

# RESIGN! Pressure grows on Royal Bank of Scotland boss Ross McEwan in storm over mistreatment of small businesses

By [William Turvill, Financial Mail On Sunday](#)

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The chief executive of Royal Bank of Scotland is facing calls to resign from angry business owners. They are furious at his handling of a scandal over the mistreatment of firms that ran into difficulty.

Entrepreneurs who were put into the hands of the lender's so-called Global Restructuring Group – which was supposed to help them but has been accused of saddling them with charges and fees – last night accused RBS boss Ross McEwan of 'ignoring the plight of thousands who lost their livelihoods.'

However, the City regulator last week published an interim report into the failings of GRG which cleared the bank of deliberately driving firms to the wall and destroying people's livelihoods. But it found widespread failings towards customers.

The regulator also revealed plans to carry out a 'more focused investigation'.

McEwan only joined the bank, which is 71 per cent owned by the taxpayer, in 2012, after the alleged misconduct took place. Some firms are highly critical of his handling of the affair and campaigners are now calling for his scalp.

The GRG Action Group, which represents more than 500 firms planning to take legal action against the bank, this weekend called on him to resign 'over his repeated failure to deal with the GRG issue and provide redress for victims'.

The group's legal effort is being led by Lord Pannick, the influential barrister who won the case for a Commons vote on Article 50, as lead counsel. The campaigners blasted McEwan for recent comments made at a client function in Edinburgh, where he said some business customers had been 'badmouthing' RBS and making 'false accusations'. McEwan is believed to feel that his comments were taken out of context.

A spokesman for the group said RBS had tried to ignore the issue, 'prolonging the agony for victims'. McEwan also came under attack from other business groups. Nikki Turner, director of the SME Alliance, which represents small and medium-sized enterprises, said she supported the call for the embattled boss to resign.

She added she was 'absolutely sure' the 'vast majority' of members who had dealt with RBS would back the demand. She said: 'His continued position seems entirely detrimental to the victims.'

‘The damage done to victims goes beyond the barriers of common decency and is showing the world the very worst face of British banking.’

Lawrence Tomlinson, the multi-millionaire behind a 2013 report that slammed RBS over its GRG unit, accused McEwan of showing not enough remorse ‘for the devastation GRG caused to its thousands of SME customers’. He added: ‘The Government, which represents our shareholding in RBS, should be seriously questioning the tenability of Ross’s position.’ Liberal Democrat leader and former Business Secretary Vince Cable told The Mail on Sunday critics were ‘right to raise concerns over the leadership of RBS’. He said that while McEwan was not to blame for the wrongdoing at GRG, he had shown ‘lack of judgment’ in his management of the affair.

RBS said it had set aside £400 million for compensation and had already paid out £115 million to 3,500 customers, who it admitted were charged complex fees and suffered poor communication about charges. It added that a further 900 are going through a complaints process overseen by an independent judge.

New Zealand-born McEwan, who has led RBS since October 2013, before which he was head of retail banking, has been tipped to take over at Commonwealth Bank of Australia, where boss Ian Narev is due to depart in June next year.

But McEwan won praise from small investor group ShareSoc. Its director Cliff Weight said he had ‘done an exceedingly good job in a horrendously difficult situation’.

On Friday, RBS reported profits of £392 million for the three months to September. But the bank is on course to make a loss for the full year, as it could be hit with a multi-billion dollar fine in the US over the sale of toxic mortgage-backed bonds at the time of the financial crisis.

McEwan has apologised for what happened at GRG. He said last year: ‘We deeply regret the mistakes we have made in the past.’

The bank said: ‘We have put in place a complaints process, which the FCA agree is appropriate and is overseen by a retired High Court judge.’ It urged customers to make use of it.

‘We have acknowledged for some time that mistakes were made and have apologised that we did not always provide the level of service and understanding we should have done for these customers.’

It declined to comment on the call for McEwan to resign.