

# Financial Services Matters

September 2018



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# Hello

## 2018 so far...

2018 has been a transformational year for our Financial Services Group. We have expanded into new jurisdictions, invested heavily in people, developed new strategic partnerships, created a new Governance, Risk and Compliance Framework that delivers excellent customer outcomes, deployed a number of exciting new technologies and won a number of key clients.

As ever none of this would be possible without the hard work and commitment of our staff and the loyalty of our clients. So thanks to you all.

## Scotland

Following regulatory approval from the Law Society of Scotland to become a multi-national practice, we have opened an office in the heart of Edinburgh's financial district, as part of our strategy to provide a service offering across UK jurisdictions to financial services clients.

## Putting Customers at the heart of our business

Our new Customer Priority Team (CPT) is dedicated to assisting vulnerable customers in financial difficulty and benefits from specialist training, resource and technology. The CPT is complemented by a new Governance, Risk and Compliance Team. The development of our existing Risk Function sees a new three person team charged with delivering a refreshed management framework and overhauled three Lines of Defence model and has seen senior lateral hires from both Lloyds Banking Group and JP Morgan.

Deployment and development of our successful partnership with PayPlan and the Totemic Group has allowed us to deliver a more holistic debt management approach with referrals to PayPlan helping customers to deal with multiple debts and financial hardship and Totemic's technology making the whole affordability assessment customer journey a much better one.

## Technology

We have continued to enhance our proprietary

technology throughout 2018. The last few months have seen significant progress with our new Case Management System, Speech Analytics and the utilisation of Open Banking technology in the assessment affordability.

## New offices

Our new National Headquarters in Leeds continues to take shape. The acquisition and £10m fit out of 76,000 square foot on Leeds' Wellington Street will open in Q2 of 2019 and will offer a state of the art national centre of excellence for staff and clients (look out in particular for the new 'Client Lounge'!). Not content with one new office, as mentioned above, we were delighted to open the doors at Lochrin Square in Edinburgh in June. Our Scottish office allows us to continue to implement our strategic objective of delivering complete UK legal coverage by the end of the year.

## Investing in our people

All collections and recoveries staff will be CSA Collections Accreditation Initiative qualified very shortly and all Financial Services Group staff are now CSA Compliance Essentials quality approved: demonstrating our commitment to having the most regulatory aware team in the industry. We have also partnered with the CSA to roll our Modern Apprenticeships across the Financial Services Group at all levels - leading to Diploma level qualifications in Compliance, Collections and Finance.

## Walker Morris Heads of Legal Club

Last but not least, we are delighted to be working with UK Finance to establish a new 'Walker Morris UK Finance Heads of Legal Club'. The Club will offer an industry forum for Heads of Legal to meet, discuss issues of the day and network out with London (watch out for events scheduled in Leeds, Manchester and Edinburgh in 2018 and 2019).



**Louise Power**

Head of Banking & Finance Litigation

# Collections & Recoveries

## Cabot SPR appeal: A welcome outcome for unsecured lenders in Scotland

An appeal allowed by the Sheriff Appeal Court clarifies the “interventionist and problem-solving approach” required of Sheriffs under the new(ish) Simple Procedure Rules for low value claims. The decision will be of interest to all those concerned with consumer credit and debt recovery in Scotland.

## Proposed changes to the Debt Arrangement Scheme in Scotland

Rob Aberdein and Alan McIntosh offer up a lawyer and an advisor's perspectives on the upcoming changes to the Scottish Debt Arrangement Scheme.

## Cardiff CC v Flowers consultation and changes to rules on enforcement of suspended possession orders

Rob Aberdein explains proposed changes to the Civil Procedure Rules following the **Cardiff CC v Flowers** consultation on enforcement of suspended possession orders



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## Longer term tenancies? Potential implications for lenders

Walker Morris' Banking & Finance Litigation, Collections & Recoveries and Housing Litigation experts Sandip Singh, Justin Coley and Karl Anders analyse the UK Government's Consultation on the introduction of longer-term tenancies in the private rented sector in England and Wales, with a particular focus on potential impacts for lenders.



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# Technology & Conduct

## Helping customers to help themselves: How technology can help

Justin Coley, Director explains how financial institutions and law firms can harness technology and debt management solutions in order to offer an enhanced customer journey and improved customer outcomes.



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# Banking & Finance Litigation



## Converting from capital repayment to interest only - a 'reasonable adjustment'?

The Court of Appeal has held that a mortgage lender was not required to accede to a customer's request to provide her with an interest-only mortgage when she was unable to meet her mortgage repayments by reason of her disability. Rob Aberdein and Louise Power [explain](#) the recent English case of **Green v Southern Pacific Mortgage Ltd** and its implications for lenders.



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## Duty-bounded: Lender and valuer defeat customer's attempt to extend legal duties

Andrew Beck looks at a [recent English case](#) which will be welcomed by both lenders and valuers for its clarification of the duties owed to customers in a commercial loan context.



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## Lender avoids ambitious secondary liability claims

Sandip Singh takes a look at a [recent case](#) in which the High Court resisted a claimant's ambitious attempts to establish secondary liability on the part of its bank.



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## What is a "mistake" for the purposes of rectifying HM Land Register?

Kate Hicks [considers](#) the latest case to consider what is a "mistake" for the purposes of the Land Registration Act 2002.



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# Regulatory

## Regulatory Round-up

The latest edition of our [Regulatory Round-up](#) offers a succinct summary of all current and future developments and news.



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# Housing, Property Law & Conveyancing

## Market Matters

In this [regular feature](#), Banking Litigation Associate Rachel Elgar provides an update and commentary on trends and issues in the UK property market.



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## Knotweed nuisance: Court of Appeal confirms liability for landowners

The Court of Appeal has confirmed that landowners who fail to control Japanese Knotweed, allowing it to encroach on to neighbouring properties, can be held liable for nuisance. Martin McKeague and Jeremy Moore [explain](#) and offer their practical advice.



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## Law Commission lays foundation for leasehold reform of houses

The Law Commission has released its paper on leasehold enfranchisement of houses and their proposed solutions to address the current concerns. Zoe McLean-Wells [summarises](#) the

salient points.



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## New regulations allow Scottish first-time buyers and group companies to claim tax relief

Walker Morris partner Rob Aberdein [outlines](#) the benefits for Scottish first-time buyers and group companies brought in by new regulations as of 30 June 2018.



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## Buy-to-Let and receivers: Lenders' practical response to rising levels of default

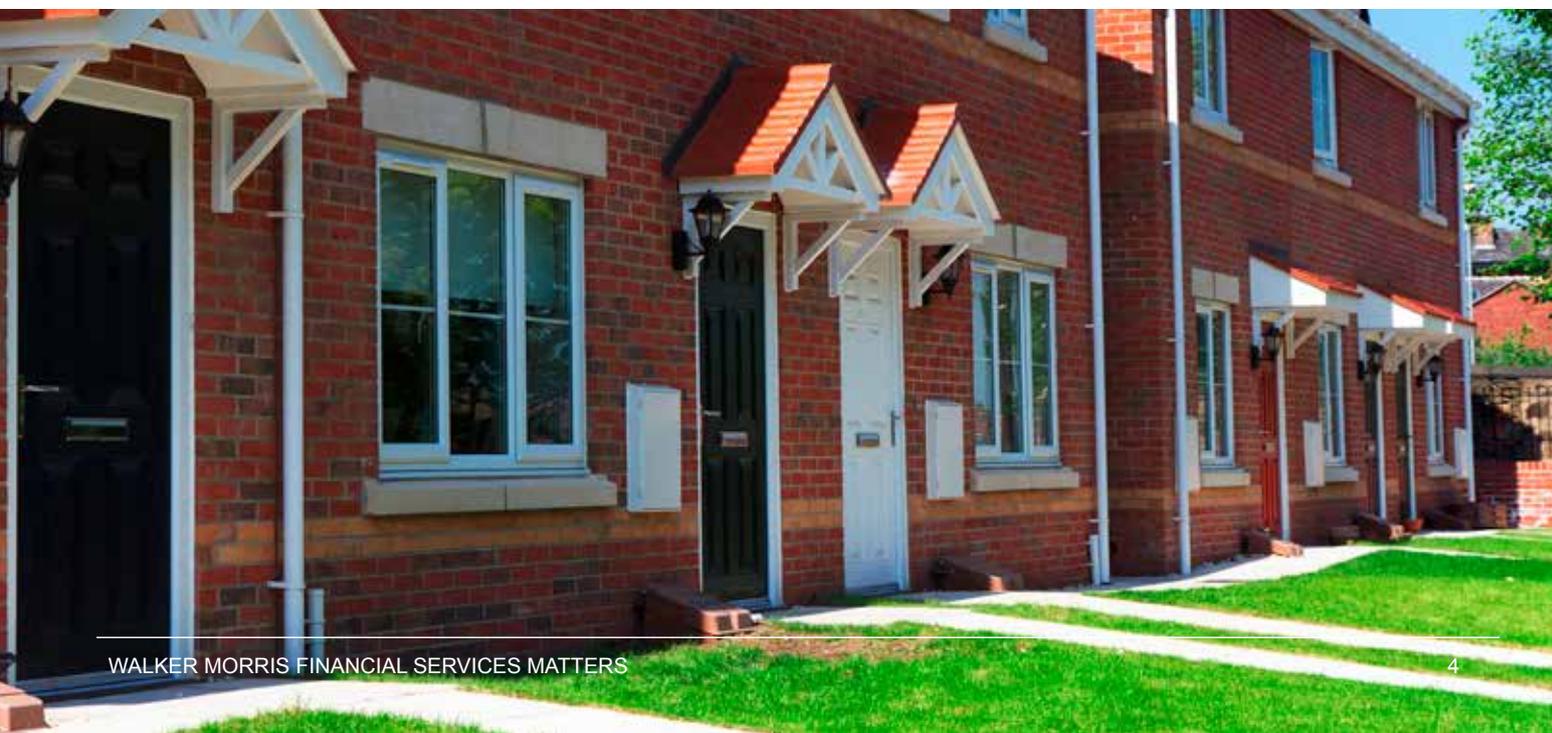
Housing specialists Karl Anders and Zoe McLean-Wells look to [what is on the horizon](#) for the buy-to-let market and offer their advice as to how lenders can take practical and proactive steps to weather the likely changes.



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# Colleagues & Community



Elle Sugden (right) taking part in the cycling challenge

## Cycling the Six Nations

Colleagues from the Financial Services Group were part of a charity challenge that saw a team of lycra-clad lawyers cycle from Leeds to Twickenham to celebrate the Six Nations Championship.

Equipped with three spin bikes, three different riders started their 7.5 mile stints every hour throughout the day in an attempt to cover the distance - roughly 210 miles.

The fastest 7.5 mile stint of the day going to Elle Sugden, Banking and Finance Litigation Trainee, with a speedy time of 13 minutes 01 second.



Legal professionals ready to take part in the Leeds Legal Walk

## Leeds Legal Walk

On 14 May nearly 300 legal professionals took to the streets of Leeds to take part in the 4th Annual Leeds Legal Walk in support of the Yorkshire Legal Support Trust. Waving the flag for Walker Morris were the Financial Services Group's Andrew Beck, Sue Harris, Louise Power and Sian Squires.



The Walker Morris 3 Peaks Team!

## 3 Peaks Challenge

Hamza Khan, from our Financial Services Group, and several of his colleagues all bravely (but possibly naively) volunteered to take part in the Yorkshire 3 Peaks Challenge, in support of the firm's designated charity, the Children's Heart Surgery Fund.

11 hours after they started the team completed the Yorkshire 3 Peaks Challenge. The team raised £817.50.

# Firm News



Rob Aberdein outside Walker Morris' Scottish office

## New Scottish Office

We were delighted to open our Scottish office at 1 Lochrin Square, in the heart of Edinburgh's Financial District in June. The new office forms an integral part of the firm's strategy to provide a

service offering across all the UK jurisdictions to lender clients.

Rob Aberdein will split his time between Edinburgh and Leeds. Our 80-strong collections, conveyancing, recoveries and banking & finance litigation team will service all UK jurisdictions from our National Centre of Excellence in Leeds.



## Time-lapse video shows 'the story so far'

Work is well and truly underway at our new premises at 33 Wellington Street in Leeds, as this time-lapse [video](#) shows.

The building is undergoing a comprehensive £10 million refurbishment to provide us with a premium working environment, with significantly improved sustainability credentials. The video provides a

unique 'fly on the wall' glimpse into the work done so far since construction began in March this year.

The move, which is the largest professional services relocation in Leeds for almost 15 years, will see all our staff move from our current premises on King Street, into 76,000 sq. ft. of fully renovated, Grade A office space at the heart of the Leeds Business District in Summer 2019.

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