

COVID-19 FRAUD: ONGOING CONCERN ABOUT A WEAKNESS IN THE BANKING SYSTEM AND THE NEED FOR A CENTRALISED DATA REPOSITORY



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A letter dated 22 February 2021 to the Chancellor of the Exchequer outlining ongoing concerns about a perceived weakness in the banking system and the need for a centralised data repository to prevent fraud against the government-backed coronavirus loan schemes

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22 February 2021

The Rt Hon Rishi Sunak MP
Chancellor of the Exchequer
11 Downing Street
Whitehall
London
SW1A 2AA

BY EMAIL

Dear Chancellor

Ongoing concern about a weakness in the banking system and need for a centralised data repository

I wrote to you in June 2020 recommending steps to prevent fraud against the government-backed coronavirus loan schemes. In August I wrote to Ministers about a weakness in the banking system and strongly recommended that all lenders are required to share data on COVID-19 related loans and grants with a trusted centralised data repository. A copy of that letter is attached.

Six months later it appears, according to the NCA, that there are 'eye watering levels of fraud'. As such I reiterate the need for publication of the names of companies receiving taxpayer backed loans, and for lenders to create the data repository. These measures would greatly assist enforcement against those who defraud the system and help recover money that can be used to support honest businesses in need.

If publication as we request above is not deemed feasible, we would be grateful for the Treasury to indicate that they are advancing other measures to ensure that those abusing Covid-19 support schemes are held to account.

I would be pleased for the opportunity to discuss this further with your team.

Kindest regards

David M Clarke
Chairman

Cc: The Rt Hon Mel Stride MP, Chair of the Treasury Committee
Meg Hillier MP, Chair, Public Accounts Committee