

Rt Hon. Nicky Morgan
Chair of the Treasury Select Committee
House of Commons
Committee Office
London
SW1A 0AA

9th January 2019

Dear Mrs. Morgan

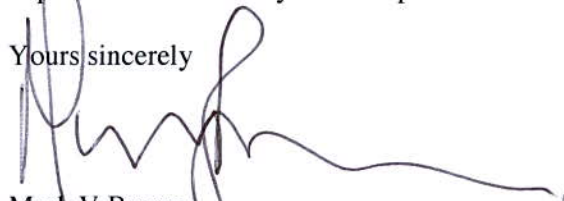
Slaughter and May Report Delayed

When TSB announced that it was appointing Slaughter and May to carry out a report of what went wrong with the migration of TSB customers onto its new IT platform the Bank said the report would be completed in the first half of 2019. You said that was “ridiculous” and TSB subsequently agreed to publish the report in two parts. The first part of that report was due to be published before the end of the year but that’s been delayed. TSB has now said that “Slaughter and May are working expeditiously to deliver a report as soon as is practicably possible”. I am sure you would agree with me that is simply unacceptable. Slaughter and May has been working on this report since April and that’s more than enough time to interview the key players, review the evidence and produce its findings.

One could be forgiven for thinking that TSB has delayed publication of the report whilst the Banking Competition Remedies body is evaluating its application for one of the Pool A grants of the Capability and Innovation Fund. Those grants could be worth between £60 million to £120 million for the TSB. It is no coincidence that the application period for Pool A grants closed on the 31st December 2018, the exact date when Slaughter and May was due to publish part 1 of its long awaited report on TSB’s calamitous IT meltdown. BCR is evaluating applications for Pool A grants in January and announcing awards in February. TSB wants to avoid any adverse publicity regarding its IT meltdown during that period.

TSB customers, many of whom still have not had their complaints dealt with or been offered compensation, have a right to know who is responsible for the most catastrophic IT meltdown in UK corporate history. I should be grateful if you would write to Richard Meddings and ask him for an explanation of the delay and an updated timetable for the completion of the Slaughter and May review.

Yours sincerely



Mark V Brown
General Secretary