Santander

Rt Hon. Mel Stride MP
Chair of the Treasury Select Committee

Sent via email

27 April 2020

Dear Mr Stride,

As the CEO of Santander UK, I am writing in response to your letter to Jose Antonio Alvarez (22 April 2020) regarding bank lending data. I have seen your previous letters to UK Finance and the British Business Bank, and we are already working closely with them on this issue.

I fully appreciate that the select committee and the public will want reassurance that banks are working at pace and with a genuine willingness to support the large number of businesses that find themselves facing difficulties as a result of Covid-19. I want to provide you with my personal reassurance that Santander UK is absolutely committed to playing our part in helping as many businesses through this period, via the Coronavirus Business Interruption Loan Scheme (CBILS) and our own measures, as we can.

Since the launch of the scheme in March we have been providing lending figures to UK Finance, who are currently publishing CBILS data on a weekly basis as a temporary arrangement. We are now supporting efforts to put in place a new more robust and consistent data reporting mechanism. I understand discussions are ongoing between UK Finance, HM Treasury and the British Business Bank to agree future plans for the publication of this new reporting mechanism, and we will of course be providing the necessary data for this.

Alongside this, we will be providing our CBILS lending data in our interim results tomorrow, and I am happy to share with you that we have lent £186m under the scheme so far. From tomorrow we will be publishing updates on this figure going forward. When looking at the total amount loaned under each scheme by provider on CBILS, I believe it is important to consider each lenders' approximate market share of lending alongside this. For example, our share of overall SME lending is c.4.5% which is broadly in line with our approved lending under CBILS so far. This helps to provide additional and important context to compare the performance of banks based on the size of their individual SME lending businesses.

I share your view that we must all work together to achieve the best possible results for businesses across the UK that are currently experiencing significant uncertainty as a result of Covid-19. To this end, I welcome the introduction of the Bounce Back Loan scheme today and the increased support this will provide to our business banking customers. We have already been working extremely hard to support these customers through the CBILS scheme, but this additional measure will enable us to help even more businesses at pace, ensuring they have the most appropriate solution to support their needs.

Please do feel free to contact me should you have any further queries, or if there is any additional information that would be of use.

Yours sincerely,

Nathan Bostock
CEO, Santander UK