

Getting the offshore blame right

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The [FT has reported](#) that Lloyds Bank has been forced to freeze 8,000 accounts held with it in Jersey because the owners of those accounts have not provided proof of their identities as required by money laundering laws.

Some of these actions will, of course, be because account holders have simply, but innocently, ignored demands.

Some accounts will have not much in them and will have been long forgotten by the account holder who no longer lives at the address to which Lloyds is writing.

But I doubt that covers most such accounts. I stress, I doubt it. I do not know it.

My suspicion is that there are many of those with such accounts who would really rather not be identified now and hope that by doing nothing this problem will go away.

And if that is true then as I and many others long argued our High Street banks when operating in places like Jersey did provide accounts for illicit activities over which inadequate control was placed.

This is the key issue here as far as I am concerned. We do not know who the 8,000 account holders are, and we do not need to do so. We do know Lloyds accounted for them without sufficient proof of identity, making the controls long required to ensure appropriate information exchange for tax purposes with the UK inoperative, for example.

Of course we should criticise those who have used offshore for abuse. But I have always argued that it should be the suppliers of corruption services who should receive the greater opprobrium. And that means Lloyds in this case, although we can be sure that they are not alone.

And, let us not forget, this only happened because Jersey set out to let it happen. They, and those places like them, remain worthy of our contempt because they knowingly facilitated tax evasion. As I have long said.