

## Wipe the decks clean

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The [Guardian](#) gives ample evidence as to why our banks have failed today:

*Lloyds, one of the banks bailed out by the government, has been accused in court by the Treasury this week of using a subsidiary to pour hundreds of millions into transatlantic tax avoidance schemes.*

*Huge loans to American financial institutions were disguised as commercial investments for tax purposes, it is alleged in a case against the bank being brought by HM Revenue & Customs, a department of the Treasury. As a result, the money from the deals was treated differently for tax purposes on each side of the Atlantic.*

*The revelation of the court action comes on the day that Lloyds TSB executives appear before the Treasury select committee to explain their role in the current banking crisis. Lloyds Banking Group is 43% owned by the government.*

This scheme is clearly similar to one I investigated with the [Wall Street Journal](#) a while back, which was done by Barclays and was highly abusive.

Any management who thinks this thing acceptable is unacceptable in today's climate.

That's why a new breed of directors is needed for these banks.

It's not time to reshuffle the pack of bankers - it's time to wipe the decks clean, redesign the system and start banking all over again.