VIRGIN MONEY UK

David Duffy
Group Chief Executive
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Rt Hon. Mel Stride MP
Chair of the Treasury Committee
House of Commons
London
SW1A 0AA

27 April 2020

Dear Mr Stride

Thank you for your letter regarding the work the Treasury Select Committee is undertaking to assess the support banks are providing businesses during the COVID-19 crisis.

We agree it is imperative that banks do everything they can to support relief efforts by helping to provide access to credit and cashflow solutions to businesses and households in need. Virgin Money is prioritising these applications, not only those via the Government's new CBILS and CLBILS schemes, but also through significant capital repayment holiday volumes and overdraft extension, alongside payment holidays for credit card, mortgage and personal loan customers . We have diverted as many of our people as possible from other parts of the organisation to reach out to customers in need and have increased the number of staff processing applications and engaging with customers to manage the high demand.

We are also continuing to apply prudence in our lending decisions, as guided by the Financial Conduct Authority and Prudential Regulation Authority, to help maintain confidence in the financial system, and work closely with customers to provide alternative arrangements to help them manage their finances during this difficult period as far as practicably possible.

We have significant specialist knowledge within the Bank, in particular Agriculture, Healthcare and Hotels, as well as a strong regional focus and are working to engage with customers to help inform solutions.

We are already working closely with businesses, through both our operational work and engagement with regional and national business groups including LEPs as well as with other lenders, UK Finance and the UK Government to review what more can be done to improve lending to those who need it. This includes daily reporting of data to UK Finance and the British Business Banking on CBILS as agreed with the government, to help assess the effectiveness of the schemes in place and inform thinking about further improvements.

Finally, I would like to thank you for acknowledging the work that the bank's staff are doing during this challenging time. I am extremely proud of the response of our staff, particularly those on the frontline, who are working tirelessly to support both our business and personal customers.

Please do let me know if you would like to discuss further.

Yours sincerely

David Duffy
Group Chief Executive
Virgin Money UK