

THE LLOYDS FRAUDS

MORE SERIOUS THAN THE POST
OFFICE

22nd June 2021

Post Office

“This is the true story of a national scandal. It is the story of how a venerable British institution abused its power, betrayed our trust and shattered the lives of hundreds of people”.

Nick Wallis

The Great Post Office trial, BBC Sounds

Lloyds

“This is the true story of another national scandal. It is the story of how a leading British bank abused its power, betrayed our trust and shattered the lives of thousands of people – and how the Government and every arm of state have helped to cover up its wrongdoing.”

Lloyds Bank Victims Group

The Post Office scandal

- 1999 - Fujitsu Horizon computer system introduced. Turned out to be faulty. Post Office wrongfully prosecuted 557 sub-postmasters for theft and false accounting.
- July 2013 - Post Office received the Clarke advice, which confirmed the existence of bugs in Horizon and indicated that its prosecutions were unsafe. Post Office continued with lying, denying and covering up. Parliament & MPs misled. Post Office defended their wrongful position in court and caused the sub-postmasters to incur legal costs of £46 mn.
- After the second trial in December 2019, Post Office settled but the settlement was a hollow victory: limited apology, no admission of liability, victims had to bear their legal costs and were left with minimal compensation.
- Sept 2020 – Non-statutory enquiry set up - only made statutory, after the convictions of 39 sub-postmasters were quashed in April.
- Victims still awaiting proper compensation.

The Lloyds Frauds scandal

- Following the 2008 banking crisis, the Government launched a modified version of the Asset Protection Scheme (APS) in November 2009. Designed by HM Treasury and the Head of Resolution at the Bank of England, Andrew Bailey, it authorised the two taxpayer-owned banks, Lloyds and Royal Bank of Scotland effectively to steal the assets of certain business customers to benefit their own balance sheets.
- RBS remained in the APS but Lloyds paid £2.5bn to opt out and ran its own parallel scheme. In January 2007, Lloyds had already turned its Business Support Unit (BSU) into a profit centre.
- However, Chancellor Darling, HM Treasury and Bailey went ahead. They knew they had crossed a major red line, so Bailey oversaw the cover up of all wrongdoing over the next decade and last year, he was appointed Governor of the Bank of England.
- The cover up remains firmly in place today.

SIMILARITIES

Similarities

- Involvement of HM Treasury
- Licence to mistreat
- Legal wrongdoing
- Parliament misled and ignored
- Mis-use of mediation and enquiries
- Corporate governance

THE MAJOR DIFFERENCE

THE EXTENT OF THE COVER UP

Post Office

- Post Office covered up their wrongdoing, notably from 2013, when they received the Clarke Advice.
- They lied to Parliament and Select Committees.
- Post Office breached its duties to the court as a prosecutor.
- Spent £100mn instructing heavyweight lawyers to prevent the truth coming out.
- The role of BEIS in the cover up has yet to be determined.

Lloyds frauds covered up by

- Bailey & HM Treasury
- Senior Government ministers – Home Secretary
- Financial Conduct Authority (FCA)
- Serious Fraud Office (SFO)
- National Crime Agency (NCA)
- City of London Police (CoLP)
- Regional police forces
- Solicitors Regulation Authority (SRA)
- Other bodies: FRC / ICAEW / RICS

Lloyds cover up Bailey & HM Treasury

- **Beginning** – As mentioned, Bailey & HM Treasury devised and implemented the Asset Protection Scheme. It crossed a major red line in terms of legality. Lloyds paid to £2.5bn to opt out and reverted to its own scheme.
- **Middle** – Bailey & HM Treasury oversaw the cover up of bank wrongdoing, especially after 2016, when he was appointed chief executive of the FCA.
- **End ?** – Bailey & HM Treasury devised the Business Banking Resolution Service (BBRS) to seal away banking misconduct for ever, ignore all criminality, refuse any accountability and award minimal compensation to victims.

Lloyds cover up Senior ministers – The Home Secretary

- The Home Secretary Theresa May received our 100-page report “Serious Corporate Fraud in the UK”. Reply three months later.
- In June 2020, the Home Secretary Rt. Hon Priti Patel MP received our “Lloyds Asset Theft Frauds” report. Reply three months later.
- In May, the Home Secretary received the Operation Meadow files and the Financial Matrix report. Reply awaited.

Lloyds cover up

Financial Conduct Authority (FCA)

- Catalogue of regulatory failure: HBoS Reading, RBS' Global Restructuring Group (GRG), Lloyds BSU and numerous others.
- Conspired with other government agencies to frustrate due and proper process: Banks' signature forgeries, LIBOR investigations and IRHP redress among many.
- August 2020 – The FCA under chairman Randell announced moves to limit the compensation payable to victims of its own regulatory failure.
- UK's foremost financial regulator has recorded new low in terms of standards.
- Having directed the cover up of serious banking fraud, Bailey is disgracing the Governorship of the Bank of England and must resign, together with Randell and others.

Lloyds cover up National Crime Agency (NCA)

- The NCA's role is to investigate serious organised crime.
- Since July 2019, the NCA has received 24 files and 639 separate reports of signature forgery by banks, together with their use of deliberately invalid documentation in court.
- It refused to investigate at all for nineteen months – then investigated what had not been alleged.
- In March, the NCA also ended its investigation into further aspects of the HBoS Reading fraud, claiming no evidence of criminality.
- Lynne Owens and Graeme Biggar should also resign.

Real casualties

- Victims
- Rule of Law
- Our country and its reputation

Website - www.lloydsbankassetfrauds.com

- Three large icons:
 1. Tonight's presentation in full (right)
 2. The Lloyds Omnibus of press releases (centre)
 3. Lloyds Asset Theft Frauds report (left)
- Additional Releases including:

Lloyds & the deliberate denial of justice
- Other icons including:

The Rule of Law – why it matters and how it is being corrupted