

MPs back businessman on hunger strike at Clydesdale Bank

All-party group urges bank to re-examine role in collapse of John Guidi's property business

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Clydesdale Bank has said it is not responsible for the collapse of John Guidi's £16m property business.

A parliamentary group has thrown its support [behind a Scottish businessman](#) who launched a second hunger strike outside Clydesdale Bank's group headquarters this week, saying the lender failed to properly investigate his case.

The all-party parliamentary group on fair business banking has urged the bank's owner, CYBG, to reconsider its position. The bank has said it was not responsible for the collapse of John Guidi's £16m property business and will not intervene to prevent the possible seizure of his home.

The parliamentary group's Tory vice-chair, Stephen Kerr, said Clydesdale needed to thoroughly examine the events that had led to Guidi's situation and properly investigate "the bank's culpability at all the points along the way".

In a letter to the CYBG chief executive, David Duffy, Kerr said: "I am alarmed to hear that Mr Guidi has restarted his hunger strike this week. We had hoped to see CYBG engage in a meaningful, proactive and productive discussion. However, all evidence thus far is that it is burying its head in the sand."

Guidi, who [repitched his tent outside the CYBG headquarters](#) in Glasgow on Monday, claims he is at risk of becoming homeless after his business collapsed.

John Guidi CYBG Virgin Money Victim (@CYBGHungrStrike)

[#Day41](#)

of my protest outside CYBG/ Virgin Money Headquarters (formerly known as Clydesdale Bank). Day 5 of my resumed hunger strike.

I all ask from CYBG/ Virgin Money is the return of my home and what is rightfully mine. I thank everyone for your continued support.

John Guidi pic.twitter.com/uwGx2j2i3Y

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He alleges he was mis-sold tailored business loans in the early 2000s and Clydesdale abruptly withdrew funding in 2012, transferring the loans to CYBG's former owner National Australia Bank. Those loans were then sold to a private equity firm, Cerberus, which Guidi says aggressively pursued his debts. Having signed a personal guarantee on the loans, Guidi says he is at risk of losing his home.

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Guidi protested in front of CYBG's headquarters in March but suspended his strike after four days when Duffy agreed to look into his case.

CYBG, which owns the banking brands Clydesdale, Yorkshire and Virgin Money, held five meetings with Guidi in the months that followed. The bank is understood to have approached Cerberus about his case before concluding it was "not responsible" for Guidi's situation.

Kerr said CYBG had failed to address key claims in Guidi's case. These included allegations that CYBG introduced terms on Guidi's loans in 2011 that put him in immediate breach of his contract and set off a series of events that led to his firm's bankruptcy.

Kerr also criticised the lender for dodging questions over the sale of the loans and whether it had properly assessed the impact of the deal on vulnerable customers.

"I do hope that the bank will reconsider its position," Kerr said.

A CYBG spokesman said: "Mr Kerr's letter is deeply disappointing, making a number of inaccurate and unfounded accusations against the bank. Contrary to Mr Kerr's allegation, we have engaged extensively with Mr Guidi and have reviewed his case in detail. While we are not responsible for the position he is in, we have pursued a number of avenues to see if we can help Mr Guidi resolve his situation."

The spokesman said CYBG had answered a number of questions about Guidi's case during a meeting with Kerr this year and had "engaged constructively" with the parliamentary committee. "We remain confident that our reviews of past business loans have been conducted in a rigorous manner and delivered fair outcomes to customers."

Court hearing looms for hunger striker

On Friday, Guidi said sheriffs approached him at his tent in Glasgow to serve court papers that will restart a legal battle over his home.

The hunger striker filed a case against Cerberus earlier this year to try to block the private equity firm from seizing his home. But Cerberus asked Guidi to prove he could cover £75,000 of their legal costs before going ahead with the case, one of Guidi's advisers said.

Those proceedings were put on pause during talks with CYBG, but legal papers served on behalf of Promontoria – a debt collection firm owned by Cerberus – suggest the private equity firm is seeking a fresh date in court.

“I was staggered to be served with these legal papers at my tent after five days' protest on hunger strike. I couldn't believe what was happening,” Guidi said. “The sheriff officers actually apologised to for having to do this.”

Cerberus was not immediately available for comment.