



Tuesday 30 April 2024

FOR IMMEDIATE RELEASE

The APPG on Investment Fraud and Fairer Financial Services has tabled an [Early Day Motion](#) (EDM) today, that recognises the financial and emotional hardship experienced by vulnerable, elderly building society customers and their families, through being introduced by building societies which they trusted to firms offering unregulated wills and trusts.

It goes on to explain how victims have lost large portions of their estates, and the widespread concern that the Financial Conduct Authority (FCA) has failed to act against the building societies despite many FCA Principles for Business being breached.

The Parliamentarians are calling for the FCA to compel the building societies to fully compensate the victims and for the Government to ensure that similar injustices do not happen in the future.

Bob Blackman CBE MP, Co-Chair of the APPG stated that

“The Building Societies Scandal is a matter the APPG has been working on for over two years. It is fair to say that we are not at all happy that the FCA has failed to take swift and decisive corrective action, despite a mountain of evidence the APPG gathered from victims and provided to the FCA that showed many FCA Principles had been breached and therefore that it has the basis to compel the Building Societies to compensate the victims.”

The Early Day Motion places on record our dissatisfaction with the situation - the APPG will continue to act in the interests of the elderly and vulnerable victims - they just haven't been treated correctly, it's as simple as that.”

Emma Lewell-Buck, the APPG member who initiated the EDM added

“People in South Shields and across the country poured their hard-earned life savings into schemes promoted by building societies they trusted, only to lose large portions of their estates. It's outrageous that the building societies involved in this scandal did not provide

adequate due diligence before recommending unregulated third parties, without warning customers of the risks.

This is yet another scandal where nobody is taking responsibility, not the building societies themselves or the Financial Conduct Authority with their responsibility to protect customers. I will continue to fight for victims who simply cannot wait years for a resolution and compensation.”

Andrea Hindley, a spokesperson for the Philips Trust Action Group explained:

“We attended the AGMS of some of the Building Societies recently and heard harrowing accounts of how vulnerable, elderly people’s lives have been ruined by the reckless introductions made. At Philips Trust Action Group (PTAG), we hear these accounts from our members on a daily basis. I’m not exaggerating when I state people are moved to tears at what they hear. The Building Societies have been aware of this problem, a problem they initiated, for several years and neither they nor the regulator in charge of their behaviour are looking after the hundreds of elderly people whose lives have been turned upside down, through no fault of their own.

This might have to end up in the courts, but it shouldn’t have to be that way, not when the FCA could and should step in to sort out this mess - as customers or members of a financial institution we are reassured that that is their role - why are they not protecting our interests? - especially when it is now known that a credible whistleblower gave them all the info they needed to close down the scandal four years ago. They themselves were aware of issues as early as 2018, when they initiated an intervention regarding investment decisions. Why did they stop? This looks like a dereliction of duty.”

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Further information:

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The publicity photos of the Parliamentarians mentioned are available below:

Bob Blackman CBE MP: <https://members.parliament.uk/member/4005/portrait>

Emma Lewell-Buck MP: <https://members.parliament.uk/member/4277/portrait>

About Early Day Motions:

Early Day Motions (EDMs) are motions submitted for debate in the House of Commons for which no day has been fixed. Many attract a great deal of public interest and media coverage. EDMs are used to record the views of individual MPs or to draw attention to specific events or campaigns.

This EDM was tabled on 29 April by Emma Lewell-Buck MP, its Primary Sponsor. Now that it has been tabled the process of raising awareness of it amongst MPs can now begin, generating other MPs as sponsors and supporters who are keen to show their support.

About APPGs:

An All Party Parliamentary Group (APPG) is cross-party, with a minimum number of parliamentarians from the Government and the official opposition, and cross-house, made up of both peers and MPs.

The Purpose Statement of the APPG:

“To advocate for the victims of financial misconduct, crimes, scandals, frauds and regulatory failures, by driving positive, progressive, and purposeful reforms that achieve a fair, trusted and just system, where the service providers, regulators and government agencies provide appropriate protection and deliver good outcomes, including redress for historical wrongs.”

End.