

Business Banking Resolution Service

UK Inbound | Tourism Alliance

June 2021

If you have complained to your bank, and you are not satisfied with the outcome, you may be able to continue your complaint elsewhere.

Financial Ombudsman Service

- **Micro-enterprises:**
- Employs fewer than 10 people and
- Has annual turnover or a balance sheet that does not exceed €2 million
- **Small businesses:**
- Has an annual turnover of less than £6.5 million and
- Has a balance sheet total of less than £5 million, or employs fewer than 50 people

Business Banking Resolution Service

- A non-profit organisation set up to resolve disputes between eligible larger SMEs and participating banks.
- **Historical Scheme** – for cases going back to 1 December 2001
- **Contemporary scheme** – for cases relating to the period from 1 April 2019 onwards

Litigation

- You may choose to take your bank to court
- Under these circumstances a business would typically take on legal representation
- As such litigation can be a costly, and often time-consuming experience for SMEs

Who are we?

The BBRs is an independent, non-profit organisation set up to resolve disputes between eligible SMEs and participating banks. We make decisions based on what is fair and reasonable in the circumstances.

Which Banks are participating in the scheme?

There are currently seven banks for which we are able to accept complaints. Alternative trading names and subsidiary banks within the corporate group of the participating banks are also eligible for the BBRs.

- Barclays Bank PLC and Barclays Bank UK PLC
- Danske Bank
- HSBC UK Bank plc
- Lloyds Banking Group (Lloyds Bank plc and Bank of Scotland plc)
- NatWest Group (including The Royal Bank of Scotland Plc, National Westminster Bank plc, Coutts & Company and Ulster Bank Limited (Northern Ireland))
- Santander UK plc
- Virgin Money (including Clydesdale Bank PLC and Yorkshire Bank)

Do I need representation to use your service?

Our service has been designed to ensure that customers do not need any representatives (legal or other). Each customer will be supported by their designated Customer Champion.

Should I register for the BBRS?

- A UK registered sole trader or business organisation (companies; partnerships; trusts; charities; friendly societies or other co-operative societies)
- You are – or were at the time of the matters alleged in the complaint – a business customer of the participating bank being complained about; or
- A personal Guarantor of one of the above; or
- A Recognised Assignee of one of the above – including a partner or director

The BBRS has two schemes:

Historical scheme - for unresolved complaints dating back as far as 1 December 2001

Contemporary scheme - for complaints that have arisen on or after 1 April 2019

The eligibility criteria for each BBRS scheme are slightly different but both have been carefully designed to dovetail with the Financial Ombudsman Service.

If you are ineligible for the Financial Ombudsman for other reasons than turnover e.g. the number of employees working for your organisation, we would recommend registering for the BBRS.

Our Historical Scheme is for complaints relating to incidents (acts or omissions on the part of the bank) that took place between 1 December 2001 and 31 March 2019.

Different financial criteria apply depending on the date that the complaint was made to the bank:

Date	UK Businesses		Charities	Trusts
Complaint made between 1 December 2001 and 31 October 2009	Annual turnover: At least £1 million but less than £6.5 million	Balance Sheet: Less than £5 million	Annual income of at least £1 million but less than £6.5 million	Net asset value of at least £1 million but less than £5 million
Complaint made between 1 November 2009 and 31 March 2019	Annual turnover: More than €2 million* but less than £6.5 million (* unless 10 or more employees)	Balance Sheet: More than €2 million* but less than £5 million (* unless 10 or more employees)		

Our Contemporary Scheme is for complaints relating to incidents (acts or omissions on the part of the bank) that took place on or after 1 April 2019.

We can consider complaints from businesses registered in the UK which meet the following financial criteria – and are not eligible for the Financial Ombudsman:

Turnover of less than **£10m**

Balance sheet of less than **£7.5m**

Charities must have an annual income of less than **£10m**

Trusts must have a Net Asset Value of less than **£7.5m**

Case Study 1 – Historical complaint

Annual turnover	Balance sheet	Staff
£2.2m	£3.4m	6 full-time

- On 18 June 2010 an Edinburgh based tour company is sold a long-term fixed rate loan product by their business bank
- On 11 May 2015, they ask about repaying the loan early
- The owner finds that the product has large break costs associated with repaying the loan early.
- The owner believes that they were mis-sold the product and complains to their bank on 12 May 2015
- The bank's internal investigation finds the owner of the company was not mis-sold the product.
- The customer is dissatisfied with the bank's response to their complaint
- Based on the turnover and balance sheet of this organisation they could be eligible for the BBRS

Until 1 November 2009, the Financial Ombudsman Service could consider cases from SMEs with an annual turnover of up to £1m.

From 1 November 2009, this threshold increased to €2m for smaller businesses, provided they also had fewer than ten employees. If either the turnover or balance sheet were below €2m, the business would be eligible for the Financial Ombudsman Service.

Case Study 2 – Contemporary complaint

Annual turnover	Balance sheet	Staff
£7.2m	£5.1m	40 full-time 20 part-time

- On 1 April 2020, a boutique hotel chain based in the UK paid various cheques into its account
- A bank statement showed that the total value of these cheques had not be credited to its account
- A complaint was made to the bank on 8 April 2020
- The company is dissatisfied with the bank's response and is informed it can take its complaint within 6 months to the BBRS
- Based on the turnover and balance sheet of this organisation, it could be eligible for the BBRS

From 1 April 2019, the Financial Ombudsman Service has been able to consider cases from SMEs with:

- an annual turnover of up to £6.5 million and
- a balance sheet total of up to £5 million, or which employs fewer than 50 people

The BBRS may, in some circumstances, also be able to look at complaints that are ineligible. These will broadly fall into two categories:

Cases falling outside our eligibility conditions

- If a case falls outside the BBRS' eligibility criteria, the BBRS may still be able to consider it if the BBRS, the customer and the bank all agree
- If, for example, the turnover or balance sheet are slightly outside our criteria, we would recommend contacting us or registering for our service as we may be able to help








Independent or 'Excluded' schemes

These relate to historical complaints, where a customer has been through an independent scheme such as the *HBOS Reading Customer Review* and is therefore not eligible for the BBRS.

We may still be able to assist where:

- the complaint meets all our other eligibility conditions apart from the fact it relates to an Excluded Scheme; and
- either the customer believes they have new evidence which was not previously considered in the Excluded Scheme, and had it been considered, it would have made a material difference to the outcome;
- or the customer did not have, nor could reasonably be expected to have had, notice of the Excluded Scheme

What to expect when using our service

-  **1** Businesses register their case with the BBRS by giving their details and information about the complaint they made to their bank
-  **2** The BBRS will perform a high-level eligibility check and keep this under review as their case progresses
-  **3** Businesses will then be assigned a “Customer Champion” to be their point of contact throughout the BBRS process – they will explain the process to them and provide practical support such as helping customers to identify relevant documents relating to their complaint
-  **4** Customers will be given access to the BBRS’ online system which will allow them to work efficiently with the Customer Champion to upload documents and evidence¹
-  **5** Customers will then be given the chance to see any evidence their bank has submitted and at the same time, the bank will get to see the customers’ evidence
-  **6** There is an opportunity for the customer and the bank to respond to each other’s evidence
-  **7** The Customer Champion will then explain the options to the customer to resolve their complaint, these may include:
 - Early settlement
 - Entering into mediation
 - Going to adjudication by one of the BBRS’ impartial case assessors

¹ An alternative method of working can be arranged for customers that feel uncomfortable using the online system

While our ability to use investigative adjudication is important, many cases will be more suitable for one of the range of other techniques for [alternative dispute resolution](#) (also known by the acronym ADR).

ADR techniques include:

Settlement: At any point during the process, the parties may wish to attempt early settlement of a customer complaint.

Informal Mediation (also known as Conciliation): The BBRS, where appropriate, will encourage and support a customer and their bank to seek a fair and reasonable outcome without the need for BBRS' investigative adjudication but by agreement instead.

Formal Mediation: When a bank and customer agree, they have an opportunity to enter direct discussions to try and resolve the dispute. A trained neutral mediator will be appointed to assist and facilitate negotiations for the dispute to be resolved.

Adjudication: This is the method used to investigate a complaint when a customer is eligible for the BBRS scheme, and a Case Assessor then makes a decision (known as a Determination) on what is fair and reasonable in the circumstances, based on the evidence presented.

Can I use the BBRS if my business is insolvent?

Insolvency does not, of itself, impact eligibility for the BBRS.

However:

- ✓ the complaint must be brought by the insolvency practitioner or an individual authorised by the insolvency practitioner.
- ✓ the individual bringing the complaint must also have (or have had) a role in the business such as director, shareholder, partner, trustee, member or sole trader.

For complaints that are eligible, our investigation and decision-making processes will be the same as that for any other business entering our service.

This can be a complex area, but we are here to help. If you are considering bringing a complaint on behalf of an insolvent business, please contact us to discuss this before registering a complaint via our website. Then we can help you understand whether we would be able to look at it, and what we would need to see to be able to do so.

Business Banking Resolution Service

- Contemporary Scheme eligibility criteria can be found [here](#).
- Historical Scheme eligibility criteria can be found [here](#).
- Our FAQs can be found [here](#).
- If you would like to register for our service you can do so [here](#).

You can contact us by emailing hello@thebbrs.org or calling us on 0345 646 8825. Our lines are open Monday-Friday between 9 am and 5 pm.

Financial Ombudsman Service

You can find additional information on the Financial on their website for SMEs [here](#), or on their general website [here](#).

Their eligibility checker can be found [here](#).

You can contact them over the phone on 0800 023 4567 between 8am and 5pm, Monday to Friday or email them at complaint.info@financial-ombudsman.org.uk.

Thank you
