

[News story: Independent Review of the Co-operative Bank Launched](#)

A new independent review into the prudential supervision of the Co-operative Bank between 2008 and 2013 has been announced by the Economic Secretary to the Treasury John Glen today (6 March 2018).

The new independent review follows today's (6 March 2018) announcement by the Financial Conduct Authority that it has now concluded its enforcement investigations into the Co-op Bank and related individuals.

The independent review will look into the supervision of the Co-operative Bank during a significant period for the firm, including its withdrawal from the bidding process to purchase 632 bank branches from Lloyds Banking Group (known as "Project Verde") in 2013, to understand what lessons can be learned.

The Economic Secretary to the Treasury has approved the Prudential Regulation Authority's (PRA) appointment of Mark Zelmer to carry out the Independent review. Mr Zelmer has over 30 years' experience in financial services regulation and policy. He is a former Deputy Superintendent of the Office of Superintendent of Financial Institutions, Canada, and previously a senior official at the Bank of Canada, International Monetary Fund, and representative on the Basel Committee on Banking Supervision and Financial Stability Board.

Economic Secretary to the Treasury John Glen said:

We are committed to creating a stronger and safer banking system. A vital part of this is ensuring that our regulatory system can learn from past events. The launch of this independent review is a further demonstration of this commitment.

The government committed to undertake an independent investigation in 2013, once the Financial Conduct Authority's regulatory action concluded. That regulatory action has now come to an end. The Review will look at the actions, policies and approach of the Financial Services Authority, and latterly the PRA, as the institutions with statutory responsibility for the prudential supervision of the Co-op Bank during the period in question. It will focus on the outstanding questions identified by the House of Commons Treasury Committee (TSC) in its 2014 report on Project Verde.

As recommended by the TSC, the review will have full access to all relevant documents and correspondence, including the record of government contacts concerning the Lloyds "Verde" bidding process. A [detailed Direction](#) has been laid in Parliament to initiate the Review and set out its scope and parameters.