

# Ecohouse Fraud – An SRA Corruption Scandal

The Ecohouse fraud was a £33M fraud concealed by the Solicitors Regulation Authority (SRA), committed entirely by the SRA's regulated members through a firm of solicitors called Sanders & Co. of Stourbridge, plus the Ecohouse director and former Tory Councillor, Charles Fraser Macnamara.

The SRA brought a disciplinary hearing in Nov 2016, but [neglected to allege dishonesty](#) against the four solicitors involved. Consequently [none were struck off](#) ; they were merely suspended for 1 year.

[Disgust at the verdicts](#) led to a [High Court appeal](#) against the lame penalties, but the SRA excluded the two solicitors with the least penalty! The High Court judge refused strike-offs despite the SRA's prosecuting solicitor requesting it, opting to protect the reputation of the SDT rather than bringing just penalties. Sanders partner's 3 year suspensions are now over, but victim's lives have been irreparably damaged. They have been denied justice and closure and some have died waiting.

It was the [SRA concealing evidence of the solicitor's fraudulence and dishonesty](#) from trial which led to the perversion of justice in the case - this was a result of the SRA wanting to evade having to pay compensation to victims of the fraud, knowing that insurers could legitimately deny indemnity against an act of fraud or dishonesty, which ultimately [results in claims falling back to the SRA](#).

The [SRA sought to conceal the fraud by making it look like a collapsed investment scheme](#) that it would not have to compensate, however, the SRA was caught "Red handed" burying evidence and cheating victims of fraud out of both justice and redress, because the Ponzi fraud was proven at two substantive hearings in Feb / Mar 2019. Despite proof of fraud, 5+ years battling against the corrupt regulator, and a lobby of [~50 MPs requesting the SRA to revisit justice](#) against the fraudulent solicitors, it's CEO, [Paul Philip refused](#) and [lied to / misled MPs](#) in his response.

The [SRA failed to intervene](#) on two occasions early on in the fraud despite floods of [complaints from Sander's clients about misappropriation of their funds](#) - as a result the fraud escalated and hundreds more clients suffered loss. The SRA's negligence to intervene was rooted in their desire to evade compensation claims (intervening infers dishonesty). The SRA is funding interventions from its compensation scheme, draining it of funds relied upon by victims of solicitor misconduct. This is not only immoral, but places the SRA in a conflict of interests as it seeks to evade interventions in order to conserve scheme funds, whilst irresponsibly neglecting to protect clients through permitting frauds to continue. The [SRA has refused to be accountable or transparent regarding its failure to intervene](#).

[PWC reported that Sanders insurer refused indemnity](#) in June 2016. Insurers can refuse indemnity when a firm's partners are dishonest or facilitate fraud - in such cases claims will fall back to the SRA, but the [SRA refused a compensation grant](#), citing that the solicitors hadn't provided a legal service. Any notion of legal service was abandoned by the solicitors when they chose to aid & abet a fraud, breaching hundreds of client legal contracts in the process – the SRA cannot justifiably refuse a grant for solicitor fraud. [The SRA is abusing its compensation scheme through dirty tactics & skulduggery](#).

One client made an [SDT lay application](#) to correct the SRA's shoddy justice, but it was referred back to the SRA despite them previously burying all evidence of fraud & dishonesty in the case. The [SRA obstructed justice](#) by stating there was no case to answer, so the [disciplinary tribunal dismissed it](#).

The SRA told a patent and provable lie where the lay application was concerned, because the Ponzi fraud was [proven at two substantive hearings](#) in Spring 2019, thereby proving the solicitors culpable. The solicitors released client funds illicitly to a scheme in which nothing was built or sold.

The [LSB refused to intervene](#) against the SRA despite [evidence of systemic failings and impropriety](#). Despite dozens of [MPs requesting an SRA inquiry](#) before the Justice Select Committee, [the JSC refused](#) and stated the problems were Ecohouse specific. Every possible route to hold the corrupt regulator to account has failed. The SRA are being protected by the MoJ, in the same way that corrupt solicitors are being protected by the SRA. The SRA is able to cheat and deceive with impunity.

The [SRA CEO has lied to a large lobby of MPs](#) by stating that there is no new information to merit revisiting justice against Sanders & Co solicitors. He has also said that it would not be fair to retry them because they are limited by litigation rules, which is another patent lie (the SRA was forced to re-try the Ecohouse director, Charles Fraser Macnamara, who was also an SRA regulated solicitor, because he made an [admission of dishonesty to the Insolvency Service](#)).

The Met Police have made no arrests in 5+ years. [Definitive Met Police action had been planned for October 2017](#). Someone in CPS or the MoJ surreptitiously halted the arrests, so nothing materialised. The investigating officer went deathly silent and abruptly left the case a few months later. Almost 3 years on, still [no Met. Police accountability or reported progress](#). The MoJ likely intervened to prevent arrests taking place in order to protect the SRA or other corrupt officials who benefited from the fraud.

If the Met brought fraud prosecutions, the SRA would be forced to revisit the case, but neither the SRA or the MoJ want that to happen because it would exemplify the [SRA's deceit](#), absence of probity, and failure to administer the rule of law against fraudulent solicitors. Irrespective of Paul Philip's and the Met Police's fecklessness to act against fraud, money laundering admissions by Charles Fraser Macnamara, or [Sanders illicit release of client funds without consent](#), the SRA's deceit is proven.

The SRA has been intractable, deceitful and [opaque](#) throughout the Ecohouse fiasco - it has never acted in the interests of misconduct victims. It has acted in the interests of its fraudulent members, and has sought to reduce insurer's and its own exposure to claims amidst an [insurance indemnity crisis](#) resulting from an epidemic of misconduct in the profession. The SRA must be held accountable for its regulatory deceit, treachery, and failure to protect legal service consumers against fraud. Consumers are [justifiably angry](#) at being exposed to unacceptable risks because the [SRA is conflicted](#) and is :-

1. Failing to take preventative measures against solicitor client account abuse.
2. Failing to intervene to halt frauds, leading to huge client losses as frauds escalate.
3. Failing to make appropriate allegations of dishonesty, fraud & a deficient client account.
4. Concealing evidence of fraud and dishonesty from tribunal, leading to a perversion of justice.
5. Abusing its compensation scheme fund to deny redress to clients who suffer loss caused by their unscrupulous solicitor members unethical and dishonest behaviour.

It's difficult to know why the SRA is failing so abysmally and who it is protecting altogether, be that insurers, its compensation scheme, its fraudulent members, or perhaps corrupt Government officials, but whatever angle you look at it, the only people the SRA are protecting are the unscrupulous.

Colin Rimmer - Ecohouse Creditors Representative - 27<sup>th</sup> July 2020.