

KEVIN HOLLINRAKE MP



HOUSE OF COMMONS

LONDON SW1A 0AA

Kelly Tolhurst MP
House of Commons
London
SW1A 0AA

23rd August 2018

Dear Kelly,

I would firstly like to congratulate you on your new position as Minister for Small Business, Consumers and Corporate Responsibility. It will be a great pleasure to work with you towards our common goal of strengthening the ecosystem of commercial lending and encouraging the dynamism of the small business sector. Would it therefore be possible to arrange a meeting to discuss the work of the All Party Parliamentary Group on Fair Business Banking, of which I am co-Chair?

For a number of years, the APPG has been campaigning to improve access to justice for small businesses. We recently launched our report *Fair Business Banking for All*, which sets out our detailed proposals for reforms, including the establishment of an independent Financial Services Tribunal. I wish to make it clear that our proposals are not in competition with other pieces of work currently ongoing into dispute resolution but instead should be a backstop for businesses, set amongst a wider system of strengthened dispute resolution mechanisms.

In conjunction to this work, the APPG is also concerned that the current system of insolvency is open to abuse and viable businesses are subsequently being placed into insolvency through creditor misconduct and no fault of their own. The injurious imbalance of power and conflicts of interest are such that businesses are at risk of having their assets stripped for the benefit of lenders. We welcomed the Government's 2016 *Review of the Corporate Insolvency Framework*, which included proposals for a more rescue-led approach to insolvency. We are concerned, however, that this review has not made more progress in the intervening years. After constructive meetings with your predecessors and Sarah Albon we have, however, decided to compile a report for BEIS and the Insolvency Service which sets out our proposals for reforms to the insolvency system.

I look forward to hearing from you soon.

Kind Regards,

A handwritten signature in black ink that reads "Kevin Hollinrake".

Kevin Hollinrake MP
Co-Chair for the All Party Parliamentary Group on Fair Business Banking