

# THE LLOYDS FRAUDS 2008 – 2021

## THE IMPACT ON WOMEN, CHILDREN & FAMILIES

*“an ordeal without precedent in modern times”*

### 1. Introduction

This report contains the evidence supplied by female victims of the Lloyds Bank Asset Theft Frauds. It has been gathered first-hand from women and their families who depended on businesses, which they ran themselves or in conjunction with their husbands and which were deliberately targeted by the bank.

Following the 2008 banking crisis, Lloyds needed to rebuild its balance sheet quickly, and HM Treasury and the Bank of England, led by their Head of Resolution, Andrew Bailey authorised the two taxpayer-owned banks effectively to do whatever was necessary. The banks had free rein to act, knowing that they would never be held to account. Lloyds targeted certain SME business customers, engineered their defaults and stole their assets for the benefit of its own balance sheet. Lloyds Bristol Recoveries, widely known as the “abattoir”, was one of the bank’s most notorious recovery units. Over the next decade, successive administrations have assisted by covering up the banks’ extensive wrongdoing, using every arm of state and the cover up remains firmly in place today.

For at least fifteen years, the victims of Lloyds Bank’s Asset Theft Frauds and the Lloyds-associated secondary lender UK Acorn Finance have reported their cases to Avon and Somerset Police, which has claimed to have found no evidence of wrongdoing and conspired with the bank’s lawyers to cover it up. However, criminality had been rampant, as witnessed by victims in the Operation Meadow rebuttal files, which are now with the Home Secretary.

### 2. Women seen as easy targets

As a result of the bank’s serious professional misconduct and criminal fraud, victims have been subjected to immense suffering and the long-term damage to their lives has persisted to the present day.

- **Women in Business** – Whether their operations were large or small, single women in business were viewed as easy targets, where their businesses would be easier to destabilise, defaults swifter to engineer and assets simpler to seize.
- **Women in family partnerships** – The bank would aim to bankrupt the husband, and then use aggressive litigation tactics against the wife, knowing that her husband would have no standing in court and could no longer support his wife in the eyes of the law.

- **Women in agriculture** – Lloyds and its associates, UK Acorn Finance and Commercial First had been targeting financially vulnerable farming families since at least the early 1980's and misappropriating their assets. Lloyds Bristol Recoveries shared the same professionals with its associates and had a ready template to follow, when the 2008 banking crisis broke.
- **Socially vulnerable women** - the marginal or disadvantaged, whom they could easily discredit.
- **Women caring for elderly parents or relatives** – were vulnerable and their circumstances could be exploited.

### 3. Violation of Human Rights

In 1950, the European Convention on Human Rights (ECHR) was enacted and thirty years later, the UN passed the convention regarding discrimination against women. Together, they established new international standards, which countries should observe across the world.

Lloyds have violated both of these by actively targeting women and corrupting and ignoring the Rule of Law. The bank and its professional agents have abused the law and their actions have represented an attack on the integrity of our court system.

Lloyds has redacted, falsified and destroyed evidence. The bank has forged signatures on an industrial scale, relied on deliberately invalid legal documentation and manipulated the registration of titles at the Land Registry. They have committed fraudulent misrepresentation and perjury in court and thereby violated Article 6 of the ECHR.

Racism is not tolerated in our society today. However, there are disturbing parallels with the mistreatment of racial and religious minorities and the systemic targeting of women by Lloyds Bank, without regard to due process or the proper administration of justice.

### 4. Lloyds' modus operandi - the impact on women

The miscarriages of justice, to which women and their families have been subjected, have also included the mis-use of regulatory bodies and consumer protection agencies, in addition to the law and the courts, in order to facilitate the theft of customers' assets.

Here are just some examples of the serious misconduct we have encountered:

- **Mis-use of the Legal System** – Lloyds has prevented women obtaining proper legal advice by monopolising the best legal talent on its panels. The imbalance of justice has been acute. Victims' evidence demonstrates the bank has knowingly misled victims to extort maximum fees and the courts have been weaponised to disregard all the evidence, which victims put before them. This has resulted in a deeply improper two-tier system of justice.

- **Entrapment** – Lloyds and its professional agents operating together used numerous official bodies wrongfully to give one victim a criminal conviction. Their actions included mis-use of the courts and they later sold the victim’s property illegally, violating the Fraud Act 2006.
- **Wrongful Bankruptcy** – Lloyds has used manufactured debts, false instruments and forged court documents to wrongfully bankrupt victims, fatally damage their standing in Court, prevent them trading or re-banking and seize their assets. The bank also used pressing creditors, of whom they had long been notified, to engineer a similar outcome. Whether a single woman in business or the wife and family of a victim of bankruptcy, the impact has been life-changing and resulted in long-term consequences for them and their children. It has tarnished the victims’ good name, credit rating and ability to find employment, once their business had been destroyed. This has directly impacted the lives and prospects of entire families.
- **Invalidly appointed LPA Receivers** – Lloyds has employed receivers, who have disregarded even the loosely-written Law of Property Act 1925 since at least the 1980’s. Lloyds Bristol Recoveries invalidly appointed its unlicensed LPA receivers to distance the bank from their known improper conduct and disregard of the law. They did so because they knew that the authorities including the Solicitors Regulation Authority (SRA) and Royal Institution of Chartered Surveyors (RICS) would never hold them to account.
- **Wrongful imprisonment** – In another case, an able business woman was wrongfully entrapped by fraudulent professionals and given a six year prison sentence to discredit her, steal her assets and prevent their wrongdoing being disclosed. Nearly two decades later, she is still fighting for justice.
- **Fraudulent misrepresentation** – The bank’s agents used introductions to the Lloyds-associated secondary lender UK Acorn Finance (UKAF) to mislead and ensnare victims and assist the bank with repossessions. UKAF derived its senior management from Lloyds Bristol and its wholly-owned subsidiary, the Agricultural Mortgage Corporation (AMC). UKAF and Lloyds Bristol shared the same litigator until 2010 and the same unlicensed LPA receiver. The solicitor has twice been investigated for serious professional misconduct by the SRA, while UKAF has been the subject of debates in Parliament. Neither has resulted in any meaningful action being taken and their extensive frauds have been covered up.
- **Misleading offers of finance / secret commissions** – Women farming in their own right have been targeted by Lloyds BSU and UKAF. One case was featured in a BBC Wales documentary. Misleading offers of finance were made and efforts taken to destabilise victims’ businesses and seize their assets. In April, two victims of Commercial First, another fraudulent associate of Lloyds Banking Group won a landmark ruling in a case involving payment of secret commissions or bribes, which had been paid to its agents.
- **Identity Theft** – Already grossly mistreated by the bank’s LPA receiver, Lloyds’ staff went on to steal one victim’s identity and used it to open a personal insurance policy.

- **Mis-use of Mental Capacity Act 2005** – Intentionally misleading letters were written by Lloyds’ agents to the National Health Service (NHS), doctors and mental health professionals. These were then put into Court with the aim of removing the victim’s “capacity” and their ability to represent themselves in Court, with the aim of taking control of their financial affairs and seizing their assets.

## 5. Trauma and mental health issues

**Financial anxiety and stress** – The intimidating tactics used by Lloyds’ managers, their lawyers and agents to coerce and abuse victims have had serious long-term effects. The combination of financial pressures and these improper methods have caused immense strain and resulted in serious mental illness, trauma and suicides.

**Depression** – Women, who were by nature previously positive and happy in their outlook, have had to be prescribed anti-depressants and sleeping pills. One victim was referred for help to the NHS Crisis Team and had to be given six months support.

**PTSD** – The repercussions from such actions continue indefinitely and have amounted, quite literally, to a life sentence of financial ruin, broken families, tarnished reputations and mental health problems.

**Psychological abuse** – Such methods were used to destabilise, discredit, and bring down targeted customers. One woman reported that the bank’s treatment was hostile, vindictive and highly personal and the language used about her husband in their DSAR records, although highly redacted, was offensive and disgraceful. The victim reported that the manager and other Lloyds BSU officers tried to destabilise and break her long-term and happy marriage.

**Coercive control** – Deliberately threatening and subversive actions were taken by Lloyds Bank’s aggressive lawyers and unlicensed LPA receivers, using fabricated evidence and other methods, which were straight-forwardly illegal, to intimidate and discredit customers. Lloyds’ fraudulent agents also corrupted due process with regard to the correct registration of property titles at the Land Registry, which enabled them to sell land without the legal right to so.

**Mistreatment of whistleblowers** – A Lloyds’ risk manager, Sally Masterton was commissioned by the bank to investigate serious wrongdoing at Halifax Bank of Scotland (HBoS). She submitted her report in September 2013 but was immediately suspended and a year later, left the bank. Lloyds tried hard to discredit her and then subjected her to two Non-Disclosure Agreements (NDAs). She would not have been properly compensated, had it not been for the intervention of the Police & Crime Commissioner for Thames Valley, Mr Anthony Stansfeld. Her treatment by Lloyds Bank was totally disgraceful and her mental health suffered badly.

**Deeply cynical - Lloyds Bank's involvement in mental health charities belies the reality of the callous treatment of its customers**

Lloyds' former chief executive, Antonio Horta-Osorio has supported mental health charities. Since 2017, the bank has backed Mental Health UK and been a member of the City Mental Health Alliance. Last year, Lloyds won a Gold Award in the Business Disability Forum's "Disability Standard". However, for victims of Lloyds' Business Support Units who have suffered mental trauma as a result of the highly improper and illegal conduct of the bank and its professional agents, this has represented the ultimate in hypocrisy.

## **6. Consequences**

**Domestic Abuse Act** – In 2016, under the then Home Secretary Theresa May, coercive and controlling behaviour became a criminal offence to protect women and children. However, instances of domestic abuse have occurred as a direct consequence of Lloyds' wrongdoing and criminal fraud.

**Bankruptcy, possession orders, eviction & loss of the family home** – Formerly independent hard-working people have found themselves left with nothing and been rendered dependent on social housing.

**Inter-generational harm** – Three generations can be affected: grandparents, parents and children. In one case, the grandparents were evicted and made homeless. Their daughter with young children had to provide her parents with one room in her small home in which to live.

**Scarred for life** – The misconduct and fraud undertaken of Lloyds and its professional agents have traumatised families and resulted in irreparable long-term damage to trust and confidence.

**Children of victims** – have been severely affected by the mistreatment of their parents, family breakdown and loss of their homes. Broken hearted and fearful, they have expressed their pain through self-harming, overdosing and eating disorders. They have quite literally lost their childhoods.

**Young adults have turned to counselling** – to cope with the trauma they have lived through. The prospects for their lives and careers have been severely damaged. They are sometimes so harmed that they leave home and never contact their family. This has been heart-breaking for their parents and siblings.

**Loss of livelihood and pension provision** – Assets, which victims owned and were misappropriated by Lloyds, had represented their pension provision, which they had been relying on to support them in their later years.

**Royal Agricultural Benevolent Institute (RABI)** – The only option for some elderly people, who have wrongfully been deprived of their agricultural properties and homes, has been to apply to the farming charity, RABI to be looked after in one of their care homes. In 2007, the chairman of Burges

Salmon, the Bristol-based solicitors which helped to develop Lloyds' improper asset seizure techniques, became the chairman of RABI in a breath-taking example of hypocrisy.

**Destitution** – One defrauded woman, who was given a prison sentence to enable the fraudulent professionals to cover up and is now of pensionable age, is currently living in a farm shed.

**Suicide** – When the stress has become too great and the victim decides to end it all, the women and children are the ones, who have to live on and suffer the most.

## 7. Conclusion

**For women and children who became caught up in the Lloyds Bank Asset Theft Frauds, tragedy has been heaped on tragedy**

The gross mistreatment and needless suffering families have been subjected to by the bank and their professional agents have violated their human rights and ruined lives. Traumatized by the experiences they have lived through, they are trapped into a life sentence of anxiety and financial distress. They are unable to move on, as a consequence of Lloyds' professional misconduct and criminal fraud.

The Courts and official bodies, whose purpose should be to protect people against major wrongdoing, have been hijacked and their powers and authority used to entrap, engineer their defaults and seize their assets. Lloyds reportedly spent £850mn on heavyweight firms of lawyers in one year alone to prevent their wrongdoing being proven in court and deny justice to victims. The bank should have used such money to compensate those victims.

It is a shocking indictment of our society that the Government, which champions social issues and allows ethnic and minority voices to be heard, can knowingly allow this to happen, continue to take no action and maintain the cover up of serious wrongdoing and criminality.

It is vital that Lloyds Bank is held to account for the devastation it has brought to so many people's lives and livelihoods and it must do nothing to hinder future investigations into its wrongdoing. It is an issue of grave public concern and a national disgrace that Government and financial regulators have extensively covered up these matters. Beyond doubt, this is a violation of victims' human rights and totally unacceptable in Britain today. The Lloyds frauds have numerous striking parallels with the Post Office scandal and its mistreatment of the sub-postmasters.

The Home Secretary, Rt. Hon Priti Patel MP has known about the UK Acorn Finance frauds since 2014. In June last year, she received a 45-page report about the Lloyds Asset Theft Frauds and discussed this with the Police & Crime Commissioner for Thames Valley, Mr Anthony Stansfeld. However, she did not reply to him for three months. In May this year, the Home Secretary, the Prime Minister and 90 MPs received the politically-sensitive "**Operation Meadow**" rebuttal files, which contain the witness statements of more than sixty Lloyds' cases. The Home Secretary has a duty to act under the Police Reform and Social Responsibility Act 2011, the Policing Protocol Order no. 2744 and the Government must now take responsibility to compensate the victims, women and their families.

## **Case studies**

### **1. Mis-use of public bodies to discredit victim & seize assets - Hampshire**

Trading Standards + DEFRA + RSPCA + solicitors + the Court: All were used by agents acting for Lloyds Bank including their unlicensed LPA Receiver to grossly mistreat Mrs B. Deliberately false and invalid evidence was submitted to the Court in order to give the victim a criminal record and facilitate the seizing of her assets. The wrongdoing and serious misconduct, to which she was subjected, included numerous instances of criminality and the sale of her land without a legal Power of Attorney. Damaging coverage was placed in the local press to discredit her and to cover up and distance Lloyds Bank from the malfeasance. Bravely, Mrs B went back to Court representing herself, to have the conviction overturned and clear her name.

### **2. False agricultural charge / LPA receiver wrongdoing - Dorset**

A Bristol-based agricultural solicitor, who has twice been investigated by the SRA for serious professional misconduct, drew up a false agricultural charge on a farm tenancy. Lloyds invalidly appointed their unlicensed LPA receiver, who compelled the tenants, a husband and his wife, to feed their cattle at their own expense and without payment for two years. The wrongfully appointed LPA receiver then sold their cattle at significant undervalue, retained the entire proceeds of sale and failed to render an account of his receivership.

### **3. Malicious intent of relationship manager - Herefordshire**

Animal Welfare – In 2007, a Lloyds’ relationship manager supported a new customer’s project to build a modern free range egg unit. However, at the start of housing its second large flock and coinciding with the launch of the Asset Protection Scheme, the manager denied the funds necessary to feed the young birds when they were housed. As an agricultural manager of long experience, he knew that denying the birds food at this critical stage, would irreparably damage their laying potential and profitability throughout their entire production cycle. He thus deliberately damaged their business.

Personal victimisation – Soon afterwards, in January 2010, the same Lloyds’ manager made an intentional attempt to split a marriage, using psychologically abusive and aggressive tactics. The wife of the victim was required to attend a meeting with her husband, at which she witnessed a sadistic verbal attack by the manager, which was designed to bully and intimidate her husband. Although his comments in the customer’s DSAR records were heavily redacted, the manager shared abusive and insulting language with his colleagues to discredit and belittle his target throughout 2010 and 2011.

Trespass and Intimidation on victims’ property – In spring 2013, Lloyds’ invalidly appointed LPA Receiver let 100 acres of farmland without prior notification to a local contractor for a spring cereal crop. He then tried to repeat the same unauthorised and illegal exercise in the autumn and only withdrew when the Police were called.

#### **4. Woman set up by fraudulent professionals – Devon**

A business woman, who owned valuable intellectual property rights and a farm, was set up by a ring of fraudulent professionals and falsely accused. In 2010, this highly able and articulate person was deliberately kept away from Court for the final critical hearing and was given a six-year sentence in absentia, which she served in Holloway Prison. On her release, circumstances were so contrived that she was interned for a time in a private psychiatric clinic near Weston-Super-Mare, when there was no justification whatever for doing so. She endured repeated attempts by staff there, using enforced drugs, in attempts to get her to change her assertions regarding widespread fraud and corruption by bankers, legal professionals, the court process and police throughout her case.

Whilst at the unit, attempts continued to buy her silence in exchange for an early release from custody. These moves were designed to prevent her revealing the truth and exposing the Bristol-based agricultural frauds and racketeering, which were so lucrative to all the insolvency practitioners, LPA receivers, accountants, solicitors and RICS-registered land agents involved. The perpetrators have been responsible for the long-standing and extensive frauds undertaken by Lloyds Bristol Recoveries and UK Acorn Finance. Armed with parallel evidence, this author was able to write to the Criminal Cases Review Commission (CCRC) in 2014 to support her appeal for justice. This is still being denied to her and she has spent the last six years living in abject circumstances, while continuing her fight for rightful compensation.

**This report by Frances May was the basis of a presentation given to the Transparency Task Force symposium entitled “The Lloyds Bank scandal and why it really matters” - 22<sup>nd</sup> June 2021**

***“The only thing necessary for the triumph of evil is for good men (and women) to do nothing” (Edmund Burke)***

**[www.lloydsbankassetfrauds.com](http://www.lloydsbankassetfrauds.com)**

#### Sources

Lloyds’ victims and their families.

“Operation Meadow” Rebuttal & additional cases (May 2021) : Politically sensitive, the Operation Meadow folders contain the witness statements of more than sixty Lloyds’ cases. Together with the “Financial Matrix”, these extensive files have been sent to the Home Secretary, Rt. Hon. Priti Patel MP, Prime Minister and ninety Members of Parliament.

Professor Sharon Collard - Bristol University School of Geographical Studies: In May 2021, Professor Collard addressed a Transparency Task Force (TTF) symposium and spoke on the “Vulnerability and harm done to Mortgage Prisoners”. Her work, “Conceptual Framework of Harm” provides credence and a framework for the evidence of Lloyds victims.

Cat McShane - Bureau of Investigative Journalists

N. Renehan. C. Molyneaux, A. Jennings - Hidden Voices: Growing up as the child of UK Mortgage Prisoners.