



# **Sally Louise Hutchings**

## **Solicitor**

### **161957**

**Agreement Date: 15 April 2025**

## **Decision - Agreement**

Outcome: Regulatory settlement agreement

Outcome date: 15 April 2025

Published date: 21 April 2025

## **Firm details**

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

Name: Morr & Co LLP

Address(es): Connect House, 133 – 137 Alexandra Road, London SW19 7JY

Firm ID: 440504

## **Outcome details**

This outcome was reached by agreement.

### **Reasons/basis**

#### **1. Agreed outcome and undertakings**

1.1. Sally Louise Hutchings, a Solicitor and Legal Director of Morr & Co LLP (formerly Morrisons Solicitors LLP - 'the Firm') of Connect House, 133 - 137 Alexandra Road, Wimbledon, London SW19 7JY agrees to the following outcome of the investigation into her professional conduct by the Solicitors Regulation Authority Limited ('SRA') under reference number RGC-000072714:

- i. that she is fined £13,500.00;
- ii. that she pays costs to the SRA in the sum of £10,000;
- iii. that she undertakes to attend relevant courses, as set out in paragraph 4 below; and
- iv. to the publication of this Agreement.

#### **2. Summary of Facts**



2.1. In January 2021, the Firm was instructed to act for Client A in a dispute with its bank which had frozen Client A's account. The fee earner handling the matter was Ms Hutchings and a client care letter was sent in her name.

2.2. On 15 January 2021, the Firm sent a Letter before Action to the bank requesting the immediate unblocking of the account, stating that the bank had no reasonable belief the account was being used for fraudulent purposes and that proper notice and reasons must be provided for any withdrawal of banking facilities.

2.3. On 19 January 2021, Ms Hutchings wrote to solicitors representing the bank, insisting that the bank restore the banking facilities or transfer the balance of the account to the Firm's client account.

2.4. On 20 January 2021, the Firm wrote to the bank's solicitors stating that the bank was breaching the terms of the account and threatened to apply for an urgent injunction unless banking facilities were restored or the balance transferred.

2.5. On the same day, Ms Hutchings emailed Client A1 (of Client A) to inquire whether the funds could be transferred to a different account. Client A1 confirmed that the funds should be sent to the Firm's client account.

2.6. On 28 January 2021, the Firm wrote to the bank's solicitors requesting confirmation that the funds would be transferred to the Firm's account by 16:00 on 29 January 2021.

2.7. The matter proceeded to a High Court application by Client A for an injunction against the bank.

2.8. The High Court proceedings were concluded by a Consent Order pursuant to which Client A was required to confirm the payee details and the bank to which the funds should be transferred by 12:00 on 3 February 2021.

2.9. A payment of £1,547,462.31 was made by the bank's representatives into the Firm's client account on 3 February 2021 after Client A1 had confirmed the Firm's client account details with Ms Hutchings and provided them to the Bank. Ms Hutchings case is that she was instructed by Client A that it had no bank account to which the released funds could be sent, its account having been frozen.

2.10. The funds were used to settle invoices rendered by the Firm in the course of and relating to the dispute with the bank leaving a balance of £1,438,507.31 in the client account.

2.11. On 15 February 2021, Client A1 emailed Ms Hutchings requesting a letter to send to the bank explaining that the funds belonged to Client A



and outlining the source of funds and wealth.

2.12. On 16 February 2021, Ms Hutchings replied with a draft letter stating that the Firm represented Client A and held £1,438,507.31 in the client account, with the funds generated from trading income and seed capital from high net worth investors.

2.13. On 25 February 2021, £514,528.18 was transferred to a third party, at the instruction of Client A1 and authorised by Ms Hutchings.

2.14. On 12 March 2021, a further £225,000.00 was transferred to the same third party which transfer was again on the client's instructions and authorised by Ms Hutchings.

2.15. On 16 March 2021, Client A1 requested a letter confirming the balance of funds held, and Ms Hutchings provided a letter stating that £667,380.13 was held in the Firm's client account.

2.16. On 29 March 2021 and 14 April 2021, £420,000.00 and £247,635.13 respectively were transferred to the same third party and both payments were authorised by Ms Hutchings.

### **3. Admissions**

3.1. Ms Hutchings makes, and the SRA accepts, the following admissions:-

3.1.1. Between 3 February 2021 and 14 April 2021, she caused or allowed receipts into, and payments from, the Firm's client account for Client A, in circumstances other than in respect of an underlying legal transaction being undertaken by the Firm or in respect of the delivery by the Firm of normal regulated services.

3.1.2. In making the admission above, Ms Hutchings therefore admits, in respect of the allegation that she breached:

- i. Rule 3.3 of the SRA Account Rules; and
- ii. Principle 2 of the SRA Principles.

### **4. Undertaking**

4.1. Ms Hutchings undertakes that she will:-

4.1.1. Within two months of this agreement enrol on courses from third party providers relating to (a) anti money laundering, and (b) SRA Accounts rules and handling client money (to include covering Rule 3.3 of the SRA Accounts Rules), attend those courses within six months of this agreement and provide confirmation or certificates of completion to the SRA if so required.



## **5. Why is a fine an appropriate outcome**

5.1. The SRA's Enforcement Strategy sets out its approach to the use of its enforcement powers where there has been a failure to meet its standards or requirements.

5.2. The SRA considers that the failing by Ms Hutchings was serious because:

5.2.1. Ms Hutchings allowed the Firm's client account to be used as a banking facility, for no other reason than the convenience of the Firm's client in breach of SAR 3.3.

5.2.2. By allowing Client A to use the Firm's client account as a banking facility and transferring the proceeds of an account that had previously been frozen to a third party when the purpose of the retainer had come to an end she risked harming the reputation of the profession.

5.3. When considering the appropriate sanction in this matter, the SRA has taken into account:

5.3.1. Ms Hutchings' failings occurred in the context of a single case, as she regarded the funds as being akin to the proceeds of litigation;

5.3.2. Prior to this incident she has had an unblemished career;

5.3.3. She has fully engaged with the SRA's investigation; and

5.3.4. She has demonstrated remorse and insight into her conduct.

5.4. The SRA considers that a fine is the appropriate outcome because the admitted conduct was serious but a referral to the Solicitors Disciplinary Tribunal is not necessary in order to maintain the public's trust in the profession or to maintain the professional standards. A proportionate sanction can be imposed using the SRA's internal powers.

## **6. Acting in a way which is inconsistent with this agreement**

6.1. Ms Hutchings agrees she will not act in any way that is inconsistent with this agreement by, for example, denying the misconduct admitted in paragraph 3.1 above.

Ms Hutchings understands that if she acts inconsistently in any way with this agreement, for example by denying the allegations, then all issues may be referred to the SRA for reconsideration, including that there be referral to the Solicitors Disciplinary Tribunal on the original facts and allegations and also on the basis that such failure to comply constitutes a breach of Principles 2 and 5 of the SRA Principles and paragraph 7.3 of the SRA Code of Conduct for Solicitors, RELs and RFLs.



6.2. Ms Hutchings also understands that if the undertaking contained in paragraph 4.1 above is not complied with, then this may constitute a breach of Principles 2 and 5 of the SRA Principles and paragraph 1.3 of the SRA Code of Conduct.

## **7. Publication**

7.1. The SRA considers it appropriate that this agreement is published in the interests of transparency in the regulatory and disciplinary process. Ms Hutchings agrees to the publication of this agreement.

## **8. Referral to Tribunal**

8.1. By entering into this Agreement, the SRA confirms that the decision to refer Ms Hutchings' conduct to the Solicitors Disciplinary Tribunal dated 18 March 2024 will not proceed.

The date of this agreement is 15 April 2025

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