



Brenda Devereaux
Employee
824082

[Employee-related decision Date: 30 November 2022](#)

Decision - Employee-related decision

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

Outcome date: 30 November 2022

Published date: 1 December 2022

Firm details

Firm or organisation at time of matters giving rise to outcome

Name: Gisby Harrison

Address(es): Goffs Oak House, Goffs Lane, Goffs Oak, Cheshunt EN7 5HG

Firm ID: 70357

Outcome details

This outcome was reached by SRA decision.

Decision details

1.1 Brenda Devereaux (Ms Devereaux), a former employee of Gisby Harrison (the firm), agrees to the following outcome to the investigation of her conduct by the Solicitors Regulation Authority (SRA):

- a. To the SRA making an order under section 43 of the Solicitors Act 1974 (a Section 43 Order) in relation to Ms Devereaux that, from the date of the agreement:
 - i. no solicitor shall employ or remunerate her in connection with her practice as a solicitor.
 - ii. no employee of a solicitor shall employ or remunerate her in connection with the solicitor's practice.
 - iii. no recognised body shall employ or remunerate her.
 - iv. no manager or employee of a recognised body shall employ or remunerate her in connection with the business of that body.
 - v. no recognised body or manager or employee of such a body shall permit her to be a manager of the body.
 - vi. no recognised body or manager or employee of such body shall permit her to have an interest in the body except in



- accordance with the SRA's prior permission.
- b. To the publication of the agreement.
- c. She will pay the costs of the investigation of £600.

Reasons/basis

2. Summary of facts

2.1 Ms Devereaux was employed by the firm first as a Conveyancing Secretary and then as a Licensed Conveyancer between 1 December 2006 and 17 July 2020.

2.2 Ms Devereaux accepted a second position starting on 1 February 2020 with Company A as an executive assistant. Company A was owned by a client of the firm, Mr A. Ms Devereaux was also acting for Mr A on the purchase of a property.

2.3 Mr A was a long-standing client of the firm and had become a close friend of Ms Devereaux.

2.4 Ms Devereaux did not inform the firm that she had commenced a second role at Company A contrary to an obligation to do so as stated within her contract of employment.

2.5 Following commencement of her role at Company A, Ms Devereaux failed to follow firm procedure in her dealings with Mr A as a client on two occasions.

2.6 On 11 February 2020, £150,000 was paid into the firm's client account for Mr A by Company B, a financing company. Mr A claimed the funds came from the sale of two paintings to Company B for £500,000, and he wished to use this money for the purchase of a property. Ms Devereaux made no further enquiries following the receipt itemising the sale of the pictures together with copies of the pictures from the purchasing gallery. Following Ms Devereaux's resignation, the firm asked Mr A to provide assurances as to the origin of the deposit but received no reply. Mr A then transferred his instruction to another firm.

2.7 In addition, Mr A was required to provide a personal guarantee and asked Ms Devereaux to provide a financial reference for him. She sent the reference on 20 May 2020 from the firm's email address without their knowledge. In drafting the reference, Ms Devereaux relied on a letter from an estate agent detailing the potential value of Mr A's properties after renovation. There was no evidence that Ms Devereaux had made any enquiry of Mr A's assets and liabilities or had any knowledge of his total worth.

2.8 In an unrelated matter, on 7 August 2020, the firm received an offer of loan on a property from a mortgage company for a Mr S. The offer confirmed that Ms Devereaux had previously acted for a Mr & Mrs P to



transfer their property to their son, Mr S. The firm had not been aware of this matter until it received the offer.

2.9 No file had been opened on the firm's system for this property transfer. However, Ms Devereaux's computer contained an email sent to Mr S' girlfriend on 8 June 2020 with a TR1 transfer form, and a response with poor copies of identification documents for Mr & Mrs P. The TR1 was signed by Mr S and witnessed by Mr S' girlfriend.

2.10 No client due diligence form was found to have been completed, as was standard practice at the firm. This required obtaining and verifying original identification documents and the completion of a risk assessment. In addition, no online anti-money laundering identification checks were made.

3. Admissions

3.1 Ms Devereaux admits, and the SRA accepts, that she:

- a. Failed to inform the firm of her employment with Company A contrary to her contract of employment.
- b. Failed to make proper checks as to the source of the £150,000 that was paid into client account by Company B contrary to The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and the firm's policies and procedures.
- c. Provided a reference by email on 20 May 2020 that stated the net worth of Mr A without sufficient evidence to support the claims made.
- d. Failed to open a file, follow the firm's identification document requirements, and complete the client due diligence form for the property transfer on behalf of Mr & Mrs P and their son Mr S.
- e. Failed to record the instructions of Mr & Mrs P in relation to them being removed as owners of the property.
- f. As a result of her actions in relation to legal practice, she has been involved in conduct which is of such a nature that it is undesirable for her to be involved in legal practice.

4. Why a Section 43 Order is appropriate

4.1 The SRA's Enforcement Strategy and its guidance on how it regulates non-authorised persons sets out its approach to using section 43 orders to control where a non-authorised person can work.

4.2 When considering whether a section 43 order is appropriate in this matter the SRA has taken into account the admissions made by Ms Devereaux. Ms Devereaux has fully admitted the misconduct to the SRA and cooperated with its investigation.



4.3 Ms Devereaux has provided the following explanations of her actions:

- a. Ms Devereaux claims not to have been aware of the stipulation to inform her firm before accepting secondary employment within the 2008 contract of employment. She claims to have only had the 2007 employment contract within her possession.
- b. Ms Devereaux states she was a close friend of Mr A, so did not need to check the source of payment further.
- c. Her friendship with Mr A, knowledge of his activities and her claims to have had sight of his divorce documentation gave her confidence to provide a financial reference and in any event the reference stated that neither she nor the firm could be held liable for any claims within it.
- d. Ms Devereaux claims to have taken instructions from Mr & Mrs P via a video call as both were isolating. She also claims that all documents were left in the office to be opened by staff of the firm and she cannot be held responsible for their loss.

4.4 The SRA and Ms Devereaux agree that a section 43 order is appropriate because:

- a. Ms Devereaux is not a solicitor.
- b. Her employment or remuneration at the firm means that she was involved in a legal practice.
- c. Ms Devereaux has occasioned or been party to acts or default in relation to a legal practice due to:
 - i. the personal and business relationship with her client Mr A caused Ms Devereaux to act recklessly. She put herself at risk of a conflict of interest and acting when her independence was compromised. This exposed the firm to risk of breaches of SRA requirements and potentially unknowingly facilitating money laundering.
 - ii. misleading the firm and a third party and failing to protect clients by obtaining their proper identification and recording their instructions before acting.

4.5 Ms Devereaux's conduct makes it undesirable for her to be involved in a legal practice because it demonstrates she has a propensity not to follow processes and procedures which are designed to identify and mitigate risks in legal practice. This is contrary to client interests and opens firms to risks. If such conduct were to be repeated in future, it would pose a risk to clients and public trust.

4.6 The SRA considers it appropriate that the agreement is published in the interests of transparency in the regulatory and disciplinary process.

5. Acting in a way which is inconsistent with this agreement

5.1 Ms Devereaux agrees that she will not act in any way which is inconsistent with the agreement such as, for example, by denying responsibility for the conduct referred to above.

6. Costs

6.1 Ms Devereaux agrees to pay the costs of the SRA's investigation in the sum of £600. Such costs are due within 28 days of a statement of costs due being issued by the SRA.

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