

## REGULATORY INTELLIGENCE

## Concern mounts at time Business Banking Resolution Scheme taking to deliver for "banking victims"

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Small and medium-sized business owners have questioned delays at the Business Banking Resolution Service (BBRS), an historic redress scheme set up to deal with the cases of those mis-treated, or mis-sold products by, their banks. Progress has been slow, with no complaints yet settled, said Ian Lightbody, chairman of the Virgin Money UK/National Australia Bank victims' support group.

"The scheme's live pilot eventually stuttered to a start in 2020 and by the BBRS' own admission this has taken far too long, as the first steps [to establish the scheme] were taken in 2018," Lightbody said.

When the BBRS was first proposed, following Simon Walker's 2018 [report](#) for banking lobby group UK Finance, it was envisaged that the scheme would open for registrations in September 2019, with the first adjudications being delivered by December 2019. In reality the BBRS opened for applications, after a last-minute [change](#) to its eligibility criteria, at the end of November. It will not, however, produce any decisions until at least summer 2020, and then only for a handful of cases from its live pilot.

"We know that some customers have been waiting a long time for an alternative dispute resolution service to be developed, and we very much appreciate their ongoing patience while we get started. Identifying and selecting customers for the live pilot to ensure we have a spread of cases has taken longer than we anticipated, and the pilot is still open to new registrations," Lewis Shand Smith, chairman of the BBRS, said in an emailed statement.

The BBRS said it had 30 cases in its live pilot at present but expected this number to rise. Lightbody said BBRS had been too slow to communicate with those registering for the pilot.

"Regrettably, communication on progress by the BBRS has been extremely poor. Some of our members registered in January/February this year and have heard nothing since. The [BBRS'] website has not been utilised to anything like its full potential. This is extremely disappointing given the perilous mental state of some victims and the fact that extreme pressure is still being applied [to individuals] by these [BBRS founding] banks, and their extremely well-resourced legal teams," Lightbody said.

Shand Smith said that COVID-19 had presented challenges for the BBRS but that it was in "active communication" with three-quarters of cases accepted into the live pilot. More than half of the pilot cases had progressed "through several stages of its process", he said.

"We are working extremely hard to launch the BBRS as quickly as possible," Shand Smith said.

The live pilot is intended to test the BBRS processes against a range of case types, though it has excluded cases involving insolvency despite the [support](#) of Andrew Bailey, governor of the Bank of England, for their inclusion. The BBRS process will involve a range of alternative dispute resolution methods including investigative adjudication, informal mediation, early settlement offers and experience-led evaluation.

[Complaints Procedure](#)

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