



## **Paul Harris**

### **Employee**

### **558054**

**[Employee-related decision Date: 13 June 2023](#)**

### **Decision - Employee-related decision**

Outcome: Control of non-qualified staff (Section 43 / Section 99 order)

Outcome date: 13 June 2023

Published date: 2 August 2023

### **Firm details**

#### **Firm or organisation at time of matters giving rise to outcome**

Name: The Law Practice (UK) Limited

Address(es): Office S1, West Midlands House, Gipsy Lane, Willenhall,  
West Midlands , WV132HA

Firm ID: 468438

### **Outcome details**

This outcome was reached by SRA decision.

#### **Decision details**

##### **Who does this decision relate to?**

Paul Harris of Aldridge, West Midlands.

A person who is or was involved in a legal practice but is not a solicitor.

#### **Summary of decision**

The SRA has put restrictions on where and how Mr Harris can work in an SRA regulated firm. It was found that Mr Harris:

1. Gave inadequate advice to clients about the risks of a high-yield investment scheme which bore the common characteristics of a fraudulent financial arrangement.
2. Allowed a client to use the firm's client account as a banking facility.
3. Dishonestly took a success fee from funds held for a client in client account which were not properly due to the firm and failed to



account to the client for damages she was entitled to which caused a shortage of £173,990.85 on client account.

4. Failed to rectify the client account shortage by returning £173,990.85 to the client and thereby failed to comply with a decision of the Legal Ombudsman directing him to do so.
5. Failed to main accurate accounting records at the firm where he was manager or address the issues with the firm's accounts before it closed.
6. Closed the firm of which he was owner and manager without arranging adequate storage facilities for client files or paying storage fees which was a ground leading to the intervention into the firm.

### **The facts of the case**

Mr Harris was director and owner of Jerome Solicitors Ltd (Jerome) between 6 April 2011 and 1 August 2014. He was director and owner at The Law Practice (UK) Limited (the firm) between 3 July 2014 and 1 December 2019. The firm was a successor practice to Jerome which it acquired on 1 October 2014. He was a non-lawyer manager and 100% shareholder of the firm.

On or around 1 February 2016, the firm acted for clients in their purchase of exclusive burial rights at two proposed cemeteries. Between 4 March 2016 and 10 July 2017, the firm received £9,149,387.83 into its client bank account on behalf of 367 investors purchasing exclusive burial rights at one cemetery.

Between 18 April 2017 and 31 July 2017, the firm received £167,320.80 into its client bank account on behalf of six investors purchasing exclusive burial rights at another cemetery.

The firm received in the region of £206,000 in costs deducted from the client investment funds.

The purchase of exclusive burial rights was a high yield investment scheme which bore the common characteristics of a fraudulent financial arrangement. At the time of the SRA's investigation there was no evidence that any work had been carried out to turn the land into burial plots. One of the firm's investors had not received any return on his investment of £100,000 or any of the money promised under the terms of his contract with the company who sold him the exclusive burial rights.

On 13 June 2014, Jerome received £204,000 from a client which it held in client account. Between 11 November 2014 and 15 July 2015 Mr Harris paid out the money to the client and at her request to a third party when the firm was not instructed in respect of any underlying legal transaction.



By doing so he allowed the firm's client account to be used as a banking facility for the client.

On 15 July 2015, Mr Harris dishonestly took a success fee from funds he held in the firm's client account for a client when he knew he was not entitled to a success fee or to any further costs on the settlement of her personal injury claim.

In doing so, and in failing to account to her for the damages she was entitled to, he caused a shortage on client account of £173,990.85 on that date which he failed to replace. He transferred the money to the firm and failed to comply with LeO's decision directing him to pay the amount he owed to the client by 3 February 2020.

Mr Harris failed to maintain accurate accounting records at the firm. Its client account reconciliation statements showed potential shortages during 2017, 2018 and 2019. He failed to carry out client account reconciliations for November, December 2019 and January 2020 and he was unable to reconcile client account before the firm ceased trading on 28 November 2019.

Mr Harris closed the firm without arranging adequate storage facilities for client files or paying storage fees.

#### **Our decision on outcome**

An order pursuant to section 43(2) of the Solicitors Act 1974 was imposed as Mr Harris' conduct meant that it was undesirable for him to be involved in a legal practice without the SRA's prior approval.

This was because of the serious nature of his conduct summarised above which included dishonesty.

Mr Harris was also ordered to pay the SRA's costs of £1,350.

#### **What our Section 43 order means**

To make an order pursuant to section 43 that with effect from the date of the letter or email notifying Mr Harris of this decision:

- i. no solicitor shall employ or remunerate him in connection with his/her practice as a solicitor;
- ii. no employee of a solicitor shall employ or remunerate him in connection with the solicitor's practice;
- iii. no recognised body shall employ or remunerate him;
- iv. no manager or employee of a recognised body shall employ or remunerate him in connection with the business of that body;
- v. no recognised body or manager or employee of such a body shall permit him to be a manager of the body; and

vi. no recognised body or manager or employee of such a body shall permit him to have an interest in the body

except in accordance with the SRA's prior written permission.

[Search again \[https://www.sra.org.uk/consumers/solicitor-check/\]](https://www.sra.org.uk/consumers/solicitor-check/)