



## Treasury Committee

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5 December 2016

*Dear Andrew,*

### **Global Restructuring Group (GRG) – Complaints Review Process and Redress**

For over three years, the Treasury Committee has been pressing for reasonable treatment for the many businesses that have been at the wrong end of RBS' Global Restructuring Group's bad practice. It is a step forward that, in the light of the FCA's mishandling of the IRHP redress scheme, the arrangements for redress announced by RBS on 8 November will be handled independently, by a recently retired high court judge.

Nevertheless, more detail on the design of the scheme is needed to provide confidence to businesses that lost out from GRG that they will obtain reasonable compensation. Parliament will expect the FCA to be extremely alert to this. I would be grateful for your responses to the following:

#### *Process*

- When will you be publishing the full account of your findings?
- What steps will the FCA take to ensure that, from the outset, the process is laid out in a transparent manner? How will the FCA monitor fairness and consistency in decision making of the complaints process? What avenues will be in place to enable concerns which may indicate wider problems with RBS' approach to the GRG redress process to be raised?
- How does the FCA propose to deal with the difference in findings between the Promontory report and the Tomlinson report? What impact, if any, will the findings of those reports have on RBS' new complaints review process and decision making of the independent reviewer?

### *Firms*

- Where a business has gone into liquidation/administration, how will the FCA ensure that the money goes to those who have suffered loss and not the liquidators/administrators?
- Does use of the new complaints review process, including the appeals process, constitute – or purport to constitute – a waiver of litigation rights?
- Firms do not appear to have access to the documents to which RBS and the independent reviewer will have access – why not?
- Firms do not appear to have access to the independent reviewer – why not?

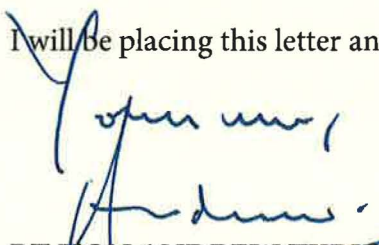
### *The independent reviewer*

- Will evidence passed from the firm to RBS be shared in full with the independent reviewer?
- Is it reasonable to expect one person to be able to cope with the number of businesses that would be expected to appeal against RBS' findings? What support/resources are available to the independent reviewer?
- Will the independent reviewer report regularly to the FCA on the judgements he is making and how RBS is performing? Will any reports or judgements of the independent reviewer be made public?

### *Additional requests for information*

- In the hearing on Tuesday 8 November, you spoke about the prospect of setting up a permanent redress 'tribunal' to deal with complex cases. I would be grateful for an explanation of how such a tribunal might operate, to include an assessment on the likelihood of such a 'tribunal' being established and whether such a proposal has been considered by the FCA as part of its review into how the FCA deals with redress.
- I would be grateful if you could send the Committee the agreement between RBS and the FCA relating to redress for SME customers in the bank's Global Restructuring Group between 2008 and 2013. This should include any application made by RBS (or otherwise) to the FCA for approval of the new complaints review procedure.

I will be placing this letter and your response in the public domain.

  
RT HON ANDREW TYRIE MP  
CHAIRMAN OF THE TREASURY COMMITTEE