

IN THE MATTER OF MICHAEL CORRIGAN, STEPHEN PATRICK MCNEILL,
BARRIE THOMAS KIERAN O`CONNOR, DESMOND DRAPER and
JONATHAN DAVID BRIDGE, solicitors

- AND -

IN THE MATTER OF THE SOLICITORS ACT 1974

Mr A G Gibson (in the chair)
Mr I R Woolfe
Mr D Gilbertson

Date of Hearing: 6th October 2009

FINDINGS

of the Solicitors Disciplinary Tribunal
Constituted under the Solicitors Act 1974

An application was duly made on behalf of the Solicitors Regulation Authority by George Marriott, a partner in the firm of Gorvins of 4 Davy Avenue, Knowlhill, Milton Keynes MK5 8NL on 11th November 2008 that:

Michael Gerard Corrigan of Farleys Solicitors, 22-27 Richmond Terrace, Blackburn, Lancashire BB1 7AF;

Stephen Patrick McNeill of Farleys Solicitors, 22-27 Richmond Terrace, Blackburn, Lancashire BB1 7AF;

Barrie Thomas Kieran O`Connor of Farleys Solicitors, 22-27 Richmond Terrace, Blackburn, Lancashire BB1 7AF;

Desmond Draper of Farleys Solicitors, 22-27 Richmond Terrace, Blackburn, Lancashire BB1 7AF;

Jonathan David Bridge of Farleys Solicitors, 22-27 Richmond Terrace, Blackburn, Lancashire BB1 7AF;

Solicitors 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.

The allegations against the Respondents were that:

1. They made payments to referrers of personal injury work before March 2004 contrary to Rule 3 of the Solicitors Practice Rules 1990 ("SPR");
2. They failed to ensure that undertakings were recorded properly contrary to SPR 1 (a) and (d);
3. In relation to Mr Draper only, he failed to obtain an undertaking from an introducer, contrary to Section 2 A (2) of the Solicitors Introduction and Referral Code 1990 ("SIRC") [withdrawn against Mr Corrigan, Mr McNeill, Mr O'Connor and Mr Bridge];
4. Against Mr Draper only, he failed to provide the client with all relevant information regarding the referral contrary to Section 2 A (3) SIRC [withdrawn against Mr Corrigan, Mr McNeill, Mr O'Connor and Mr Bridge];
5. [Withdrawn]
6. They entered into an arrangement for the introduction of clients with an introducer who received contingency fees in respect of such claims contrary to Rule 9 SPR;

By a supplementary statement dated 27th May 2009, further allegations were made against the Respondents that they:-

7. Acted in association with a person whose business was to make, support or prosecute personal injury claims and who in the course of such business solicited or received contingency fees, contrary to Rule 9.01 (4) of the Solicitors Code of Conduct ("SCOC").
8. They failed to act in the client's best interest, contrary to Rule 1.04 SCOC as of 1st July 2007;
9. [Withdrawn].

The application was heard at The Court Room, 3rd Floor, Gate House, 1 Farringdon Street, London EC4M 7NS on 6th October 2009 when George Marriott appeared as the Applicant, the Respondents appeared and were represented by Mr Gregory Treverton-Jones QC.

At the beginning of the hearing the Applicant sought leave from the Tribunal to withdraw allegations 3 and 4 against Mr Corrigan, Mr McNeill, Mr O'Connor and Mr Bridge, and to withdraw allegations 5 and 9 against all the Respondents. The Tribunal granted leave to withdraw the allegations as requested.

The evidence before the Tribunal included admissions by all the Respondents to allegations 1, 2, 6, 7 and 8, and further admissions to allegations 3 and 4 by the Fourth Respondent, Desmond Draper. The Tribunal also had before it a bundle of documents from the Respondents.

At the conclusion of the hearing the Tribunal made the following Orders:

The Tribunal Orders that the respondent, Michael Corrigan of Farleys Solicitors, 22-27 Richmond Terrace, Blackburn, Lancashire, BB1 7AF, solicitor, do pay a fine of £3,000, such penalty to be forfeit to Her Majesty the Queen, and it further Orders that he do pay a contribution towards the costs of and incidental to this application and enquiry fixed in the sum of £6,000.

The Tribunal Orders that the respondent Stephen Patrick McNeill of Farleys Solicitors, 22 - 27 Richmond Terrace, Blackburn, Lancashire, BB1 7AF, solicitor, be Reprimanded and it further Orders that he do pay a contribution towards the costs of and incidental to this application and enquiry fixed in the sum of £2,000.

The Tribunal Orders that the respondent Barrie Thomas Kieran O'Connor of Farleys Solicitors, 22 - 27 Richmond Terrace, Blackburn, Lancashire, BB1 7AF, solicitor, be Reprimanded and it further Orders that he do pay a contribution towards the costs of and incidental to this application and enquiry fixed in the sum of £2,000.

The Tribunal Orders that the respondent, Desmond Draper of Farleys Solicitors, 22 - 27 Richmond Terrace, Blackburn, Lancashire, BB1 7AF, solicitor, do pay a fine of £12,000, such penalty to be forfeit to Her Majesty the Queen, and it further Orders that he do pay a contribution towards the costs of and incidental to this application and enquiry fixed in the sum of £20,000.

The Tribunal Orders that the respondent Jonathan David Bridge of Farleys Solicitors, 22 - 27 Richmond Terrace, Blackburn, Lancashire, BB1 7AF solicitor, be Reprimanded and it further Orders that he do pay a contribution towards the costs of and incidental to this application and enquiry fixed in the sum of £2,000.

The facts are set out in paragraphs 1 – 42 hereunder:

1. The First Respondent, Michael Gerard Corrigan (“Mr Corrigan”), born in 1955, was admitted as a solicitor on 15th June 1979 and his name remained on the Roll of Solicitors.
2. The Second Respondent, Stephen Patrick McNeill (“Mr McNeill”), born in 1957, was admitted as a solicitor on 16th March 1981 and his name remained on the Roll of Solicitors.

3. The Third Respondent, Barrie Thomas Kieran O'Connor ("Mr O'Connor"), born in 1961, was admitted as a solicitor on 15th July 1986, and his name remained on the Roll of Solicitors.
4. The Fourth Respondent, Desmond Draper ("Mr Draper"), born in 1954, was admitted as a solicitor on 15th August 1994 and his name remained on the Roll of Solicitors.
5. The Fifth Respondent, Jonathan David Bridge ("Mr Bridge"), born in 1967, was admitted as a solicitor on 15th October 1992 and his name remained on the Roll of Solicitors.
6. At all material times the Respondents were Partners in the firm Farleys Solicitors, 22-27 Richmond Terrace, Blackburn, Lancashire BB1 7AF.
7. At the time of the SRA's investigation Farleys Solicitors ("the Firm") practised from 6 offices in the North-West. The Firm's head office was at 22-27 Richmond Terrace, Blackburn, Lancashire BB1 7AQ. At the material time the Firm employed a total of 175 staff, including 75 lawyers of whom 14 were partners and 11 associate partners. The Firm's main area of work was personal injury litigation. In 2005/2006 this area of law accounted for 31% of the Firm's fees. Mr Draper was the Head of the Firm's Personal Injury Department. The Firm also practised in criminal, family and property law.
8. On 23rd January 2007, the SRA commenced an investigation into the Firm at the Firm's head office leading to a Forensic Investigation Report ("FI Report") a copy of which was before the Tribunal.

Allegations 1, 2, 3, 4 and 6

9. Before March 2004 it was not permissible for solicitors to reward introducers by the payment of commission or otherwise. During its investigation the SRA examined the Firm's policy on referrals, and saw that it received its instructions for personal injury matters from a number of claims handlers, garages and vehicle repair companies. Following further investigation it became apparent that the firm had been in the practice of making payments for referrals for personal injury cases in breach of Rule 3 SPR 1990.
10. Mr Draper admitted that the firm had breached Rule 3 and stated that the provision of payments to introducers had been the Firm's standard practice since about 2002/2003. The Firm paid at least £47,800 to introducers before March 2004.
11. Mr Draper explained that the fee paid was for the introducer carrying out the initial investigation into the claim, attending the accident scene and preparing documentation.
12. The Respondents produced undertakings they received from referrers of work. All pre-dated the relaxation of the Referral Code and referred to section 2A of the Code which did not exist until March 2004. The Respondents provided no satisfactory explanation as to why these undertakings all pre-dated the relaxation of the Referral Code. The evident back-dating of them put them in breach of SPR 1 (a) & (d).

14. The Respondents received referral work from a claims management company called R who specialised in road traffic accidents involving taxis.
15. S.2A (2) SIRC, introduced after March 2004, stated that solicitors may enter into referral arrangements which allow for a payment to the referrer. However, as part of the arrangement, the referrer must provide an undertaking to comply with SIRC. When the Respondents provided the SRA with the undertakings they had from referrers of work, no undertaking from R was provided. The Firm had received about 100 referrals from R since around 2004. In 2006 the Firm decided that it would not accept any further referrals from R, however, at the time of the investigation, the Firm still had a number of active cases.
16. The file of CH was a referral from R. CH was involved in separate road traffic accidents on 17th August 2004 and 2nd October 2004. In both instances CH was struck from behind by another vehicle and suffered whiplash type injuries and loss of earnings.
17. The agreement which CH signed on 7th September 2004 with R stated that CH had been advised of alternative funding via its “Fair Trading Statement” and then in the “Clients Declaration” statement CH:
 - (a) Authorised R to nominate a solicitor to act for him;
 - (b) Authorised R to negotiate a settlement for him, on such terms as R considered reasonable having considered all the advice and recommendations of the appointed solicitor;
 - (c) Agreed that no court proceedings could be started without R’s permission;
 - (d) Agreed to be liable for all the appointed solicitors costs and disbursements incurred until R received a letter of disinstruction; and
 - (e) Agreed that on settlement of the claim, R would keep 30% of all damages and compensation received.
18. R then nominated the Respondents to act in the claim and an assistant solicitor NM, employed by the Respondents, had conduct of the matter. NM’s superior was Mr Draper.
19. On 17th September 2004 NM wrote to CH thanking him for his instructions in the matter and confirmed that the firm would pursue a claim on CH’s behalf. There was no subsequent letter of instruction in relation to the second incident; however the Firm eventually settled both claims on behalf of CH.
20. S.2A(3) stated that “A solicitor may make a payment to a third party introducer only where immediately upon receiving the referral and before accepting instructions to act the solicitor provided the client with all relevant information concerning the referral and, the amount of any payment.” Neither the client care letter, nor the terms of business sent to CH made any reference to a referral arrangement existing between the Firm and R. Furthermore there was no disclosure of the £350 referral fee or details setting out R’s role in the matter. The letter confirmed that CH wished R to act as his agent to deal with this matter. NM acknowledged that CH had an agreement with R which entitled R to keep a percentage of all settlement monies due in the

matter. The client ledger for CH contained a debit on the office side of the account dated 21st September for £350 payable to R.

21. The Respondents explained during the SRA's investigation that an initial payment of £350 was paid to R by the firm in respect of agency work carried out prior to the referral. However, this "agency fee" was in addition to the 30% of settlement monies that R was entitled to. Further many of the forms on file had been completed by CH, with little or no contribution from R.
22. Throughout the course of the matter 14 letters were written by NM to R on the CH matter. Much of the correspondence was requesting clarification on a point of fact, or seeking more information to substantiate the claims. Aside from the initial letter, no correspondence was written directly to the client. In addition, there was no evidence on the file that CH had returned a signed client care letter.
23. On 27th April 2006 the insurers offered CH £2,750 in settlement for CH's personal injury claims in relation to both incidents. NM forwarded details of this offer to R, and asked R to take instructions from the client. NM described the offer of £2,750 as an "excellent offer of settlement".
24. R responded to the offer on 8th May 2006 and stated "We have spoken to our client, could you please go back for more. NM believes that you can lift the offer to £3,500!!!" It is noteworthy that if the claim had settled for £3,500 then R's share of the damages would be over £1,000. There was no record on file of NM ever making the counter-offer of £3,500.
25. On 21st June 2006 R instructed the Firm to make another offer of £3,000 in relation to CH's injury claim. This was done on 29th June 2006. The insurers replied to this offer on 19th July 2006 and stated that their original offer of £2,750 was the maximum offer that they were willing to make. NM, in a further advice to R, stated that given the minor difference between the two parties (£250) they would recommend that the client accepts the offer of £2,750.
26. The offer was accepted on 2nd August 2006. NM asked for the cheque to be payable to the Firm. The Firm split the sum as to £1,925 for CH, and £825 for R (i.e. 70% for CH, the firm's client and 30% for R). The client ledger showed that this was done on 29th August 2006.
27. CPR 45.7 fixes solicitors costs recoverable at £800 plus 20% of damages recovered where the damages are less than £5,000. CPR 45.10 lists the disbursements which are recoverable. In the case of CH, the only recoverable disbursements were those incurred in obtaining the medical records and medical report. CPR 45.10 does not allow for the recovery of agency fees.
28. Under Part E of the terms and conditions sent with the client care letter it stated that any shortfall from the fixed fee regime was to be paid from the client's damages. Conversely, any excess would be accounted to the client.
29. In total CH's claims settled for £3,027 (£2,750 injury and £277 loss of earnings). This was apportioned in the following matter:

	CH	R
Personal Injury	£1,925	£825
Loss of Earnings	£193.90	£83.10
Total	£2,118.90	£908.10 (+ £350 agency fees)

30. CH's damages may have been reduced further depending on whether he was liable for any of the Firm's costs. The client ledger on this matter was incomplete. The ledger contained no entries after 29th August 2006. There was no entry showing a bill being raised on this matter and no details on the file of costs being sought from the insurers or CH.
31. The agreement signed by CH on 7th September 2004 contained a clause which allowed the client to withdraw from the agreement within 14 days of signing. The Firm's initial letter to CH was dated 17th September 2004. This allowed a further 4 days for the Firm to advise CH to withdraw from the agreement if it was not in his best interest to continue. They gave no such advice.
32. Throughout the case the firm took no instructions from their client, simply instructions from the introducer, and sought no confirmation from CH that he had agreed and understood the arrangement that he had entered into with R.
33. Rule 9 of the Solicitors' Practice Rules 1990 prevents a solicitor "in respect of any claim or claims arising as a result of death or personal injury, either enter into an arrangement for the introduction of clients with or act in association with any person (not being a solicitor) whose business or any part of whose business is to make, support or prosecute....claims arising as a result of death or personal injury and who in the course of such business solicits or receives contingency fees in respect of such claims." The agreement which CH entered into with R stated under "Client Declaration" that R was entitled to 30% of any damages recovered.

Allegations 7 and 8

34. On 1st April 2008 the Firm converted to LLP status, with 14 members. The SRA commenced a further investigation into the Firm between 27th October 2008 and 13th November 2008 and their further report dated 16th December 2008 was before the Tribunal.
35. The SRA were aware that the Firm had been in receipt of referrals from R but understood that the arrangement had terminated prior to January 2007. The Firm confirmed that they still had some live files referred from R. The SRA requested access to those files to consider how the cases were being dealt with.
36. In an interview with the SRA, Mr McNeill stated that the report from the SRA, as a result of their previous investigation, "did not recommend how the SRA wanted us to deal with ongoing cases." In another interview NM, the fee earner with conduct of R's matters, advised the SRA that he had dealt with cases in the same way as prior to the SRA's January 2007 investigation.

37. NM obtained files of the eleven R matters which had closed since the SRA's initial investigation in January 2007 and the Respondents provided a breakdown of distribution of damages in those matters. At the time of the inspection the Firm still had six matters which had been referred by R and which had not concluded.
38. In those eleven matters, damages totalling £40,445.43 had been recovered. From these, fourteen payments totalling £30,169.66 were made to clients in respect of their share of damages. Thirteen payments were made to R in respect of its share of the clients' damages, totalling £10,275.77. In addition, R was also entitled to a referral fee "the agency fee" from the Respondents on each matter, amounting to a minimum of £3,850.
39. The total of the costs recovered by the Respondent under CPR 45.9 in these eleven matters was calculated at £16,806.21, which when deducting their minimum "agency fee" payment to R left a maximum of £12,956.21 and meant that R took away a minimum of £14,124.77; over £1,100 more than the Respondents.
40. The agreement between the Respondents and their client also provided for the Respondents to recover from their client any shortfall between the actual costs incurred and those recovered from the Defendants. The Respondents were asked on a number of occasions for ledgers in relation to matters, but declined to provide these.
41. The Respondents continued to act in association with a person whose business was to make, support or prosecute personal injury claims and in the course of business solicited or received a contingency fee. The agreement between the client and R stated "I/We agree that no court proceedings are to be commenced without prior approval from R...I/We understand and agree that upon settlement of my/our claim R may deduct and keep 30% of any loss of earnings and 30% of any personal injury claim...."
42. R was only entitled to a percentage of the damages in successful cases. Whilst the agreement allowed for the issuing of proceedings it put forward no alternative to R receiving 30% of the damages.

The submissions of the Applicant

43. The Applicant confirmed all the Respondents had made admissions to allegations 1, 2, 6, 7 and 8. In addition, Mr Draper had admitted allegations 3 and 4.
44. This was a case where the Respondent's firm had only taken instructions from the introducer and the mischief was in the way the cases had been dealt with. The "investigation fee" that the Respondents had paid to the referrer for the introduction of the client had been unlawful prior to March 2004 and the Respondents had continued to make these payments even after clarification and guidance from The Law Society had been given on 17th July 2003 following the judgement of the Senior Costs Judge in Sharratt – v – London Central Bus Company [2003] ALL ER (D) 232.
45. The Applicant submitted that the file of CH which had been drawn to the Tribunal's attention was typical of the manner in which the Respondent's had conducted files received from the referrer R. As there had been no disclosure of the £350 referral fee

to clients, Mr Draper who was the Head of the firm's Personal Injury Department, had breached the SIRC by failing to provide the client with all relevant information before accepting instructions and by failing to obtain an undertaking from R.

46. The Applicant submitted it was self evident that it would be in the clients' best interests to withdraw from the agreement with R, but the Firm had failed to give any such advice to the clients. Furthermore, the Respondents had breached their duties under SPR in that no advice was given on the agreement that clients had entered into with R, no instructions had been taken from the client, no progress reports or communications were made with the client and indeed, the introducer, R was treated as if they were the client. Furthermore, there was no signed client care letter on the file.
47. When the second SRA investigation took place in 2008, the Firm were still paying the introducer, R an "agency fee", clients were still signing an agreement with R whereby 30% of damages were paid to R, no communications were sent directly to the client and all instructions were received from the introducer.
48. The Applicant submitted the Respondents had failed to act in their clients best interests when dealing with R and, as a result of this, clients had been prejudiced. There had been no reason why clients should pay part of their damages to the introducer when clearly costs were payable in full by the Defendant.
49. The Applicant drew the Tribunal's attention to a number of other similar cases and also referred the Tribunal to the case of Beresford and Smith [9666/2007] where the Tribunal had confirmed payments to a referral company had breached Rule 9 of the SPR 1990. The Tribunal in that case had also confirmed a solicitor had a duty to advise a client who came with a signed agreement and to explain the contract entered into. The Tribunal's attention was also drawn to the case of Jane Robinson [9365/2005] which confirmed it was not a requirement of Practice Rule 9 that work undertaken should be contentious. In that case the Tribunal had found a breach of Practice Rule 9 in circumstances where the Respondent had entered into an arrangement for the introduction of clients with an introducer who received contingency fees in respect of such claims.
49. Regarding the back dating of the undertakings, Mr Draper said he did not back date them himself but could not explain further. The inference was that this had been done by an unidentified member of staff and the Respondents had collectively accepted responsibility as a firm.
50. The Applicant requested an Order for his costs and provided the Tribunal with a schedule indicating the costs amounted to £36,980.

The submissions of the Respondents

51. Mr Treverton-Jones QC on behalf of the Respondents confirmed that allegations 1, 2, 6, 7 and 8 were admitted by all the Respondents and in addition, allegations 3 and 4 were admitted by Mr Draper. The work from the introducer R had come about as a result of a fee earner, who had now left the Firm, introducing R to the firm. The breaches had not been picked up earlier as the work/income from R was relatively

small compared to the firm as a whole and to work from other introducers. The Firm had acted for other introducers and there had been no problems with those. The Tribunal were referred to the witness statements of each Respondent and in particular the statement of Mr Draper dated 28th September 2009. Mr Draper supervised NM but in 2003/2004 Mr Draper became very ill having suffered a heart attack requiring two operations and, as a result of this, his eye was “off the ball” during that period and he did not devote as much time as he ought to have to supervising staff. Indeed he had been unaware that the existing R files were still being worked upon.

52. When Mr Draper came across the cases referred from R he was immediately unhappy with the fact that 30% of the client’s damages was being paid to R for the introduction and there appeared to be over involvement of R instead of direct contact with the client. He discussed the matter with Mr Corrigan and they decided to stop dealing with R. However there was a misunderstanding with NM who thought that they had simply decided not to take on any new cases. On this basis the Respondents had admitted allegation 8.
53. The current position was that there was now only one case referred from R and this involved an infant. The Firm were dealing directly with the client, R was not involved and no deduction was to be made from the clients’ damages. The Respondents confirmed they would review all cases received from R and would reimburse any clients who had suffered as a result.
54. In relation to the first allegation, the Tribunal were reminded that there had been a great deal of controversy within the profession regarding payment of referral fees. An example was the case of Tubby [8643/2001] where the Tribunal recognised the difficulties faced by solicitors in complying with the rules. However the position changed after Chief Master Peter Hurst indicated on 15th May 2003 that only part of the investigation fee was justifiable in terms of work done and the balance had to be interpreted to be a referral fee and was thus unlawful. A large number of firms were unwittingly breaching the rules on referral fees and in view of this the Tribunal were asked to deal with the Respondents as leniently as possible. The Tribunal were referred to a number of other cases before the Tribunal where sympathy had been expressed for solicitors in similar positions. Specifically the Tribunal’s attention was drawn to the case of Mendelson [9212/2005], Maddocks [9536/2006], Morgan & Others [9443/2006] and Reed [9703/2007].
55. In relation to allegation 2, it appeared that an unidentified member of staff had wrongly and improperly backdated undertakings on the file, perhaps in preparation for the SRA visit.
56. Concerning allegations 3 and 4 which had been admitted by Mr Draper as the partner responsible for the supervision of NM, the SRA had in fact looked at all the files requested and there had been no suggestion of any widespread or systematic failure beyond that drawn to the Tribunal’s attention. Mr Draper did not recall seeing post from the introducer. R and indeed, much of the communication that took place between NM and R was by email. Furthermore, when a decision had been made for no further work to be accepted from R, Mr Corrigan had advised NM of this not Mr Draper.

57. Concerning allegation 6, the Respondent submitted the ban created by Rule 9 of SPR was restricted to contentious work and in this case, in at least one instance, proceedings had been issued and therefore the agreement was not restricted to non issued cases. It was submitted Rule 9 was restricted to contentious work and therefore if a contingency agreement was in place, the payment could be made. The Tribunal's attention was drawn to the decision of the SRA's adjudication panel dated 25th October 2004 in which the panel had agreed there had been no breach of Practice Rule 9 in the case of one particular introducer as the Rule applied to contentious proceedings and in that case no proceedings had in fact been issued. The Respondents submitted they were entitled to believe the Rule 9 ban only applied to cases where proceedings were issued and in this case, allegation 6 had been accepted as there was one issued case.
58. Mr McNeill, Mr O'Connor and Mr Bridge had not had any involvement with the introducer R and in fact were all based at different offices. Mr Corrigan had been based at the Blackburn office but had not been involved in any of the work referred by R. Mr Draper accepted he had responsibility for supervision of NM and had failed in his supervision. However all the Respondents stood together, although it was submitted that Mr McNeill, Mr O'Connor, Mr Bridge and indeed Mr Corrigan were not blame worthy.
59. The introducer R, was still in business and was regulated by the statutory regulator operating on a contingency fee basis. Indeed, it was quite bizarre that the Solicitors Regulatory body did not allow solicitors to enter into such agreements with introducers.
60. The Tribunal were asked to consider the proportionality of the allegations and when considering each of the five Respondents to make an Order for an overall figure rather than individual penalties. The Respondents were decent men and these proceedings had been hanging over them for some time. The Tribunal were asked to give them credit for the admissions made today and the Respondents apologised for the regulatory breaches that had occurred. The effect of the breaches had already damaged their reputations as the allegations had been published on the SRA website and all five Respondents took the allegations very seriously.
61. Mr Treverton-Jones confirmed he was not instructed to plead poverty and did not wish to address the Tribunal on means as all the Respondents were partners in a large firm.
62. Regarding the costs, the Respondent submitted these were high despite the fact that there had been two SRA visits and requested the Tribunal to consider what should be a fair figure, looking at overall culpability.

The findings of the Tribunal

63. The Tribunal had listened carefully to the submissions of the parties and had considered in detail all the documents before it. The Tribunal found allegations 1, 2, 6, 7 and 8 to have been substantiated against all the Respondents, and further found allegations 3 and 4 to have been substantiated against the Fourth Respondent, Mr Draper, indeed all these allegations had been admitted.

64. The Tribunal's principal concern was that by entering into an arrangement with the introducer R, which deprived the client of a proportion of their damages, the Respondents had failed to act in the best interests of the client which had resulted in clients being unable to maximise the benefit of their claims. It was clear to the Tribunal that the Fourth Respondent, Mr Draper was primarily responsible for these breaches as he was the partner in charge of the Personal Injury Department and had responsibility for ensuring the rules were complied with.
65. Both Mr Draper and Mr Corrigan were in different positions from the other Respondents in that they were based at the Blackburn office and accordingly should have been aware of correspondence received and sent to the introducer R. Furthermore, it had been accepted that the fee earner NM had continued working with the cases received from R in the same manner that he had done prior to being told not to do any further work. Whilst the Respondents had submitted this had been a misunderstanding, it was the responsibility of Mr Draper to supervise NM and ensure matters had been remedied.
66. As a result of the Respondents' conduct, clients had suffered severely, the firm had not acted in their best interests and had failed to advise them properly. The reputation of the profession had been brought into disrepute by this conduct.
67. The Tribunal accepted that the positions of Mr McNeill, Mr O'Connor and Mr Bridge were much less culpable particularly as they were not based at the Blackburn office and had not undertaken any work from this particular introducer. However, all these Respondents had still benefitted from the income received from the work referred by R and accordingly had benefited to a degree from the breaches.
68. The Tribunal considered the appropriate sanction was to reprimand Mr McNeill, Mr O'Connor and Mr Bridge and to Order each of them to make a contribution towards costs of £2,000.
69. Concerning Mr Corrigan, the Tribunal Ordered he pay a fine of £3,000 and concerning Mr Draper, the Tribunal Ordered he pay a fine of £12,000.
70. In relation to the question of costs, the Tribunal considered the costs to be rather high and summarily assessed them at £32,000 to be paid as follows:-
- Mr McNeill, Mr O'Connor and Mr Bridge contribute £2,000 each towards the costs
 Mr Corrigan contributes £6,000 towards the costs
 Mr Draper contribute £20,000 towards the costs
71. The Tribunal Ordered that the respondent, Michael Corrigan of Farleys Solicitors, 22-27 Richmond Terrace, Blackburn, Lancashire, BB1 7AF, solicitor, do pay a fine of £3,000, such penalty to be forfeit to Her Majesty the Queen, and it further Ordered that he do pay a contribution towards the costs of and incidental to this application and enquiry fixed in the sum of £6,000.
72. The Tribunal Ordered that the respondent Stephen Patrick McNeill of Farleys Solicitors, 22 - 27 Richmond Terrace, Blackburn, Lancashire, BB1 7AF, solicitor, be

Reprimanded and it further Ordered that he do pay a contribution towards the costs of and incidental to this application and enquiry fixed in the sum of £2,000.

73. The Tribunal Ordered that the respondent Barrie Thomas Kieran O`Connor of Farleys Solicitors, 22 - 27 Richmond Terrace, Blackburn, Lancashire, BB1 7AF, solicitor, be Reprimanded and it further Ordered that he do pay a contribution towards the costs of and incidental to this application and enquiry fixed in the sum of £2,000.
74. The Tribunal Ordered that the respondent, Desmond Draper of Farleys Solicitors, 22 - 27 Richmond Terrace, Blackburn, Lancashire, BB1 7AF , solicitor, do pay a fine of £12,000, such penalty to be forfeit to Her Majesty the Queen, and it further Ordered that he do pay a contribution towards the costs of and incidental to this application and enquiry fixed in the sum of £20,000.
75. The Tribunal Ordered that the respondent Jonathan David Bridge of Farleys Solicitors, 22 - 27 Richmond Terrace, Blackburn, Lancashire, BB1 7AF solicitor, be Reprimanded and it further Ordered that he do pay a contribution towards the costs of and incidental to this application and enquiry fixed in the sum of £2,000.

Dated this 21st day of May 2010

On behalf of the Tribunal

Mr A G Gibson
Chairman