THE BBRS IS FINISHED

The most deceitful and corrupt mediation scheme ever devised in the UK

The Business Banking Resolution Service (BBRS), which was set up ostensibly to resolve historic banking disputes, has done no such thing. It cost more than £33mn to the end of last year and its chief adjudicator had earned £976,000, substantially more than the Prime Minister and yet, it had made only five financial awards[1]. The BBRS has failed comprehensively and must be shut down immediately. Andrew Bailey, the current Governor of the Bank of England, together with HM Treasury and the major banks devised the entry criteria for the scheme, deliberately so that the overwhelming majority of applicants would be deemed ineligible. Those with cases involving alleged criminal wrongdoing by banks were recommended to go to the Police, despite the authorities knowing full well that the latter would never investigate such matters. When divided between the seven participating banks, the cost of the scheme represents small change, compared with having to compensate victims properly. The BBRS is the most devious and corrupt mediation scheme ever attempted in the UK and those who devised it should be deeply ashamed[2].

Design of the BBRS – improper from the outset

In the same way that Andrew Bailey at the Bank of England and HM Treasury were responsible for the design and implementation of the Asset Protection Scheme (APS) in 2009, which never had much to do with the protection of bank customers' assets, so he has also been one of the leading figures behind the Business Banking Resolution Service. This was never intended to have much to do with providing resolution for the victims of banking fraud. Instead, the objective was always to corral them into a manageable group, pretend that the BBRS might deliver the justice, which victims had consistently been denied and then award as little compensation as possible.

Comparison with the Post Office mediation scheme

After the collapse of the Post Office scheme in 2015, it is astonishing that Government ministers, HM Treasury and the banks had the effrontery to devise another mediation process, which was worse still. Perhaps, they were emboldened by the fact that the collapse of the Post Office scheme had attracted so little adverse publicity that they could get away with an even more unjust one.

Post Office mediation scheme: In October 2013, Sir Anthony Hooper was appointed to chair a working group overseeing a mediation process with the sub-postmasters. However, the forensic accountants Second Sight faced heavy resistance from the Post Office, including their refusal to release privileged information. Finally in March 2015, the Post Office terminated the engagement of Second Sight and withdrew from the mediation process, which promptly collapsed. The Post Office was accused by Rt. Hon James Arbuthnot MP of "spending public money on a scheme, that they themselves have set out to sabotage". It took another five and a half years, until the victims won in court, before the Government agreed to a non-statutory inquiry under Sir Wyn Williams and a new method for compensating the victims had to be established.

The **Business Banking Resolution Service** was devised following the Walker Review in November 2018 by the former Chief Executive of the Financial Conduct Authority, Andrew Bailey and HM Treasury

[1] Banking redress chief earns £1m despite paying only five claims | Business | The Times

[2] For reference, see our press releases: A totally flawed scheme (July 2021), A complete & deliberate hoax (Nov 2021), The sheer obscenity of what is taking place (Nov 2021) and The con trick on eligibility (Feb 2022).

supposedly to compensate the victims of serious banking misconduct and fraud. However, its true purpose was to cover up the illegal wrongdoing, which they had initiated in 2009 with the APS. This had sanctioned the misappropriation by the taxpayer-owned banks of business customers' assets. Two years (2018-2020) were wasted discussing, but not resolving, eligibility issues and even when the BBRS was finally launched in February 2021, these had not been satisfactorily agreed. The aim of the banks, in conjunction with Bailey and HM Treasury, has always been to euthananse those bank victims, who were still standing, at the lowest possible cost and permanently seal away their wrongdoing from public scrutiny.

BBRS - controlled with an iron will by the banks

In October last year, the BBRS stated that "eligibility conditions in the scheme rules were unanimously approved in February 2021 by the Implementation Steering Group comprising seven bank representatives, eight (from) SMEs and an independent Chair". However, Andy Keats, the leader of SME Alliance, a small business victims' group, resigned at this time saying: "It is now clear that the eligibility rules do not achieve this objective and that they have, in fact, excluded most if not all of those seeking redress via the scheme." He went on to state that "he was not made aware that the articles of association for the BBRS were amended on 12th February 2021 in order to prevent the BBRS amending the rules of its scheme without the approval of an unnamed representative of the banks". Every aspect of the deceitful scheme has been controlled by the banks, led we believe by Lloyds Banking Group, which elsewhere has demonstrated its complete determination to avoid all responsibility for its serious wrongdoing. [3]

Multiple resignations have underlined the impropriety of the scheme

Numerous leading figures, who were engaged to administer the BBRS, have resigned. Within two months of its launch in February last year, the Chief Executive, Samantha Barrass had left. Along with Peter Taylor, its director of legal affairs and policy, she had continued to be embroiled in a court case involving her previous post at the Gibraltar Financial Services Commission. Within a short period, Taylor had also departed and questions were asked why, if proper due diligence had been done, Barrass and Taylor were engaged in the first place. Following the launch of the scheme, the BBRS held a series of webinars to inform applicants of its intended process. These were led by their director of communications, Jon McLeod but soon, he too moved on. Last month, the chief adjudicator, Alexandra Marks resigned but not before she had received £976,000 - £471,000 last year and £505,000 for her previous eighteen months' work. A lawyer on the SME liaison panel, Cat Maclean also recently stood down, describing the BBRS as "completely defective" and worrying that that if she remained, she was in danger of "being complicit with a cover up". Those who resigned may have been deceived into believing that the scheme might deliver a greater degree of compensation than has proved to be the case. If so, those who devised the BBRS will have deceived not only all the applicants but even those whom they engaged to operate the scheme.

The architects of the BBRS, Andrew Bailey, HM Treasury and the major banks should be held accountable for the most deceitful and corrupt mediation scheme ever devised in the UK – but of course, they cannot be.

[3] cf. The four reviews of the HBoS Reading fraud ordered by Lloyds Banking Group since 2017.