

Fraud case against three ex-G4S executives collapses

Charges have been dropped against three former executives of G4S's electronic tagging arm who were accused of defrauding the Ministry of [Justice](#) following a 10-year investigation.

G4S Care and Justice [Services](#) had provided electronic monitoring services to the government from 2005 to 2013.

The subsidiary of security giant G4S was accused of misleading the MoJ over the extent of its profits from the tagging contract.

In July 2020, the firm accepted responsibility for three counts of fraud and agreed to pay a financial penalty of £38.5 million and the [Serious Fraud Office](#) (SFO) costs of £5.9 million.

It is deeply worrying that after such a long time, only now has the SFO offered no evidence. Ten years is far too long for any individual to have to wait for justice

Read More

- [Robert Walters founder steps down as recruiter reports highest ever profit](#)
- [FirstGroup upgrades profit targets as bus and train travel rebounds](#)
- [UK economy rebounds to grow by 0.3% in January](#)
- SPONSORED

[Almyra Hotel: stylish accommodation with history on its doorstep](#)

Under the Deferred Prosecution Agreement (DPA) with the SFO, G4S could continue to be considered as a government supplier.

The DPA only applied to the potential criminal liability of G4S Care and Justice Services as a company, and not to any current or former employees.

In September 2020, former managing director Richard Morris, 47, from High Wycombe, Buckinghamshire, was charged with seven counts of fraud.

Two other ex-directors of G4S's electronic monitoring business also faced the charges.

They were former commercial director Mark Preston, 51, from [Cheshire](#), and former finance manager James Jardine, 41, from Cumbria.

The SFO alleged the executives made false representations to the MoJ between 2009 and 2012.

At an [Old Bailey](#) hearing before Mr Justice Johnson on Friday, prosecutor Crispin Aylett, KC offered no evidence in the case which was due to go to trial in April next year.

Mr Aylett said: "The decision to drop this case is not one that could be taken either quickly nor lightly."

Following a "careful and comprehensive review" it was decided it was "no longer in the public interest" to proceed with a trial even though there remained a realistic prospect of conviction.

He recognised the impact of the case on the defendants who are of good character, adding: "We regret the way the case has turned out."

The judge was asked to formally acquit the defendants of the charges.

Afterwards, Mr Morris's lawyer Ross Dixon, of Hickman & Rose Solicitors, blamed the SFO for "failing to understand its own evidence".

He said: "This is not the first time a major fraud prosecution has come unstuck for the SFO after it signed a Deferred Prosecution Agreement with the company at the centre of its investigation.

"As in the cases of Tesco and Serco, this DPA was based on the alleged wrongdoing of individuals, but the narrative on which the DPA was based has failed to stand up to scrutiny in criminal proceedings.

"This case collapsed because the SFO failed to understand its own evidence; failed to secure significant evidence (the underlying books and records that would have demonstrated the true position as to costs that were at the heart of the allegations); and only at the eleventh hour disclosed key material that undermined its case.

"It is deeply worrying that after such a long time, only now has the SFO offered no evidence. Ten years is far too long for any individual to have to wait for justice.

"The SFO must engage in an honest and searching appraisal of what went wrong in this case. If not this won't be the last time this happens."

Previously, Mr Dixon had said his client rejected the allegations against him in "the strongest possible terms".