

DOBBS DELAYED - THE CORRUPT FARCE OVER HBoS READING MARCHES ON

News that the Dobbs report into aspects of the HBoS Reading fraud will not be finalised for another year seems like a mere technicality. However, it is anything but.

Following the successful prosecution of those immediately responsible for the major fraud, Lloyds Banking Group, which had taken over HBoS eight years earlier, should have fully and promptly compensated its victims.

Instead, following consultation with the FCA, Lloyds Bank embarked on a series of “independent” reviews, all of which have been commissioned, paid for and effectively controlled by the bank. With the exception of Dobbs, their real purpose has been to avoid taking appropriate action and minimise the compensation paid to victims. Lloyds has preferred to spend heavily on armies of highly-paid lawyers and public relations consultants, money which should have been spent on compensating victims. HBoS Reading was a £1 bn fraud, which took place thirteen years ago and was proven in court three and a half years ago. Yet, its victims have had to fight for justice against a very powerful bank with unlimited resources, which has been permitted to act as it has by Government and regulators.

The HBoS Reading enquiries – a recap for those unfamiliar

The Reading fraud, which took place in 2003 – 2007, is the only one which the authorities have allowed to be prosecuted. Those responsible were jailed for a total of 47 years in February 2017 but responsibility went higher up the bank and together with wider criminality, this has never been investigated. Following the trial, Lloyds Bank appointed Professor Russel **Griggs** as the independent reviewer of victims’ cases. However, his findings were so universally derided that in December 2018, Rt. Hon Kevin Hollinrake MP, the chairman of the All Party Parliamentary Group (APPG) on fair business banking commented that Lloyds Bank had used the Griggs review “which is supposedly there to compensate the victims, to minimise payments and perpetuate the cover-up”.

Then, in April 2017, Dame Linda **Dobbs** was appointed to consider whether the issues relating to HBoS Reading were investigated and appropriately reported to the authorities at the time by Lloyds Banking Group, following its acquisition of HBoS.

Later, in May 2019, Sir Ross **Cranston** was appointed to conduct what amounted to a review of the Griggs review. However, this too was manipulated and corrupted by Lloyds Bank, the FCA and the Government. Then, in a seemingly endless succession of wrongful practice, Sir David **Foskett** was appointed in April this year to oversee a panel, being a re-review of a review of a review. So far away has due and proper process moved from where it should be, that Lloyds Bank engaged a public relations firm, Project Associates, which describes its role as “building, managing and protecting our clients’ reputations”, in order “to support the panel’s engagement with stakeholders”.

Dobbs has been inundated with testimony of Lloyds’ wrongdoing and fraud

With seemingly the simplest remit of the three reviews, Dobbs should have had the matter wrapped up within a year, for it has long been known that the former Lloyds’ Chairman, Sir Victor Blank received a written account of the HBoS Reading fraud in October 2008.

Instead, Dobbs has been inundated with accounts of serious wrongdoing and criminality by Lloyds Bank and its professional agents and her enquiry is likely to last at least four and a half years. Her own position will have been made especially uncomfortable having received a detailed exposé of the Cranston report, which described how every aspect of that review was corrupted and manipulated by Lloyds Bank, the FCA and Government and how the reputation of Cranston himself was seriously damaged in the process. For some time therefore, Dobbs will have appreciated the full enormity of what she has been drawn into.

Given that she is now leading a team of some 50 barristers and her review has expanded out of all recognition, it was always likely to run further behind schedule. Now, she says that “witness interviews will be concluded during the first half of 2021” and she will submit her report “as expeditiously as possible thereafter”, presumably sometime in the second half of next year. Note, however, that “submit” does not equate to publish. As James Hurley observed in The Times some weeks ago, the report’s paymasters, Lloyds and the FCA will retain control of the final report and they will decide what is made public. We may therefore see a repeat of the shenanigans over the RBS-GRG section 166 report, whereby only a summary of the report was released and how in September 2017, Andrew Bailey, then Chief Executive of the FCA, refused to release the full report.

Why this matters for victims of Lloyds’ other extensive frauds

The delays associated with Dobbs carry serious implications for victims of Lloyds’ other extensive frauds, especially for those who are considering allowing the Business Banking Resolution Scheme (BBRS) to rule on their cases. The scheme is expected to ignore widespread opposition and begin operations on 1st December. By means of the BBRS, Lloyds Banking Group will be planning to have as many victims as possible signed up to full and final settlement arrangements before the potentially devastating findings of the now conveniently delayed Dobbs report are published in the second half of next year. Such settlements will doubtless be made at 10-20p in the pound, on a “take it or leave it” basis and covered by non-disclosure agreements (NDAs).

The corruption of due and proper process

The Griggs and Cranston enquiries into HBoS Reading have conclusively demonstrated the comprehensive manipulation and corruption of due and proper process. In numerous other instances, Lloyds has been treated as above the law and the Rule of Law has not been properly applied, or in most cases not applied at all, to Lloyds Banking Group by the Serious Fraud Office (SFO), the National Crime Agency (NCA) and numerous regional police authorities.

Such matters constitute a violation of the most fundamental principles, under which our country is supposed to operate and be governed. Our country has never stooped this low before.