

# **Simon Hutcheson**

## **Solicitor**

### **143010**

**Fined Date: 26 September 2024**

### **Decision - Fined**

Outcome: Fine

Outcome date: 26 September 2024

Published date: 16 December 2024

### **Firm details**

#### **Firm or organisation at time of matters giving rise to outcome**

Name: Kingly Solicitors Limited

Address(es): 57 Lansdowne House, Berkeley Square, London, W1J 6ER

Firm ID: 633863

#### **Firm or organisation at date of publication**

Name: Hawkfield Homes Limited

Address(es): 4-5 King Square, Bridgwater, TA6 3YF

Firm ID: 8001412

### **Outcome details**

This outcome was reached by SRA decision.

#### **Reasons/basis**

#### **Who does this disciplinary decision relate to?**

Simon Hutcheson is a solicitor. He was a manager of Kingly Solicitors Limited (the firm) whose head office was at 57 Lansdowne House, Berkeley Square, London W1J 6ER between 24 September 2019 and 12 August 2020.

Mr Hutcheson was the firm's head of legal practice (HOLP) from 27 March 2020 until 12 August 2020.



## **Short summary of decision**

We have fined Mr Hutcheson for failing to identify and/or prevent the improper withdrawal of client money from the firm's client accounts.

## **Facts of the misconduct**

It was found that:

Between 28 October 2019 and 23 July 2020, in his capacity as a manager at Kingly Solicitors Limited (the firm), Mr Hutcheson failed to identify and/or prevent the improper withdrawal of client money from the firm's client accounts.

From 28 October 2019 to 25 November 2019, Mr Hutcheson breached:

- Principles 4, 6, 8 and 10 of the SRA Principles 2011
- Outcomes 7.2, 7.3 and 7.4 of the SRA Code of Conduct 2011, and
- Rules 1.2 (b), 1.2 (e), 14.1 and 20.1 of the SRA Accounts Rules 2011.

On or after 25 November 2019, Mr Hutcheson breached:

- Principles 2 and 7 of the SRA Principles 2019
- Paragraph 4.2 of the Code of Conduct for Solicitors 2019
- Rules 2.4, 5.1, 5.2 and 6.1 of the SRA Accounts Rules 2019.

Between 27 March 2020 and 12 August 2020, when Mr Hutcheson was the head of legal practice at the firm (HOLP), his conduct breached Paragraphs 9.1(c) of the Code of Conduct for Firms 2019.

## **Decision on sanction**

Mr Hutcheson was directed to pay a financial penalty of £26,766 and ordered to pay costs of £1,350.

It was decided that a financial penalty was an appropriate and proportionate sanction.

This was because his conduct was serious by reference to the following factors in the SRA Enforcement Strategy:

- The improper withdrawals had caused a substantial shortfall on the firm's client account of over £10 million at the date of intervention by the SRA in August 2020.
- The shortfall had not been rectified and did not appear capable of rectification.
- Any lesser sanction would not provide a credible deterrent to Mr Hutcheson and to others.



In view of the above, Mr Hutcheson's conduct was placed in conduct band D which has a financial penalty bracket of at least 65% of his annual gross income. His conduct was placed at the bottom of this bracket at D1 given:

- It was not intentional.
- It involved the misuse of client money but Mr Hutcheson did not direct the improper withdrawals, nor did he benefit from them.
- Although Mr Hutcheson was an experienced solicitor, the culture at the firm was toxic and chaotic.
- Mr Hutcheson was a director and compliance officer at the firm but had limited control over its operations.

The financial penalty was reduced by 20% in recognition of the fact that Mr Hutcheson co-operated with the SRA's forensic investigations and assisted in the prevention of further harm to client money.

### **SRA Principles and Outcomes**

#### **SRA Principles 2011**

Principle 4: You must act in the best interests of each client

Principle 6: You must behave in a way that maintains the trust the public places in you and in the provision of legal services

Principle 8: You must run your business or carry out your role in the business effectively and in accordance with proper governance and sound financial and risk management principles

Principle 10: You must protect client money and assets

#### **SRA Code of Conduct 2011**

Outcome 7.2: You have effective systems and controls in place to achieve and comply with all the Principles, rules and outcomes and other requirements of the Handbook, where applicable

Outcome 7.3: You identify, monitor and manage risks to compliance with all the Principles, rules and outcomes and other requirements of the Handbook, if applicable to you, and take steps to address issues identified

Outcome 7.4: You maintain systems and controls for monitoring the financial stability of your firm and risks to money and assets entrusted to you by clients and others, and you take steps to address issues identified

#### **SRA Accounts Rules 2011**



Rule 1.2 (b): You must keep other people's money safely in a bank or building society account identifiable as a client account

Rule 1.2 (e): You must establish and maintain proper accounting systems and proper internal controls over those systems to ensure compliance with the rules

Rule 14.1: Client money must without delay be paid into a client account, and must be held in a client account, except when the rules provide to the contrary

Rule 20.1: Client money may only be withdrawn from a client account when it is properly required

**SRA Principles 2019**

Principle 2: You act in a way that upholds public trust and confidence in the solicitors' profession and in legal services provided by authorised persons

Principle 7: You act in the best interests of each client

**SRA Code of Conduct for Firms 2019**

Paragraph 9.1: If you are a COLP you must take all reasonable steps to:

- c. ensure that your firm's managers and interest holders and those they employ or contract with do not cause or substantially contribute to a breach of the SRA's regulatory arrangements;

save in relation to the matters which are the responsibility of the COFA as set out in paragraph 9.2 below.

**SRA Code of Conduct for Solicitors 2019**

Paragraph 4.2: You safeguard money and assets entrusted to you by clients and others.

**SRA Accounts Rules 2019**

Rule 2.4: You ensure that client money is available on demand unless you agree an alternative arrangement in writing with the client, or the third party for whom the money is held

Rule 5.1: You only withdraw client money from a client account:

- a. for the purpose for which it is being held;
- b. following receipt of instructions from the client, or the third party for whom the money is held; or



c. on the SRA's prior written authorisation or in prescribed circumstances.

Rule 5.2: You appropriately authorise and supervise all withdrawals made from a client account.

Rule 6.1: You correct any breaches of these rules promptly upon discovery. Any money improperly withheld or withdrawn from a client account must be immediately paid into the account or replaced as appropriate.

### **Other information**

Further organisation at time of publication:

Grosvenor (DCR) Limited

44 Boulevard

Weston-Super-Mare

BS23 1NF

SRA ID: 8009943

**Control of practice Date: 16 April 2024**

### **Decision - Control of practice**

Outcome: Condition

Outcome date: 16 April 2024

Published date: 16 September 2024

### **Firm details**

#### **Firm or organisation at time of matters giving rise to outcome**

Name: Kingly Solicitors Limited

Address(es): 57 Lansdowne House, Berkeley Square, London, W1J 6ER

Firm ID: 633863

#### **Firm or organisation at date of publication**

Name: Hawkfield Homes Limited

Address(es): 4-5 King Square, Bridgwater, TA6 3YF

Firm ID: 8001412

## Outcome details

This outcome was reached by SRA decision.

### Decision details

Mr Hutcheson's practising certificate for 2023/2024 is subject to the following conditions:

1. Mr Hutcheson is not a manager or owner of any authorised body.
2. Subject to the above condition, Mr Hutcheson may act as a solicitor, only as an employee, where the role has first been approved by us.
3. Mr Hutcheson may not act as a compliance officer for legal practice (COLP) or compliance officer for finance and administration (COFA) for any authorised body.
4. Mr Hutcheson does not hold or receive client money, or act as a signatory to any client or office account or have the power to authorise transfers from any client or office account.

In these conditions the terms are as defined in the SRA Glossary.

### Reasons/basis

The above conditions are necessary in the public interest. They are reasonable and proportionate having regard to the purposes set out in regulation 7 of the SRA Authorisation of Individuals Regulations, and the regulatory objectives and principles governing regulatory activities as contained in section 28 of the Legal Services Act 2007.

**Control of practice Date: 23 March 2023**

## Decision - Control of practice

Outcome: Condition

Outcome date: 23 March 2023

Published date: 5 May 2023

## Firm details

### Firm or organisation at time of matters giving rise to outcome

Name: Kingly Solicitors Limited

Address(es): 57 Lansdowne House, Berkeley Square, London, W1J 6ER, England

Firm ID: 633863

## Outcome details

This outcome was reached by SRA decision.

### Decision details

Simon Andrew Hutcheson's practising certificate for 2022/2023 has been granted subject to the following conditions:

1. Mr Hutcheson is not a manager or owner of any authorised body.
2. Subject to condition 1, Mr Hutcheson may act as a solicitor, only as an employee, where the role has first been approved by us.
3. Mr Hutcheson may not act as a compliance officer for legal practice (COLP) or compliance officer for finance and administration (COFA) for any authorised body.
4. Mr Hutcheson does not hold or receive client money, or act as a signatory to any client or office account or have the power to authorise transfers from any client or office account.

In these conditions the terms are as defined in the SRA Glossary.

### Reasons/basis

The above conditions are necessary in the public interest and reasonable and proportionate having regard to the purposes set out in regulation 7 of the SRA Authorisation of Individuals Regulations, and the regulatory objectives and principles governing regulatory activities as contained in section 28 of the Legal Services Act 2007.

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