

KEVIN HOLLINRAKE MP



HOUSE OF COMMONS

LONDON SW1A 0AA

Paul Scully MP
Minister for Small Business, Consumers and Labour Markets

By email

9 February 2022

Dear Paul,

The APPG on Fair Business Banking, which I co-chair, has been made aware of various industries being refused business bank accounts from mainstream lenders and challenger banks due to the industries they operate in, such as the gambling industry and the pawn industry.

Over the last ten years, bookmakers and pawn shops across the country have had their business accounts closed by mainstream lenders regardless of the business' viability or profitability. Challenger banks, when approached, have refused to provide business accounts, and due to the nature of these businesses, large cash withdrawals are required meaning that Fintechs are not a feasible option. As a result, when HM Treasury began the Coronavirus Business Interruption Loan Scheme and the Bounce Back Loan Scheme in 2020, businesses within these industries were unable to receive funding as they did not have a business bank account and these loans could not be granted to personal bank accounts.

We understand that banks are concerned about money laundering and we do not want their position on this to waver, however we have been assured that these businesses have verified anti-money laundering checks in place.

As we recover from this pandemic and create our own path following departure from the European Union, it is vital that we create a financial services sector that is fit and fair for all businesses, regardless of size or industry. Therefore, we are seeking your support to provide these viable and important industries a fair chance at accessing finance.

I look forward to hearing from you.

Kind Regards,

Kevin Hollinrake MP