

Three judges among lawyers suspected of £15m fraud

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Three judges are said to be among 12 lawyers suspected of orchestrating a scam intended to defraud the taxpayer of an estimated £15 million.

Three suspects have been arrested and a further nine interviewed under caution by specialist detectives from Scotland Yard's fraud squad.

A three-year investigation has led to case files being passed to the Crown Prosecution Service, whose solicitors have spent a further two years poring over the details of the alleged fraud.

According to *The Sun*, three of the suspects questioned under caution sit as part-time judges in the southeast, and a further nine are solicitors and barristers at legal firms in London and the home counties.

The alleged scam is said to centre on ten cases from 2011 and 2012 in which defendants who were privately represented had charges dropped or were acquitted but claimed costs via legal aid.

Among the allegations, it is suspected that solicitors changed their clients' representation from legal aid to private without informing them so that they were defended on far higher fees, rather than the lower, flat rates.

At least one solicitor is understood to have been suspended from representing clients. The 46-year-old solicitor in criminal law, from north London, was accredited to instruct counsel in crown court fraud trials. He could not be reached for comment and cannot be named for legal reasons.

He has been ordered by the Solicitors Regulation Authority not to appear as an advocate in any criminal proceedings and must inform all his clients that he faces charges.

The cases in question involved those

where defendants were acquitted or had charges dropped. Under the system at the time, if they were paying privately for their defence they could recoup the costs against the taxpayer.

A subsequent rule change meant that privately paying defendants could recoup only a fraction of their costs — those equivalent to legal aid rates.

The change in 2012 has been widely criticised, including in a report by the charity Transform Justice, which condemned the "unjust" rules that led to acquitted defendants being penalised a second time and being left substantially out of pocket.

When Nigel Evans, MP, former deputy speaker, was cleared of rape in 2014, he was left with legal costs of £130,000, plus VAT. At the time he said: "If someone is dragged through the courts through no fault of their own and is acquitted, they should get their legal fees back from the CPS budget."

Similarly Neil Wallis, former deputy editor of the now defunct *News of the World*, who was charged, tried and cleared of conspiracy to hack phones, had legal fees in six figures and financial losses of £900,000.

A spokesman for Scotland Yard said: "The Metropolitan Police Service's Operation Falcon complex fraud team is investigating an allegation of fraud referred to police by HM Courts & Tribunals Service in January 2013. Three people have been arrested and nine people interviewed under caution by police and a file has been referred to the CPS for a charging decision."

The Solicitors Regulation Authority has conducted its own investigation into the fraud allegations. A spokesman said: "We are aware of the issue and we have been working with the police on this. We await conclusion of any other proceedings before deciding on any action of our own."