SOLICITORS DISCIPLINARY TRIBUNAL

IN THE MATTER OF THE SOLICITORS ACT 1974 Case No. 12228-2021

BETWEEN:

SOLICITORS REGULATION AUTHORITY LTD. Applicant

and

SANDRA CAMPBELL Respondent

Before:

Mr E Nally (in the chair)
Mr P Lewis
Mrs L McMahon-Hathway

Date of Hearing:
9 November 2021

Appearances

Michael Collis, barrister, of Capsticks LLP for the Applicant

The Respondent did not attend and was not represented.

JUDGMENT

Allegations

1. The allegations against the Respondent were that between 4 May 2020 and 20 July 2021, the date of the Rule 12 Statement, the Respondent:

1.1 Between 5 August 2020 and 20 July 2021, misappropriated £164,264 from Client A;

1.2 Between 4 May 2020 and 20 July 2021, misappropriated £17,000 from Client B;

And thereby breached Principles 2, 4, 5 and 7 of the SRA Principles 2019 ("the Principles"), Rule 4.2 of the Code of Conduct for Solicitors ("the Code"), and Rule 5.1 of the Solicitors Accounts Rules 2019 ("the SARs").

1.3 Misled Client A and Client B by representing that the sums would be or were being paid, when they were not.

1.4 Misled the Applicant by representing that the Firm was in funds to pay Client A, when it was not.

And thereby breached Principles 2, 4 and 5 of the Principles and Rule 1.4 of the Code.

1.5 Misled the Court, by failing to state that Client A's funds had already been dissipated and giving the impression that the funds would be repaid.

And thereby breached Principles 1, 2, 4 and 5 of the Principles and Rule 1.4 of the Code.

Documents

2. The Tribunal considered all of the documents in the case which included:

- The Application and Rule 12 Statement dated 20 July 2021 with exhibits
- Witness statement of Client B, a former client of the Respondent, dated 5 August 2021
- Memoranda from a non-compliance hearing of 1 September 2021 and case management hearing of 27 September 2021
- Schedules of costs dated 21 July 2021 and 2 November 2021
- A "relevant correspondence" bundle comprising 13 pages relating to service of documents on the Respondent
- Chronology prepared by the Applicant

Preliminary Matters

Application to proceed in the Respondent's absence

3. The Respondent did not attend the hearing. Mr Collis, for the Applicant, invited the Tribunal to proceed in the Respondent's absence. Mr Collis referred the Tribunal to various documents sent to the Respondent. By email from the Tribunal dated 27 July 2021 the Respondent was served with the proceedings paperwork which included standard directions containing the date of the substantive hearing. Further

documents including the date of the hearing were sent to the Respondent by Capsticks on 16 August 2021, by email and by post sent to her last known address (which had been confirmed by a tracing agent in July 2021). The letter sent by Royal Mail special delivery was signed for on 18 August 2021. On 2 November 2021 a further email and letter containing also details of the substantive hearing date were sent (and no indication was received that the email had not been delivered). Mr Collis submitted that notice of the hearing had been served on the Respondent.

4. Mr Collis further submitted that it was appropriate for the Tribunal to proceed in the Respondent's absence. By reference to the chronology of the Respondent's movements and her contact with the Applicant Mr Collis described her approach as one of "active disengagement". She was aware that the Applicant was investigating her conduct with regards to Client A and exchanged email correspondence with an investigation officer on 4 December 2020. There were further emails exchanged between the Respondent and the Applicant after which there was no further communication from her to the Applicant after 15 December 2020. The last outgoing communication from the Respondent of which the Applicant was aware was dated 6 January 2021 and was sent directly to Client B. The Applicant's FIO, and subsequently Capsticks, made further efforts to contact the Respondent. Most recently efforts were made to contact her by telephone on 5 November 2021 at the three numbers held by the Applicant. All these efforts were unsuccessful.

5. Mr Collis submitted that the Respondent was fully aware of the Applicant's involvement and had chosen to disengage with the investigation and proceedings. She had made assertions about returning to the UK from the USA but the Applicant was unaware of any confirmation this had in fact happened. Mr Collis submitted that an adjournment would be unlikely to secure the Respondent's attendance at a future hearing. He also stated that the Applicant had two witnesses on standby if required (the FIO and Client B) who would be inconvenienced if they were required to attend at a later date. He submitted that in all the circumstances it would be appropriate for the hearing to proceed in the Respondent's absence.

6. The Tribunal was satisfied that the proceedings paperwork, including notice of the substantive hearing, had been served on the Respondent, or was deemed served pursuant to Rule 45 of the Solicitors (Disciplinary Proceedings) Rules 2019 ("SDPR"). Accordingly, by virtue of Rule 36 of the SDPR the Tribunal had the discretion to hear the case in the Respondent's absence if that was fair in all the circumstances. The Tribunal noted that the differently constituted Panel of the Tribunal, which heard the case management hearing on 27 September 2021, had also been satisfied that service had been effected for the purposes of the SDPR.

7. The Tribunal had regard to the cases of R v Jones [2002] UKHL 5 and GMC v Adeogba [2016] EWCA Civ 162 which were relevant to whether the Tribunal should exercise its discretion to proceed in the Respondent's absence. The Tribunal gave due weight to the judicial comment in Jones that it is only in rare and exceptional cases that the discretion to proceed in a Respondent's absence should be exercised.

8. The Tribunal also had regard to the observations in Adeogba that in determining whether to continue with regulatory proceedings in the absence of the accused, whilst the principles outlined in Jones were the starting point, it was important that the analogy

between a criminal prosecution and regulatory proceedings should not be taken too far. In a criminal prosecution, steps could be taken to enforce attendance by a defendant; he or she could be arrested and brought to court. No such remedy was available to a regulator and in determining whether to continue with regulatory proceedings in the absence of the accused and the following factors should be borne in mind by a disciplinary tribunal:

(i) the tribunal's decision must be guided by the context provided by the main statutory objective of the regulatory body, namely the protection of the public;

(ii) the fair, economical, expeditious and efficient disposal of allegations was of very real importance;

(iii) it would run entirely counter to the protection of the public if a respondent could effectively frustrate the process and challenge a refusal to adjourn when that practitioner had deliberately failed to engage in the process; and

(iv) there was a burden on all professionals subject to a regulatory regime, to engage with the regulator, both in relation to the investigation and ultimate resolution of allegations made against them. That is part of the responsibility to which they signed up when being admitted to the profession.

9. The Respondent had not asked for an adjournment or engaged with the proceedings at all. Despite having every opportunity to engage, the Tribunal did not consider that there was any indication that the Respondent would participate in a hearing at a later date. The Applicant had taken all reasonable steps to contact and engage with the Respondent. The Tribunal accepted the characterisation of the Respondent's approach as one of active disengagement. She had been aware of the nature of the Applicant's investigation and concerns over her conduct and had (briefly) instructed a regulatory solicitor to represent her in December 2020. The Tribunal determined that the Respondent had voluntarily absented herself from the hearing and there was no good reason not to proceed. The allegations were of serious misconduct and the Tribunal was satisfied that in all the circumstances it was appropriate and in the public interest for the hearing to proceed in the Respondent's absence. There is a burden on solicitors to engage with their regulator, which included notifying the Applicant of changes of address and engaging with disciplinary investigations and hearings.

Application to amend the Rule 12 Statement

10. Mr Collis applied to amend the figure in allegation 1.1 which it was alleged that the Respondent had misappropriated from Client A. The Applicant sought to rely on the figure of £164,264 rather than the figure of £164,258.64 which had been included in the Rule 12 Statement. Mr Collis explained that the difference was due to the erroneous omission of the small client account balance from the figure used in the Rule 12 Statement. The revised figure represented the money allegedly misappropriated from Client A and it was this figure the Applicant sought to rely on. He submitted that the proposed amendment would result in no injustice to the Respondent who was well aware of the sum owed to Client A.

11. The Tribunal accepted that there was no prejudice caused to the Respondent. The proposed figure, and the basis for it, were clear from the documents to which she had access and the alleged amount owing to Client A was known to her. The application to amend the figure was granted. The allegation as set out above reflects this amendment.

Factual Background

12. The Respondent was admitted to the Roll of Solicitors on 1 November 1998. She was in sole practice trading as Campbell & Co Solicitors ("the Firm") since 8 June 2012. The Firm's head office was in Harrow and there was a branch office in Mayfair. The Respondent was the Compliance Officer for Legal Practice ("COLP") and Compliance Officer for Finance and Administration ("COFA") for the Firm.

Witnesses

13. There was no oral evidence during the hearing. The written evidence of witnesses is quoted or summarised in the Findings of Fact and Law below. The evidence referred to will be that which was relevant to the findings of the Tribunal, and to facts or issues in dispute between the parties. For the avoidance of doubt, the Tribunal read all of the documents in the case. The absence of any reference to particular evidence should not be taken as an indication that the Tribunal did not read or consider that evidence.

The relevant Principles, Rules from the Code and SARs

14. *Principle 1:*
You act in a way that upholds the constitutional principle of the rule of law, and the proper administration of justice.

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

Principle 4:
You act with honesty.

Principle 5:
You act with integrity.

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

Rule 1.4 of the Code:
You do not mislead or attempt to mislead your clients, the court or others by your own acts or omissions or allowed or being complicit in the acts or omissions of others (including your client).

Rule 4.2 of the Code:
You safeguard money and assets entrusted to you by clients and others.

Rule 7.3 of the Code:
You cooperate with the SRA, other regulators, ombudsmen, and those with a role overseeing and supervising the delivery of, or investigating concerns in relation to, legal services.

Rule 7.4 of the Code:
You respond promptly to the SRA and:
(a) Provide full and accurate explanations, information and documents in response to any request or requirement; and
(b) Ensure that relevant information which is held by you, or by third parties carrying out functions on your behalf which are critical to the delivery of your legal services, is available for inspection by the SRA.

Rule 5.1 of the SARs
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.

Findings of Fact and Law

15. The Applicant was required by Rule 5 of The Solicitors (Disciplinary Proceedings) Rules 2019 to prove the allegations to the civil standard (on the balance of probabilities). The Tribunal had due regard to its statutory duty, under section 6 of the Human Rights Act 1998, to act in a manner which was compatible with the Respondent's rights to a fair trial and to respect for her private and family life under Articles 6 and 8 of the European Convention for the Protection of Human Rights and Fundamental Freedoms.

16. **Allegation 1.1: Between 5 August 2020 and 20 July 2021, the Respondent misappropriated £164,264 from Client A;**

Allegation 1.2: Between 4 May 2020 and 20 July 2021, the Respondent misappropriated £17,000 from Client B;

and thereby breached Principles 2, 4, 5 and 7 of the Principles, Rule 4.2 of the Code, and Rule 5.1 of the SAR.

<u>The Applicant's Case</u>

16.1 The Applicant's case was that the Respondent misappropriated the funds of Clients A and B; their funds were paid into the Firm's client account and were funds which were due to be paid promptly to Clients A and B. The Rule 12 Statement included extensive detail about Clients A and B's matters and the Respondent's alleged handling of the money paid to the Firm.

Client A

16.2 On or around 6 April 2020, the Respondent was instructed to act on behalf of Client A in the sale of a property. The transaction completed on 5 August 2020 and proceeds of sale of £540,000 were paid into the Firm's client bank account on that date. The Firm's total fees and disbursements in relation to the transaction were £6,736. After deduction of these fees and disbursements, the proceeds of sale were £533,264. Client A instructed the Respondent to pay the proceeds of sale into the bank account of her son, Mr A.

16.3 Between 7 August 2020 and 14 September 2020, the Respondent made sixteen client account to office account transfers totalling £52,540, each referencing Property A. It was submitted that it may be inferred that these transfers were from the proceeds of sale of Property A. The Applicant's case was that there was no known justification for these transfers, which far exceeded the Firm's fees and disbursements.

16.4 By 1 September 2020, the Respondent had not transferred any funds to Mr A. Nevertheless, by that date, there was only £346,128.52 in the Firm's client bank account, considerably less than the £533,264 that ought to have been there from the proceeds of the sale of Property A.

16.5 The Respondent then arranged with Mr A to transfer the proceeds of sale in instalments of up to £50,000 per day through September 2020. The reason she gave for this was that, according to her, Barclays capped the transfers that she was permitted to make each day to £50,000, because she was abroad. The Respondent provided no evidence in support of this assertion.

16.6 Between 1 September 2020 and 30 September 2020, the Respondent made eight payments to Mr A totalling £369,000 (in instalments of between £34,000 and £50,000). This left an outstanding balance to pay of £164,264. By 30 September 2020, however, there was only £4,678.52 in the client bank account. This outstanding balance was never paid by the Respondent. An application to the Compensation Fund (a fund administered by the Applicant and funded by the profession) had been made on Client A's behalf to recover the money. Mr Collis stated that as at the date of the hearing the application was pending.

Client B

16.7 Client B instructed the Respondent to act on her behalf in respect of a personal injury matter. Client B's evidence was that liability was agreed prior to the Respondent's instruction, and that the Respondent was only needed to complete the final formalities. The Firm's fees were nevertheless 25% of the settlement award, or £5,750. Client B stated that she never received a breakdown of the Firm's fees or any bill.

16.8 On 9 April 2020 an agreed settlement of £17,000 was reached. Client B informed the Applicant that, according to NHS Resolution, payment was duly made. The Firm's bank statements showed a payment of £17,000 being paid into the Firm's client account by NHSLA on 4 May 2020. The Respondent did not transfer Client B's award to Client B. This money was never subsequently paid to Client B by the Respondent. Mr Collis stated that an award from the Compensation Fund had been made to Client B.

Alleged breaches of the Principles, Code and SARs

16.9 The Applicant's case was that the Respondent had misappropriated the funds of Clients A and B as set out above. Their funds were paid into the Firm's client account, they were funds which were due to be paid promptly to Clients A and B, the Respondent repeatedly accepted in correspondence with both clients that their funds were outstanding and should and would be transferred, the funds were not transferred, and by the date of the Rule 12 Statement there was only £5.16 in the client account. Additionally, the Respondent had transferred over £50,000 of Client A's funds to the Firm's office account without justification.

16.10 It was submitted that the Respondent had breached Principle 2 (upholding public trust and confidence) on the basis that the public expects solicitors to safeguard client funds, to pay over client funds promptly, and to only withdraw funds from client account to which they are entitled or where instructed or authorised. It was submitted that the public would be alarmed by a solicitor who misappropriated almost £200,000 of client money and then absconded abroad.

16.11 It was submitted that the Respondent had acted dishonestly, in breach of Principle 4. The Applicant relied on the test stated by the Supreme Court in Ivey v Genting Casinos [2017] UKSC 67:

> *"When dishonesty is in question the fact-finding tribunal must first ascertain (subjectively) the actual state of the individual's knowledge or belief as to the facts. The reasonableness or otherwise of his belief is a matter of evidence (often in practice determinative) going to whether he held the belief, but it is not an additional requirement that his belief must be reasonable; the question is whether it is genuinely held. When once his actual state of mind as to knowledge or belief as to facts is established, the question whether his conduct was honest or dishonest is to be determined by the fact-finder by applying the (objective) standards of ordinary decent people. There is no requirement that the defendant must appreciate that what he has done is, by those standards, dishonest."*

16.12 Applying that test, the Respondent's conduct was alleged to be dishonest because:

- She took money from the client account to which she and her Firm were not entitled. She was trusted to deal with it properly and to account to her clients for it. She failed to do this. The Respondent had not provided any explanation about the whereabouts of the money owed to Clients A and B and why she had not paid them.

- Between 7 August and 14 September 2020, the Respondent transferred a total of £52,540 with the reference 'Property A' (or similar) from the Firm's client account to office account. The Firm's fees and disbursements were just £6,736, and as such there was submitted to be no justification for these transfers. No explanation had been provided by the Respondent about the reasons for the transfers and what had happened to this money.

16.13 It was submitted that the Respondent had breached Principle 5 (acting with integrity). The Tribunal was referred to Wingate v SRA [2018] EWCA Civ 366, in which it was said that integrity connotes adherence to the ethical standards of one's own profession.

It was submitted that misappropriating client funds was conduct falling well below that standard and that a solicitor of integrity would not make improper payments out of the client account.

16.14 It was submitted that the Respondent had breached Principle 7 (acting in the best interests of her clients). This was on the basis it was in the best interests of Clients A and B for the funds to which they were entitled to be (i) safeguarded; and (ii) paid over to them promptly. Both clients reported suffering stress and anxiety as a result of their funds not being paid to them.

16.15 It was submitted that by dissipating the funds of Clients A and B from the Firm's client account, the Respondent failed to safeguard the funds entrusted to her and thereby breached Rule 4.2 of the Code (safeguarding money and assets).

16.16 The funds of Clients A and B were being held on client account for the purpose of being paid over promptly to Clients A and B. It was alleged the Respondent withdrew the funds for another purpose, without client instructions, authority from the Applicant or any justification. It was submitted she thereby breached Rule 5.1 of the SARs.

The Respondent's Case

16.17 The Respondent had not provided any response to the allegations or engaged with the proceedings in any way.

16.18 As summarised above, the documents before the Tribunal indicated that at various times the Respondent appeared to accept that the relevant sums were owed to Clients A and B. There were repeated references to efforts to make the payments in her correspondence.

16.19 However, the Respondent's position on the totality of the allegations and the specific breaches alleged was not known. The Tribunal approached all of the allegations on that basis that they were denied.

The Tribunal's Decision

16.20 As noted directly above, no response to the allegations had been received from the Respondent. The correspondence sent by the Respondent to Clients A and B, in which it was accepted that the relevant sums were owed, went some way to an acceptance of some of the underlying factual matrix alleged by the Applicant. However, the Respondent was not obliged to prove anything, and the burden of proof was on the Applicant.

16.21 The FIO report on which the allegations were based was detailed and supported by copy bank statements and copy correspondence to which the Tribunal was referred. The money received into the Firm's client account related to the sale of Client A's property and personal injury damages for Client B; the sums received (less professional charges and disbursements) were unambiguously client money. Without a reason to retain this money, the Respondent was obliged by the SARs to pay it promptly to her clients. The documentary evidence that she did not do so was overwhelming.

16.22 The Respondent had not provided an Answer to the allegations, engaged with the proceedings or given evidence and submitted to cross-examination. The Tribunal considered, by reference to Iqbal v SRA [2012] EWHC 3251 (Admin) and Practice Direction 5, that a solicitor would ordinarily be expected to give an account of their actions. The documentary evidence appended to the FIO's report was extensive, and there was no contrary evidence or explanation put forward by the Respondent or on her behalf. The Tribunal determined that it was appropriate to draw a negative inference from the Respondent's failure to engage and explain her actions.

16.23 The bank statements to which the Tribunal was referred showed that by 30 September 2020 (by when the Respondent had made eight payments to Mr A totalling £369,000) there was an outstanding balance to pay to him of £164,264. On that date there was only £4,678.52 in the client bank account. The witness statement from Client A, dated 19 October 2020, submitted in connection with the application for a freezing injunction, stated that £164,264 remained unpaid. By 6 January 2021 the balance on the Firm's client account was £5.16. Mr Collis had informed the Tribunal that a claim to recover this sum from the Compensation Fund was pending at the date of the substantive hearing. The Tribunal found that the sum of £164,264 was owed to Client A, had not been repaid, and had been removed from the Firm's client account; it had been misappropriated.

16.24 In addition, the Tribunal had been referred to bank statements showing sixteen transfers from the Firm's client account to the office account totalling £52,540. The Tribunal accepted the submission that the reference to Property A or similar on the statements indicated that the transfers were made from the proceeds of the sale of Client A's property. In any event, the fact that the client account balance was well below the balance due to Client A reinforced this finding. No justification was put forward for these transactions in any of the documentation to which the Tribunal was referred. The money being unambiguously client money, the Tribunal accepted on the balance of probabilities that this was because there was no justification.

16.25 Similarly, the bank statements to which the Tribunal was referred showed that £17,000 was received into the Firm's client account. The Respondent had stated in correspondence to Client B several times that this money would be transferred to Client B. It was not. The witness statement from Client B prepared for the Tribunal proceedings and dated 5 August 2021 stated that at that date she had still not received the damages money to which she was entitled. Mr Collis had informed the Tribunal that her claim to recover this sum from the Compensation Fund had been successful. The Tribunal found that this sum had also been misappropriated.

16.26 As stated above, the Tribunal considered that the weight of documentary evidence produced by the Applicant was overwhelming. The Tribunal found proved that the Respondent had misappropriated £164,264 from Client A and £17,000 from Client B. The Tribunal found to the requisite standard that the alleged breaches of Principle 7 (the duty to act in the best interests of each client) and Rule 4.2 of the Code (safeguarding money and assets) were accordingly proved. It could not be in any client's interests for their money to be misappropriated and by definition such conduct amounted to a failure to safeguard client funds. Rule 5.1 of the SARs set out the circumstances in which client money may be withdrawn from client account. None of the conditions applied to the transfers of the money held for Clients A and B out of

client account. The Tribunal found proved to the requisite standard that the Respondent's conduct breached this rule.

16.27 The Tribunal accepted the submission that public trust and confidence would be undermined by the misappropriation of client money. The protection of client money was a cornerstone of legal practice and public confidence would inevitably be undermined by such conduct. The Tribunal found the alleged breach of Principle 2 proved to the requisite standard.

16.28 The Tribunal had regard to the case of Wingate in which the test for conduct lacking integrity is set out. The Respondent's failures to protect of client money represented a clear failure to adhere to the ethical standards of the profession. At [101] in Wingate various examples of conduct lacking integrity were set out. These included subordinating the interests of clients to the solicitors' own financial interests and making improper payments out of the client account. Both were present in this case. The alleged breach of Principle 5 was proved to the requisite standard.

16.29 When considering the allegation of dishonesty, the Tribunal applied the test in Ivey set out at [74] of the judgment in that case, and accordingly the Tribunal adopted the following approach:

- firstly, the Tribunal established the actual state of the Respondent's knowledge or belief as to the facts, noting that the belief did not have to be reasonable, merely that it had to be genuinely held;

- secondly, once that was established, the Tribunal then considered whether this conduct would be thought to have been dishonest by the standards of ordinary decent people.

16.30 The Tribunal had found that the Respondent had misappropriated client money. She had been aware that the money due to Client A and Client B was client money and the purposes for which it was held. The correspondence from the Respondent to both clients made it clear that she was well aware that the money was owed to her clients. As an experienced COLP and COFA the Respondent was aware of the fundamental requirement to protect client money. She knew that she failed to meet the obligation to transfer the money owed to her clients and provided no explanation for this failure. In relation to the £52,540 transferred from the Firm's client to office account between 7 August and 14 September 2020, the Respondent had provided no justification or explanation for these transfers or what happened to this money. The Tribunal found that the Respondent must have been, and was, aware that the transfers were improper and that they took the balance of the Firm's client account below that which was owed to Clients A and B. She was plainly aware that the required payments to Client A and B were not made.

16.31 Applying the second stage of the Ivey test, the Tribunal had no doubt that ordinary decent people would regard such conduct as dishonest. The allegation of dishonesty (the breach of Principle 4) was proved to the requisite standard.

17. **Allegation 1.3: The Respondent misled Client A and Client B by representing that the sums would be or were being paid, when they were not, and thereby breached Principles 2, 4 and 5 of the Principles and Rule 1.4 of the Code.**

The Applicant's Case

17.1 This allegation built on the matters alleged in allegations 1.1 and 1.2. The Rule 12 Statement set out in detail the representations made by the Respondent to Client A and Client B about the payment of the money owed.

Client A

17.2 Having paid various instalments to Mr A, as set out above, the Respondent then appeared to have come to a further arrangement with Mr A whereby she would transfer the proceeds of sale to him by cheque. On 15 September 2020, the Respondent wrote to Mr A saying that "*as a matter of urgency the remittance for the balance of £333,264 has been mailed out this evening. Kindly confirm safe receipt*". As at 15 September 2020, the relevant Barclays account was only £180,714.52 in credit. On 21 September 2020, Mr A wrote to the Respondent stating that he had not yet received the cheque. The Firm's office manager responded to say "*I cannot confirm what day the cheque was posted or how long it will take to arrive from the USA (global pandemic) but I will contact you once it arrives at our office*".

17.3 On 24 September 2020 the Respondent wrote to Mr A by email and made reference to having made four consecutive payments in a row and her bank freezing her account, despite, it was said, having been informed of the scheduled payments ahead of time. The Respondent stated that her bank had suggested that payments were made every other day and/or varied and that they also capped the transfer to £50,000 per day. She stated "*I have today made a further payment of £45,000 and will continue to make further payments and keep you updated*." The Tribunal was invited to draw the inference from the above that no such cheque was ever sent out to Mr A and that this was part of a ruse intended to buy more time.

17.4 Between 2 October 2020 and 16 October 2020, the Respondent sent Mr A a series of emails purporting to show that she was seeking to arrange, and then that she had arranged, for the outstanding funds to be paid from her US bank account. They culminated in the following emails from the Respondent to Mr A on 13 and 18 October 2020:

- On 13 October 2020: "*The funds have definitely left my US account. The funds are definitely on their way over to you.*"
- Later on 13 October 2020: "*Payment has been confirmed to reach your account within 24-48 hours. The bank also had to carry our [sic] further DD based upon the value amount [sic] of the transfer and that the funds were being paid to a private individual.*"
- On 16 October 2020: "*the payment should be in your account. Please check with your back to see if it is pending*".

Based on subsequent events, it was asserted that no such payment was ever made. Again, the Applicant invited the Tribunal to draw the inference that this was part of a ruse intended to buy time.

17.5 On 12 October 2020, Mr A served a statutory demand on the Respondent in relation to the outstanding debt owed by the Respondent. On 21 October 2020, Client A filed an application for a freezing injunction to prevent disbursement by the Respondent of the proceeds of sale. On 29 October 2020, Client A issued a claim for return of the outstanding proceeds of sale. In relation to the injunction application, the Respondent failed to serve a skeleton argument by 3 November 2020, and to (ii) file and serve a witness statement explaining "*what has happened to the money and why it has not been handed over...*" At the hearing on 4 November 2020, the Respondent was directed to file by midday 7 November 2020 "*a witness statement explaining what has happened to the money and why it has not been handed over...".* The Respondent did not comply with that order.

17.6 On 10 November 2020, the Respondent wrote to Mr A's counsel stating "*Barclays will lift by Wednesday. I will be able to transfer, access and pay from the account*." On that date, however, there was to the Respondent's knowledge (and as evidenced by the relevant bank statements) only £10.16 on client account and so the transfer could not have been made from the account. Moreover, the account was said not to be frozen, and examples of two transfers made to third parties on 9 November 2020 were relied upon by the Applicant. On 12 November 2020, the Respondent wrote to Mr A's counsel stating "*I am awaiting confirmation today that the account is restored and will facilitate full transfer of the balance. Also shall be back in the office Tuesday*." On that date, there was only £1,210.16 on client account and so the "*full transfer of the balance*" could not have been effected. In any event, the account was not frozen and transfers continued to be made.

17.7 On 13 November 2020, Mr A renewed the application for a freezing injunction On 17 November 2020, the Respondent wrote to Mr A and his counsel saying: "*The international transfer was rejected by the receiving bank twice. I note that the Direct transfer from Barclays is still showing as 'pending'.*" On that date, there remained only £1,210.16 on client account and so the transfer could not have been pending.

17.8 On 26 November 2020, an employee of the Firm presented a cheque for £164,264, purporting to be signed by an "S Campbell", to Mr A. On 30 November 2020, that cheque was returned unpaid by the drawer's bank on the grounds that the signature on the cheque did not comply with the bank's mandate. As was clear from the bank statements, however, there would in any event have been insufficient cleared funds in the bank account to honour the cheque, even had the signatures matched.

17.9 On 27 November 2020, Foster J approved a freezing injunction, by consent. On 10 December 2020, the Respondent wrote to Mr A and his counsel stating "*the account has been guaranteed complete restoration no later than 16th December 2020 along with confirmation of payment of the pending transaction.*" At this time there was to the Respondent's knowledge only £5.16 on client account, and the account was not frozen because transactions continued to be made.

Client B

17.10 As set out above, the £17,000 personal injury award was paid into the Firm's client account on 4 May 2020 and not subsequently transferred to Client B. Client B chased the Respondent for payment several times. On 22 October 2020 the Respondent wrote to Client B saying that she had been preoccupied with a friend's cancer diagnosis and that she would resolve the issue within 5-7 days. As at 22 October 2020, there was to the Respondent's knowledge only £3,307.52 in the Firm's client bank account and, as stated above, there was already a shortage as a result of the sums still owing to Client A at that time.

17.11 By email to Client B dated 14 December 2020, the Respondent stated that her daughter had contracted Covid and she had been out of the office but would be returning on 18 December 2020 and would respond then. On 18 December 2020, Client B formally complained to the Firm. On 21 December 2020, the Respondent wrote that the funds would be transferred by no later than close of business on 22 December 2020. As observed above, by this stage there was only £5.16 in the client bank account. By email dated 24 December 2020 the Respondent said that her accounts department had mailed out a cheque in the sum of £11,250. Client B stated that no cheque was received. It was submitted that this appeared to have been a ruse. On 6 January 2021, the Respondent wrote that the funds would be arriving in two days and that there had been delays with the postal service. She added that if the funds were not paid in two days then a member of staff would deliver them personally. Again, there was only £5.16 in the Firm's client bank account by this date.

Alleged breaches of the Principles and Code

17.12 The Applicant's case was that the impression given by the Respondent's correspondence with Mr A and Client B was that the relevant funds remained available, that the reason they had not been paid was because of practical difficulties instructing the bank (rather than the fact that the funds were no longer available), and that she remained in a position to resolve the issue by making a transfer from the client account. It was alleged that the Respondent thereby misled both Client A and Client B.

17.13 It was submitted that the public would be alarmed by a solicitor who did not tell the truth to her own clients about the whereabouts of their funds and that the Respondent's actions had breached Principle 2 (upholding public trust and confidence).

17.14 It was submitted that knowingly misleading others, especially about the whereabouts of their funds, was dishonest (in breach of Principle 4) according to the standards of ordinary and decent people. The Respondent's conduct was alleged to be dishonest by reference to the Ivey test. Between September 2020 and December 2020, the Respondent continued to give the clear impression to Mr A and Client B that she had the funds, that the reason they had not been paid were practical problems instructing her bank associated with her being abroad, and that she was in a position to and would arrange for payment from the client account in short order. It was alleged that to her knowledge, none of this was or could have been true. The client account fell well below what was owed to Clients A and B. The Respondent knew this because she continued to have access to the client account and made regular transactions from it through to December 2020. The Respondent was alleged to have engaged in a sustained campaign

of lying about the whereabouts of the funds of Clients A and B, for a period of approximately eight months (in relation to Client B) and approximately four months (in relation to Client A).

17.15 Such conduct was also submitted to lack integrity (in breach of Principle 5) by reference to the test in Wingate, and to have misled her clients (in breach of Rule 1.4 of the Code).

The Respondent's Case

17.16 Again, as the Respondent's position on the totality of the allegations and the specific breaches alleged was not known, the Tribunal approached this allegation on that basis that it was denied.

The Tribunal's Decision

17.17 The Tribunal had found in relation to allegation 1.1 that the Respondent had misappropriated client money. The Respondent made multiple promises to both Client A and Client B in correspondence that payment of the money owed was imminent or in progress. The Tribunal was referred to copies of the emails summarised above under the Applicant's case.

17.18 The Firm's bank statements, to which the Tribunal was referred, showed that at the relevant times the Firm's client bank account contained insufficient funds to cover the payments which had been promised. The evidence of the Firm's bank statements, coupled with copies of emails from the Respondent in which promises of repayment were made, neither of which had been challenged at any stage by the Respondent, was again overwhelming.

17.19 The Respondent represented in several of her emails to Client A and Client B between September and December 2020, as summarised above, that there were various practical reasons for her failure to pay their money. The Tribunal accepted that the Respondent's emails represented that she was in a position to make the necessary transfers and that it was implicit that this would be from the client account (it being improper for the client money to have been removed from this account). By way of example only from the numerous emails in which such promises were made:

Client A:

- On 17 November 2020 the Respondent told Client A's agent (Mr A) by email that the direct transfer from Barclays was still showing as pending. On that date the money owed to Client A was £164,264 and the Firm's client account balance was £1,210.65.

Client B:

- On 21 December 2020, the Respondent told Client B by email that the funds would be transferred by no later than close of business on 22 December 2020. On that date the money owed to Client B was £17,000 and the Firm's client account balance was £5.16.

17.20 The Tribunal found that the Respondent had made misleading statements to both clients. Rule 1.4 of the Code requires that a solicitor must not mislead their client. The Tribunal found the breach of this rule proved to the requisite standard. The Tribunal accepted that the public would be deeply concerned by any solicitor who did not tell the truth to their client and that public trust and confidence in the profession and legal services provided by authorised persons would be undermined by the conduct found proved. The Tribunal found the alleged breach of Principle 2 proved to the requisite standard.

17.21 The Tribunal again applied the test for conduct lacking integrity outlined in Wingate. The Tribunal considered that misleading a client was a stark example of conduct falling far below the minimum ethical standards of the profession. The alleged breach of Principle 5 was proved to the requisite standard.

17.22 The Tribunal assessed the allegation of dishonesty by applying the test in Ivey and adopting the approach summarised above. The Tribunal had found that the Respondent had sent several misleading emails to Mr A (on behalf of Client A) and Client B between September and December 2020. The emails had given a false impression that payments were being or would shortly be made. The Respondent was aware that the representations she made about technical problems preventing transfers were false as she made unrelated transfers during this period. The Respondent was aware that the Firm's client account did not contain sufficient funds to cover the payments she stated were in progress or would be made imminently. The Tribunal found that the Respondent made a series of empty and misleading promises to clients over several months. Applying the second element of the Ivey test, the Tribunal found that ordinary, decent people would regard such conduct as dishonest. The Tribunal found the alleged breach of Principle 4 proved.

18. **Allegation 1.4: The Respondent misled the Applicant by representing that the Firm was in funds to pay Client A, when it was not, and thereby breached Principles 2, 4 and 5 of the Principles and Rule 1.4 of the Code.**

The Applicant's Case

18.1 On 20 October 2020, Client A made a report to the Applicant concerning the Respondent's failure to pay over the full proceeds of sale. On 26 October 2020, one of the Applicant's investigators wrote to the Respondent and asked her to explain why the balance of the proceeds of sale was yet to be transferred to Client A. The Respondent did not respond.

18.2 On 13 November 2020, another of the Applicant's investigators wrote to ask for an update on the Client A matter. The Respondent did not respond. On 24 November 2020, a chasing email was sent to the Respondent, reminding her of her professional obligations to cooperate with the regulator, and asking for a response by 1 December 2020. On 4 December 2020, the Respondent wrote to the Applicant saying that the outstanding sums would "*be released within 7-10 business days*". However, by that date, there was to the Respondent's knowledge only £5.16 remaining in the client bank account.

18.3 On 7 December 2020, the Applicant sent the Respondent notice of its decision to begin an investigation into the Firm. On 14 December 2020, one of the Applicant's investigators emailed the Respondent seeking, by return, a signed bank authorisation and confirmation that there were sufficient funds in the Firm's client account to pay Client A's balance and a range of other specified information and documents. The Respondent responded by return, confirming that there were sufficient funds to pay Client A's balance (she did not expressly say that these funds were in the client account).

18.4 Also on 14 December 2020, an investigator spoke to the Respondent by telephone. She explained that she had been away, accepted that she owed the money, and explained that the reason for her failure to pay it to date was practical difficulties in instructing her bank from abroad. By email dated 15 December 2020, the Respondent stated that she would provide bank statements upon her return to the UK and wished to cooperate fully with the Applicant. There was said to have been no substantive response to an investigator's further request for specified information and documents relating to the Client A matter.

18.5 On 16 December 2020, the Respondent instructed a regulatory solicitor to act on her behalf and provided his contact details to the Applicant. On 16 and 17 December 2020 the FIO chased again for the outstanding information and emphasised that the matter was urgent. On 17 December 2020 the Respondent's representative wrote to the FIO and stated he was instructed that the Respondent was collating the information and would endeavour to provide it by close of business that day. The FIO chased again on 21 December 2020, 4 January 2021, and 18 January 2021. On 28 January 2021, the Respondent's representative wrote that he was without instructions.

18.6 On 10 March 2021, 30 March 2021, and 1 April 2021, the FIO sent the Respondent emails seeking to arrange a regulatory interview with her, but she did not respond.

18.7 The impression given by the Respondent's correspondence and telephone call with the FIO was submitted to be that the funds owed to Client A remained available, that the reason they had not been paid was because of practical difficulties instructing the bank (rather than the fact that the funds were no longer available), and that she remained in a position to resolve the issue by making a transfer from the client account.

Alleged breaches of the Principles and Code

18.8 It was alleged that the conduct set out about breached the same Principles (2, 4 and 5) and Rule 1.4 of the Code as the previous allegation. Both allegations concerned allegedly misleading representations about the Firm being in funds to pay Client A and the breaches were alleged on the same basis in relation to the alleged misleading of the Applicant.

<u>The Respondent's Case</u>

18.9 Again, as the Respondent's position was not known, the Tribunal approached this allegation on that basis that it was denied.

The Tribunal's Decision

18.10 As set out above, having reviewed the FIO report and the underlying bank statements, the Tribunal had accepted the evidence put forward by the Applicant about the balance of the Firm's client account on various dates.

18.11 The Tribunal accepted that the Respondent made representations to the Applicant which were at odds with the balance of the Firm's client account. The Tribunal had been referred to copy emails sent from the Respondent to the Applicant including:

- 4 December 2020: the Respondent stated that the outstanding sums due to Client A would "*be released within 7-10 business days*" (when £5.16 remained in the client bank account); and

- 14 December 2020: the Respondent confirmed that there were sufficient funds to pay Client A's balance (£164,264) (when the client account balance remained £5.16).

The Tribunal accepted that the impression given by the Respondent was that the funds remained available and that this was misleading.

18.12 Rule 1.4 of the Code required the Respondent not to mislead others as well as her clients. The Tribunal found proved to the requisite standard that by sending the emails summarised above the Tribunal had misled the Applicant in breach of Rule 1.4. The Applicant regulated in the public interest and in this case the FIO's investigation sought, amongst other things, to identify whether there was a shortfall on the client account and whether client money was protected and available for the purposes for which it was supplied. In these circumstances the Tribunal accepted that the Respondent's conduct would undermine public trust and confidence in the profession and legal services provided by authorised persons. The alleged breach of Principle 2 was proved to the requisite standard.

18.13 Given the findings of fact above that the Respondent had misled the Applicant, in addition to her clients, the Tribunal's determination of the alleged breaches of Principle 4 (dishonesty) and Principle 5 (integrity) also mirrored those outlined in relation to the previous allegation. Applying the test for conduct lacking integrity in Wingate, the Tribunal considered that misleading her regulator was a further stark example of conduct falling far below the minimum ethical standards of the profession. The alleged breach of Principle 5 was proved to the requisite standard.

18.14 The Tribunal again approached the allegation of dishonesty by applying the test in Ivey. The Tribunal had found that, as a minimum, the Respondent had sent misleading emails to the Applicant in December 2020. The emails had given the false impression that funds were available for the payment of the money owed to Client A when the Respondent was aware that the Firm's client fund did not contain sufficient funds to cover these payments. As stated above in relation to the previous allegations, by virtue of the transactions she continued to conduct from the Firm's client account, and her position within the Firm including being the only person with access to the Firm's accounts, the Tribunal found that the Respondent was aware that her statements were misleading. Applying the second element of the Ivey test, the Tribunal found that

ordinary, decent people would regard such conduct as dishonest. The Tribunal found the alleged breach of Principle 4 proved.

19. **Allegation 1.5: The Respondent misled the Court, by failing to state that Client A's funds had already been dissipated and giving the impression that the funds would be repaid, and thereby breached Principles 1, 2, 4 and 5 of the Principles and Rule 1.4 of the Code.**

The Applicant's Case

19.1 On 9 December 2020, Client A issued a bankruptcy petition on the failure by the Respondent to comply with the statutory demand for the money owed. The Respondent was said not to have filed a court notice specifying grounds of objection to the making of a bankruptcy order. As set out above, around this time the Respondent was corresponding with Mr A and his counsel giving the impression that the funds owed to Client A remained available.

19.2 On 15 December 2020, the Respondent wrote to the Court as follows:

> *"I am currently absent from the UK and have been since March. I intended to vacation for a period of two weeks, however my daughter contracted corona virus, she was in a critical state which resulted in her being hospitalised. While undergoing routine tests, I was subsequently diagnosed […] which I am receiving treatment for while caring for my daughter.*
>
> *I wish to extend my sincere apology to the Court for non-compliance of the Order of the Honourable Mr Justice Hilliard dated 30 October 2020 and the Order of the Honourable Mrs Justice Ellenbogen dated 4 November 2020 no disrespect is intended to the Court for non-compliance. I have been unwell and I have not wanted to disclose my condition. I did however execute the previous consent orders and I had hoped that would have sufficed.*
>
> *...As a result of my unintended extended stay in the USA it was agreed that we [Mr A] would wait until my return to the UK at the end of August whereupon I would attend the branch and make the transfer. Unfortunately as a result of both illnesses I was unable to return to the UK as planned.*
>
> *It was agreed that I would send Mr A Fifty Thousand Pounds to Mr A's personal account (unbeknown to me before the sale, Barclays capped the daily transfers to £50,000 as a result of my absence from the UK for security reasons). After transferring 2 payments Barclays Bank placed a hold on the account, which prevented me from being able to even long [sic] into the account. After contacting their fraud department and correctly responding to their security questions the hold was subsequently released, further transfers were made resulting in a further hold on the account.*
>
> *An overseas payment to Mr A was attempted and rejected by the receiving bank.*
>
> *A Cheque payment was issued and returned unpaid.*

I have made arrangements to return to the UK this week to resolve this issue..."

19.3 The impression given by the above was submitted to be that the funds remained available, that the reason they had not been paid was because of practical difficulties instructing the bank (rather than the fact that the funds were no longer available), and that the Respondent was in a position to resolve the issue by transferring the funds in short order. The Respondent failed to mention that the funds had been dissipated and that to her knowledge only £5.16 remained in the Firm's client bank account on the date she wrote to the Court.

Alleged breaches of the Principles and Code

19.4 It was alleged that the conduct set out about breached the same Principles (2, 4 and 5 and Rule 1.4 of the Code) as the previous two allegations. This allegation again concerned allegedly misleading representations about the Firm being in funds to pay Client A. The breaches of the Principles and Rule 1.4 of the Code were alleged on the same basis in relation to the alleged misleading of the Court.

19.5 In addition, it was alleged that the conduct set out above breached Principle 1 (upholding the rule of law and the administration of justice). The Respondent was an officer of the Court. It was submitted that the Respondent misled the Court by creating the impression that she had the funds, had tried to transfer them to Client A, and would transfer them to Client A. It was further submitted that a solicitor can mislead the court by creating an impression even without expressly making a false statement (by reference to Brett v SRA [2014] EWHC 2974 (Admin)).

The Respondent's Case

19.6 The Tribunal approached this allegation on that basis that it was denied for the reasons set out above.

The Tribunal's Decision

19.7 The Tribunal had accepted that at the date of the email sent by the Respondent to the Court, the Firm's client account balance was £5.16. The Tribunal found that the impression created in the email sent to the Court was plainly at odds with that fact. The clear and obvious meaning of the Respondent's email to the Court was that the funds to make payment to Client A were available. This was not the case; the email was misleading.

19.8 As officers of the court, the requirement for all solicitors to act in a way that upholds the proper administration of justice was of critical importance. The Tribunal found that sending correspondence to the Court, within proceedings and for her own advantage, which was misleading to a very significant degree, represented a clear failure to act in way which upheld the proper administration of justice. The alleged breach of Principle 1 was proved to the requite standard. The Tribunal considered that misleading the Court was conduct which would inevitably undermine public trust and confidence in the solicitors' profession and in legal services provided by authorised persons. The alleged breach of Principle 2 was also proved to the requisite standard.

19.9 The finding that the Respondent had misled the Court, in ways similar to her misleading of her clients and regulator, meant that the Tribunal's determination on the alleged breaches of Principle 4 (dishonesty) and Principle 5 (integrity) also mirrored those outlined in relation to the previous allegations. Applying the test for conduct lacking integrity outlined in Wingate, the Tribunal considered that misleading the Court was another clear example of conduct falling well below the minimum ethical standards of the profession. The alleged breach of Principle 5 was proved to the requisite standard.

19.10 The Tribunal again approached the allegation of dishonesty by applying the test in Ivey. The Tribunal had found that the Respondent's email to the Court of 15 December 2020 was misleading. It was misleading in the same way as the emails which had misled her clients and the Applicant. The Tribunal had found that the Respondent knew that funds were not available in the Firm's client account to pay the money owed to Client A. The Tribunal found she knew that her email conveyed a misleading impression to the Court. Applying the second element of the Ivey test, the Tribunal found that ordinary, decent people would regard such conduct as dishonest. The Tribunal found the alleged breach of Principle 4 proved.

Previous Disciplinary Matters

20. There were no previous Tribunal findings.

Mitigation

21. The Respondent had not taken the opportunity to engage with the proceedings and outline any mitigating factors. The documents before the Tribunal included unevidenced references to personal and health pressures on the Respondent. She had an otherwise unblemished disciplinary record since her admission to the Roll of Solicitors in 1998.

Sanction

22. The Tribunal referred to its Guidance Note on Sanctions (8th Edition) when considering sanction. The Tribunal assessed the seriousness of the misconduct by considering the level of the Respondent's culpability and the harm caused, together with any aggravating or mitigating factors.

23. In assessing culpability, the Tribunal found that the motivation for the Respondent's conduct was an attempt to buy additional time, presumably in order to seek to deal with or deflect her culpability for the significant shortfall on the client account. Her conduct was planned; there were multiple emails involved, which were sent to two clients, the Applicant and the Court between, as a minimum, September and December 2020. The conduct was sustained and could not be described as spontaneous. She was an experienced solicitor, having been in sole practice since 2012 and having been admitted to the Roll in 1998. The Tribunal found that the Respondent was fully responsible for her actions, with a high degree of culpability.

24. The Tribunal then turned to assess the harm caused by the misconduct. The conduct caused direct financial loss to Clients A and B. The sums involved were very significant, amounting to a combined total of over £180,000. The distress and

inconvenience caused was very substantial. The Respondent's clients had been cynically misled. The significant reputational harm to the profession of a solicitor misappropriating client money and misleading clients, the regulator and the Court, was something which would have been obvious to the Respondent.

25. The misconduct found proved was aggravated by the fact that it included multiple findings of dishonest conduct. The conduct was repeated and extended over time. The fact that the Respondent would have known that dishonestly misappropriating client funds and then making misleading statements about those funds was conduct in material breach of her obligations as a solicitor to protect the public and the reputation of the legal profession was a significant aggravating factor. The Tribunal considered the Respondent's conduct to be an inexcusable and egregious departure from the standards required of all solicitors. It was an abysmal example of dishonest behaviour towards clients, the Court and the regulator

26. In mitigation, the Tribunal noted that the Respondent had no prior disciplinary findings against her. Partial payment, made by instalments, had been made to Client A which represented some very limited degree of mitigation.

27. The Tribunal had regard to the case of SRA v Sharma [2010] EWHC 2022 (Admin), and the comment of Coulson J that, save in exceptional circumstances, a finding of dishonesty will lead to the solicitor being struck of the Roll of Solicitors. The Tribunal was not persuaded that any exceptional factors were present such that the normal penalty was not appropriate. As stated in Sharma, in considering what amounts to exceptional circumstances, relevant factors will include the nature, scope and extent of the dishonesty itself; whether it was momentary, or over a lengthy period of time; whether it was a benefit to the solicitor, and whether it had an adverse effect on others. The nature of the dishonesty involved misappropriating substantial client funds and making misleading statements about her ability to pay the money owed to her clients. The conduct related to two clients, and the misleading statements included statements made to clients, her regulator and the Court. It was not momentary, benefitted the Respondent personally, and had a significant and direct impact on others.

28. Having found that the Respondent had acted dishonestly, the Tribunal did not consider that a reprimand, fine or suspension were adequate sanctions. The Tribunal had regard to the observation of Sir Thomas Bingham MR in Bolton v Law Society [1994] 1 WLR 512 that the fundamental purpose of sanctions against solicitors was:

> *"to maintain the reputation of the solicitors' profession as one in which every member, of whatever standing, may be trusted to the ends of the earth".*

The Tribunal determined that the findings against the Respondent, including dishonesty, required that the appropriate sanction was strike off from the Roll.

Costs

29. The Applicant's costs were set out in a statement dated 2 November 2021. Mr Collis applied for these costs of £29,434.40. Of this figure, £7,234.40 represented the Applicant's own investigation costs and the remainder was Capsticks' fixed fee (and VAT). Capsticks' fee included external counsel's fees of £3,870. Mr Collis noted that

the hearing had taken only one day, rather than the anticipated three. Whilst it was based on a fixed fee, the hours spent on the matter (having deducted two days from the schedule) translated to a notional hourly rate of just over £150 per hour which Mr Collis submitted was reasonable. Mr Collis stated that a bankruptcy order had been made in March 2021 and that in the event of an award of costs from the Tribunal the Applicant would join any other creditors of the Respondent and would negotiate with her based on the Tribunal's award.

30. The Tribunal assessed the costs for the hearing. The Tribunal had heard the case and considered all of the evidence. The Tribunal carefully reviewed the schedule of costs. Fees for attendance at the hearing for the advocate and a supporting lawyer were included for all three anticipated days. Given that the anticipated second and third days had not been required, the Tribunal considered that it was appropriate to deduct 24 hours (6 hours each for the advocate and supporting lawyer for both days) from the total time incurred. The Tribunal noted that the £150 hourly rate mentioned by Mr Collis was notional. Based on its careful review of the schedule of costs claimed, the complexity and documentation involved in the case and its experience of comparable cases, the Tribunal considered that it was appropriate to reduce the costs claimed by £4,320. This sum was calculated by applying the £150 notional hourly rate to the 24 hours which were included in the schedule of costs but were not required (and adjusting to account for VAT).

31. The Respondent had not provided any Statement of Means. In line with its Standard Directions, of which the Respondent had received a copy, the Tribunal consequently proceeded without regard to her means. The Tribunal ordered the Respondent to pay the Applicant's costs of and incidental to this application fixed in the sum of £25,114.40.

Statement of Full Order

32. The Tribunal ORDERED that the Respondent, SANDRA CAMPBELL, be STRUCK OFF the Roll of Solicitors and it further Ordered that she do pay the costs of and incidental to this application and enquiry fixed in the sum of £25,114.40.

Dated this 24th day of November 2021
On behalf of the Tribunal

E. Nally
Chair