

Lloyds boss Antonio Horta-Osorio to meet HBOS fraud victims

[Peter Evans](#) and Emma Dunkley

December 15 2019, 12:01am, The Sunday Times

- [Banking](#)
- [Law](#)



Antonio Horta-Osorio will discuss compensation with victims of the £1bn fraud

The boss of Lloyds Banking Group has agreed to meet victims of the HBOS Reading fraud for the first time this week, as the crisis threatens to engulf the bank again more than a decade after it was exposed.

Antonio Horta-Osorio will meet the victims to discuss compensation following a damning review published last week by former High Court judge Sir Ross Cranston. This found that Lloyds had been “neither fair nor reasonable” in its attempts to redress the wrongdoing.

The intervention is seen as an attempt to prevent further embarrassment from the scandal, first uncovered in 2007.

Six people, including two former HBOS employees, went to prison in 2017 for a fraud thought to be worth £1bn carried out at the bank’s Reading branch. Small-business customers were referred to an external consultancy unit and loaded with unmanageable debts; the proceeds went on luxury holidays and sex parties.

Lloyds, which acquired HBOS in 2009, has paid out more than £100m in compensation, but the Cranston review criticised the approach to “assessing direct and consequential loss”.