

28/06/2016

Well – we do indeed live in interesting times!

And it's been a very interesting and busy time for SME Alliance (which is why this newsletter has been so long in coming). We've had some very successful and exciting meetings of late – no least, our own meeting on the 18<sup>th</sup> May with RGL and Marcus Sinclair which was very positive, as well as meetings in Parliament and meetings with the Police and MP's. We have plenty of plans in the pipeline for future meetings and events which of course includes the '34<sup>th</sup> Cambridge International Symposium on Economic Crime'. And as for Brexit, whether people voted in or out seems almost beside the point while our internal political system seems to have gone into melt down! What all this means for SMEs no one really knows as yet but one thing's for sure – it doesn't change the problems our members are having with banks and it doesn't alter our overall goal of getting 'access to justice'. And we have been progressing with this.

Here's a roundup of what's been happening at SME Alliance over the past couple of months:

### **Follow up on the Richard Samuel proposal for a Tribunal to deal with financial disputes.**

On 24th May we attended an event in Parliament hosted by Callum Kerr MP for the APPG. The speakers, other than Richard and Callum were Cat MacLean from MBM in Scotland, Alison Loveday from Berg and me for SME Alliance. Leaving aside any personal views from members about lawyers, many valuable points were made by everyone and both Cat and Alison spoke very eloquently.

Both mine and Cat's speeches are on our website: <http://www.smealliance.org/blog/justicecat-maclean-speech-in-westminster-24th-may-2016-for-appg-on-barriers-to> <http://www.smealliance.org/blog/-can-a-financial-tribunal-system-kick-start-cultural-change-in-banking>

We have another meeting in Parliament on 18th July to progress the discussion and we are getting more and more political support for an alternative resolution system. But we also need to make the public aware what's happening with so many SMEs and to that end our good friend Brian Basham (who was so instrumental in launching Help for Hero's) is presently helping us with a major initiative to be announced soon. Watch this space!

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## The Police

I am both pleased and surprised to announce that various police forces across the Country are finally taking an interest in members cases. In particular the Scottish police have said they will liaise with police forces to see who else has received allegations against RBS.

I can't go into individual cases – not least because we don't want to prejudice any individual circumstances or possibilities but I can definitely confirm there has been a change in attitude from the police – which must surely mean a change in the political attitude.

Earlier this month several members of SME Alliance met with Norman Lamb MP and the Deputy Chief Constable of Norfolk to give them evidence of potentially criminal conduct by banks. As a result of that meeting Norman Lamb MP and David Hanson MP are writing to Theresa May MP and Sajid Javid also enclosing a letter from Andy Keats that lays out the various examples of potential criminality we have collectively identified. The letter will be going out soon and I have asked Mark Wright who is Norman Lamb's constituent to request permission for us to publish the letter after Ms May and Sajid Javid have had it.

The other outcome is that the Deputy Chief Constable of Norfolk is making enquiries of all police forces to ascertain how many people have reported issues to the police.

Therefore, if anyone believes their case has an element of criminality in it, now is the time to report it to your local police. Even if you have already done so and got the usual line about “this is a civil matter”, please do it again and ask for a crime number or, at the very least a reference number which will confirm you have made the allegation. Also, please notify us if you have contacted the police so we can start keeping a count of how many members believe their bank is guilty of criminal conduct.

## **Private Criminal Prosecutions**

As members will know we have been progressing the possibility of Private Criminal Prosecutions and Andy Keats has been working on one such case over the last few months. Again, I can't go into detail but I can confirm two people have been charged with criminal offences and will be standing trial in July. As charges have been made the case is now subject to sub-judice but we will publish the outcome at the end of July.

This case has shown just how positive, straight forward and cost effective a PCP case can be. I will ask Andy to document the whole process of this particular case as soon as it is over. Of course, in the majority of cases a PCP won't result in any financial resolution except that where a bank employee has been found guilty of a criminal offence it will be much harder for a bank to protest its innocence in a civil court.

## **Criminal Prosecutions**

It is now over nine years since Paul and I first identified potential irregularities at HBOS Reading in 2007. It took until 2009 to get the FSA involved, until 2010 to get the police involved and, even although the majority of arrests happened in 2010, it has taken a further six years to bring the matter to Court. So "justice delayed is justice denied" has definitely applied here and sadly, at least four victims of HBOS Reading have died and will never see justice. Others are suffering serious illness – although I am happy to say my good friend Julia, has made the most remarkable recovery. She still has cancer but she has gone from death's door to living a relatively normal life in a few months.

To the best of my knowledge, even now, the management of Lloyds Banking Group are adamant in their position that no one affected by events originating at HBOS Reading should be compensated. Ridiculously, I was recently advised by a senior person at the FCA that the victims may be out of time to instigate a civil case against the bank. So it takes three years for the authorities to investigate potential criminality, six years for them to prosecute the suspects and now they would have us believe the victims have run out of time to get justice.

I don't buy into this scenario at all. The allegations include fraud and fraud apparently vitiates all else including time scales. Personally I am sticking to plan B but I wanted to let members know that the HBOS Reading trials will be starting on 12th September 2016 and despite the endless delays, that is still a victory for the SME sector.

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## **Civil Cases**

I think we were all disappointed and surprised that founder member Andy Quio, after waiting 16 weeks (I think it was 16) for a judgement in his case against RBS, then received a totally negative outcome. I don't know the details or if Andy intends to Appeal the decision but we send him and his family our best wishes.

I know some of our advisers have had some very successful outcomes recently and it is frustrating that, as always, the price of success usually involves an NDA – so we can't say anything. But the important thing is that some cases are winning.

On the other had we continue to hear of outrageous cases where no amount of rational mediation (including giving banks what they say they want) brings about a resolution. In some cases (again no names) it seems the banks only desire is not to get its money back but just to keep its clients asset – even if achieving this costs more than the asset is worth. It makes no sense – although there will obviously be a reason for this which ordinary folk like us fail to see.

I heard of such a case yesterday where a banks sole intention is to take someone's home and they are hell bent on getting it. Paul and I have been through this scenario whereby we know Lloyds/HBOS has spent literally hundreds of thousands of pounds trying to get our home – those of you who have visited us will no doubt be surprised to hear this because much as it is 'home sweet home' it is no palace. All the same the banks tried to evict us 22 times in less than three years.

If any whistleblower (or if you know any whistle blowers) can shed any light on what prompts banks to spend vast amounts of their shareholder's money in order to gain assets or family homes that are worth less than what banks spend to get them, please, please get in contact with us.

## **SME Alliance Scotland**

Nigel Henderson is doing a brilliant job for us in Scotland. We posted a blog about the RGL event which he arranged and which took place 23rd June for Scottish victims of RBS/GRG to hear a presentation from the RGL legal team. I'm told this went very well. Nigel has also been liaising brilliantly with the Scottish police who, as I mentioned above, are far more receptive to hearing allegations than at any time I can remember – given that before the financial crash no one wanted to consider bankers or banks could possibly behave criminally!

I will ask Nigel to do another blog in the next week or so with updates.

## **The Surprising Incident of the FCA – Andrew Tyrie and A Troll**

As many you will remember, we have been having serious concerns about the conduct of the FCA following on from our meeting with them on 3rd November 2015. We presented evidence of potentially systemic misconduct by banks and particularly RBS. We presented the evidence as whistle blowers and we were surprised and alarmed when the FCA handed over some of the evidence we gave them to the banks concerned. There is some confusion about how much information was handed over because a lawyer for the FCA say it was a minimal amount of information while Ross McEwan has told third parties and even broadcast on LBC Radio, that he has seen all eight files relating to RBS.

It wasn't until months later we became aware that Andrew Tyrie MP had written to Tracy McDermott asking for clarification of how they had treated members of SME Alliance. Neither were we aware the FCA had replied to him misrepresenting the facts.

On 20th May we wrote to Mr Tyrie in great detail <http://www.smealliance.org/blog/letter-to-andrew-tyrie-mp> and it was when we published the letter we first became aware that a Mr Andrew Jones had been writing to Mr Tyrie making serious allegations against SME Alliance. To this day we don't know who Mr Jones is or what his interest is in our business but, over and above writing to the TSC about us, he then started sending abusive tweets to members.

All is very quiet on this front and we've heard no more from Andrew Tyrie MP. We will be writing to him again this week – although I suspect most MPs will be singularly busy this week trying to work out if we have a Government or an opposition! So I will leave it until next week to send my letter. Watch this space!

## **The SME Alliance Summer Networking Event – put it in your diary!**

Running SME Alliance is not a lucrative job (it doesn't pay wages) but it is a very rewarding one in so many ways and especially because I get to meet so many interesting and informative people as do my co-directors. Therefore, we have decided to stage an event where many of these people can meet our members and other SME owners.

On the 17th August we are having our own mini symposium in collaboration with Shensmiths Barristers. Our host is founder member James Fahey and we are taking over his entire hotel just outside of Bristol for an all-day event. The delegates will be law firms, barristers, funders, financial advisers, pension advisers, tax advisers, derivatives experts and other specialists. You can visit these professionals at their stands, make appointments to speak to them, listen to their presentations and speeches, join in various workshops or just network in general.

We will be announcing our key speakers for the event in the next week but wanted members to put the date in their diaries straight away. Tickets for members will be £10.00 and for non-members £20.00 and all tickets include lunch. We've picked a day when the long range weather forecast predicts bright sunshine and those of you who have already visited Winford Manor will know it has beautiful grounds so it will be the perfect place to socialise in a relaxed atmosphere as well as gaining valuable tips from the delegates. We will also be having a barbecue in the evening although that is not included in the price.

I know some people will be away on holiday but I also know many of our members can't afford holidays – so this will make a great day out for those in that position.

Full details will be going out soon and tickets will be available on Eventbrite next week.

## **Final Thoughts...**

Two final notes – Steve Middleton has written a really informative blog on Tailored Business Loans and I would encourage anyone who has had one (or in fact anyone interested in what the banks do) to read it: <http://www.smealliance.org/blog/tailored-business-loans-a-brief-explanation-courtesy-of-steven-middleton-modus-mediation>

My other note is with regard to Brexit. I am still shocked by the very unfortunate animosity the referendum has caused and I hope it will not develop further because we all had a right to vote whatever way we felt and whether people were in or out we followed the democratic process. Nick Gould, our own 'Common Sense Chairman' has written a very rational blog on what Brexit means for SMEs: <http://www.smealliance.org/blog/a-comment-from-our-common-sense-chairman-on-brexit>

I hope many of you will attend our event and wish everyone a very good summer holiday.

Best wishes  
Nikki