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Rt Hon Mel Stride MP
Chair, Treasury Committee
House of Commons
London
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lloydsbankinggroup.com

3rd April 2020

Dear Mel,

Your current focus will be on supporting your constituents through coronavirus, but I wanted to make sure you were aware of the latest developments with Sir Ross Cranston's proposals for reviewing the cases of customers affected by the criminality at HBOS Reading.

Sir Ross has today published further details of how the re-review of direct and consequential losses he recommended in his final report should proceed. His thinking is set out in an additional report on the independent Re-review Process for HBOS Reading customers following the findings he published in December last year.

Sir David Foskett has agreed to chair the Re-review Panel and will be joined by Philippa Hill of Grant Thornton, a forensic accountancy expert, and Andrew Hildebrand, a dispute resolution expert with SME experience which will give him an understanding of the customer interest. All three will operate as impartial, independent and expert figures.

Separately, Sir Ross has also published a document which clarifies certain points, at our request, to allow us to proceed fully with the implementation of the remaining recommendations outlined in his report. It also sets out how an appellate body, which we were keen to have, chaired by Rory Phillips QC, who has been supporting Sir Ross throughout this process, will consider any customer appeals on these matters which include debt relief and treatment of 'de facto' directors.

These documents can all be found on Sir Ross's web site, the address is www.cranstonreview.com.

We are grateful to Sir Ross for the thought and rigour he has brought to leading this essential work, and to the wide range of stakeholders, including the APPG for Fair Business Banking and the SME Alliance, who have engaged with Sir Ross to lend their perspectives on behalf of the victims. We are particularly thankful to all those customers affected by HBOS Reading who have worked with Sir Ross to help him devise a credible means of securing the fair and final compensation they deserve.

Last year we committed to implementing Sir Ross's recommendations in full, and will cooperate with the Re-review Panel to provide them with any support they may require. It is my sincere hope that Sir David and his colleagues will provide the final closure to an issue that has caused such distress and suffering to the victims of the criminality at HBOS Reading more than a decade ago.

Throughout we have sought to provide appropriate updates on developments regarding the aftermath of HBOS Reading to your predecessors and to the Committee, and I will continue to do so.

I do hope you and your family are keeping well through these challenging times.

Kind regards,

A handwritten signature in blue ink, appearing to be 'A. H.', located to the right of the 'Kind regards,' text.