

SOLICITORS DISCIPLINARY TRIBUNAL

SOLICITORS ACT 1974

IN THE MATTER OF MARTYN WRIGHT, solicitor (The Respondent)

Upon the application of Andrew John Bullock  
on behalf of the Solicitors Regulation Authority

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Mr A N Spooner (in the chair)  
Mrs E Stanley  
Mr J Jackson

Date of Hearing: 14th September 2010

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**FINDINGS & DECISION**

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**Appearances**

Mr Andrew John Bullock of the Solicitors Regulation Authority, 8 Dormer Place, Leamington Spa, Warwickshire, CV32 5AE appeared for the Applicant.

The Respondent did not attend and was not represented.

The Application was dated 15<sup>th</sup> June 2010.

**Allegations**

- (1) The Respondent failed to act in the best interests of each client in breach of Rule 1.04 of the Solicitors Code of Conduct 2007 (“the Code”);
- (2) The Respondent failed to provide a good standard of service to his clients in breach of Rule 1.05 of the Code;
- (3) The Respondent behaved in a way that was likely to diminish the trust the public placed in him and in the legal profession in breach of Rule 1.06 of the Code;

- (4) The Respondent failed to exercise appropriate supervision over all staff and ensure proper supervision and direction of clients' matters in breach of Rule 5.01(1)(a) of the Code;
- (5) The Respondent failed to deal with the Solicitors Regulation Authority and the Legal Complaints Service in a prompt, open and co-operative way in breach of Rule 5.01(1)(a) of the Code;
- (6) The Respondent held money in either a separate designated client account or, alternatively, a general client account for a client but did not account to them for all interest earned on the account or, alternatively, a sum in lieu of interest calculated in accordance with Rule 25 of the Solicitors Accounts Rules 1998 ("the Rules"), in breach of rule 24(1) or 24(2) of the Rules.
- (7) The Respondent failed to deliver an accountants report for the practice of Wright & Morton:-
  - (a) For the twelve month period ending 30<sup>th</sup> September 2008 in breach of Section 34 of the Solicitors Act 1974; and
  - (b) Within six months of the accounting period ending 30<sup>th</sup> November 2008 in breach of Rule 35 of the Rules.
- (8) The Respondent abandoned his practice as a solicitor.

The Applicant referred the Tribunal to a letter from the Respondent to the Applicant dated 28<sup>th</sup> July 2010, which confirmed he had received the documents and did not intend to contest these proceedings.

### **Factual Background**

1. The Respondent, born in 1958, was admitted as a Solicitor on 15<sup>th</sup> December 1982, and his name remained on the Roll of Solicitors. He did not hold a current practising certificate.
2. At all material times, the Respondent carried on in practice as a solicitor on his own account under the style of "Wright & Morton" from offices at 32 Frederick Street, Sunderland, Tyne And Wear, SR1 1LN.

### Allegations 1, 2, 3 and 6

3. Mrs B instructed the Respondent in relation to the sale of 127 W Road, on or about 8 September 2008 and in relation to her purchase of 1 M Court, on or about 15<sup>th</sup> October 2008.
4. Completion of the sale took place on 31<sup>st</sup> October 2009 at a price of £289,987.50, from which was deducted costs of sale in the sum of £7,185.38. The balance arising of £282,802.12 was thereafter held by the Respondent upon a client account (within the meaning of Rule 14(2) of the Rules) for Mrs B. Accordingly, from 31<sup>st</sup> October 2009 onwards the Respondent was obliged to account to her either for all interest

earned on that sum or a sum in lieu of interest calculated in accordance with Rule 25 of the Rules.

5. The completion of the purchase took place on 28<sup>th</sup> November 2008 at a price of £215,000 and the purchase price, together with the costs of sale totalling £6,384.51, were paid out of the monies held by the Respondent on client account (a total of £221,384.51). Accordingly, from 28<sup>th</sup> November 2008 onwards the Respondent held the sum of £61,417.61 in the client account of Wright & Morton for Ms B and was obliged to account to her either for all interest earned on that sum or for a sum in lieu of interest calculated in accordance with Rule 25 of the Rules. Upon payment out to her of the completion monies by the Respondent on 8<sup>th</sup> January 2009, Mrs B was given a cheque in the sum of £61,417.61 only.
6. Further, the priority searches undertaken by the Respondent on the purchase expired upon 9<sup>th</sup> January 2009 but the Respondent did not apply to HM Land Registry to register Mrs B as the proprietor of that property until 19<sup>th</sup> February 2009.

#### Allegation 7

7. The accountant's report for Wright & Morton for the accounting period 1<sup>st</sup> October 2007 to 30<sup>th</sup> September 2008 was due to be delivered to the SRA by 31<sup>st</sup> March 2009. Despite the Respondent requesting extensions of time to submit the report, it remained outstanding.

#### Allegations 1, 2, 3, 4, 5 and 8

8. The SRA tried to contact the Respondent by various letters, and telephone calls between 8<sup>th</sup> July 2009 and 11<sup>th</sup> September 2009 but the Respondent either did not reply or did not provide a substantive reply.
9. The SRA telephoned the offices of Wright & Morton on 11<sup>th</sup> September 2009. That call was answered by "A" who identified herself as the receptionist. A explained that the Respondent was not available, that he was off sick and had been absent from the office for some time. A also confirmed that no-one was supervising the practice in the Respondent's absence and that no solicitor was in attendance at the office; albeit that the Respondent did come into the office each day to look at the post and had given her his mobile number to call in the event of problems.
10. Subsequently, an investigating officer ("IO") of the SRA attended at the offices of Wright & Morton on 12<sup>th</sup> October 2009 for the purposes of conducting an inspection of the Respondent's books of account and other documents. The inspection could not be carried out but a report dated 19<sup>th</sup> October 2009 was nevertheless produced. The inspection could not be carried out for the following reasons:-
  - (a) The only person in the office of Wright & Morton at the time of the inspection was the receptionist/secretary who had no knowledge of the firm's client and office bank accounts.
  - (b) The IO telephoned the Respondent at 5.17 pm on 12<sup>th</sup> October 2009 requesting that he be present at that office at 10.00 am the following day but the Respondent refused to attend.

- (c) The IO again telephoned the Respondent on his mobile telephone number at 10.18 am on 13<sup>th</sup> October 2009 and left a message asking the Respondent to meet with him at the Respondent's home address at noon that day. However, when the IO attended at the property no one answered the door.
  - (d) The receptionist/secretary was (again) the only person in the office of Wright & Morton when the IO returned there after his visit to the Respondent's home address at 2.00 pm on 13<sup>th</sup> October 2009.
11. In the course of the abortive inspection the IO received the following information from the receptionist/secretary concerning the Respondent:-
- (1) That she worked from 9.00 am to 4.45 pm five days a week but had not seen the Respondent at the office since her return from holiday in early September. She said she believed that the Respondent nevertheless continued to attend the office early in the morning and/or at weekends;
  - (2) That the Respondent did conveyancing and probate work (and formerly had done criminal work also), and that there were no conveyancing completions that were about to take place or which had taken place recently. She had not seen any correspondence from mortgage lenders chasing the non-redemption of mortgages and she was aware of correspondence complaining about delay in probate matters (but not of complaints from beneficiaries that they had not received monies due to them). The receptionist/secretary confirmed that she took telephone messages for the Respondent and left telephone notes in reception for him and opened the post and either left them for the Respondent or telephoned him if letters were urgent. She confirmed that when she telephoned the Respondent she mainly left messages on his answer phone but that he would sometimes answer her calls. She said the Respondent did not leave her dictation tapes to type or letters to send out and that she, and another (part time) member of staff continued to be paid.
12. The Tribunal considered all the documents submitted by the Respondent which included:-
- (i) Rule 5 Statement dated 15<sup>th</sup> June 2010, together with all attached documents.
  - (ii) Letter dated 28<sup>th</sup> July 2010 from the Respondent to the Applicant;
  - (iii) Schedule of Costs dated 13<sup>th</sup> September 2010.

### **Witnesses**

13. No witnesses gave oral evidence.

### **Findings as to Fact and Law**

14. The Tribunal found all the allegations were proved, indeed they had been admitted by the Respondent in his letter dated 28<sup>th</sup> July 2010 to the Applicant.

**Costs**

15. The Applicant requested an order for his costs and provided the Tribunal with a schedule dated 13<sup>th</sup> September 2010, confirming his costs came to £2,097.07. The Applicant confirmed that the Schedule of Costs had not been served on the Respondent.

**Previous Disciplinary Sanctions Before the Tribunal**

16. None

**Sanction and Reasons**

17. The Tribunal had listened carefully to the submissions of the Applicant and had considered the documents in detail. There was no mitigation before the Tribunal from the Respondent. His practice had been intervened.
18. There had been very serious regulatory breaches, and the Respondent had effectively abandoned his practice as a solicitor, thereby leaving clients at risk. By failing to cooperate and deal with the Authority, the Respondent had prevented the Authority from carrying out its regulatory function which was essential for the protection of clients, solicitors and the public in general. There had also been other regulatory breaches concerning the failure to deliver an accountant's report and the failure to account to a client for interest.
19. The Respondent had left his practice without proper supervision and it appeared the only person in attendance was his receptionist/secretary. The Respondent had not been in attendance for some time prior to 11<sup>th</sup> September 2009 and was not in attendance when the SRA attempted to conduct an inspection of his books of account. This conduct was completely unacceptable and the Respondent had caused damage to the reputation of the profession by abandoning his practice. It was not known to what extent clients may have suffered as a result, but it was clear to the Tribunal that the Respondent was not fit to practice, and accordingly the Tribunal Ordered the Respondent be suspended indefinitely. The Tribunal further recommended that that suspension should continue until the outstanding accountant's reports for the periods ending 30<sup>th</sup> September 2008 and 30<sup>th</sup> November 2008 were filed by the Respondent.

**Decision as to Costs**

20. The Tribunal had considered the Schedule of Costs carefully, but was concerned that this had not been served on the Respondent. In the absence of any information from the Respondent concerning his financial situation, the Tribunal Ordered costs be subject to detailed assessment if not agreed between the parties.

**Order**

21. The Tribunal Ordered that the respondent, Martyn Wright, solicitor, be suspended from practice as a solicitor for an indefinite period to commence on the 14th day of September 2010 and it further Ordered that he do pay the costs of and incidental to this application and enquiry to be subject to a detailed assessment unless agreed

between the parties to include the costs of the Investigation Accountant of the Law Society.

Dated this 27<sup>th</sup> day of October 2010  
On behalf of the Tribunal

A N Spooner  
Chairman