



By email

9th September 2022

Open letter to the Treasury Committee, the APPG on Fair Business Banking and the Economic Secretary to the Treasury

Dear Mel Stride MP and your Treasury Committee colleagues; and Dear Kevin Hollinrake MP and your APPG for Fair Business Banking colleagues; and Dear Richard Fuller MP in your capacity as Economic Secretary to the Treasury,

I hope you're all well.

I am writing this 'open letter' to you in my capacity as Founder of the Transparency Task Force, to ask that you consider helping in relation to a particular problem, please.

Here's the context:

It has been brought to our attention that a recent Financial Conduct Authority board minute (link [here](#) – see paragraph 7.6) records how the FCA proposes to deal with complaints about the redress scheme in relation to [fraudulent IRHP mis-selling by the banks](#).

It seems that The FCA has decided that (i) it will not proactively reopen old complaints, (ii) new complains will be dealt with consistently with the Swift Report (and revisited in light of the judicial review claim that is underway through the APPG on Fair Business Banking), if appropriate), (iii) it will not expect to pay compensation, but will consider each complaint on the merits and **(iv) it is treating the 12 month period for complaints as running from 14th December 2021 to 14th December 2022.**

Our understanding is that if a complaint is not made by the 14th December deadline, the FCA may judge it to be out of time, regardless of the outcome of the Judicial Review.

It would therefore be prudent for all victims of fraudulent Interest Rate Hedging Product mis-selling by the banks, who have not yet made qualifying complaints, to do so before 14th December 2022. That's because if they don't, they might lose out on compensation that any 'natural justice' test would suggest they ought to be paid.

It would be wishful thinking to expect all of the thousands of victims that have a basis to make a complaint, to know about the Swift Review; and even greater wishful thinking to expect that all those that have a basis to make a complaint to know about the 14th December deadline.

As such, there is a very real risk that some individuals (many of whom may have suffered extensively and tragically as a consequence of the fraudulent selling of IRHPs by the banks) will lose their chance for compensation.

That would be very unfair, wouldn't it?

We would like to think that the relevant banks may already have plans to do the right thing and make their victims aware of the deadline. However, **given the financial incentive for them not to do so** and their well-documented recidivist behaviour ([see this Violation Tracker UK data](#)), we think it unlikely they will do the right thing unless made to do so.

Furthermore, **there is a risk that the FCA may not be taking any proactive steps whatsoever to help ensure the victims know about the deadline they have set.** After all, it is a statement of fact that many stakeholders ([including some Parliamentarians](#)) have concerns about the effectiveness of the FCA in relation to its consumer protection remit, hence our nervousness about whether the FCA will do the right thing.

It's also a statement of fact that many thousands of business owners have been impacted severely by fraudulent mis-selling of IRHPs by the banks that is at the heart of this matter.

So that's the problem; and we believe that problem to be a major public interest issue.

We don't know what the solution is.

However, we'd like to ask whether you can find out, please, whether the Financial Conduct Authority is planning to do anything to ensure the banks' victims are told about the deadline and its significance.

And we'd also like to ask, please, whether you could compel all the relevant banks and related bodies (such as the Business Banking Resolution Service) to write to all the victims to inform them of the deadline and its significance.

Meanwhile, TTF will do all we can to try to raise awareness of the deadline, in the well-founded belief that even if we can just help one victim to not miss the chance to get the compensation they deserve, it would be worth it. We know it's important to try to do this, because [we fully understand the human cost and suffering caused by financial crime](#). Given TTF's lack of resource, we must do all we can through the media to help get the word out there about the deadline. This open letter to you is the first step in that effort - some journalists are bcc'd.

Thank you all for taking time to read this email.

Your thoughts please.

Kind regards,

Andy

Andy Agathangelou FRSA

Founder, Transparency Task Force; a Certified Social Enterprise

Governor, Pensions Policy Institute

Chair, Secretariat Committee, APPG on Personal Banking and Fairer Financial Services

Chair, Violation Tracker UK Advisory Board

Policy Adviser to Parrhesia, the Whistleblower Research Charity

Telephone: +44 (0)7501 460308