

POLICING, WHEN IT SUITS – BUT NOT, WHEN IT DOESN'T

By any standards, the NCA's decision last week that it would take no further action with regard to the Halifax Bank of Scotland (HBoS) Reading fraud was an absolute shocker. The authorities are in full-scale panic mode and believe that maintaining the cover up of serious banking fraud, however indecent, is the only course left open to them. The HBoS Reading fraud has the potential to highlight the widespread serious fraud, which has engulfed the banking sector. The cover up of this wrongdoing has involved the highest levels of our Government and Establishment and every arm of state. It remains a total affront to justice and the Rule of Law.

The investigation of economic crime in the UK is tightly controlled by the City of London Police and its wholesale inadequacy has become a matter of international notoriety, with the US now referring to our country as "a high risk jurisdiction". Meanwhile, the EU has been withholding an agreement with the UK over financial services, and despite latest reports that a memorandum of understanding will shortly be signed, the reputation of the City of London as a global financial centre remains in considerable jeopardy. Our prosecutorial and regulatory regimes for financial services are rotten to the core and London remains awash with illicit laundered money.

NCA's HBoS decision – making sure the door stays shut

In April 2018, the NCA announced a review, requested by Thames Valley Police, into further aspects of the HBoS Reading fraud, the only instance of serious banking fraud which the authorities have allowed to be prosecuted. This week, after three years of supposed review, the NCA has announced that it "did not identify any clear evidence of criminal offending" and consequently, had "decided not to open a criminal investigation". Further, the NCA is not going to "request a law enforcement partner (presumably, the Serious Fraud Office) to do so". This announcement is indecently corrupt.

Criminality is everywhere but the NCA has chosen not to recognise it

The HBoS Reading fraud is packed full of criminality. Only a small fraction of the evidence was taken forward for trial in February 2017. However, there is much more wrongdoing, which has so far escaped prosecution. Corporate Jet Services collapsed in September 2007 owing HBoS £113mn. It was controlled by the convicted fraudster David Mills and Robin Southwell, a business ambassador for David Cameron. However, the company was then repurchased ("phoenixed") for a nominal £7 by the very same management team, which had brought about its collapse. Pre-pack administrations remain in the spotlight, given the new round of insolvencies pending due to the pandemic. Yet, this blatant example of abuse has never been investigated. Other instances of criminality involve the Clode Group, which operated as "a bank within a bank" for the Reading fraudsters and the involvement of the Bristol-based solicitors, Burges Salmon in wrongfully administering numerous accounts for Mills' Quayside companies.

Reasons for turning an official blind eye

If a criminal investigation was undertaken, it might uncover a large number of uncomfortable truths, which have hitherto remained hidden. It might show that responsibility for the Reading fraud went much higher up HBoS than has so far been revealed. It might confirm the linkage between HBoS Reading and the more extensive Bristol frauds, which Lloyds Banking Group (LBG) has been at pains to conceal. It would demonstrate that the four reviews into the Reading fraud, all of which have

been commissioned and paid for by LBG, have been an expensive and corrupt farce. Those immediately responsible for the fraud were successfully prosecuted in 2017. Yet four years later, victims of the fraud are still fighting for justice against a bank, which has manipulated and corrupted these supposedly independent reviews. So obscene has been the manipulation of anything approaching justice that the question now is whether the Reading fraudsters will, in a few years' time, be able to enjoy the proceeds of their crimes before their victims have been compensated.

NCA blocking all investigation into bank signature forgery

The NCA is standing at an important cross-roads, for it is currently blocking investigation into not one major instance of serious banking fraud, but two. From July 2019 onwards, the National Economic Crime Centre (NECC) within the NCA has received some five hundred individual crime reports of signature and document forgery by major banks, notably RBS and Lloyds. For nineteen months, the NECC refused all requests to investigate including those from the Treasury Select Committee. However, it was the current TSC chairman, who gave the game away last October, when in a letter to the NECC, he enquired: "What you see as the offences that may (or may not) have taken place, and any legal arguments you are considering". Signature forgery is a "black and white" affair and one of the easiest criminal offences to prove. However, Mel Stride MP provided advance warning that the NECC would contest, as it is now doing, the validity of the overwhelming evidence it has received. In the US, signature forgery by banks was uncovered and addressed. It was described as "an attack on the integrity of our (US) court system" and resulted in major compensation being awarded to victims. In the UK however, we prefer to cover it up. This too is deeply corrupt.

Regional Police's refusal to investigate serious banking fraud

At least ten regional police authorities have refused to investigate serious banking fraud. The most notorious example has been provided by Avon & Somerset Police (A&SP), which for over a decade has declined to investigate widespread fraud involving Lloyds Recoveries, Bristol and its associates. More recently, complaints about A&SP's refusal to investigate were elevated to the Independent Office for Police Conduct (IOPC) but in common with the latter's much-publicised failure over Operation Midland, the IOPC merely referred the complaint back to A&SP. An official request for HM Inspectorate of Constabulary (HMIC) to launch an investigation into the matter is presently being blocked by the Minister for Policing. Yet, the HMIC was instructed recently and very promptly by the Home Secretary to investigate the policing of the Sarah Everard vigil. Priti Patel MP received our "Lloyds Asset Theft Frauds" report in June last year and the Police & Crime Commissioner for Thames Valley, Anthony Stansfeld discussed it with her. Yet, she chose not to reply to him for more than three months and then, it was dismissively. Policing and observance of the Rule of Law are now "à la carte" - to be conducted, when it suits the authorities – but not, when it doesn't.

Better NOT to investigate ?

The authorities would argue that society is better off, if political and financial elites are free to act without limits because this will maximise the good they can produce for everyone. They would claim that prosecutions would be too disruptive and it is essential to look forward, since looking back and holding those responsible to account, would be far too damaging for the economy.

Woe, Britannia !