

All Party Parliamentary Group for Challenger Banks & Building Societies Inaugural AGM Minutes

Minutes of the Inaugural AGM

Date: 21st May 2018

Time: 15:00 – 16:00

Location: Room W3, Westminster Hall, Palace of Westminster.

Attendees:

- Baroness Drake
- Baroness Kramer
- Lee Rowley MP (Accompanied by Researcher)
- Kemi Badenoch MP (Accompanied by Researcher)
- Mary Robinson MP represented by her Researcher

Secretariat attendees from Barndoor Strategy

- Havard Hughes
- Roger Evans
- Christopher Alley

1 Introductions

Kemi Badenoch as acting Chair asked attendees to introduce themselves and set out their interest in the group and the issues that the APPG would aim to tackle.

KB set out that she was seeking to work to examine the regulations surrounding Challenger banks and Building societies and their impact on her constituents

2 Appointment of Secretariat

Havard Hughes outlined his background and experience in financial services regulation and work in the building society sector and Barndoor Strategy's role in providing secretariat services to the APPG

Agreed: Barndoor Strategy was unanimously appointed as the secretariat for the APPG on Challenger banks and Building Societies for the 2018-2019 reporting year.

3 Appointment of Chair

Kemi Badenoch MP was proposed by Lee Rowley MP and seconded by Baroness Kramer seconded Kemi Badenoch MP

Agreed: Kemi Badenoch MP was unanimously voted as The Chair for the APPG on challenger banks and Building Societies.

- 4 Appointment of Vice Chair and Officers were agreed as follows:**
- **Lee Rowley MP was nominated and appointed vice chair**
 - **Baroness Kramer was nominated and appointed vice chair**
 - **Baroness Drake was nominated and appointed vice chair**

5 Focus of the APPG's work.

There was an open floor discussion between group members and the following points were raised:

- Concern about the prevailing regulatory structure and the way this adversely affected challenger banks, building societies and their customers and the UK market;
- RBS branch closures are taking place in several communities and restricting access to financial services of constituents;
- The Post Office was being left as the only financial institution in many communities and could not fulfil every function of the banks;
- Many older constituents were being impacted hard by the withdrawal of bank services;
- There was a need for greater diversity in terms of both institutions and services offered to different types of customer in the UK financial services sector;
- Regulation for smaller banks must be addressed;
- 'Competition' was not bringing in new players to the market with an interest in servicing under-banked communities;
- While there had been some new market entrants, the barriers to entry into the retail banking market remained high and new institutions were failing to comprehensively address the needs of the public; and
- There were approximately 30 retail banks in the UK, compared to 400 in the US – UK sector is shallow affecting its ability to serve needs of customers.

Agreed: The Secretariat would draft a paper setting out the ideas and concerns expressed in greater detail. This would be discussed at the next meeting in order to formulate plans for an inquiry into the current regulation of challenger banking institutions and building societies with a focus on assessing if they were meeting the needs of the public.

6 Challenger banking and building society APPG's statement of purpose

There was a detailed discussion of the aims and objectives of the group. It was agreed that the statement of purpose should reflect the need for greater diversity in the banking sector in terms of both the institutions and the sections of society institutions sought to serve.

Agreed: The Statement of purpose for the APPG of Challenger banks and Building Societies was to:

Review the regulations of the banking & financial sector and to promote fair competition, removing entry barriers and encouraging diversity of service.

7 Date of next meeting

- It was agreed that the next meeting of the APPG should take place in July before Sumner recess
- The Secretariat is to liaise with members and organise next meeting and prepare the appropriate briefing papers.

8 Closing remarks and any other business

- The Chair thanked all those present for attending

Meeting closed at 16:45