

Christopher David
Waddingham
Solicitor
299133

Agreement Date: 20 December 2021

Decision - Agreement

Outcome: Regulatory settlement agreement

Outcome date: 20 December 2021

Published date: 17 February 2022

Firm details

Firm or organisation at time of matters giving rise to outcome

Name: Blacks Solicitors LLP

Address(es): City Point, 29 King Street, Leeds LS1 2HL

Firm ID: 419628

Outcome details

This outcome was reached by agreement.

Decision details

Agreed outcome and undertakings

1. Christopher David Waddingham ('Mr Waddingham'), a solicitor and former employee of Blacks Solicitors (ID:299133) ('the Firm'), agrees to the following outcomes of the investigation of his conduct by the Solicitors Regulation Authority Limited ('SRA') under reference number CDT/1260795-2019:

- a. that he is rebuked; and
- b. to the publication of this Agreement.

2. Summary of Facts

2.1 Between December 2017 and February 2018, Blacks Solicitors LLP ('the Firm') were instructed by Mr PC and (purportedly) Mrs JC in respect of a loan, which was to be secured against their main residence. The lender was HNW Lending Limited ('HNW'). Fee-earner B, a senior conveyancer at the firm, was the fee earner who initially dealt with the matter. She left the

firm a few weeks after being instructed and the matter was passed to Fee-earner L to deal with from 4 January 2018. Mr Waddingham was a Solicitor Partner at the Firm in the Property team at the time.

2.2 When Fee-earner L took over the matter, the client care letter and initial stages of the transaction had been completed. Fee-earner L did not verify what client identification checks Fee-earner B had carried out on the matter.

2.3 During the course of the instruction on the C client file, Fee-earner L only corresponded with Mr PC and documentation and emails were sent to his email address. Although the loan documents were returned signed by both parties (and client identification documents for Mrs C were sent to the Firm), at no time did Fee-earner L speak with or correspond with Mrs C. Fee-earner L only spoke once with Mr C on the day of completion. There is no evidence that Mr and Mrs C were asked about the best method of corresponding with them.

2.4 The loan on the C file completed on 7 February 2018. The loan documentation was registered against the property and the loan money was sent to the joint account of Mr and Mrs C.

2.5 As part of the transaction, HNW required the Firm to provide a signed document entitled 'Undertaking', which included terms confirming that the Firm had, for the purposes of client identification, met both Mr and Mrs C in person when it had not done so. The document entitled 'Undertaking' was signed by Mr Waddingham on 5 and 7 February 2018 (both versions were identical save for a rectification of an error in the amount being borrowed) – hereafter, this document will be referred to as the 'February Document'.

2.6 The February Document included the following paragraphs:

'We confirm that the photograph of the Borrower in the Borrower's original current passport or original UK photo card driving license is a true likeness of the Borrower'. 'We understand that we have been asked to verify the identity of the Borrower and confirm that the lender's solicitors and the lender can rely on the fact that we have identified the Borrower ... The Borrower / guarantor is the owner of the property and is neither someone who has the same name as the Borrower, nor who is impersonating them'. 'We confirm that we met the Borrower in person and alone. We explained to The Borrower: the legal nature, conditions and practical implications of the Loan Agreement issued by the Lender and the Legal Charge to be granted by the Borrower to the Lender under the Loan Agreement together with responsibilities, obligations, and liabilities that the Borrower assumes under them. We also explained that the Property is at risk if the Borrower does not keep to the terms of the Loan Agreement and the Legal Charge'.

2.7 In fact, Fee-earner L (who was handed over the file during the progress of the loan) had not ensured these steps were taken and neither had Fee-

earner B. Despite not having done so and there being no evidence of an in-person meeting on the file, Fee earner L in any event arranged for the February Document to be signed by Mr Waddingham. Fee-earner L only had conduct of the file for around a month before the February Document was given to Mr Waddingham to sign.

2.8 Mr Waddingham states he relied on Fee-earner L (who was a Licensed Conveyancer of 20 years' experience) to have completed all the tasks required in the February Document. He did not check the file before signing either version of it, despite the fact that the document was headed 'Undertakings' (albeit see paragraph 2.10) and he would have been aware that the carrying out of solicitors' undertakings is fundamental and failing to do so would and should have serious consequences.

2.9 It transpired that Ms C was completely unaware that her husband Mr C had instructed the Firm and was seeking to take a loan out against their property. Mr C had forged his wife's signature on documents sent to the Firm and had carried out the entire loan arrangement without her knowledge.

2.10 Although the document was headed 'Undertaking' the relevant paragraphs were in fact representations as to the Firm's past actions and were not formal undertakings which are 'a promise by a solicitor to do or to refrain from doing, a certain act' in the future. Nevertheless, the title of the February Document served to underscore its importance.

3. Admissions

3.1 Mr Waddingham admits that he failed to take sufficient steps to ensure that the statements in the February Document were accurate. He therefore failed to ensure that the service provided to Mrs C, who the Firm had assumed responsibility for as their client, was of a proper standard and in doing so he was in breach of Principle 5 of the SRA Code of Conduct 2011.

4. Why a rebuke is an appropriate outcome

4.1 The SRA's Enforcement Strategy sets out its approach to the use of its enforcement powers where there has been a failure to meet its standards or requirements.

4.2 The SRA considers that the failing by Mr Waddingham to be serious, particularly given:

- a. The February Document was headed 'Undertaking' and, even if the inaccurate statements were not technically undertakings, Mr Waddingham was aware of the importance for accuracy when signing such a document. Fee-earner L had only taken conduct of the file for around a month when she asked him to sign the February Document and, given



that very limited time of handling the file and the importance of the document, he should have adopted a much more diligent approach to ensuring that the steps in the February Document were carried out.

- b. While the two versions of the February Document were almost identical, this presented Mr Waddingham with two opportunities to undertake more detailed verification of the statements contained in it, but he did not do so.
- c. The harm caused to Mrs C was significant, both in terms of the personal distress and financial implications of Mr C's conduct.

4.3 When considering the appropriate sanctions in this matter, the SRA has taken into account:

- a. The expression of regret by Mr Waddingham that he did not verify the statements in the February Document and his confirmation that he will always check before signing any such document in future.
- b. This was an isolated incident and Mr Waddingham has an otherwise clear regulatory history (and there have been no other concerns raised in the 3-4 years since this incident) and has co-operated with the SRA's investigation.
- c. It is understood that Mrs C's financial position has been protected to an extent since the incident following negotiations between the lender HNW and the Cs. The Firm's insurers are addressing a claim from HNW for financial loss.

4.4 The SRA considers that a rebuke is the appropriate outcome here because the admitted conduct was serious but not so serious that sanction by the Tribunal is necessary or proportionate in order to maintain professional standards and to uphold public confidence in the solicitors' profession. A rebuke therefore meets the requirements of rule 4.1 of the Regulatory and Disciplinary Procedure Rules.

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

5.1 Mr Waddingham agrees that he will not deny the admissions made in this agreement or act in any way that is inconsistent with it.

5.2 If Mr Waddingham denies the admissions or acts in a way which is inconsistent with this agreement, the conduct which gave rise to this agreement may be considered further by the SRA. That may result in a disciplinary outcome or a referral to the Solicitors Disciplinary Tribunal on

the original facts, concerns and allegations arising from the Notice dated 9th April 2021.

5.3 Denying the admissions made or acting in a way that is inconsistent with this Agreement may also constitute a separate breach of principles 1, 2 and 5 of the Principles contained within the SRA Standards and Regulations 2019 and paragraph 7.3 of the Code of Conduct for Solicitors, RELs and RFLs.

6. Publication

6.1 The SRA considers it appropriate that this agreement is published in the interests of transparency in the regulatory and disciplinary process. Mr Waddingham agrees to the publication of this agreement.

7. Referral to Tribunal

7.1 By entering into this Agreement, the SRA confirms that the decision to refer Mr Waddingham's conduct to the Solicitors Disciplinary Tribunal dated 23 July 2021 is overturned

The date of this Agreement is 20 December 2021.

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