

Johnathan Hunter

Solicitor

483899

[Agreement Date: 25 April 2022](#)

Decision - Agreement

Outcome: Regulatory settlement agreement

Outcome date: 25 April 2022

Published date: 4 May 2022

Firm details

Firm or organisation at date of publication and at time of matters giving rise to outcome

Name: Higgs LLP

Address(es): 3 Waterfront Business Park, Brierley Hill, DY5 1LX

Firm ID: 819589

Outcome details

This outcome was reached by agreement.

Decision details

1. Agreed Outcome

1.1 Johnathan Gerard Hunter, a solicitor of Higgs LLP (the Firm), agrees to the following outcome to the investigation of his conduct by the Solicitors Regulation Authority (SRA):

- a. he is rebuked
- b. to the publication of this agreement
- c. he will pay the costs of the investigation of £600.

Reasons/basis

2. Summary of Facts

2.1 In November 2020 Mr Hunter acted for client A in relation to the purchase of a residential property following an online property auction. Client A is the step sister of Mr Hunter. The completion monies for the

purchase of the property were to be provided by client B. Client B is Mr Hunter's father and a director of a number of limited companies which were regular clients of Higgs LLP. The purchase monies were to be provided to client A by way of a loan agreement with one of those limited companies.

2.2 The loan agreement was provided by client B to Mr Hunter and he provided some advice upon it.

2.3 Following the transfer of the completion monies to Higgs LLP from client B a transfer was made to the seller's solicitors and the transaction was successfully completed.

2.4 Higgs LLP became aware of this matter and conducted an investigation into the actions of Mr Hunter. This resulted in concerns about Mr Hunter failing to follow the firm's procedures, failing to advise clients A and B, failing to make checks on the source of funds, and acting in conflict of interests. Additionally, there were concerns that some of the explanations provided by Mr Hunter to the firm during its internal investigation were inaccurate. However, there was no suggestion that any omissions in his explanations sought to intentionally mislead anyone.

3. Admissions

3.1 Mr Hunter makes the following admissions which the SRA accepts:

- a. That he did not follow the firm's procedures in relation to the opening of client files and dealt with the matters relating to client A and client B in an inappropriate manner. For example:
 - he did not provide client A with a client care letter;
 - he did not adequately advise either client A or client B in relation to the transactions they were entering into; and
 - he failed to obtain documentary evidence of the source of funds for the purchase of the property.He therefore failed to act in a way that upholds the public trust and confidence in the solicitors' profession and in legal services provided by authorised persons and in doing so he was in breach of Principle 2 of the SRA Principles 2019.
- b. That although he did not intentionally seek to mislead any individuals during the course of the internal disciplinary investigation into his professional conduct he accepts that his conduct did result in others being misled. He therefore breached paragraph 1.4 of the SRA Code of Conduct for Solicitors, RELs and RFLs 2019.
- c. That he acted in a conflict of interest situation as he acted on behalf of client A who was purchasing the property and client B who was providing the loan for the purchase of the property. He therefore breached paragraph 6.2 of the SRA Code of Conduct for Solicitors, RELs and RFLs 2019.

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 Mr Hunter and the following mitigation which he has put forward:

- a. That he was experiencing significant personal and health issues at the time of the relevant conduct which impacted upon his thought processes, judgement, decision making and quality of his work.
- b. This was an isolated incident and Mr Hunter has an otherwise clear regulatory history.
- c. That he has co-operated with the SRA's investigation and shown insight into and expressed remorse for his failings in the matter.
- d. That he has complied with the training and supervisory recommendations set by the Firm to ensure that his work is effectively monitored.
- e. That he did not personally benefit from his actions and there was no adverse impact on either client A, client B or the seller of the property.
- f. That the transaction involved family members and as a result his judgement and decision making was impacted.

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

- a. There were a number of failings on the part of Mr Hunter.
- b. He has shown a degree of remorse and insight.
- c. There is a low risk of repetition.
- d. Some public sanction is required to uphold public confidence in the delivery of legal services.

Other information

Publication

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

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

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

6.2 If Mr Hunter 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 Denying the admissions made or acting in a way which is inconsistent with the 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.

7. Costs

7.1 Mr Hunter 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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