

**Harriett Baldwin MP,
Chair, Treasury Committee**

By Email only.

24th March 2023

List of co-signatories last updated on 31st May 2023

Dear Ms Baldwin,

We the undersigned are writing to you in your capacity as Chair of the Treasury Committee. We hope the Committee is keen to do what it can to help drive up the levels of trust and confidence in the UK's financial services sector, a sector that we believe to be of profound importance to the UK economy and our global reputation on the world stage.

We therefore hope you will grant our request.

We write to request that the Treasury Committee launches a new investigation into the issue of SME Finance, and in particular into the topics of misconduct, regulation and redress for small and medium-sized firms mistreated by banks.

It is now almost five years since the Committee began taking evidence for its [previous](#) inquiry on this topic. Since then, its [principal recommendations](#) (page 48) have not been actioned. SME lending has not been brought within the regulatory perimeter, Section 138D of the Financial Services and Markets Act 2000 has not been amended to afford SMEs the right to litigate for breaches of FCA rules, a Financial Services Tribunal has not been established and the Financial Services and Markets Act 2000 has not been amended to allow the FCA to establish industry-wide redress schemes for incorporated businesses that have been affected by breaches of regulatory requirements.

Instead, the banks created and funded a voluntary initiative, the [Business Banking Resolution Service](#) ('BBRS'). Its [historical scheme](#), intended to handle claims of alleged acts and omissions that occurred between 1 December 2001 and 31 March 2019, went live on [15 February 2021](#) and closed to new cases on [14 February 2023](#). The [contemporary scheme](#), for more recent cases, will continue for the present, though it seems likely that it will be terminated at some point this year¹.

As at 30 November 2022, across both schemes, only [50 settlements](#) were made in favour of claimants, and just 19 of these were the result of adjudication by the BBRS. This stands in stark contrast to the admission by UK Finance that some [60,000 firms](#) would be eligible for

¹ The [organisation's website](#) stated in December 2022 that 'the BBRS contemporary scheme will be continuing into 2023'

the historical scheme alone. The BBRs has refused to provide data on the monetary value of its awards; we suspect some may be *de minimis* sums awarded for delays in case handling.

We believe that the central reason why the BBRs has not made a material impact in providing redress for the SME victims of bank misconduct, and therefore failed in another of its objectives, to help rebuild trust between the banks and businesses, is that its [eligibility criteria](#) are unduly restrictive. Attempts by SME stakeholders to negotiate changes have not succeeded. We share the view of your [2018 inquiry](#) (page 53, par 30) that 'It is very hard for the Committee and the wider public to have confidence in such [voluntary redress] schemes, when their design and operation is ultimately at the discretion of the banks responsible for mistreating their customers.'

Commenting in January 2019 on plans for the BBRs' creation, the then Chancellor of the Exchequer Philip Hammond [wrote](#) to Stephen Jones, Chief Executive of UK Finance, to state that, 'If it transpires that the scheme is not bringing resolution to a meaningful number of complaints, I would expect there to be further discussion around the scope of and eligibility for the backward-looking scheme.'

Given that this has not happened, we hold that the time has now come to revisit the creation of statutory means of redress, perhaps based on the recommendations made by the Committee in 2018.

You may also be aware that the bank scheme is widely discredited among non-industry stakeholders, with former Treasury Committee member and Chair of the All Party Parliamentary Group on Fair Business Banking (and now [Minister for Enterprise, Markets and Small Business](#)), Kevin Hollinrake, [stating in November 2021](#), when Chair of the aforementioned APPG:

'Quite frankly, the scheme is currently a complete embarrassment to UK Finance and the seven member banks who designed it. The APPG warned them all in writing in 2018 that the eligibility criteria would exclude at least 85 percent of complainants and that's proven to be the case.'

In May 2022, Cat MacLean, the respected Scottish solicitor and arbitration expert who gave constructive evidence to your Committee's 2018 inquiry, resigned her position on the BBRs' SME Liaison Panel, [describing it](#) as, 'completely defective' and claiming that to remain would risk being 'complicit in a cover-up.'

The Committee's 2018 inquiry anticipated that a voluntary, bank-led and bank-funded redress scheme would be unlikely to succeed, and so it has proven. SME stakeholders have demonstrated considerable patience and good faith in attempting to work constructively

with the BBRS, but given the closure of the historical scheme it is clear that the banks will not pay up willingly; therefore, we believe that the case for a transparent, statutory solution is now stronger even than when the Committee first advocated it.

The Committee's 2018 inquiry anticipated that a voluntary, bank-led and bank-funded redress scheme would be unlikely to succeed, and so it has proven. SME stakeholders have demonstrated considerable patience and good faith in attempting to work constructively with the BBRS, therefore, we believe that it's the right time for the Committee to revisit this issue, five years since its original report. This would bring the weight of serious Parliamentary scrutiny to the whole BBRS process that has taken place since the Committee last looked at this, and should help set the agenda for what happens next.

For these reasons, we ask that you institute a fresh inquiry into these matters. We, and many other subject-matter experts, stand ready to provide evidence and testimony if required.

We are confident that the hard evidence your Committee would gather will be clear, compelling and conclusive; and therefore empower the Committee to make a real difference on a matter that is an enormous public interest issue impacting small and medium-sized businesses, entrepreneurs and other stakeholders keen for the reputation of the UK's financial services sector to shine as brightly as possible in the increasingly competitive global market.

Will you grant our request please?

Yours sincerely,

All those listed below, as co-signatories to this letter

Co-signatories in an organisational capacity:

- Transparency Task Force
- SME Alliance
- Federation of Small Businesses
- BBRS Ineligible
- APPG on Fair Business Banking
- BankConfidential CIC
- APPG on Personal Banking and Fairer Financial Services
- APPG on Debt and Personal Finance

Co-signatories who are Members of the British Banking Resolution Service SME Liaison Panel

- Mark Bishop
- Nish Kotecha

Co-signatories who are Members of Parliament:

- Kevin Brennan, MP for Cardiff West, Labour
- John Penrose, MP for Weston-super-Mare, Conservative
- Holly Lynch, MP for Halifax, Labour
- Olivia Blake, MP for Sheffield, Hallam, Labour
- Tim Farron, MP for Westmorland and Lonsdale, Liberal Democrats
- Ben Lake, MP for Ceredigion, Plaid Cymru
- Sir Gary Streeter, MP for South West Devon, Conservative
- Paul Blomfield, MP for Sheffield Central, Labour
- Kenny Macaskill, MP for East Lothian, Alba Party
- Tony Lloyd, MP for Rochdale, Labour
- Sir Robert Goodwill, MP for Scarborough and Whitby, Conservative
- Mary Glendon, MP for North Tyneside, Labour
- Greg Smith, MP for Buckingham, Conservative
- Wendy Chamberlain, MP for North East Fife, Liberal Democrats
- Stephen Hammond, MP for Wimbledon, Conservative
- Ben Bradley, MP for Mansfield, Conservative
- Rosie Duffield, MP for Canterbury, Labour
- Sarah Green, MP for Chesham and Amersham, Liberal Democrats
- Sir Mike Penning, MP for Hemel Hempstead, Conservative
- Debbie Abrahams, MP for Oldham East and Saddleworth, Labour
- Deidre Brock, MP for Edinburgh North and Leith, SNP
- Andrew Rosindell, MP for Romford, Conservative
- Derek Thomas, MP for St Ives, Conservative
- Kim Johnson, MP for Liverpool, Riverside, Labour
- Dave Doogan, MP for Angus, SNP
- Bob Blackman, MP for Harrow East, Conservative
- Clive Betts, MP for Sheffield South East, Labour
- Christine Jardín, MP for Edinburgh West, Liberal Democrats
- Michael Fabricant, MP for Lichfield, Conservative
- Mohammad Yasin, MP for Bedford, Labour
- Sir Peter Bottomley, MP for Worthing West, Conservative
- Rachael Maskell, MP for York Central, Labour (Co-op)
- Alex Sobel, MP for Leeds North West, Labour (Co-op)
- Charlotte Nichols, MP for Warrington North, Labour

- Marsha de Cordova, MP for Battersea, Labour
- Jo Gideon, MP for Stoke-on-Trent Central, Conservative
- George Eustice, MP for Camborne and Redruth, Conservative
- Martyn Day, MP for Linlithgow and East Falkirk, Scottish National Party
- Richard Foord, MP for Tiverton and Honiton, Liberal Democrats

Co-signatories who are Members of the House of Lords:

- Rt Hon Baroness D’Souza CM, Crossbench
- Lord McNicol of West Kilbride, Labour
- Lord Northbrook, Conservative
- Lord Oates, Liberal Democrat
- Lord Browne of Ladyton, Labour
- Lord Davies of Brixton, Labour

Supporters from overseas, listed alphabetically:

- Dr Andy Schmulow, Associate Professor, School of Law, University of Wollongong, Founder and Principal, Clarity Prudential & Regulatory Consulting, Australia
- John Heyworth, France
- Stephen Matthewman, unemployed Financial Consultant, Spain
- Paul Bates, Barrister and Director, Paul Bates Barrister, Canada
- Peter Hanlon, Rotary Melbourne, Australia
- Rick Adkinson, Managing Director, Private Capital Limited, Hong Kong
- Shann Turnbull, Principal, International Institute for Self-governance, Australia

Co-signatories in an individual capacity, listed by who their MP is:

[Constituent/s of Alex Burghart, MP for Brentwood and Ongar](#)

- Lisa King, victim of misconduct by Lloyds Banking Group

[Constituent/s of Alexander Stafford, MP for Rother Valley](#)

- Roger Hall, Retired

[Constituent/s of Alyn Smith, MP for Stirling](#)

- Ian Neale, Owner, Balmaha House

[Constituent/s of Andrew Bridgen MP for North West Leicestershire](#)

- John Rook

[Constituent/s of Andy McDonald, MP for Middlesborough](#)

- Denis Taylor, Self-employed, victim of misconduct by Lloyds Banking Group

[Constituent/s of Anthony Browne, MP for South Cambridgeshire](#)

- Shân Millie, Founder, Bright Blue Hare

[Constituent/s of Apsana Begum, MP for Poplar and Limehouse](#)

- Julie Anne Davey, Former Sole Director and Shareholder, The Angel Group of Companies and Angelic Interiors Limited, victim of misconduct by HBOS/ Lloyds TSB and Lloyds Banking Group

[Constituent/s of Bambos Charalambous, MP For Enfield, Southgate](#)

- Christakis Kashourides, Businessman, Bellcrown Associates Ltd, Bellmount Investments Ltd, victim of misconduct by RBS/Nationwide

[Constituent/s of Ben Bradley, MP for Mansfield](#)

- Kathie White, Retired
- Les Stirland, Retired, victim of misconduct by Barclays Bank Plc

[Constituent/s of Ben Lake, MP for Ceredigion](#)

- Mrs L Davies, Director, GD Windows Ltd, victim of misconduct by Santander
- Mr G Davies, Director, GD Windows Ltd, victim of misconduct by Santander

[Constituent/s of Bin Afolami, MP for Hitchin and Harpenden](#)

- Derek French, Campaigner for retention of local banking access

[Constituent/s of Bob Seely, MP for the Isle of Wight](#)

- Lorraine Adams, Retired, victim of misconduct by National Westminster Bank Plc

[Constituent/s of Brendan Clarke-Smith, MP for Bassetlaw](#)

- Robert Hodgkinson, Retired Engineer

[Constituent/s of Caroline Ansell, MP for Eastbourne](#)

- Professor Nigel Harper, Chairman, Ethical Banking Standards Council

[Constituent/s of Catherine West, MP for Hornsey and Wood Green](#)

- Morris Jellad, victim of misconduct by Citibank

[Constituent/s of Charlotte Nicols, MP for Warrington North](#)

- Mark Whittaker, full time carer, victim of misconduct by HSBC

[Constituent/s of Cherylyn Mackrory, MP for Truro and Falmouth](#)

- Lesley Kazan-Pinfield, Owner, Argantel, victim of misconduct by Natwest/RBS

[Constituent/s of Chris Grayling, MP for Epsom and Epswell](#)

- Andrew Candy, Managing Director, Tentacle Design & [mine] Art Gallery, victim of misconduct by HSBC

[Constituent/s of Damien Green, MP for Ashford](#)

- Trevor Mealham, Former CEO, The Independent Network of Estate Agents, victim of misconduct by Lloyds Bank
- Jane Farmer, Former homeowner and shareholder, GoldenBall International, victim of misconduct by RBS/Natwest

[Constituent/s of Darren Henry, MP for Broxtowe](#)

- Chris Cooper, Retired

[Constituent/s of Dave Doogan, MP for Angus](#)

- Norma Henderson, Retired, victim of misconduct by RBS

[Constituent/s of David Warburton, MP for Somerton and Frome](#)

- Miss A.M.S. Hutton-Wilson, Sole trader, victim of misconduct by Barclays Bank

[Constituent/s of Debbie Abrahams, MP for Oldham East and Saddleworth](#)

- David Taylor, Managing Director, TT Express (Oldham) Ltd/889 Trading Ltd / Rooster Trucking Company Ltd, victim of misconduct by Clydesdale Banks - NAB - Virgin Money/Close Brothers PLC

[Constituent/s of Dr Rupa Huq, MP for Ealing Central and Acton](#)

- Roscoe White

[Constituent/s of Drew Hendry, MP for Inverness, Nairn, Badenoch and Strathspey](#)

- Allan Thomson, Managing Director, Black Isle Property Co Ltd, victim of misconduct by RBS/Natwest

Constituent/s of Duncan Baker, MP for North Norfolk

- Mark Wright, Director, BankConfidential C.I.C, victim of misconduct by RBS

Constituent/s of Ellie Reeves, MP for Lewisham West and Penge

- Martin Allen, Retired

Constituent/s of Elliot Colburn, MP for Carshalton and Wallington

- Steve Spooner, Retired

Constituent/s of Emma Hardy, MP for Kingston upon Hull West and Hessle

- Stephen Middleton, Director, Lihmen Ltd, victim of misconduct by RBS and Barclays Bank

Constituent/s of Esther McVey, MP for Tatton

- Stephen Barker, Director, Free Trade Hall Hotel Ltd, victim of misconduct by Bank of Scotland/Lloyds Banking Group

Constituent/s of Giles Watling, MP for Clacton

- Nigel Barrington-Fuller, victim of misconduct by RBS
- Adrian Fuller, victim of misconduct by RBS
- Julia Barrington-Fuller, victim of misconduct by RBS
- David Fuller, victim of misconduct by RBS

Constituent/s of Grahame Morris, MP for Easington

- Peter Hardy, Retired

Constituent/s of Greg Smith, MP for Buckingham

- Peter O'Donnell, Chairman, New South Law Ltd, victim of misconduct by Lloyds Group

Constituent/s of Flick Drummond, MP for Meon Valley

- Andy Agathangelou, Founder, Transparency Task Force
- Robert Levin, Company Director, Mayfair Estates Property Investment Limited, victim of misconduct by Natwest

[Constituent/s of Gareth Thomas, MP for Harrow West](#)

- Jon Spain, Retired

[Constituent/s of George Freeman, MP for Mid Norfolk](#)

- Andy Keats, CEO SME Alliance and member of the BBRS' SME Liaison Panel, victim of misconduct by RBS

[Constituent/s of Guy Opperman, MP for Hexham](#)

- Michael Wilson, retired

[Constituent/s of Harriett Baldwin, MP for West Worcestershire](#)

- Stephen Finch, Former Chairman, Bredbury Hall Ltd, victim of misconduct by Lloyds Banking Group
- Joan Finch, Company Director, victim of misconduct by Lloyds Banking Group

[Constituent/s of Helen Grant, MP for Maidstone and The Weald](#)

- Michael Ferriday

[Constituent/s of Holly Lynch, MP for Halifax](#)

- George Moore, Retired, victim of misconduct by Leeds Building Society

[Constituent/s of Huw Merriman, MP for Bexhill and Battle](#)

- Hugo Wuyts, Retired local government officer

[Constituent/s of Ian Mearns, MP for Gateshead](#)

- Chris Wright, Retired, victim of misconduct by Barclays Bank

[Constituent/s of James Cleverly, MP for Braintree](#)

- Neil Gunn, Former Managing Director, Telefonik Europe Ltd, victim of misconduct by Natwest Bank

[Constituent/s of Jason McCartney, MP for Colne Valley](#)

- Christine Lendon

[Constituent/s of Jeremy Hunt, MP for South West Surrey](#)

- Jan Floyd-Douglass, Director and Co-Founder, The 9 Situations

Constituent/s of Jerome Mayhew, MP for Broadland

- Paul Clark, The Delivery Specialists Ltd T/as Clarks Direct, victim of misconduct by RBS/NatWest Bank
- Jane Clark, The Delivery Specialists Ltd T/as Clarks Direct, victim of misconduct by RBS/NatWest Bank

Constituent/s of Jill Mortimer, MP for Hartlepool

- David Turner, Consultant Project Manager

Constituent/s of Jim Shannon, MP for Strangford

- Hubert Armstrong, Former Director, Moorcroft Estates Ltd

Constituent/s of Jo Stevens, MP for Cardiff Central

- David Lloyd, Retired
- Diane Lloyd, Retired

Constituent/s of John Barron, MP for Basildon and Billericay

- Graham Moat, Owner, Get Moatived and The Dog House Moat-el, victim of misconduct by Lloyds Bank/HSBC

Constituent/s of John Howell, MP for Henley

- Malcom Brain, Retired, victim of misconduct by HBOS Reading/Lloyds Banking Group

Constituent/s of John Penrose, MP for Weston-super-Mare

- Martin Woolls, semi retired, victim of misconduct by Lloyds Bank

Constituent/s of John Redwood, MP for Wokingham

- Mike Christofi, Financial & Commercial Controller, victim of misconduct by Lloyds Bank and Barclays Bank

Constituent/s of John Stevenson, MP for Carlisle

- Brenda McRoy, Retired

Constituent/s of Julie Marson, MP for Hertford and Stortford

- Ian Tyler, Managing Director, Prudential Risk and Treasury Advisory Services Limited
- Stephen Tozer, Production Manager, victim of misconduct by Barclays Bank

[Constituent/s of Karen Buck, MP for Westminster North](#)

- Annemarie Borg, Founder/ Director, The Antara Project

[Constituent/s of Keir Starmer, MP for Holborn and St Pancras](#)

- Carolyn Hayman OBE

[Constituent/s of Kelly Tolhurst, MP for Rochester and Strood](#)

- Joan Keeley, Retired, victim of misconduct by One Savings Bank/Kent Reliance

[Constituent/s of Kevin Brennan, MP for Cardiff West](#)

- Michael McGrath, Mr Michael McGrath Proprietor, M.C. McGrath

[Constituent/s of Kevin Foster, MP for Torbay](#)

- Mike Winwood, Company Secretary / Director, victim of misconduct by Monzo, Santander and HSBC

[Constituent/s of Laura Farris, MP for Newbury](#)

- Anthony Stansfeld, Former Police Crime Commissioner for Thames Valley Police and Police Commission (2013-2021) and Police Crime Commissioner Lead on Fraud

[Constituent/s of Liz Saville Roberts, MP for Dwyfor Meirionnydd](#)

- David Harwood- Turnbull, Retired

[Constituent/s of Mary Glendon, MP for North Tyneside](#)

- Brenda Watson, Retired
- Greg Watson, Retired
- Margaret Trick, Retired

[Constituent/s of Mike Freer, MP for Finchley and Golders Green](#)

- Rupert Nathan, Chartered MCSI

[Constituent/s of Nadia Whittome, MP for Nottingham East](#)

- Adrian Woodward
- Dr Alla Koblyakova, Course Leader for the Property Finance and Investment, Nottingham Trent University

[Constituent/s of Nigel Huddleston, MP for Mid Worcestershire](#)

- Ronald Shuck, Director, Principal Shareholder, Worcester Property Company Limited and Ideal Estates Limited, victim of misconduct by Royal Bank of Scotland, NatWest Bank, Barclays Bank and Lloyds Bank

Constituent's of Olivia Blake, MP for Sheffield Hallam

- Ian Stocks, Retired, victim of misconduct by Citigroup and Lloyds Banking Group

Constituent/s of Paul Blomfield, MP for Sheffield Central

- Susan Wood, Retired
- Kevin Dowd, Professor, Durham University

Constituent/s of Peter Gibson, MP for Darlington

- Hugh Beaumont, Director, Beaumont RB Holdings Ltd, victim of misconduct by HSBC (on behalf of a friend)

Constituent/s of Peter Kyle, MP for Hove

- Mike Lloyd, Former Director, Sarumdale, victim of misconduct by Barclays Bank Plc

Constituent/s of Philip Dunne, MP for Ludlow

- Derek Broadley, Chief Executive, Falcon Trad-Inter Ltd.

Constituent/s of Rachel Maclean, MP for Redditch

- Anthony Ivan Willcock, Director, MRTPI(rtd), Worcester Property Company Limited and Ideal Estates Limited, victim of misconduct by Royal Bank of Scotland, NatWest Bank, Barclays Bank and Lloyds Bank

Constituent/s of Richard Bacon, MP for South Norfolk

- Christopher John Hipperson, Engineer and business owner, A & D Hipperson

Constituent's of Richard Foord, MP for Tiverton and Honiton

- Nigel Cairns, Self employed, victim of misconduct by HSBC

Constituent/s of Rob Roberts, MP for Delyn

- Clive May, Director, Briar Grove Developments Ltd, victim of misconduct by RBS

Constituent/s of Robert Jenrick, MP for Newark-on-Trent

- Dennis Horbatuik, Retired

- Jennifer Horbatuik, Retired

[Constituent/s of Rosie Duffield, MP for Canterbury](#)

- Eric Giachardi, Retired

[Constituent/s of Ruth Edwards, MP for Rushcliffe](#)

- Professor David Llewellyn, Professor of Money & Banking, Loughborough University

[Constituent/s of Sarah Green, MP for Chesham and Amersham](#)

- Dr Htay Kywe, Care Homes Proprietor, Hilldales and Northview Care Homes, victim of misconduct by Barclays Bank
- Thilda Kywe, Care Homes Proprietor, Hilldales and Northview Care Homes, victim of misconduct by Barclays Bank

[Constituent/s of Sarah Olney, MP for Richmond Park](#)

- Geoffrey Egan, Director, Albemarle Retail Property LLP, victim of misconduct by RBS (Natwest) and GRG
- Shirley Rizvi, Retired, victim of misconduct by Halifax, Bank of Scotland, Lloyds Banking Group
- Sajid Rizvi, victim of misconduct by Natwest

[Constituent's of Simon Clarke, MP for Middlesbrough South and East Cleveland](#)

- Richard Spooner, Retired

[Constituent/s of Sir Gary Streeter, MP for South West Devon](#)

- Nick Rogers, Nick Rogers Photographic, victim of misconduct by Lloyds Bank

[Constituent/s of Sir Geoffrey Clifton-Brown, MP for the Cotswolds](#)

- Shane Norman, Consultant, Business Development for Fund Managers

[Constituent/s of Sir Mike Penning, MP for Hemel Hempstead](#)

- Julian Fernandes, Project Coordinator, Hertfordshire Constabulary, victim of misconduct by Barclays & Lloyds bank

[Constituent/s of Sir Robert Goodwill, MP for Scarborough and Whitby](#)

- Cliff Southcombe, Managing Director, Social Enterprise International Ltd

[Constituent/s of Theresa May, MP for Maidenhead](#)

- Jim Bignal, Director, Responsible Business Project 2030

Constituent/s of Tim Farron, MP for Westmorland and Lonsdale

- William Wakefield, victim of misconduct by Barclays Bank

Constituent/s of Tom Tugendhat, MP for Tonbridge and Malling

- Tanweer Zia, Compliance Consultant
- Tim Farazmand, PCB Partners

Constituent/s of Wera Hobhouse, MP for Bath

- Sunil Chadda, TTF Ambassador

End.