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Retail Banking Team  
Competition and Markets Authority  
Victoria House  
37 Southampton Row  
London  
WC1B 4AD

20 August 2014

**Competition and Markets Authority consultation on SME banking services  
Forum of Private Business response**

Dear Sirs,

The Forum of Private Business is a business membership organisation. Members are small, private sector employers.

The Forum of Private Business believes that the market study undertaken by the Competition and Markets Authority and Financial Conduct Authority, together with previous studies undertaken by governmental bodies, demonstrate the evidence and need for a market investigation reference (MIR).

The Forum of Private Business is sympathetic to the downsides of a MIR, not least in cost and delays in remedy to the situation, however it does not believe that the alternative route of undertakings in lieu of a reference will provide the necessary change needed to stimulate competition.

In particular, the Forum of Private Business reiterates the need for action on the bank branch network in the UK, the decline in which is noted as having a negative effect on new entrants into the banking market. It is the Forum's belief that a workable solution can be found to neutrally brand bank branches rather than see them sold off, and introduce Inter Bank Agency Agreements (IBAAs), to ensure businesses and other consumers can still access counter services and new entrants to the banking market have a structure in place that they can access. For example, Handelsbanken has seen notable growth whilst contracting all counter activity to HSBX under an IBAA.

The Forum of Private Business looks forward to working with the Competition and Markets Authority and the Financial Conduct Authority on these issues over the coming months.

Yours sincerely,

Alexander Jackman  
Head of Policy