



**Mr Elliot Lamerton MNAEA, MARLA and
Mr Lee Pottle MNAEA
Directors of
EL (UK) Limited Trading as Elliot Lee Estate
Agents**

Disciplinary Tribunal Decision

15 February 2023

Disciplinary Tribunal Decision

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| Member: | Mr Elliot Lamerton MNAEA, MARLA and Mr Lee Pottle MNAEA |
| Position: | Directors |
| Company/Employer: | EL (UK) Limited Trading as Elliot Lee Estate Agents |
| Address: | 219 Watford Road, Harrow, HA1 3UA |
| Complainant: | Propertymark |
| Reference: | Y0001375 |
| Date: | 15 February 2023 |

A. INTRODUCTION

A Disciplinary Tribunal of Propertymark Limited was convened on 15 February 2023 to consider the case against Mr Lamerton and Mr Pottle.

The panel members were Mr Richard Hair PPNAEA (Honoured) (member panellist acting as the Chairperson for the Tribunal), Mr Clive Wood (lay panellist) and Mr Stephen Shaw (lay panellist).

The presenting Case Officer for Propertymark was Miss Farrah Gibson

Mr Lamerton was in attendance in the hearing and also spoke on behalf of Mr Pottle.

The hearing took place in private and was recorded.

B. ALLEGATIONS

The Tribunal considered the allegations set out in the case summary sent to Mr Lamerton and Mr Pottle.

It was alleged that Mr Lamerton and Mr Pottle had acted in contravention of the requirements of the following Propertymark Conduct and Membership Rules:

1.3. Using a Client Accounting Service Provider (CASP)

PPD member firms wishing to use a CASP are required to adopt one of the following two options:

- Use a named CASP (see **1.3.1**), or
 - Use a white label CASP service (see **1.3.2**).
- 1.3.1. Using a named CASP.** The following conditions apply: (a) The CASP is a PPD member firm (excluding ARLA Inventories) or a RICS regulated firm where Propertymark receives written assurances from RICS that all Client Money is covered.
- (b) All Client Monies are paid direct to the Client Account(s) owned by the CASP.
- (c) All terms of business, landlord and tenancy agreements must clearly identify the legal names of the Principal Agents.
 - (d) All terms of business, landlord and tenancy agreements must clearly identify the legal name of the CASP in all references to Client Money.
 - (e) The CASP is the only firm to be able to make payments/withdrawals from the Client Account(s).
 - (f) The CASP provides Propertymark with a standard annual accountant's report
 - (g) Both Principal Agents pay the Propertymark CMP levy.
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- 1.3.2. Using an unnamed CASP service.** The following conditions apply: (a) The CASP is a PPD member firm or a RICS regulated firm.
- (b) All Client Monies are paid direct to the Client Account(s) owned by the CASP.
 - (c) The CASP is not clearly named in terms of business, landlord and tenancy agreements.
 - (d) The legal name of the firm using the CASP (the Principal Agent) is clearly stated in terms of business, landlord and tenancy agreements.
 - (e) All Client Monies are paid into a separate Client Account(s) designated to the PA PPD member firm and owned solely by the CASP.
 - (f) The CASP is the only firm to be able to make payments/withdrawals from the Client Account.
 - (g) The PA and CASP both pay the Propertymark CMP levy.
 - (h) The PA maintains records of all Client Monies in accordance with the relevant Propertymark rules. It may rely on schedules and reconciliations from the CASP, but these should be kept in paper form.
 - (i) The PA PPD member firm provides Propertymark with an Accountant's Report for Client Money Entrusted, to an Unnamed Client Accounting Service Provider, on joining or on taking up the Client accounting service, and annually thereafter. See [Appendix A](#) to the rules. The PA may commission the report, or CASP, but it remains the responsibility of the PA to provide it to Propertymark.
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- 1.3.3.** Any member's firm acting as a CASP as outlined in **1.3.2** must meet the following requirements: (a) Keep any such Client Money in a Client Account specifically designated to each PA for whom it handles Client Money.
- (b) Supply the PA with a copy bank statement from the Client bank account at least monthly.

- (c) Not limit the liability of the CASP to its PAs, or if there is any limitation it is, as a minimum, at least the amount the PA has entrusted to it.
- (d) Allow a suitably qualified Accountant to audit the CASP in respect of Client Money held on behalf of the PA.
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- 1.3.4. PPDs with member firms using a CASP where the arrangements do not comply with one of the CASP options described in **1.3** must take one of the following actions in order to continue with their divisional membership: (a) Change their client Money-handling arrangements in line with one of the CASP options described in **1.3**, or
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- for ALL the Client Money it handles. See [Appendix A](#) of the rules.
- In this way the CASP has exclusive control of the Client Account, and all Clients know who is handling their money. Liability to Clients remains with the CASP, and not with the firm using the CASP. This then constitutes first party Client Accounting by the CASP.

14. Duty to assist in disciplinary proceedings

14.1 Members shall co-operate with disciplinary investigations and/or proceedings taken against them or other members.

14.2 Members shall comply with the timescales described in the disciplinary procedures and are expected to attend disciplinary hearings. If these procedures result in a fine that is not paid within the prescribed time, then membership will automatically be terminated and Propertymark will pursue payment and undertake civil action against the member if necessary.

14.3 Propertymark reserves the right to take disciplinary action regardless of any Ombudsman's actual or potential adjudication arising from the same matter.

14.4 Members must co-operate with compliance visits conducted by Propertymark staff or others acting on their behalf.

14.5 Members or their representatives are obliged to provide accounts or other records on demand (see **Rule 1**).

14.6. This rule applies to work undertaken during the period of membership, even if the member has subsequently left membership for any reason.

23. Continuing professional development (CPD) rules

23.1. CPD is mandatory for all ARLA, NAEA, NAEA Commercial and NAVA members except for Affiliate, Deferred, Retired grade members.

23.2. Members are required to undertake at least twelve hours' CPD activity per year. At least four of the twelve hours must be obtained by attendance at relevant educational events and up to eight hours by relevant private study (except for those studying for

Propertymark Qualifications relevant to their specialism). All CPD should be relevant to the membership specialism and/or relevant to business needs.

23.3. The CPD year runs from 1st January to 31st December and the twelve hours should be submitted by 31st January of the following year, listing the learning outcomes.

23.4. CPD must be provided annually for membership to continue.

23.5. If members belong to more than one division, they are required to submit twelve hours' CPD for each division demonstrating a relevant learning outcome.

Mr Lamerton entered a plea admitting the alleged breaches of Rules 1.3, 14 and 23 on behalf of himself and Mr Pottle.

C. DECISION

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| Rule 1.3 | - | Admitted |
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| Rule 14 | - | Admitted |
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| Rule 23 | - | Admitted |
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Mr Lamerton submitted a plea in mitigation for consideration by the Disciplinary Tribunal.

D. SANCTIONS

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| Rule 1.3 | - | Mr Lamerton - £2,000 Mr Pottle - £2,000 |
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| Rule 14 | - | Mr Lamerton - £1,000 Mr Pottle - £1,000 |
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| Rule 23 | - | Mr Lamerton - £100 Mr Pottle - £100 |
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In addition, the costs of the hearing of £625.20 were imposed against Mr Lamerton and Mr Pottle in favour of Propertymark.

E. PUBLICATION

The outcome of the case fell within the Propertymark publication policy.

F. CLOSING STATEMENT

The Tribunal made the following statement:

“The Tribunal first of all thanks Mr Lamerton for his attendance today and acting for Mr Pottle. We urge both members to ensure that they prioritise all areas of their business, particularly compliance and business management.”