

**Banner Jones Limited**  
24 Glumangate, Chesterfield , S40  
1UA  
Recognised body  
136514

*Fined Date: 5 October 2022*

***Decision - Fined***

Outcome: Fine

Outcome date: 5 October 2022

Published date: 10 October 2022

***Firm details***

**Firm or organisation at date of publication**

Name: Banner Jones Limited

Address(es): 24 Glumangate, Chesterfield S40 1UA

Firm ID: 136514

***Outcome details***

This outcome was reached by SRA decision.

***Decision details***

***1. Agreed outcome***

1.1 Banner Jones Limited (the Firm), a recognised body agrees to the following outcome to the investigation of its conduct by the Solicitors Regulation Authority (SRA):

- a. it is rebuked
- b. to the publication of this agreement
- c. it will pay the costs of the investigation of £300.

***2. Summary of facts***

2.1 In March 2016, the Firm was instructed to act on behalf of a couple (the Buyers) in their purchase of a residential property (the Property) from the owner of the Property (the Seller).



2.2 The Seller also instructed the Firm to act on her behalf in the sale of the Property.

2.3 By acting for the Buyers and the Seller in the same conveyancing transaction meant that the Firm's separate duties to act in the best interests of the Buyers and the Seller conflicted.

2.4 Outcome 3.5 of the SRA Handbook, in force at the time, stated that a firm must 'not act if there is a client conflict, or a significant risk of conflict, unless the circumstances set out in Outcome 3.6 and 3.7' applied.

2.5 Outcome 3.6 stated 'where there is a client conflict and the clients have a substantially common interest in relation to a matter or a particular aspect of it, you only act if:

- a. you have explained the relevant issues and risks to the clients and you have a reasonable belief that they understand those issues and risks
- b. all the clients have given informed consent in writing to you acting;
- c. you are satisfied that it is reasonable for you to act for all the clients and that it is in their best interests; and
- d. you are satisfied that the benefits to the clients of you doing so outweigh the risks.'

2.6 As the Buyers and the Seller had a substantially common interest to buy and sell, respectively, the Property to each other, the Firm would have been permitted under Outcome 3.6 to act, despite there being a conflict of interest, if the circumstances set out at Outcome 3.6 a-d applied.

2.7 While the Firm did not take the actions required by Outcome 3.6 a-d in this instance, there were no adverse consequences to either the Buyers or the Seller and the Firm has since strengthened its processes for managing conflicts.

### 3. Admissions

3.1 The Firm makes the following admissions which the SRA accepts:

- a. The Firm breached Outcome 3.6 of the SRA Handbook as it:
  - i. Failed to explain the relevant issues and risks to the clients and so could not have held a reasonable belief that the clients understood those issues and risks.
  - ii. Failed to obtain the clients' informed consent in writing or at all.



- iii. Failed to evidence that it was satisfied that it was reasonable to act for the clients and that it was in their best interests.
- iv. Failed to evidence that the benefits of the Firm acting on the clients' behalf outweighed the risks.
- b. In breaching Outcome 3.6 the Firm breached Principle 4 of the SRA Principles 2011 to act in the best interests of each client as set out in paragraph 2.8 of the SRA Handbook which states: 'You should always act in good faith and do the best for each of your clients. Most importantly you should observe...(b) your obligations with regard to conflicts of interest'.

#### *4. Why a written 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 When considering the appropriate sanctions and controls in this matter, the SRA has taken into account the admissions made by the Firm and the following mitigation which it has put forward:

- a. There was no adverse impact on the clients.
- b. The Firm has shown insight into its failure and taken steps to ensure they are not repeated.

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

- a. The conduct had the potential to cause harm, but no actual harm was caused as a result of the conflict of interest.
- b. Some public sanction is required to uphold public confidence in the delivery of legal services.
- c. It was an isolated incident.
- d. There are no aggravating factors which suggests a more serious sanction is required.

#### *5. Publication*

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

#### *6. Acting in a way which is inconsistent with this agreement*

6.1 The Firm agrees that it will not deny the admissions made in this agreement or act in any way which is inconsistent with it.

6.2 If the Firm 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.

6.3 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 3.2 of the Code of Conduct for Firms.

## 7. Costs

7.1 The Firm agrees to pay the costs of the SRA's investigation in the sum of £300. Such costs are due within 28 days of a statement of costs due being issued by the SRA.

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