

Rt Hon Mel Stride MP  
Chair of the Treasury Select Committee  
House of Commons  
Committee Office  
London  
SW1A 0AA

17<sup>th</sup> February 2020

Dear Mr Stride

### **Lloyds Banking Group & The Reading Fraud**

BTU is the largest independent trade union representing staff in Lloyds Banking Group.

In June 2018, Dame Linda Dobbs DBE, who was appointed by Lloyds Banking Group to consider whether the issues relating to the HBOS Reading Fraud were investigated and appropriately reported to authorities at the time, wrote to the Rt. Hon. Nicky Morgan MP, Chair of the Treasury Select Committee, and said: "We are aiming to finish our work as expeditiously as possible, consistent with carrying out a thorough inquiry. Our hope is that we will complete our report during the second half of next year".

Dame Linda's report was not published at the end of 2019. We wrote to Dame Linda Dobbs on 17th January saying:

"We appreciate that your inquiry is extensive, involving a large volume of information and interviewing numerous individuals but you were appointed in April 2017, some 34 months ago, with all the resources you needed and your report has still not been published".

We also said:

"The more worrying aspect of your failure to publish your report is that those customers who were affected by the criminal activities linked to HBOS Reading, will have seen 3 of the 6 people jailed walk free. That's a scandal.

There can no excuses for further delay and we would urge you to set out in writing now when your report will be published".

A copy of our letter to Dame Linda Dobbs is attached.

In a letter dated 30th January Mr. Adams Wiseman QC, writing on behalf of Dame Linda Dobbs DBE, said: "Dame Linda is still in the process of obtaining evidence. As such it is difficult precisely to gauge when her report will be finalised. It is anticipated that it will be in the second half of 2020 but that estimate is based on a multiplicity of factors, not all of which are within her direct control". A copy of Mr. Wiseman's letter is also attached.

If the Dobbs Report is published at the end of 2020, and that's by no means guaranteed, then it will

have taken 3 years and 9 months to produce its findings. According to the Dobbs Review website “Dame Linda has a team of more than 20 counsel including several experts in complex fraud cases and regulatory matters, and a project manager working on the Review. Peter Carter QC is Counsel to the Review and is assisted by Adam Wiseman QC”. Given the limited scope of the review and the resources at her disposal, it is right to ask why the Dobbs Review is taking so long to complete? To put that into some kind of perspective, the Australian Royal Commission into Misconduct in the Banking, Superannuation and Financial Services was established in December in 2017. The final report – which comprised a 496-page report and a second volume of case studies - was published in February 2019, some 15 months after it started its work. The Commission conducted seven rounds of public hearings over 68 days, called more than 130 witnesses, reviewed over 10,000 public submissions and was assisted by 5 counsel. So, a Royal Commission takes 15 months to produce its findings, whereas the Dobbs Review will have taken 45 months to produce its final report, assuming we get it by the end of this year. As we said in our letter to Dame Linda, the longer it takes to produce her report, the more likely it is that the key actors in the HBOS Reading scandal will have retired or left the bank, many with lucrative severance packages and pensions.

The Treasury Select Committee has an important role in this matter and we would urge you to write Dame Linda asking her to explain why it’s taking so long to produce her report. We would also urge you to invite Dame Linda Dobbs to a committee hearing to explain the delay. Those affected by the criminal activities in Reading have a right to know what happened and waiting 45 months to be told is outrageous. What are the “multiplicity of factors” which are stopping Dame Linda completing her report? Are Lloyds Banking Group providing all the information required in a timely manner and are executives making themselves available to be interviewed?

A copy of this the correspondence will be sent to members of the Treasury Select Committee once they have been appointed.

I look forward to your response.

Yours sincerely

Mark Brown  
General Secretary