for the Firm. He therefore acted in breach of Paragraph 9.2 of the Code of Conduct for Firms.

Allegation 1.4 – Failure to supervise members of staff at the branch office adequately or at all

74 The Respondent was an experienced solicitor (having qualified in 2006), who was the sole Principal at the Firm, holding the roles of COLP and COFA. On 28 July 2023, at an initial meeting between the FIO and the Respondent, the Respondent advised that

the only person who could access [redacted]'s work was a member of support staff who at that time, was away on holiday [LAF1 p349]. The FIO asked the Respondent how he supervised [redacted], and he responded as follows [LAF1 p47-48]:

74.1 The Respondent did not carry out appraisals with [redacted] despite [redacted] being unadmitted;

74.2 The Respondent was managing the Colliers Wood Office, but he claimed most clients wanted to see [redacted] due to him understanding their language;

74.3 The Respondent joined "some" meetings with [redacted] but he states could not supervise him all the time as [redacted] was based at the Colliers Wood Office (and the Respondent attended the Colliers Wood Office on average three times per week); and

74.4 The work [redacted] carried out was good but the advice he gave that day (in reference to the undercover investigation by the Daily Mail) was not acceptable.

75 The Respondent was asked to provide a copy of [redacted]'s contract of employment, to which the Respondent advised that there wasn't one [LAF1 p107], nor were there any contracts of employment for any other employee (two administrators and two trainee solicitors) based at the Collier's Wood office [LAF1 p47]. When asked in the Regulatory Interview, the Respondent advised the FIO that there was no written agreement between the Respondent and [redacted], as the Respondent did not believe in contracts. During the Regulatory Interview, the Respondent stated that he did not "*want [redacted] to be attached*" to him [LAF1 p66].

76 [redacted] paid the Respondent cash sums on a monthly basis. Such sums represented remuneration to the Respondent for his supervision and to sign documents. Between 11 July 2022 and 17 July 2023, the Respondent received a total of £42,895 [LAF1 p109, p132]. The Respondent advised the FIO that these sums were not paid into his bank account although that he did pay tax on them [LAF1 p113].

77 The Respondent stated that he did supervise the Colliers Wood Office, but was unable to provide any evidence to the FIO to support that statement.

<u>Breaches of the Principles and the Code of Conduct in relation to Allegation 1.4</u>

Principle 3

78 The Respondent had an obligation to ensure that all staff were adequately supervised and he failed to evidence to the FIO that he had been supervising either [redacted] or the Colliers Wood Office generally.

79 In his capacity as supervisor for the Colliers Wood Office and sole Principal of the Firm, the Respondent should not have allowed unadmitted employees or trainee solicitors to work independently without any, or adequate supervision. The Respondent was being paid by [redacted] to supervise the Colliers Wood Office, yet effectively allowed [redacted] to maintain total control of the Colliers Wood Office. The Respondent failed to have adequate supervision of [redacted]'s work, although the Respondent disputes this [LAF1 p495]. A reasonable inference can be drawn from the circumstances that the payment was for [redacted] to operate a solicitor's practice however he wanted to without proper authorisation from the SRA.

80 The Respondent received cash payments from [redacted] totalling £42,895 [LAF1 p109, p132] between 11 July 2022 and 17 July 2023. The Respondent allowed [redacted] to operate the Colliers Wood Office and to work unsupervised, when he should not have done so. The Respondent's significant and frequent payments were an incentive for the Respondent to allow [redacted] to control the Colliers Wood Office, and therefore the Respondent's independence was compromised in breach of Principle 3.

Principle 5

81 The test for integrity is set out at paragraph 35 above.

82 The Respondent failed to adequately supervise the Colliers Wood Office and its members of staff, by failing to conduct file reviews, appraisals, keep accurate books of accounts despite an obligation to do so. Instead, the Respondent was effectively paid to put his name to the practice, so that [redacted] could operate a solicitor's practice where he may not otherwise have been able to do so and work with no or any adequate supervision. A solicitor acting with integrity (with moral soundness, rectitude and steady adherence to the ethical standards of one's own profession) would not take financial remuneration from a member of staff and fail adequately supervise their work. Nor would they allow an unadmitted member of staff to have sole control of a

firm's office and access to client money. In doing so, the Respondent has breached Principle 5.

Paragraph 3.5 of the Code for Solicitors

83 The Respondent's failure to supervise staff had occurred over a sustained period of time. The Respondent was in a senior position and should have been aware of the strict rules around supervision of staff. The Respondent's actions demonstrated a clear lack of judgement and caused significant financial harm to clients as client monies were not sufficiently safeguarded.

Recklessness

84 Allegation 1.4 is advanced by the Respondent's recklessness.

85 The Applicant relies upon the test for recklessness which was set out in the case of *Brett v SRA* [2014] EWHC 1974. At paragraph 78 in that case, Wilkie J said that for the purposes of the Brett appeal, he adopted the working definition of recklessness from the case of R v G [2004] 1 AC 1034. He said that the word recklessly is satisfied: with respect to (i) a circumstance when the solicitor is aware of a risk that it exists or will exist and (ii) a result when the solicitor is aware that a risk will occur and it is, in circumstances known to them, unreasonable for them to take the risk.

86 From 13 April 2021, the Respondent knew or believed the following matters:

86.1 The Respondent knew that he was the sole Principal of the Firm and that the Colliers Wood Office formed part of the Firm.

86.2 The Respondent knew that, as sole Principal, he had an obligation to ensure unadmitted members of staff were adequately supervised.

86.3 The Respondent knew that he did not complete appraisals with members of staff at the Colliers Wood Office.

86.4 The Respondent knew that all members of staff at the Colliers Wood Office were unadmitted. As an experienced solicitor the Respondent would have been aware of the risk that legal work would not be completed to the correct standard if unadmitted members of staff were not adequately supervised.

86.5 The Respondent knew that he was receiving remuneration from [redacted], which included payment for supervision.

86.6 The Respondent knew that [redacted] was controlling the [redacted] Bank Account which the Respondent could not access and had no control over. The Respondent knew that clients were paying funds directly into the [redacted] Bank Account, rather than the Firm's client account.

86.7 As the Respondent was not maintaining accurate accounting records, the Respondent would therefore have known that there was a risk that the Firm would not be able to account to clients. That risk was ultimately realised because the FIO identified a minimum client account shortage.

87 Despite the Respondent's knowledge of the risks as set out at paragraph 86 above, he continued to allow [redacted] and other members of staff at the Colliers Wood Office to conduct case work unsupervised. The taking of such risk was not reasonable in the circumstances, particularly given both the Respondent's position of authority and the vulnerability of clients of the Firm, and accordingly the Respondent's actions were reckless.

The SRA's Investigation

88 The SRA has taken the following steps to investigate the allegations which it makes against the Respondent.

89 The SRA contacted the Respondent on 27 July 2023 to notifying him that an investigation into the Firm was to take place.

90 On 9 July 2024, the SRA sent the Respondent the Notice Recommending Referral to the Tribunal and invited any representations he wished to make to be sent by 24 July 2024 [LAF1 p463].

91 On 19 July 2024, the Respondent provided his representations to the SRA's Notice recommending referral to the Tribunal [LAF1 p468 - 474]. The representations, which largely focused on the suspension of the Respondent's practising certificate, did not address the allegations in full. However, the Respondent made generic remarks,

including stating that he did not intend any wrongdoing or misleading issues, and that his honesty and integrity are uncompromised. The Respondent considered he could rebut the allegations against him and would do so if the Respondent's conduct were referred to the Tribunal. The Respondent also suggested within these representations that there were a number with issues with the SRA's investigation.

92 On 31 August 2024, an Authorised Decision Maker of the SRA decided to refer the conduct of the Respondent to the Tribunal.

93 The Applicant's representatives wrote to the Respondent on 11 November 2024 to provide the Respondent a further opportunity to provide specific responses to each allegation against him [LAF1 p492]. The Respondent responded on 18 November 2024 with following specific responses to each allegation [LAF1 p494]:

93.1 The Respondent does not accept that he said anything wrong to the Insurer and dismisses the allegation that he has acted either dishonestly or without integrity.

93.2 The Respondent admits that he made corrections to documents of two clients, although considers this to be a genuine misunderstanding that the Respondent was meant to make corrections. The Respondent also states that the two clients were informed verbally of the changes, and that there should have been attendance notes from the staff involved.

93.3 The Respondent considers the client account shortage to be misleading, as he states the clients were asked to pay [redacted] directly as the funds were a disbursement for [redacted]. The Respondent does not accept he has acted without integrity.

93.4 The Respondent disputes the allegation that he did not manage or supervise [redacted] and that he attended the Colliers Wood Office three days per week with the approval of the SRA.

I believe the contents of this statement are true.

.....

Dated this 11th day of December 2024

BEFORE THE SOLICITORS DISCIPLINARY TRIBUNAL **Case No:**

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

AND IN THE MATTER OF:

SOLICITORS REGULATION AUTHORITY

Applicant

and

ANBANANDEN SOOBEN

Respondent

APPENDIX 1 TO STATEMENT PURSUANT TO RULE 12 (2) SOLICITORS (DISCIPLINARY PROCEEDINGS RULES) 2019

Relevant Rules and Regulations

Allegation 1.1

Solicitors Code of Conduct 2019

Paragraph 1.4 You do not mislead or attempt to mislead your clients, the court or others, either by your own acts or omissions or allowing or being complicit in the acts or omissions of others (including your client).

SRA Principles 2019

Principle 2 You act in a way that upholds public trust and confidence in the solicitors' profession and in legal services provided by authorised persons.

Principle 4 You act with honesty.

Principle 5 You act with integrity.

Allegation 1.2

Solicitors Code of Conduct 2019

Paragraph 1.4 You do not mislead or attempt to mislead your clients, the court or others, either by your own acts or omissions or allowing or being complicit in the acts or omissions of others (including your client).

SRA Principles 2019

Principle 2 You act in a way that upholds public trust and confidence in the solicitors' profession and in legal services provided by authorised persons.

Principle 4 You act with honesty.

Principle 5 You act with integrity.

Allegation 1.3

SRA Accounts Rules 2019

Rule 6.1 You correct any breaches of these rules promptly upon discovery. Any money improperly withheld or withdrawn from a client account must be immediately paid into the account or replaced as appropriate.

Rule 8.1 You keep and maintain accurate, contemporaneous, and chronological records to:

a) Record in client ledgers identified by the client's name and an appropriate description of the matter to which they relate:

I. All receipts and payments which are client money on the client side of the client ledger account;

II. All receipts and payments which are not client money and bills of costs including transactions through the authorised body's accounts on the business side of the client ledger account.

b) Maintain a list of all the balances shown by the client ledger accounts of the liabilities to clients (and third parties), with a running total of the balances; and

c) Provide a cashbook showing a running total of all transactions through client accounts held or operated by you.

Rule 8.3 You complete at least every five weeks, for all client accounts held or operated by you, a reconciliation of the bank or building statement balance with the cash book balance and the client ledger total, a record of which must be signed off by the COFA or a manager of the firm. You should promptly investigate and resolve any differences shown by the reconciliation.

Solicitors Code of Conduct 2019

Paragraph 4.2 You safeguard money and assets entrusted to you by clients and others.

Firms Code of Conduct 2019

Paragraph 9.2 If you are a COFA you must take all reasonable steps to (a) ensure that your firm and its managers and employees comply with any obligations imposed upon them under the SRA Accounts Rules.

SRA Principles 2019

Principle 2 You act in a way that upholds public trust and confidence in the solicitors' profession and in legal services provided by authorised persons.

Principle 5 You act with integrity.

Principle 7 You act in the best interests of each client.

Allegation 1.4

Solicitors Code of Conduct 2019

Paragraph 3.5 Where you supervise or manage others providing legal services:
a) You remain accountable for the work carried out through them; and

b) You effectively supervise work being done for clients.

SRA Principles 2019

Principle 3 You act with independence.

Principle 5 You act with integrity.