



**Mr Paul Meakin MARLA FNAEA and
Miss Emma Meakin FNAEA
Directors,
Paul Meakin Estate Agents Limited t/a
Paul Meakin Estate Agents
Disciplinary Tribunal Decision**

October 2022

Disciplinary Tribunal Decision

Member:	Mr Paul Meakin MARLA FNAEA & Miss Emma Meakin FNAEA
Position:	Directors
Company/Employer:	Paul Meakin Estate Agents Limited t/a Paul Meakin Estate Agents
Address:	77-79 Mitchley Avenue, South Croydon, CR2 9HN
Reference:	Y0001365
Date:	12 October 2022

A. INTRODUCTION

A Disciplinary Tribunal of Propertymark Limited was convened on 12 October 2022 to consider the case against Mr Paul Meakin and Miss Emma Meakin.

The panel members were Mr Richard Hair PPNAEA (Honoured) (member panellist acting as the Chairperson for the Tribunal), Miss Jacqueline Stone FNAEA (member panellist) and Mr Steven Shaw (lay panellist).

The presenting Case Officer for Propertymark was Miss Farrah Gibson.

Mr Meakin and Miss Meakin were in attendance at the Hearing.

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 Meakin and Miss Meakin

It was alleged that Mr Meakin and Miss Meakin 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).
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1.3.1. Use 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.

1.3.2. Use 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 report may be commissioned by the PA or CASP, but it remains the responsibility of the PA to provide it to Propertymark.

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.

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
- (b) Find another CASP which complies, or
- (c) The member's firm must handle all of its own Client Money.

1.3.5. Client Money subject to the Estate Agents Act 1979 must not be entrusted to a CASP.

1.14. Payments out of a Client (Bank) Account

A member's firm should withdraw, transfer or make a payment from a Client Bank Account only in the following circumstances:

1.14.1. Money paid in to open or maintain the account in accordance with clause **1.13.1** of this Rule and where it is no longer required.

1.14.2. Money paid into the account in accordance with clause **1.13.4** of this Rule, which does not belong to the Client, for payment to the person lawfully entitled to it.

1.14.3. Within three working days of becoming aware of a relevant contravention, money paid into the account in contravention of this Rule.

1.14.4. Money payable to a Client, or, to an appropriate person suitably authorised (in writing) to receive such payments on that Client's behalf.

1.14.5. Money being paid directly into another Client Bank Account.

1.14.6. Reimbursement of money to the member's firm for money expended by the member's firm on behalf of the Client.

1.14.7. Money lawfully and contractually due, in respect of a PPD member's firm's fees and charges.

1.14.8. Legitimate disbursements, e.g., amounts subject to invoices, costs or demands incurred or received on behalf of the Client.

1.14.9. Provided that in the case of money drawn under sub-clauses **1.14.6** and **1.14.7** above:

- (a) The payment is in accordance with lawful and contractual written arrangements (for example via terms of business, pre-contract/tenancy application documents, tenancy agreement, letter of engagement), previously agreed between the parties; or
- (b) The Client, or an authorised representative, has been notified or invoiced in writing by the member's firm of the amount and purpose for which the money is being withdrawn and no objection has been raised within a reasonable timescale.

1.14.10. Provided always that, under rule **1.14**, no payment shall be made for or on behalf of an individual Client that exceeds the total amount held on behalf of that particular Client.

13. General duty to uphold high standards of ethical and professional behaviour

13.1. No member shall do any act (whether in business or otherwise) which:

- 13.1.1. Involves dishonesty, deceitful behaviour, misrepresentation; and/or
- 13.1.2. Involves other unprofessional practice or practice that is unfair to members of the public; and/or
- 13.1.3. In any other way brings Propertymark or any of its divisions or subsidiaries into disrepute.

21. Continuing professional development (CPD) rules

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

21.2. 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.

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

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

21.5. 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 Meakin and Miss Meakin entered pleas admitting the alleged breaches.

C. DECISION

Rule 1.3	-	Admitted
Rule 1.14	-	Admitted
Rule 13	-	Admitted
Rule 21	-	Admitted

D. SANCTIONS

After consideration of the evidence and of Mr Meakin and Miss Meakin's plea in mitigation the tribunal announced the following sanctions:

Rule 1.3, Rule 1.14 & Rule 13	-	£1,000 between the two defendants
Rules 21	-	£100 each

In addition, the costs of this hearing of £369 were imposed against Mr Meakin and Miss Meakin in favour of Propertymark.

E. PUBLICATION

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

F. CLOSING STATEMENT

The Tribunal made issued a closing statement:

"Firstly, we thank both members for attending today because your input has been very helpful.

The breach of the Client accounting Service Provider rules potentially left a substantial number of landlords and tenants facing significant losses. The Tribunal recognise the responsible manner in which the members have ensured no detriment has been caused to their clients by the collapse of their Client Accounting Service Provider in this case."