

Atholl McGregor Taylor

Solicitor

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Agreement Date: 28 September 2021

Decision - Agreement

Outcome: Regulatory settlement agreement

Outcome date: 28 September 2021

Published date: 29 September 2021

Firm details

Firm or organisation at time of matters giving rise to outcome

Name: Parker Rhodes Hickmotts

Address(es): The Point, Bradmarsh Business Park, Bradmarsh Way,
Rotherham, S60 1BP

Firm ID: 58994

Firm or organisation at date of publication

Name: Jones Solicitors LLP

Address(es): 5 Churchgate, Cannon Square, Retford, DN22 6PB

Firm ID: 607499

Outcome details

This outcome was reached by agreement.

Decision details

1. Agreed outcome

1.1 Mr Atholl McGregor Taylor (Mr Taylor), a consultant solicitor of Jones Solicitors LLP, agrees to the following outcome to the investigation of his conduct by the Solicitors Regulation Authority (SRA):

- a. he is fined £2,000
- b. to the publication of this agreement
- c. he will pay the costs of the investigation of £300.

2. Summary of Facts

Incorrect information provided to Mr and Mrs M

2.1 Mr Taylor acted for Mr and Mrs M, who were relatives of Mr Taylor, in a conveyancing transaction at Parker Rhodes Hickmotts, which concluded in or around August 2018.

2.2 On 17 August 2018, Mr Taylor sent an email to Mr and Mrs M that stated the firm levies fees of 0.25% on residential sales over £1,000,000, therefore his fee would be £3,000. In the same email of 17 August 2018, Mr Taylor stated that he discussed the issue of costs with the managing partner of the firm, and it was agreed that his fee would be reduced to £2,000.

2.3 This information was inaccurate because:

- a. The firm did not have a policy of levying fees of 0.25% on residential sales over £1,000,000; and
- b. Mr Taylor had not discussed the issue of costs with the managing partner of the firm.

The trust deed

2.4 Mr Taylor acted for Mr and Mrs T regarding a transfer of land to Mr and Mrs D. Mr and Mrs T were the parents of Mrs D.

2.5 Subsequently to the transfer Mr Taylor drafted a trust deed. This trust deed stipulated that if Mr and Mrs D did not build a property on the land within seven years, the land would revert back to Mr and Mrs T. It also stated that if Mr and Mrs D built a property and sold the property within seven years, Mr and Mrs T would receive £220,000 and the remaining proceeds of sale would be paid to Mr and Mrs D.

2.6 This trust deed was signed by all parties on 16 July 2018.

2.7 Between in or around August 2018 and in or around October 2018, Mr Taylor acted for Mr and Mrs D in relation to their mortgage application with Mr Taylor also acting for the lender. Mr Taylor did not disclose the trust deed to the lender.

3. Admissions

3.1 Mr Taylor makes, and the SRA accepts, the following admissions that he:

- a. breached Principle 2 of the SRA Principles 2011 by incorrectly informing his clients that Parker Rhodes Hickmotts levies 0.25% on the sale of properties over £1,000,000 and incorrectly informing his clients that he



reduced his fees following a discussion with the managing partner of Parker Rhodes Hickmotts.

- b. breached Principle 4 of the SRA Principles 2011 by failing to disclose to his lender-client the existence of a Deed of Trust that showed a third party had an equitable interest in the property.

4. *Why a fine 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 When considering the appropriate sanctions and controls in this matter, the SRA has considered the admissions made by Mr Taylor and the following mitigation which he has put forward:

- a. he had difficult personal and medical circumstances around the time of the misconduct.
- b. his conduct was not deliberate:
 - i. Mr Taylor himself had a policy of levying fees of 0.25% on conveyancing matters where the property was valued at over £1,000,000. He was referring to this policy in his letter to Client C. He apologised to the managing partner for referring to a meeting which did not take place.
 - ii. Mr Taylor believed that he did not need to disclose the trust deed to the lender as the trust deed was a family arrangement which, in his view, would not affect the security afforded to the lender.
- c. he has shown insight and remorse in relation to his actions.
- d. the clients and the firm did not suffer any financial loss.

4.3 The SRA considers that a fine is the appropriate outcome because:

- a. by incorrectly informing Mr and Mrs M in respect of the fees charged by Parker Rhodes Hickmotts, Mr Taylor showed a reckless disregard of his regulatory obligations
- b. by failing to inform Newcastle Building Society of the existence of the Deed of Trust, Mr Taylor showed a reckless disregard of the risk of harm

4.4 A fine is appropriate to uphold public confidence in the solicitors' profession and in legal services provided by authorised persons because his actions were reckless. A financial penalty therefore meets the

requirements of rule 4.1 of the Regulatory and Disciplinary Procedure Rules.

5. Amount of the fine

5.1 The amount of the fine has been calculated in line with the SRA's published guidance on its approach to setting an appropriate financial penalty (the Guidance).

5.2 Having regard to the Guidance, the SRA and Mr Taylor agree that the nature of the misconduct was high because his actions were reckless. The Guidance gives this type of misconduct a score of three.

5.3 The SRA considers that the impact of the misconduct was low because no harm was caused. The Guidance gives this level of impact a score of two.

5.4 The nature and impact scores add up to five. The Guidance indicates a broad penalty bracket of £1,001 to £5,000 is appropriate.

5.5 In deciding the level of fine within this bracket, the SRA has considered the mitigation at paragraph 4.2 above which Mr Taylor has put forward.

5.6 On this basis, the SRA considers a basic penalty of £2,000, which is the towards the bottom of the bracket to be appropriate.

5.7 Mr Taylor does not appear to have made any financial gain as a result of his conduct. Therefore, no adjustment is necessary to remove this and the amount of the fine is £2,000.

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 Taylor agrees to the publication of this agreement.

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

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

7.2 If Mr Taylor denies the admissions or acts in a way which is inconsistent with this agreement, the conduct which is subject 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 and allegations.

7.3 Denying the admissions made or acting in a way which is inconsistent with this agreement may also constitute a separate breach of principles 2 and 5 of the Principles and paragraph 7.3 of the Code of Conduct for Solicitors, RELs and RFLs.

8. Costs

8.1 Mr Taylor agrees to pay the costs of the SRA's investigation in the sum of £300.00. Such costs are due within 28 days of a statement of costs due being issued by the SRA.

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