



## INFORMATION FOR PEOPLE WHO HAVE SENT MONEY TO ALLANSONS LLP TO FUND MISCALCULATED MORTGAGE PAYMENTS CLAIMS – UPDATED JUNE 2019

### **What has happened to Allansons LLP?**

Allansons LLP of 1<sup>st</sup> Floor, Queens Buildings, Central Street, Bolton, Lancashire, BL1 2AB, 658 Ormskirk Road, Pemberton, Wigan, WN5 8AQ and 44 Clarendon Road, Watford, Hertfordshire, WD17 1DR ('Allansons'), has been closed by the Solicitors Regulation Authority ('SRA'). This is called an intervention. The intervention took place on 24 May 2019.

We, Gordons LLP, have been appointed to help the SRA with the closure. We are called the SRA's Intervention Agent.

We have not taken over from and nor are we representative of Allansons.

### **What does this mean?**

Allansons can no longer act for its clients. This means they cannot act on the miscalculated mortgage payment claims you were funding. The clients pursuing those claims need to find another lawyer to act for them.

We are not acting for Allansons' former clients or dealing with the claims. We will be notifying the clients that Allansons have been closed and that they need to get a new solicitor to deal with their claims.

It is for those clients to find a solicitor to act for them. We cannot recommend solicitors or allocate the claims to new solicitors. We also cannot force Allansons' clients to continue their claims or to instruct new solicitors. Some may not instruct new solicitors to carry on their claim.

### **Can I find out if a new solicitor has taken over the claims I am funding?**

If you have details of the claims you were funding, we may be able to pass your details to any newly instructed solicitors. We cannot force them to contact you however and we cannot offer you any assurances that they will repay you.

We cannot give you any further information regarding the claims. This means we cannot give you the contact details of the clients Allansons were acting for, or new solicitors who carry on the claims for them. This is for reasons of confidentiality.



### **What does the intervention mean for my litigation funding agreement?**

We understand that the litigation funding agreement is between you and Allansons, not you and the claimants (i.e. the people for whom Allansons were pursuing the claim).

Although Allansons have been closed by the SRA and can no longer act as solicitors, the company Allansons LLP (Company Number: OC341712) still exists.

The intervention into Allansons does not mean that we have taken over Allansons' obligations to you under your litigation funding agreement and we cannot advise you on this. We recommend that you get independent legal advice from your own solicitor.

### **How can I find a solicitor?**

You can find a lawyer by searching here: <http://solicitors.lawsociety.org.uk/> or call The Law Society on 020 7320 5650 Monday to Friday from 09:00 to 17:00.

### **Allansons told me that the claims I was funding are supported by after the event (ATE) insurance policies. Are the ATE insurance policies affected because of the intervention?**

The insurance brokers who arranged the policy have confirmed to us that the insurer, Leeward Insurance Company Limited, has cancelled the ATE policy, as Allansons have ceased to act.

We have been told that the policies can be reinstated with the insurer's consent once the clients pursuing the claims instruct new solicitors. For clarity this is for the clients to do, not you as a funder. This is entirely in the control of Allansons' former clients/their new solicitors and the insurer. Neither we nor the SRA can influence this or reinstate the ATE policies.

### **What happened to the money I sent to Allansons?**

As explained in the litigation funding agreement you signed, Allansons said they would use your money in connection with the claim you were funding.

We cannot confirm that your money was in Allansons' accounts before the intervention happened.

### **Will I get my money back?**

We can give you no assurances that you will get your money back.



This is why it is very important that you get your own independent legal advice to make sure you understand your legal rights under the litigation funding agreement you signed.

If Allansons were holding money for you and you believe they have failed to account to you for your money, you may be able to make a claim to the SRA's Compensation Fund.

### **What is the Compensation Fund?**

The Compensation Fund can consider making payments to replace money that a solicitor has either stolen or not accounted for. Payment is at the discretion of the SRA. There is no automatic right to it. There are rules which the SRA must consider. Factors they take into account include:

- The work the solicitor was doing has to be usual work for a solicitor.
- Whether other people caused the loss
- Whether the applicant contributed to their own loss, for example by entering into risky transactions.

You can find more information on how the Fund works here: <https://www.sra.org.uk/sra/decision-making/guidance/consumer-payments-compensation-fund.page>

### **If I make a claim to the Compensation Fund for the return of the money I sent to Allansons to fund miscalculated mortgage payment claims, is my claim likely to succeed?**

The SRA's initial view is that it seems unlikely that your claim would succeed as it wouldn't come within the rules of the Compensation Fund. The reasons are:

1. Your loss would be seen to be because of a failed investment. It is not for the Fund to underwrite your agreement with Allansons or speculative investments.
2. As mentioned above, the SRA's rules state that a loss must have arisen in the course of an activity that is part of the usual business of a solicitor. The money you paid to Allansons did not relate to any legal services that they were providing to you. They were simply acting as a banking facility to move the money on to other parties involved in the claims. It is not the usual business of a solicitor to provide a banking facility for invested money.



3. The loss would need to have been caused by dishonesty or failure to account. You would need to show either that Allansons acted dishonestly toward you or that they did not use the money for the intended purpose i.e. to fund the mortgage interest claims.
4. Under the SRA's rules the Fund can only make a payment as a last resort. If a claimant can recover their money from somewhere else, they need to try that first. If you were advised or recommended to put your money into this scheme by a financial adviser, then you may be able to make a complaint to the Financial Ombudsman Service. You will need to explore that option before the Fund can consider your claim. You can find out how to do that here: <https://www.financial-ombudsman.org.uk/consumer/complaints.htm>

It is important to say that the SRA's assessment is not a formal decision on any claim you intend to make. Our intention is to explain when a payment may be made by the Fund, so that you have a clear understanding of whether your claim is likely to succeed. If you choose to make a claim, you would need to deal with the points above.

#### **How can I make a claim to the Compensation Fund?**

To make a claim you will need to complete and return a Claim Form to the SRA, together with documents in support of your claim. The Claim Form is available on the SRA's website [www.sra.org.uk/claim](http://www.sra.org.uk/claim)

#### **How can I get more information?**

You can:

- speak to us on 0113 227 0361 (Monday to Friday 09:00 – 17:30).
- email your query to Gordons at [allansons@gordonsllp.com](mailto:allansons@gordonsllp.com) – you will receive an automatic reply containing general information and a further reply dealing with specific queries where relevant.
- find out more about interventions at the SRA's website <https://www.sra.org.uk/consumers/problems/solicitor-closed-down/intervention.page>

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