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## ‘WHISTLEBLOWING ALMOST KILLED ME

By Dina Medland  
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Being a whistleblower changed the life of Paul Moore, former group head of regulatory risk at HBOS, the banking group – but, until recently, changed little else. Almost a decade ago, he alerted the HBOS board to the bank’s excessive risk-taking, which he said could “lead to disaster”, and subsequently lost his job.

I spoke to him in the wake of a recent damning report by the UK’s Parliamentary Commission on Banking Standards that castigated the bank’s former leadership and brought about a public expression of contrition by Sir James Crosby, his former chief executive.

“It’s like the parting of the Red Sea. I feel a massive shift has taken place,” says Mr Moore.

Why does he feel different after all this time?

“I think most people knew I was right and had a lot of admiration for me but could not associate with me because of risk to themselves. Now they see I spoke up from conscience and competence, not hatred,” he says.

Whistleblowers in the UK have generally been “ignored, demeaned, dismissed, publicly rubbished and treated like outcasts”, he adds.

His experience is backed up by research last month from Public Concern at Work, a charity, that found more than three-quarters of whistleblowers working in financial services are ignored when they first raise concerns with their employers.

Mr Moore now feels vindicated enough to call for more senior heads to roll and for a public inquiry into the auditing of HBOS.

The scope of his broader complaints ranges from the way in which a business’s risk and control managers report to executives, rather than to non-executive directors, to the “cosiness” of boardrooms.

He is critical of the way the HBOS boardroom operated, as well as the existing system of regulation, including what he calls a “revolving door” that exists between senior roles in business and those in regulation.

“We need a new way,” he tells me, focusing clearly on the system, rather than on his own history, in spite of the damage that being a whistleblower has done to his career.

Educated at Ampleforth College, the Catholic school in Yorkshire, he studied law at

Bristol University and worked in the legal department of Allied Dunbar, the assurance group, before joining KPMG in 1995. He was a partner in the accountancy firm's financial sector practice from 1995 to 2002, before he joined HBOS.

Since leaving HBOS he was not offered a single professional role until December last year, when he became non-executive chairman of the peer-to-peer lender Assetz Capital.

While jobless, his income came mainly from speaking events, at which he often issued the challenge: "Hands up all those who would give me a job?". He smokes throughout our interview at the start of the day, and gives profound thanks to his wife and family for their support. It might be almost a decade since he became a whistleblower, but he is still raw from the experience.

Mr Moore agrees that "whistleblower" is a label few individuals would willingly assume – yet the benefits to businesses and society from the actions of such individuals can be immense in revealing potentially disastrous mistakes and wrongdoing.

The law is to be changed this month and again later in the year to try to offer greater protection to whistleblowers. But Mr Moore is sceptical.

"In this country, whistleblowing policy fails. We know that, because no one does it. If you blow the whistle, you never get another job. An executive can fire you and then you supposedly have protection in an employment tribunal. But in reality it is you, with your resources, against the company resources. It's a great imbalance," he says.

He also remains unconvinced by the US example, where whistleblowers are rewarded with cash. A website run by the Securities and Exchange Commission says: "The Commission is authorised by Congress to provide monetary awards to eligible individuals who come forward with high-quality original information that leads to a Commission enforcement action in which over \$1m in sanctions is ordered. The range for awards is between 10 per cent and 30 per cent of the money collected."

Is paying whistleblowers the right way forward?

"The US way is rewarding people by giving them 'bounty'. But I am not sure whistleblowers who speak out of conscience are driven by money at all," says Mr Moore. Unsurprisingly, he supports the view that people who suffer as a result of their whistleblowing should be compensated properly.

Since his whistleblowing in 2004 he has formulated strong opinions on company and government policies in the UK. "Under current law, you cannot be discriminated against in this country on religion, age, sexual orientation, ethnicity or race. 'Whistleblower' should be added," he says.

"You should be able to go to the press immediately and be guaranteed anonymity," he adds. "I went home to my wife and cried after I was fired and she said 'Don't worry, it

will be all right. It's all part of God's plan.' Without her I would be dead."

A more recent high-profile whistleblower is Michael Woodford, the British businessman and former chief executive of Olympus, the Japanese electronics manufacturer, who helped expose accounting irregularities at the company in 2011. He was fired after confronting the chairman and repeatedly calling for an internal investigation.

Today, Mr Woodford and others are working with the dean of St Paul's Cathedral to lead an independent commission aimed at making it easier to raise the alarm on either corporate or government misbehaviour. The eight-member commission, put together by the Public Concern At Work charity, is to spend the rest of this year looking at how laws, rules and public attitudes towards whistleblowing should be changed to encourage employees and customers to speak out.

Mr Moore, for one, will be awaiting its conclusions.

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