

IN THE FAMILY COURT AT MIDDLESBROUGH

Russell Street
Middlesbrough

Before HER HONOUR JUDGE MORETON

IN THE MATTER OF

JOANNE HEATHER WALTON

(Applicant)

-v-

LEE CHRISTOPHER WALTON

(Respondent)

THE APPLICANT appeared in person
THE RESPONDENT appeared in person

JUDGMENT
7th JANUARY 2025
(AS APPROVED)

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JUDGE MORETON:

1. The court is dealing with a notice to show cause that has been filed by the applicant to these proceedings, Joanne Heather Walton, as to why Lee Christopher Walton, the respondent to the proceedings, should not be committed to prison, or otherwise punished, for failure to comply with a court order dated 17 April 2024, in particular in relation to the paragraphs numbered 3, 4, 5, 6, 7 and 8, to provide additional information and documentation in relation to the parties' and in particular his financial circumstances, such that the court is in a position to determine the financial remedy proceedings.

2. This matter initially came before the court on 15 October 2024 when the court considered paragraphs 3, 4, 5 and 6 of the alleged breaches. When those breaches were put to Mr Walton initially, he did not admit breach of paragraph 3, but he did admit to breaches of paragraphs, 4, 5 and 6. However, as the hearing progressed and as his evidence evolved, he did accept that he was in breach of paragraph 3 of the order of 17 April 2024, in addition to the other paragraphs already referred to.

3. Consequently, in terms of paragraphs 3, 4, 5 and 6 of the order of 17 April 2024, the court found that those alleged breaches of those provisions were proved, and that is set out in the order from 15 October 2024.

4. In relation to paragraphs 7 and 8, the respondent did not admit that he was in breach of these paragraphs, and he maintained that he had no knowledge of any [REDACTED] bank account in his name, nor did he have any knowledge of the receipt of payments referred to by the applicant to the [REDACTED] bank account, namely the sums of £25,000 and £20,000 respectively, on 8 June 2020.

5. The court adjourned consideration of those alleged breaches to the hearing today, to allow Mr Walton an opportunity to make further enquiries, and consequential orders were made in relation to providing him with an opportunity to provide additional evidence in relation to the existence of a [REDACTED] bank account and in relation to those specific transactions that I have already referred to, or in the alternative, to provide evidence that he had no relationship with that bank account.

6. Mr Walton did subsequently file evidence from [REDACTED] Bank in relation to the account number [REDACTED], albeit the court notes that that was not filed in accordance with the timescales required in the order of 15 October 2024, and not filed independently of his Updated Form E, that was ordered to be filed by way of a separate order, the court also noting that the Updated Form E was also filed late, and only after the court itself had obtained the information from [REDACTED] bank and served the same on the parties. The court

obtained the court itself directly from [REDACTED] bank because of Mr Walton's failure to obtain the information as required by the order of 15 October 2024. Mr Walton was warned in the order dated 15 October 2024 that it would take this step if he failed to comply with the order. This disclosure clearly demonstrates that the [REDACTED] bank account in question, namely account number [REDACTED] is an account that is held in his sole name and the account clearly sets out the payments into the account of the transactions that I have already referred to.

7. The court, at the outset of this hearing, reminded Mr Walton of his right to silence, of his right not to incriminate himself, and the right to be legally represented. Mr Walton acknowledged all of those provisions and confirmed that he did not seek to be legally represented at the hearing. Mr Walton then proceeded to give evidence to the court on oath, in relation to the outstanding alleged breaches.

8. In light of the clear existence of the account and the account being held in his name, and there being evidence of the identified transactions already referred to, being paid into the account on 8 June 2020, as alleged by the applicant, the court did put questions to Mr Walton to try and establish his position in the context of his previous position to the court, that he had no knowledge as to the existence of the said bank account, or of the said transactions.

9. Mr Walton explained to the court that now, having made enquiries of [REDACTED] Bank pursuant to the court order of 15 October 2024, he has been able to establish that he did set up this account, and he proceeded to explain that the account was held in his sole name on the basis that it was a trading account for his unincorporated business, namely Scullery Driffield.

10. It is evident to the court from the nature of the transactions on the account that the account was used for day-to-day expenditure, and Mr Walton was asked about that. He was further specifically asked about the fact that there were over £90,000 worth of substantial credit transactions in addition to more minor credit payments to the account during a very short period, which is in fact a period of five months, from 1 April 2020 to 9 September 2020, the substantive credit transactions being £9,900 from Scullery, £25,000 and £20,000 from the TW Driffield account from Starling, and then £25,000, £9,000 and £3,000 from the Scullery business account.

11. Notwithstanding these significant transactions and the fact that the account was used by Mr Walton for what appears to be day-to-day expenditure, Mr Walton maintains that he could not remember the existence of this account or of using this account on a day-to-day basis, and he explained this as being due to the fact that he was high on cocaine and he also

reiterated that he had no recollection of the receipt of the £20,000 and £25,000 that is specifically in issue in the disclosure sought into this account.

12. Mr Walton explained to the court that the reason why there were direct debits associated to the account, and that he could not recollect them, was because they would have been set up at the time that the account was opened, and in relation to ad hoc spending on the High Street, his explanation to the court was that his son had a card to the account and he may have used it.

13. I find Mr Walton's explanation that he had no knowledge of the account or payments into the account of £20,000 and £25,000 specifically from TW Driffield to be implausible, particularly given the substantive nature of the sums being transferred into the account, and specifically these sums when also looking at the totality of the sums in issue, and of course, the actions and nature and the manner in which the account was operated on a day-to-day basis. I therefore conclude that Mr Walton has lied to the court when he says that he had no recollection of the existence of the account or knowledge of the transfer of the sums of £20,000 and £25,000 to the account.

14. Furthermore, I also note that when Mr Walton was asked as to why he did not comply with the order of 17 April 2024 to disclose the existence of the account and specifically provide copy bank statements, on the basis that he could have made the same enquiries that he says he has now undertaken, back in April 2024, it was evident to the court that Mr Walton had made a conscious decision not to do so, because, in his words, and I quote "I didn't want the debt clock restarting."

15. This further supports the position that Mr Walton was fully aware of the existence of this account, at the very least, in April 2024, although I do find that he did have knowledge of the existence of this account and the transactions in issue throughout these proceedings and throughout the period the account was open, and this position is, of course, contrary to what he has told the court since April 2024, namely that he has no recollection as to the existence of the account or of those transactions.

16. In relation to paragraphs 7 and 8, Mr Walton did plead guilty to the alleged breaches whilst giving his evidence, but did seek to justify, or at least mitigate the same, explaining that this was due to mental reasons.

17. When considering the breaches overall, notwithstanding the fact that in reality all of the breaches have eventually been admitted to, I note that this has been done begrudgingly and only when the reality of the situation was put to him when giving evidence, and when making such admissions have been made, they have all been invariably with caveats and/or

explanations of mitigation, notwithstanding that such mitigation has not been substantiated with evidence.

18. I take account of the fact that these types of proceedings, divorce proceedings with associated financial remedy proceedings, can mean that there are heightened emotions between parties, but even taking that into account, Mr Walton's compliance with court orders, and in particular the order in issue, the order of 17 April 2024, is significantly worse than the majority of other situations where parties do not comply with court orders. His failure to comply with orders has been a consistent feature of this case and continues to date.

19. Mr Walton has failed to show any remorse for not complying with the court order dated 17th April 2024, and indeed, when discussing with him outstanding disclosure that is required, which follows from his failure to comply with aspects of my order from 15 October 2024, in particular, providing copy bank statements for the company Keld Cleaning Company Limited and Linen Lady Limited, Mr Walton was intransigent and maintained that he would only comply with this disclosure, effectively, on his terms, namely that documentation should not be disclosed to Mrs Walton, he would say, for commercially sensitive reasons.

20. Mr Walton clearly has no regard for orders of the court and his past failures to comply with court orders, including the order of 17 April 2024, clearly demonstrates that he only complies with orders, or parts thereof, if it suits him.

21. Given the extent of Mr Walton's failure to comply specifically with the order of 17 April 2024, the court does find that the alleged breaches of paragraphs 3, 4, 5, 6, 7 and 8 are proved. On that basis, the court proceeds to sentence. I will proceed to sentence Mr Walton in relation to paragraphs 7 and 8 initially.

22. In relation to paragraph 7, I consider this to be the most significant breach for the reasons that I have already set out, that I find that Mr Walton deliberately and consciously decided not to comply with the order of the court in April 2024 to provide the [REDACTED] Bank statements, and that he subsequently lied to the court in that regard, by seeking to maintain that he had no knowledge of the existence of the account. On that basis, I sentence Mr Walton to a period of 28 days of imprisonment, which will be suspended on terms which I will deal with in due course.

23. In terms of paragraph 8, this effectively very much mirrors the issues that I have already made reference to in terms of paragraph 7. Mr Walton maintained that he had no recollection of receipt of the sums of £25,000 and £20,000 to the [REDACTED] Bank account, of course, his position being that he had no knowledge of this bank account in any event. I have

found that he has lied in this regard and I therefore sentence him to a period of 28 days of imprisonment, again suspended on terms.

24. In relation to paragraph 3 and 4, 5 and 6, I sentence him to 14 days' imprisonment for each breach, again to be suspended on terms. All of these sentences will run concurrently, and therefore the total period of imprisonment to be suspended is a period of 28 days.

25. The sentence will be suspended until the conclusion of the financial remedy proceedings, to include the implementation of any final financial remedy order. That concludes my judgment in relation to the committal proceedings.

END OF JUDGMENT RE. COMMITTAL