

**THE SOLICITORS (SCOTLAND) ACT 1980  
THE SCOTTISH SOLICITORS' DISCIPLINE TRIBUNAL**

**F I N D I N G S**

**in Complaint**

**by**

**THE COUNCIL OF THE LAW  
SOCIETY of SCOTLAND, 26  
Drumsheugh Gardens, Edinburgh**

**against**

**WILLIAM PIRIE RENNIE,  
Solicitor, 4 Beaufield Gardens,  
Kilmaurs, Kilmarnock**

1. A Complaint dated 27 November 2006 was lodged with the Scottish Solicitors' Discipline Tribunal by the Council of the Law Society (hereinafter referred to as "the Complainers") requesting that William Pirie Rennie, Solicitor, 4 Beaufield Gardens, Kilmaurs, Kilmarnock (hereinafter referred to as "the Respondent") be required to answer the allegations contained in the statement of facts which accompanied the Complaint and that the Tribunal should issue such order in the matter as it thinks right.
2. The Tribunal caused a copy of the Complaint as lodged to be served upon the Respondent. No Answers were lodged for the Respondent.
3. A Complaint dated 5 June 2007 was lodged with the Scottish Solicitors' Discipline Tribunal by the Complainers requesting that the Respondent be required to answer the allegations contained in the statement of facts which accompanied the Complaint and that the Tribunal should issue such order in the matter as it thinks right.

4. The Tribunal caused a copy of the second Complaint, as lodged, to be served upon the Respondent. No Answers were lodged for the Respondent
5. In terms of its Rules the Tribunal appointed both Complaints to be heard on 4 September 2007 and notice thereof was duly served on the Respondent.
6. The hearing took place on 4 September 2007. The Complainers were represented by their Fiscal, Elaine Motion, Solicitor-Advocate, Edinburgh. The Respondent was not present or represented.
7. In relation to the second Complaint dated 5 June 2007, Mrs Motion advised that she wished to amend this to delete the averments of fact contained in Article 2 and the averments of duty and Professional Misconduct relating to that Article. Thereafter two Joint Minutes were lodged admitting the remaining facts, averments of duty and averments of Professional Misconduct in both Complaints. In addition a Joint Minute of Admissions was lodged.
8. In respect of these admissions no evidence was led and the Tribunal found the following facts established.
  - 8.1 The Respondent is a Solicitor enrolled in Scotland. He was admitted as a Solicitor on 9 September 1976. He was thereafter employed in a number of different firms until he became a partner in the firm of Irvine Rennie, Solicitors on 1 October 1984. He continued in this partnership until its dissolution on 31 October 1996 at which time he became a sole trader, trading under the firm of Rennie & Co, Solicitors, 116 High Street, Irvine. The Respondent ceased his practice at 116 High Street, Irvine under the firm of Rennie & Co, Solicitors towards the end of August 2004. The Respondent then sought and obtained employment as a solicitor with Douglas Wright & Co,

Solicitors, 78 John Finnie Street, Kilmarnock in August 2004 until 2 November 2004.

- 8.2 On 2 November 2004, Morna Grandison was appointed Judicial Factor ad interim in terms of Section 41 of the Solicitors (Scotland) Act 1980 on the estates of the Respondent and over his firm, Rennie & Co, Solicitors trading from 116 High Street, Irvine by the Court of Session.
- 8.3 On 30 November 2004, Morna Grandison was appointed permanent Judicial Factor.
- 8.4 As at 2 November 2004, the date of the appointment of the interim Judicial Factor, a shortage on the general client funds of Rennie & Co, Solicitors was identified in the sum of £139,484.59.
- 8.5 As at 2 November 2004 the client balances as reconstructed should have been held by the Respondent in the sum of £149,911.68.
- 8.6 As at 2 November 2004 the general client account fund held at credit on behalf of their clients totalled £10,427.09, leaving a shortfall of £139,484.59.
- 8.7 The Judicial Factor required to carry out a reconstruction of bank reconciliations for the client bank account number 91223868 from January 2002 to 2 November 2004.
- 8.8 The accounting records required to be updated and individual client files examined to ensure that reconstructed ledger accounts accurately reflected individual transactions.

- 8.9 The Judicial Factor carried out a review of the firm's bank statements on account number 0163866 from 30 June 2002 to 2 November 2004. The Respondent managed to maintain his firm account number 0163866 within the overdraft limit set by his bank. The Judicial Factor identified that to maintain the firm account within the overdraft limited the Respondent required to transfer sums from his general client account number 0163971 to his firm account 0163866. To do so the Respondent required a fixed level of income to be paid into his firm bank account number 0163866 to meet his necessary expenses and retain the account balance within the overdraft facilities set by the bank. The Respondent's fee income in comparison with the amounts transferred out of the client account each month into the firm account disclosed that in most months the transfers were greater than the monthly income.
- 8.10 The shortage of £139,484.59 arose on the general client account due to a continuous removal of money from the client account over and above that which the Respondent was entitled to so remove.
- 8.11 By letters of 15 July, 18 August, 9 September, 14 October, 9 and 24 November all 2005 the Complainers intimated a complaint by a client to the Respondent and served Statutory Notices in terms of the Solicitors (Scotland) Act 1980 on the Respondent via the offices of the Judicial Factor of the Respondent. No response was received to any of said correspondence. In addition a further letter dated 13 March 2006 was sent to the Respondent via the Judicial Factor. All the above correspondence was sent by the Judicial Factor or on her behalf to the Respondent.
- 8.12 On or about 14 March 2006, the Judicial Factor authorised disclosure of a direct contact address for the Respondent and

accordingly further letters of 5 April and 19 May both 2006 were sent by the Complainers to the Respondent directly. No response has been received to any of said correspondence.

- 8.13 On 15 June 2005, the Law Society of Scotland received a complaint from Mr and Mrs A regarding the service provided by the Respondent in relation to the marketing of a plot of land on their behalf.
- 8.14 By letter dated 22 June 2005, the Complainers wrote to the Respondent requesting a response to the complaint by Mr and Mrs A. Said letter was addressed care of the Judicial Factor and the Judicial Factor confirmed that it was forwarded to the Respondent on 24 June 2005. No response was received to that letter.
- 8.15 By letter dated 10 August 2005, the Complainers further intimated details of the complaint and list of issues arising from that complaint. Again it was addressed care of the Judicial Factor and again the Judicial Factor confirmed that this was forwarded to the Respondent's home address on 10 August 2005. The Judicial Factor's Office also suggested that correspondence be sent to Norman Geddes of Fraser Coogans who at that time acted for the Respondent and by letter of 1 September 2005 the Complainer wrote to Mr Geddes to encourage a response from the Respondent. No response was received to either.
- 8.16 Accordingly a letter of 2 November 2005 together with two statutory notices in terms of Section 15 (2) (i) (i) and Section 42 (C) of the Solicitors' (Scotland) Act 1980) was sent to the Judicial Factor for onward transmission to the Respondent. The Judicial Factor confirmed that these had been sent on 3

November 2005, Said letter and enclosures of 2 November 2005 were returned by the Post Office marked “not called for”.

- 8.17 By letter 23 November 2005, the Complainer yet again wrote to the Respondent care of the Judicial Factor by recorded delivery letter but was advised by the Judicial Factor that the Respondent was not collecting recorded delivery mail and the Judicial factor would be writing to the Respondent advising they would be releasing his contact details to the Complainers unless he objected within a set period. The Respondent did not respond to said letter from the Judicial Factor dated 27 January 2006.
- 8.18 Accordingly, the Complainers then received the direct address for the Respondent from the Judicial Factor and wrote to him by letter of 20 February 2006 enclosing a second part of a statutory notice in terms of Section 15 of the Solicitors’ (Scotland) Act 1980. No response has been received to that letter.
- 8.19 In addition, the Complainer wrote to the Respondent by letter dated 20 February 2006 requesting a response to the issues complained about within 21 days of said date. No response has been received.
- 8.20 By letters dated 12 April and 13 June both 2006, the Complainer again wrote to the Respondent. No response has been received.
- 8.21 On 15 June 2005, Mr and Mrs A complained that an inadequate professional service had been provided by the Respondent in relation to the marketing of a plot of land on their behalf. The complaint was intimated to the Respondent and the Complainers made a determination that the Respondent had

failed to provide an adequate professional service to his clients, Mr and Mrs A.

8.22 On 6 July 2006 the Complainers determined in terms of Section 42A(1) of the Solicitors' (Scotland) Act 1980 to uphold the complaint at the instance of Mr and Mrs A that an inadequate professional service had been provided to them by the Respondent. The Complainers determined in terms of Section 42 A (2) (d) that that the Respondent pay to Mr and Mrs A the sum of £500 by way of compensation. The determination by the Complainers was intimated to the Respondent by letter dated 17 July 2006. Payment of the award of compensation was not forthcoming. A formal Statutory Notice in terms of Section 42 (B) of the Solicitors' (Scotland) Act 1980 was intimated to the Respondent by Recorded Delivery on 25 September 2006. Payment of the award of compensation had not been forthcoming. The determination remains outstanding.

9. Having considered the foregoing circumstances and heard a submission by the fiscal, the Tribunal found the Respondent guilty of Professional Misconduct in respect of:

9.1 His breach of Rule 4(1)(a) and Rule 6(1) of the Solicitors (Scotland) Accounts, Accounts Certificate, Professional Practise and Guarantee Fund Rules 2001 in that there was a significant shortage on his client account.

9.2 His failure to respond to the reasonable enquiries of the Law Society and to statutory notices served by the Society on him in relation to two complaints by two separate clients. In addition, he failed to produce the files in relation to these clients to the Society when called upon to do so to assist the Society in the investigation of these complaints.

10. The Tribunal pronounced an Interlocutor in the following terms:-

Edinburgh 4 September 2007. The Tribunal having considered the Complaints dated 27 November 2006 and 5 June 2007 at the instance of the Council of the Law Society of Scotland against William Pirie Rennie, Solicitor, 4 Beaufield Gardens, Kilmaurs, Kilmarnock; Find the Respondent guilty of Professional Misconduct in respect of his breach of Rule 4(1)(a) and 6(1) of the Solicitors (Scotland) Accounts, Accounts Certificate, Professional Practise and Guarantee Fund Rules 2001 by having a significant shortage on his client account and in respect of his failure to respond timeously, openly and accurately to the reasonable enquiries made of him by the Law Society and to statutory notices served on him by the Law Society concerning complaints made against him; Find that the Respondent has failed to comply with the Determination and Direction given by the Council of the Law Society, made under Section 42A of the Solicitors (Scotland) Act 1980, within the period specified: Order that the name of the Respondent, William Pirie Rennie, be struck off the Roll of Solicitors in Scotland; Find the Respondent liable in the expenses of the Complainers and in the expenses of the Tribunal as the same may be taxed by the auditor of the Court of Session on an agent and client indemnity basis in terms of Chapter Three of the Law Society's Table of Fees for general business with a unit rate of £11.85; and Direct that publicity will be given to this decision and that this publicity should include the name of the Respondent.

**(signed)**

**Vice Chairman**



11. A copy of the foregoing together with a copy of the Findings certified by the Clerk to the Tribunal as correct were duly sent to the Respondent by recorded delivery service on

**IN THE NAME OF THE TRIBUNAL**

**Vice Chairman**

**NOTE**

Mrs Motion confirmed that the date of the first Complaint was 27 November 2006. Mrs Motion moved to amend the second Complaint to delete Article 2 and the averments of duty and professional misconduct relating to that Article. Thereafter two Joint Minutes were lodged admitting the remaining facts, averments of duty and averments of professional misconduct in both Complaints. A Joint Minute of Admissions was also lodged. It was accordingly not necessary for any evidence to be led.

**SUBMISSIONS FOR THE COMPLAINERS**

Mrs Motion advised the Tribunal that as a result of concern regarding the Respondent's practice, an interim Judicial Factor was appointed to the firm on 30 November 2004. After the Judicial Factor's appointment it became clear that client funds had been used to maintain the firm. Mrs Motion referred to document 3 in the List of Documents for the Complainers in relation to the first Complaint. She advised the Tribunal that this document is a report by the Judicial Factor confirming that there was a shortfall of just under £140,000 on the client's account of the Respondent's firm. This report stated that money had been transferred by the Respondent from his client account to his firm account to ensure that his firm account was maintained within the overdraft limits set by his bank. Mrs Motion referred to the Respondent's statement, which had been lodged with the Tribunal, explaining that he was in a desperate state at the time that he was using funds from his client account to maintain his business. Mrs Motion stated that the first Complaint is a very serious one and that the Respondent accepts responsibility and has given his explanation for his behaviour, as far as he can.

In relation to the second Complaint, Mrs Motion referred to the List of Documents in relation to the second Complaint, which she had lodged with the Tribunal. Mrs Motion stated that the Respondent's failures to respond were outlined in the correspondence contained within that List of Documents. She advised that Mr & Mrs A had proposed to come to the hearing today but are currently on holiday in Australia. However, she advised that, as a result of the Respondent's cooperation, their evidence

has been agreed by means of the Joint Minute of Admissions. Mrs Motion advised that she had agreed with Mr Murphy, the solicitor acting on behalf of the Respondent that she would draw the Tribunal's attention to the medical report and other documentation which he had submitted in mitigation.

In relation to the Respondent's application to have his name withdrawn from the Roll of Solicitors, Mrs Motion stated that the requisite forms had been completed and submitted to the Law Society. However, she stated that the Law Society has not yet taken a decision on this matter, so the Respondent currently remains on the Roll of Solicitors in Scotland.

## **DECISION**

The Tribunal had regard to the documentation sent to the Tribunal's Clerk by Mr Murphy on behalf of the Respondent. This bundle included a medical report from the Respondent's doctor and a written statement by the Respondent.

The Tribunal noted that the Respondent's actions had continued over a considerable period of time. The Respondent had misappropriated client's money for his own personal gain in order to maintain his business. The essential qualities of a solicitor are honesty, truthfulness and integrity. In holding funds for clients a solicitor is in a privileged position of trust. The Respondent breached this trust. This conduct is regrettably disgraceful and dishonourable and brings the profession into disrepute.

In relation to the second Complaint the Tribunal find that the Respondent was guilty of professional misconduct in relation to his failure to respond timeously, openly and accurately to Law Society correspondence and to statutory notices. The Tribunal consider that failure to respond to the Law Society timeously hampers the Law Society in the performance of its statutory duty and is prejudicial to the reputation of the legal profession.

The Tribunal acknowledge that the Respondent is remorseful and has cooperated in tendering pleas to both Complaints. The Tribunal also noted the medical report from the Respondent's doctor and the Respondent's explanation for his conduct as detailed

in his statement to the Tribunal. However, given the number of deliberate acts of dishonesty over a prolonged period of time, the Tribunal considered it appropriate to strike the Respondent's name from the Roll. The Tribunal made the usual order for publicity and expenses.

**Vice Chairman**