

IN THE MATTER OF JULIE GRANT

A person (not being a solicitor) employed or remunerated by a solicitor

- AND -

IN THE MATTER OF THE SOLICITORS ACT 1974

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Mr D Glass (in the chair)  
Mr A Gaynor-Smith  
Mr D E Marlow

Date of Hearing: 4th March 2008

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**FINDINGS**

of the Solicitors Disciplinary Tribunal  
Constituted under the Solicitors Act 1974

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An application was duly made on behalf of The Law Society by Gerald Malcolm Lynch, solicitor and consultant to the firm of Drysdales of Cumberland House, 24-28 Baxter Avenue, Southend on Sea, Essex, SS2 6HZ on 20<sup>th</sup> September 2007 that an Order be made by the Tribunal directing that as from a date as specified in such Order no solicitor, Registered European Lawyer or incorporated solicitor's practice shall except in accordance with permission in writing granted by The Law Society for such period and subject to such conditions as the Society might think fit to specify in the permission, employ or remunerate in connection with his/her practice as a solicitor, Registered European Lawyer or member, director or shareowner of an incorporated solicitor's practice a person in respect to whom the Order is made or that such other Order might be made as the Tribunal should think right.

The allegations against the Respondent were as follows:

- (i) [withdrawn with the consent of the Tribunal]
- (ii) the Respondent fabricated alternatively was a party to the fabrication of correspondence addressed to her employers in respect of 14 conveyancing files with a client's authority for release of the file to her new employers. In so doing the

Respondent failed to advise her employers of the clients' intentions, alleged authorities and to preserve her employers' lien as to costs and disbursements.

- (iii) it was alleged in respect of the aforementioned the Respondent had compromised or impaired her good repute contrary to the provisions of Rule 1 of the Solicitors Practice Rules 1990;
- (iv) the Respondent misappropriated clients' monies utilising the said monies for the benefit of clients not entitled thereto and as hereinafter appeared. For the avoidance of doubt this was an allegation of dishonesty.
- (v) by virtue of the aforementioned the Respondent acted in breach of Rule 22 of the Solicitors Accounts Rules 1998 in the withdrawal of clients' money in circumstances other than in accordance with the provisions of the said Rule;
- (vi) by virtue of each and all of the aforementioned allegations the Respondent had been party to or had occasioned acts or defaults in relation to her employment with the firm of PR involving conduct on her part of such a nature that it would be undesirable for her to be employed or remunerated by a solicitor in connection with his practice.

The application was heard at the Court Room, 3<sup>rd</sup> Floor, Gate House, 1 Farringdon Street, London, EC4M 7NS on 4<sup>th</sup> March 2008 when Gerald Malcolm Lynch, solicitor, appeared as the Applicant and the Respondent was represented by Mr Robert Smith of Counsel.

**At the conclusion of the hearing the Tribunal made the following Order:**

The Tribunal Orders that as from 15<sup>th</sup> day of April 2008 no solicitor, Registered European Lawyer or incorporated solicitor's practice shall, except in accordance with permission in writing granted by the Law Society for such period and subject to such conditions as the Society may think fit to specify in the permission, employ or remunerate in connection with the practice as a solicitor, Registered European Lawyer or member, director or shareowner of an incorporated solicitor's practice Julie Grant of 11 Hall Drive, Wath on Dearne, Rotherham, S63 6JJ a person who is or was a clerk to a solicitor and the Tribunal further Order that she do pay the costs of and incidental to this application and enquiry fixed in the sum of £5,000.

**The facts are set out in paragraphs 1-25 hereunder:**

1. At all material times the Respondent was employed by Messrs PR Solicitors ("the complainant firm"). From 1<sup>st</sup> August 2000 to 2<sup>nd</sup> April 2003 she was employed by the complainant firm as a paralegal in their personal injury department. She left the complainant firm but was subsequently employed by them as a paralegal in the conveyancing department from 28<sup>th</sup> April 2003. The Respondent left employment with the complainant firm in June 2006 and in July 2006 commenced employment with Messrs Walker & Co.

Allegations (ii) and (iii)

2. On 16<sup>th</sup> August 2006 Ms S, the joint Managing Partner of the complainant firm, wrote to The Law Society in relation to the Respondent who had been employed by them as a conveyancing clerk. She had given notice to leave that employment on 27<sup>th</sup> June 2006 and had commenced employment with Walker & Co on 3<sup>rd</sup> July. On 7<sup>th</sup> August the complainant firm had discovered that clients' files had been removed by the Respondent and taken to her new employers. Following enquiry 14 files had been recovered which appeared to contain letters of authority allegedly signed by the clients authorising the transfer of the files to Walker & Co. Also on the complainant firm's files when returned there were top copies of letters from Walker & Co requesting the transfer of the files.
3. The complainant firm said that these letters, like the letters of authority had not been received by the firm. If they had been received they would have been dated and stamped "Received PR". None of the letters were so stamped.
4. The 14 files were taken from the complainant firm without any reference to the firm or any partner. It was further apparent from enquiry made that when invited to sign the letters of authority some of the clients that did so were not advised that they had the right to instruct other solicitors of their choice. On 25<sup>th</sup> August the complainant firm enclosed a memorandum giving a full background of the matter.
5. Some of the alleged letters of notification were apparently dated in June 2006 and prior to 3<sup>rd</sup> July when the Respondent commenced her employment with Walker & Co. The letters were however on Walker & Co headed notepaper.
6. On 8<sup>th</sup> August 2006 Mr Walker of Walker & Co wrote to the complainant firm. He confirmed the 14 files transferred. They had been introduced by one firm of estate agents, Jump, who had apparently wished for the Respondent to continue to act. Mr Walker said that the matter "has not been handled well and we can confirm that the partners have disciplined Julie". He offered apologies.
7. On 7<sup>th</sup> March 2007 Walker & Co wrote in response to a letter sent to them by the Solicitors Regulation Authority setting out the supervisory arrangements within their firm. They confirmed the position of the Respondent with their firm and the date that the employment commenced and stated:-
 

"As a direct result of this case being brought to our attention we held a disciplinary meeting within the firm. The consequences of that meeting were that additional training and increased supervision were agreed for Ms Grant. She has undertaken that training. She was supervised very closely for a period of three months. Her methods of work and procedures were scrutinised throughout. Her work during that period was conducted to a high standard and caused no further concern to the firm as to her abilities as a fee earner."
8. On 13<sup>th</sup> March the SRA wrote again to Mr Walker raising with him the fact that the 14 letters, the subject of complaint, ranged in date from 19<sup>th</sup> June 2006 to 11<sup>th</sup> July 2006. Some letters as indicated above predated the departure of the Respondent from

the complainant firm. Walker & Co had said that no files were transferred to their offices prior to the commencement of the Respondent's employment with them on 3<sup>rd</sup> July and a question was raised therefore how four letters dated between 19<sup>th</sup> and 30<sup>th</sup> June had purportedly been sent on Walker & Co letterhead to the complainant firm. In a letter of 23<sup>rd</sup> March, Walker & Co said that no letters were sent prior to the Respondent's commencement of employment but she had typed four letters and inserted an incorrect date. She had "simply cut and pasted new letter contents onto a old letter within our computer system".

9. On 23<sup>rd</sup> March 2007 Messrs Tierney & Co, the Respondent's solicitors, wrote on her behalf. In that letter the following points were advanced:
  - (a) it was said that all 14 letters were typed by the Respondent after she commenced work on 3<sup>rd</sup> July. Her practice was to use an existing letter as a precedent for creating a new word document. She had failed to correct the date shown on the letter in the four cases where the letters predated her departure from the complainant firm;
  - (b) the Respondent accepted that the 14 letters alleged to have been sent to the complainant firm were not in fact sent. She had placed the letters on the individual files. The Respondent accepted that the proper procedure was to have sent the authorities and the Walker & Co letter to the complainant firm before transferring the files. She had been acting on the instructions of the estate agents and did not gain anything personally from the transfer. She accepted that she should have spoken to her employers and arranged the transfer of the files in a proper manner. Statements from the estate agents had been obtained. A witness statement of the Respondent was also enclosed.
10. In her statement dated 23<sup>rd</sup> March 2007 the Respondent accepted that she did not speak to anyone at the complainant firm about the transfer of the files and she realised that she should have done so. The only reason for not telling the complainant was because she was embarrassed and afraid that the managing partner would have been very angry at losing the work.
11. She said that one client had signed the authority for transfer in the reception of the complainant firm. The other 13 clients had been spoken to and the Respondent had sent an authority letter for them to sign and return the same to the estate agents who in turn passed the authorities back to the Respondent. She said that before she took any file there was a signed authority for each client to do so. She accepted however that she ought to have left the files with the complainant firm, sent the authorities and request to transfer from her new employer. She admitted that she had typed the transfer letters but had not sent the letters or a copy of them to the complainant firm. She confirmed that any dates on the letters on the files before the commencement of her employment on 3<sup>rd</sup> July 2006 were errors from her use of a precedent letterhead and not changing the date.

The Respondent stated:

"I realise and accept my stupidity in this matter and acknowledge that I should have used proper procedures..... I did believe that I was acting in the best interests of all clients and Jump Estate Agents."

12. On 11<sup>th</sup> June, 2007 Ms S of the complainant firm wrote again in relation to the explanation advanced by the Respondent or on her behalf and stated that the potential value to the firm was in excess of £3,000. That would have reflected on the Respondent's costs target and personal standing with her new employers. Ms S further wrote:

"Julie Grant knew me very well. She worked with us for 6 years. When she worked with DC, I saw her on a daily basis. In addition, as the partner with responsibility for the staff, I have always operated an open door policy. She knew that I liked and trusted her. She is being disingenuous when she implies that her not discussing matters with me or any of the other partners was because she was embarrassed and afraid that I would be angry at our losing the work.

If she was afraid of me with regard to this, then she could have gone to NR who was the Head of Domestic Conveyancing and, again, who is someone that she gets on very well with ."

13. On 21<sup>st</sup> June 2007 Messrs Tierney & Co on behalf of the Respondent wrote that in relation to the "conveyancing letters" the Respondent's explanation was that she had used a precedent that existed on the computer of Walker & Co as a template onto which she typed the actual letter. This was done by cutting and pasting from any existing word document. It was unfortunate that she did not amend the date correctly. This was simply an oversight and could not amount to misconduct. The Respondent admitted that she had created each letter and typed the same.

14. On 19<sup>th</sup> July 2007 Ms S of the complainant firm further wrote:

"[Tierney & Co] on behalf of Julie Grant, says there was "no specific mischief in Julie creating letters from Walker & Co and placing them on the conveyancing files". The letters were placed on the files to make it look like Julie had written to us to ask us to send them to her, i.e. to cover up the fact that she had removed them from our offices without permission."

Allegations (iv) and (v)

15. On 2<sup>nd</sup> November 2006 the complainant firm wrote again to The Law Society stating that an audit of the Respondent's files had revealed discrepancies involving mainly the utilisation of clients' monies for the purpose of other clients not entitled thereto and failing to pay clients' monies into the correct client account.
16. On 10<sup>th</sup> November the complainant firm enclosed a memorandum dealing with the problems in detail. The matters are summarised below:

- (a) the Respondent transferred £2,085 from client account of NB in order to pay stamp duty due from another client MW;
- (b) the Respondent transferred £141.86 from the client account of NB to the client account of HE;
- (c) the Respondent transferred £895.94 from the client account of JAC to the client account DC;
- (d) the Respondent transferred £895.94 from the client account of LS to the client account of AC;
- (e) the Respondent transferred £895.94 from the client account of JC to the client account of HE;
- (f) the Respondent transferred £524.19 from the client account of JB to the client account of HE;
- (g) the Respondent transferred £2,180.80 from the client account of NC to the client account of AA.

In addition to the above, the Respondent paid £1,791.88 to the client account of NC when the sum should have been credited to the client account of AC.

17. Ms S of the complainant firm wrote in her memorandum of 10<sup>th</sup> November 2006:

"In essence, it appeared that Julie had been diverting costs which should have been billed to the firm to files where it appears she thought she had made some error... She had also, on one file, paid the stamp duty for clients who were purchasing a property."

18. Included in the documentation submitted by the complainant firm was the client account of NB indicating that the complainant firm's costs on this matter were not billed. A cheque was however drawn from this ledger which related to stamp duty which needed to be paid on the file MW. On 8<sup>th</sup> January 2007 the complainant firm wrote to Mr and Mrs MW:

"Julie in fact misinformed you if she advised you that stamp duty was not payable on your property purchase. Stamp duty of £2,085 was payable. It appears that Julie realised her error with regard to this and, rather than advise you of it, she wrongly paid stamp duty on your behalf from costs which had come into the firm on another client's ledger."

The firm did not seek repayment of the stamp duty from Mr and Mrs MW.

19. On 8<sup>th</sup> January 2007 Ms S further wrote to The Law Society enclosing correspondence between the complainant firm and the Respondent. In a letter dated 20<sup>th</sup> October 2006 the Respondent wrote to the complainant firm offering apologies

in relation to the conveyancing matters (paragraphs 2 to 13 above). In relation to the costs issue the Respondent wrote as follows:

"I can advise that six clients, including [HE], received damages in relation to their chest disease claims, and I received three sets of costs. It is not unusual for the DTT to pay more than one set of costs in a batch, as has happened on some older chest disease and vibration white finger files. I therefore transferred the costs over and intended to bill half of those costs, as I had discussed with you and D. I must point out that I dealt with these files during the week prior my starting my new employment and was spending a great deal of time trying to ensure that the conveyancing matters were up to date given that my replacement was not due to start until a month after my departure, and that Joanne and I were carrying a very heavy caseload of conveyancing files. I may have therefore overlooked submitting the bills, and this needs to be done. If my memo is unclear then this can only be due to my rushing through things in order to tie up the loose ends."

She offered her sincerest apologies for any upset caused.

20. The complainant firm completed a further memorandum dealing with the position of the Respondent with the firm. On 12<sup>th</sup> March 2007 the complainant firm wrote a letter to the SRA dealing with questions of the breaches of the Accounts Rules and action taken in that regard and confirmed that no clients had suffered loss.
21. In their letter on behalf of the Respondent of 23<sup>rd</sup> March 2007 her solicitors Messrs Tierney & Co made the following points in relation to the industrial disease files and the alleged breaches of the Solicitors Accounts Rules:
  - (a) the Respondent had authorised the transfer of £2,085 from the NB client file. This sum represented the costs due to solicitors in respect of NB's claim. The Respondent had acted on the purchase of the property for the client MW. She had mistakenly thought stamp duty was not payable and the clients were unaware of this problem. She sought to rectify the problem by paying this stamp duty from costs. The other matters, which were dealt with in detail, were due to lack of training, supervision and understanding on the part of the Respondent;
  - (b) The Respondent acted for four brothers in relation to damages. One of the four had not recovered damages and the Respondent had believed that this was due to her error. She had collected money from other costs to be able to pay damages to him;
  - (c) The NC/AA matter had involved the utilisation of money as a result of an error by the Respondent;
  - (d) the monies transferred were not monies due to clients but represented costs. The Respondent had made mistakes or believed that she had made mistakes on three files resulting in clients not recovering damages and the file where she wrongly advised the client that no stamp duty was payable. She had taken the

steps set out to ensure that no client actually lost out. She accepted that she had acted wrongly and was extremely foolish. She had not felt that she could report her mistakes to her employers;

- (e) it was admitted that the total sum wrongly paid was £10,732.24. In doing what she had done the Respondent avoided potential negligence actions against her employers.

22. On 11<sup>th</sup> June 2007 the complainant firm wrote again to the SRA. It was observed that the Respondent in her reply to the letter of enquiry from the complainant firm had maintained a deceit as to how the costs were paid in an effort to cover up the unauthorised transfers. If the Respondent had at that time told the truth much heartache and time would have been saved. There had been nine months of concern and worry in addition to the work necessary to examine the ledgers and unravel the web of deceit. It was further written:

"Whilst it is accepted that Julie Grant made mistakes on the [MW] file and the disease files, what is not accepted in any of those matters is that this gave her an excuse to then fraudulently interfere with the firm's accounts. She took a personal unilateral decision to act dishonestly and that action has nothing to do with lack of training, supervision or misunderstanding. She made a calculated decision to deceive and maintain the charade when initially questioned..... Granted, we should have discovered her deceit sooner than we did, but the cause of the problem was Julie Grant's determination to act dishonestly.

Julie Grant states that she did not feel she could report her mistakes to the partners and that she bitterly regrets her actions. I cannot emphasise enough the good relationship Julie Grant enjoyed with the partners and how well she was thought of. If she had approached any of us with any of the problems, then we would have supported her and dealt with the issue as a training matter. She is not the first fee earner to make a mistake and she definitely won't be the last. She is though the first fee earner who has attempted to fraudulently cover up her mistakes by falsifying our accounts."

It was submitted that the implication that depriving partners of costs due to the business was a more acceptable misdemeanour than depriving clients of monies due to them was not accepted. The acts remained dishonest. No attempt had been made by the Respondent or those representing her with regard to offering to repay the money and the complainant firm had been burdened with the costs of repayment plus interest.

23. In a letter of 21<sup>st</sup> June 2007 Messrs Tierney & Co on behalf of the Respondent wrote that the Respondent was an unadmitted person who had no proper training or supervision in industrial disease cases:

"Mrs Grant has admitted that she made mistakes and foolishly tried to correct her mistakes so that no client lost out. The fact that she did that without anyone noticing, of itself, demonstrates, how she was left to conduct these files without any supervision whatsoever."

The Respondent had acted foolishly "in panic and desperation".

24. On 19<sup>th</sup> July 2007 the complainant firm wrote that it was totally untrue to say that the Respondent did not have any training, supervision or assistance on the disease files.
25. The Respondent had repaid the sum of £5,500 to the complainant firm.

### **The Submissions of the Applicant**

26. The Applicant's application for an Order under s.43 of The Solicitors Act 1974 was not resisted by the Respondent.
27. The Applicant sought and obtained the leave of the Tribunal to withdraw allegation (i).
28. The Applicant was alleging dishonesty against the Respondent in relation to the degree of her interference with the accounts of the complainant firm and the use to which that money was improperly put. The Applicant submitted that this amounted to dishonesty within the objective and subjective tests laid down in the case of *Twinsectra v Yardley and Others* [2002] UKHL 12.
29. There was no mischief in the transfer of the 14 conveyancing files to the Respondent's new employer provided it was done in the appropriate way. This should include informing the former employer and giving clients the choice to remain with them. In the present case the clients had effectively been told that they were being transferred with the Respondent. The estate agents were "pulling the strings" and wanted the Respondent to carry on dealing with the conveyancing matters.
30. The complainant firm had at no time been made aware of the transfers until they discovered them by accident when monies arrived from mortgage companies in connection with cases which had been taken. Clients had not been given an option to remain with the complainant firm.
31. The Applicant had used the word "fabricated" in allegation (ii) as anyone looking at the file would assume that the complainant firm had been told. The Respondent had put the letters on the file but had never sent them to the complainant firm and to that extent they were a fabrication.
32. In relation to allegation (iii) certain standards were required by Practice Rule 1 and the Respondent's behaviour had not been in accordance with those standards.
33. The Applicant emphasized that Mr Walker had acted entirely properly when matters had come to his attention. He had written to the complainant firm on 8<sup>th</sup> August 2006 in a proper manner including proposing arrangements for the transfer of files back to the complainant firm subject to clients' wishes and proposals for payment of the complainant firm's costs.
34. The Tribunal was referred to the letter from the complainant firm dated 8<sup>th</sup> January 2007 stating that the conveyancing files had been moved to the Respondent's new

firm still housed in the complainant firm's folders and with the complainant firm's client reference crossed out and a new reference written underneath.

35. The complainant firm also referred to attendance notes created by LF, the head of their residential conveyancing department, who had spoken to the relevant clients. The complainant firm wrote:
 

"These notes confirm that Julie Grant solicited our clients to transfer their instructions to her new employers and did not advise them that they had a choice of continuing to instruct us."
36. In her letter to the Respondent dated 13<sup>th</sup> October 2006 Ms S had written of the shock and upset caused to the firm by the removal of the conveyancing files without discussion.
37. Statements from the Respondent's former job share colleague, the chief cashier of the firm and from the head of residential conveyancing were before the Tribunal.
38. The Tribunal was referred to Ms S's letter to the SRA of 19<sup>th</sup> July 2007 (paragraph above) which in the submission of the Applicant set out how the complainant firm viewed this matter and indeed how it should be viewed.
39. The Applicant accepted that at no time had the Respondent made a profit and that her actions were not for her benefit except, as advanced by the complainant firm, for the kudos she would gain with her new employer by bringing the work with her.
40. The Respondent must have known that utilising monies in the way she did was improper. The Applicant accepted that she had acted as she did to assist clients and that she felt she was utilising money which would become costs paid to the firm to alleviate difficulty, distress and disappointment on the part of the clients. It was however never appropriate for a solicitor's clerk so to act. It had not been her money to do with as she did. Such conduct was dishonest and clearly improper.
41. There had been a clear utilisation of money on client account which would in due course but had not yet been transferred to the firm for costs which therefore remained clients' money and which was not available for the purpose used and the Tribunal was referred to the matter of MW. In all the cases the Respondent had had no authority to effect the transfers in accordance with Rule 22 of The Solicitors Accounts Rules and hence this Rule was breached.
42. The Respondent had asserted that she had received only three sets of costs (paragraph above) but this did not explain the inter client transfers.
43. The thrust of s.43 was to give the SRA power to decide in what circumstances the Respondent should continue to be employed in the profession i.e. it was a control order and in the submission of the Applicant such an order was appropriate in this case.

44. The Tribunal was referred to the statement of Mr Walker who had indicated that he had every intention of seeking to continue to employ the Respondent.
45. The Applicant sought his costs in the agreed sum of £5,000.

### **The Submissions on behalf of the Respondent**

46. It was accepted that the two matters before the Tribunal raised sufficient concerns for the making of an Order under s.43 of the Solicitor's Act 1974.
47. There was no allegation that the Respondent had misled clients. She had consistently said that all clients had been informed of their position when she explained she was moving firms. Allegation (iii) related to "the aforementioned" yet there was no allegation of misleading clients.
48. It had been alleged by the Applicant that the estate agents were "pulling the strings". In fact the estate agents were paying the legal costs for the clients. It was not submitted however that this undermined the client relationship between the clients and complainant firm.
49. The Tribunal was referred to the statements of Mr Walker and to those of two members of the estate agent confirming that they wished the Respondent to retain conduct of the files.
50. Other than stupidity there was no logical explanation for the Respondent's failure to follow appropriate and proper procedures other than a fear of talking to her employers. She had frankly admitted that she had not followed the proper procedures.
51. In relation to the use of the word "fabricated" in allegation (ii) the Respondent had frankly admitted that she had placed the letters on the file. In fact this preserved the complainant firm's lien on the face of the file. The Respondent had accepted that what she did was wrong. Had she operated in the correct manner, in the context of the instructions from the controlling force of the estate agents and the approval of clients the files would have moved from one firm to another.
52. There had been no financial gain to the Respondent. It had not been part of her new job to bring files with her. The view of the estate agents was that the Respondent was that the only person they wanted to deal with and indeed she had been the reason they had taken work to the complainant firm. The Respondent was held in high regard as a conveyancing clerk, indeed this had been confirmed by Ms S. The Respondent had frankly apologised for failing to follow the correct procedures and had faced up to the reality of what she had done.
53. The Tribunal was asked not to rely on the telephone calls by LF as these were relied by the Applicant without any specific allegation to say clients had been misled. The Respondent's view was corroborated by the estate agents who had passed on the authorities. No client had been deceived.

54. The Respondent's new firm had split the profits on the conveyancing matters with the complainant firm and that issue was fully resolved.
55. In relation to allegations (iv) and (v) the Respondent had accepted that she was dealing with costs in the way she did because of her perception of what she perceived as errors.
56. The Tribunal was referred to the schedule relating to these matters set out in the Applicant's bundle.
57. In relation to the brothers the Respondent's perception had been that it was her fault that one of the four brothers had not received damages. She should have told someone. In this matter however other Counsel had advised that had she had not made the error. There would not have been a successful claim by the fourth brother in any event.
58. In relation to the matter of MW the Respondent had wrongly believed that the transfer was exempt from stamp duty. She knew that the clients had spent all their money. The driving force behind her action was to ensure that the clients did not suffer as a result of her mistake.
59. In relation to the matter of AA, he had received general damages. There were strict timetables and scales as to who could qualify for Smith and Manchester damages [recognising the danger of future loss on the labour market] and the Respondent had applied for these out of time. The regulations were complex.
60. The fourth error had been in the matter of HE.
61. The Respondent had essentially been teeming and lading with costs so that the clients did not suffer and received some money. Her actions had been wrong.
62. The Respondent had joined the complainant firm at the age of 22. She had a law degree but no professional qualification. She had previously worked for a few weeks at a firm specialising in industrial disease cases and it had been assumed at the complainant firm that she could therefore deal with these sort of cases.
63. At the complainant firm whilst she had had a supervisor no-one else had put input into the industrial disease cases. When she left in April 2003 the files were to be transferred to other firms. The Respondent returned to the conveyancing department which was located in a different building but was given the industrial disease files back again. When the Respondent was absent on maternity leave no-one dealt with the industrial disease files.
64. The Respondent had been out of her depth in relation to these matters and had not received appropriate supervision. This explained the mistakes she had made but how she dealt with those mistakes had been wrong.

65. Mr Walker had said that in his firm the transfers of costs between client ledgers could not have been done by the Respondent and this raised an issue of the supervision she had been receiving at the complainant firm.
66. This matter had been hanging over the Respondent since July 2006.
67. Only one client had required a repayment. This was the file of JB where the Respondent had believed from the following memorandum from Ms S dated 22<sup>nd</sup> September 2004 stating "I presume the balance of £524.19 is for our costs" that the money transferred was costs. In fact it was interest and this had been repaid to the client. It was relevant to note that at the date of Ms S's memorandum, the Respondent had been on maternity leave.
68. The Respondent had paid £5,500 to the complainant firm in full and final settlement. She had had to take out loans for this purpose. It was right to say that the firm had written off the stamp duty.
69. Had the Respondent gone to the partners in the complainant firm and admitted her mistakes the firm would have had to redress the balance to clients in any event.
70. The Respondent accepted that a s.43 Order would be made. Mr Walker, who was present and who continued to give support to the Respondent, would seek leave for her to continue to be employed in his firm.
71. The Tribunal was asked to note in its factual findings that the Respondent had not acted for personal gain. The judgment in the case of *Twinsectra v Yardley* referred to the "Robin Hood" test and it was submitted that the Respondent fell into that category. She was trying to look after the clients in her rather strange way. It was accepted that it was not possible to say that the Respondent had not acted dishonestly. That dishonesty however had been with the best of intentions and not for personal gain. She had frankly accepted moving monies from one account to another without authority and that that was wrong and dishonest.
72. This was a very sad case and the Respondent bitterly regretted what she had done.
73. The Respondent now worked only in conveyancing. Mr Walker had imposed a very strict period of supervision on her. Mr Walker continued to have full confidence in her.
74. The Respondent confirmed to the Tribunal that she had now undertaken several courses relating to conduct and had received in depth supervision. She was much more confident. Nothing like this would ever happen again.

### **The Findings of the Tribunal**

75. The Respondent in large part had accepted the allegations subject to certain qualifications. The Respondent had also accepted that it was right that the Tribunal make an Order under s.43 of the Solicitor's Act 1974.

76. The Tribunal had given this matter a great deal of thought as the Tribunal had considerable sympathy with the position in which the Respondent had found herself at a young age. The Tribunal having considered the circumstances with great care did not want the events outlined to the Tribunal to blight the Respondent's future.
77. In relation to the conveyancing matters the Tribunal was satisfied that no clients had been misled. The Respondent now appreciated that she had gone about the matter in completely the wrong way. She had failed to communicate with her then employers which was clearly wrong. The Tribunal did not however find any element of dishonesty in that matter.
78. In relation to the industrial disease cases no client had suffered loss. The objective the Respondent had tried to achieve was to prevent clients suffering loss as a result of what she believed to be her errors. The difficulty was that she had gone about this in completely the wrong way. The Tribunal recognised that the Respondent had been thrown into this complex area of work "at the deep end". She had virtually no previous experience, no professional qualifications and, it had been submitted on her behalf, inadequate supervision. She had clearly been out of her depth and this had led to decisions and actions which she now accepted were wrong and were dishonest. The Respondent had used money belonging, as she perceived it, to the firm in order to put right problems arising in clients' affairs. Whether through fear or any other reason there had been a lack of frankness towards her former employers which amounted to deception. It had been conceded on her behalf that the tests for dishonesty in *Twinsectra v Yardley* had been satisfied.
79. The Tribunal recognised however the Respondent's youth and inexperience at the time these matters had occurred. The Tribunal had also noted the complexity of the industrial disease matters and the Respondent's perception that she was dealing with these matters alone. The Respondent now worked only in conveyancing matters, an area in which those familiar with her work, including her former employers, had acknowledged her expertise. At the time of the matters before the Tribunal the Respondent had no professional training and the Tribunal was pleased to note that she had now received training in matters of conduct. Her previous actions had been misguided and wrong and it was right that The Law Society be able to control her employment within the profession.
80. The Respondent had admitted dishonesty although it had been submitted that she had acted out of the best of intentions. In the particular and unusual circumstances of this case however the Tribunal felt that the Respondent still had a contribution to make in her present field of legal work. The Tribunal was encouraged that her present employer was here to support her and that her new employers continued to have regard for her potential. Mr Walker had explained in the documentation before the Tribunal the supervisory systems in place in his firm to which the Respondent would be subject. The Tribunal was confident that the Respondent had learnt a salutary lesson for her future career.
81. The Tribunal would make the Order sought under s.43 but would order that it not take effect until 15<sup>th</sup> April 2008 in order to give Mr Walker an opportunity to seek the

authority of The Law Society, in whose discretion approval lay, to continue the Respondent's employment with him.

82. The Tribunal would Order the Respondent to pay the Applicant's costs in the agreed sum.
83. The Tribunal Ordered that that as from 15th day of April 2008 no solicitor, Registered European Lawyer or incorporated solicitor's practice shall, except in accordance with permission in writing granted by the Law Society for such period and subject to such conditions as the Society may think fit to specify in the permission, employ or remunerate in connection with the practice as a solicitor, Registered European Lawyer or member, director or shareowner of an incorporated solicitor's practice Julie Grant of 11 Hall Drive, Wath on Dearne, Rotherham, S63 6JJ a person who is or was a clerk to a solicitor and the Tribunal further Ordered that she do pay the costs of and incidental to this application and enquiry fixed in the sum of £5,000.

Dated this 18<sup>th</sup> day of April 2008  
On behalf of the Tribunal

D Glass  
Chairman