



HOUSE OF COMMONS

LONDON SW1A 0AA

March 2019

*Dear Constituent,*

Thank you for contacting me about Royal Bank of Scotland (RBS) shares.

I understand your concerns regarding the sale of RBS shares back to the private sector and agree that any sale of these shares must represent good value for money.

I welcome the Government's clarity that it will go ahead with plans to return RBS fully to the private sector only when they represent value for money and market conditions allow.

As the Office for Budget Responsibility has noted, "the economic and fiscal costs of the crisis would almost certainly have been greater in the absence of these direct interventions to restore the financial system to stability" had the decision not to bail out RBS been taken.

That said, I do not believe the state should be in the business of owning banks, which is why I welcome that the Government shareholding in RBS has fallen to 62 per cent, down from the 84 per cent share controlled in 2009. The Government remains committed to returning RBS fully to the private sector by 2023-24, subject to market conditions and achieving value for money.

While I would of course like to see these shares sold at the highest possible price, it is important to bear in mind that RBS is a completely different institution compared with ten years ago. As such, it is unlikely that these shares will be sold for the price at which they were bought.

Some noticeable reforms have also occurred: Banks seeking to lend face much more stringent requirements than before the financial crisis. The Access to Banking Standard commits banks to ensuring customers are better informed about branch closures and the options they have locally to continue to access banking services.



Thank you again for taking the time to contact me.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "Chris". The signature is written in a cursive style.

**CHRIS HEATON-HARRIS MP**  
**MEMBER OF PARLIAMENT FOR DAVENTRY**