

Sarah Tyler

Employee

7017085

[Agreement Date: 25 January 2023](#)

Decision - Agreement

Outcome: Regulatory settlement agreement

Outcome date: 25 January 2023

Published date: 27 January 2023

Firm details

Firm or organisation at time of matters giving rise to outcome

Name: Hek Jones Limited

Address(es): 14 Cathedral Road Cardiff CF11 9LJ

Firm ID: 619158

Outcome details

This outcome was reached by agreement.

Decision details

RSA Control Order (Section 43)

Reasons/basis

Agreed outcome

1.1 Sarah Tyler ("Ms Tyler"), a former employee of Hek Jones Limited ("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 Sarah Tyler that, from the date of this agreement:

- i. no solicitor shall employ or remunerate her in connection with his 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 this agreement

(c) she will pay the costs of the investigation of £3,150

Summary of facts

2.1 Between 15 October 2020 and 26 November 2021, Ms Tyler misappropriated at least £338,000 from the Firm by making fraudulent land tax claims to HM Revenue & Customs (HMRC) and the Welsh Revenue Authority (WRA).

2.2 Ms Tyler was able to misappropriate these sums by either, undervaluing property prices in these claims, or wrongly classifying the property transaction type.

2.3 Ms Tyler did this by sending completion statements to clients with the correct amount of Stamp Duty Land Tax (SDLT)/WRA tax payable recorded for each property transaction. Subsequently, this amount would be received into the client account. After completing the matter, Ms Tyler would then input an incorrect amount when submitting the online tax return, thus reducing the amount of tax due to be sent to HMRC/WRA.

2.4 Ms Tyler's actions would create an excess amount being left on the clients' matters. She then instructed the firm's accounts department to make payments to five different third parties who were known personally to her. These payments were described as referral payments.

2.5 Ms Tyler would then contact the third party to whom the money had been sent and claim that there had been a payment made in error to them. She would then request that they send it back to the Firm. However, she gave her own bank account details to the third parties who would then make the payments to her.

2.6 Ms Tyler also contributed to this misappropriation by intentionally failing to make payments of disbursements on several conveyancing transactions.

2.7 The matter came to the attention of the Firm during a review of SDLT and Land Tax chaser letters from HMRC and WRA. Following an

investigation by the Firm, Ms Tyler was dismissed, and the matter was reported to the SRA.

Admissions

3.1 Ms Tyler makes the following admissions which the SRA accepts:

- a. that she misappropriated at least £338,000 from the Firm by making fraudulent land tax claims to HMRC and the WRA and by failing to make payments of disbursements on several conveyancing transactions.
- b. that her conduct means that it is undesirable for her to be involved in a legal practice
- c. that her conduct set out above was dishonest.

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 Sarah Tyler and the following mitigation which she has put forward:

- a. Ms Tyler has apologised to the Firm for her conduct;
- b. Ms Tyler has expressed regret and remorse for her actions.

4.3 The SRA and Ms Tyler agree that a section 43 order is appropriate because:

- a. she is not a solicitor.
- b. her employment or remuneration at the Firm means that she was involved in a legal practice; and
- c. by misappropriating at least £338,000 from the Firm by making fraudulent land tax claims to HMRC and the WRA and by failing to make payments of disbursements on several conveyancing transactions, Ms Tyler has occasioned, or been party to, an act or default in relation to a legal practice. Ms Tyler's conduct in relation to that act or default makes it undesirable for her to be involved in a legal practice.

4.4 Ms Tyler's conduct makes it undesirable for her to be involved in a legal practice because her conduct was dishonest.

Publication

5.1 The SRA considers it appropriate that this agreement is published in the interests of transparency in the regulatory process. Ms Tyler agrees

to the publication of this agreement.

Acting in a way which is inconsistent with this agreement

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

Costs

7.1 Ms Tyler agrees to pay the costs of the SRA's investigation in the sum of £3,150. Such costs are due within 28 days of a statement of costs due being issued by the SRA.

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