

Ascending circles of corruption: from Sheffield to OLAF

Martin Brighton recounts how his investigations into Sheffield council abuse took him on a journey through spiralling power levels of corruption all the way up to OLAF

On returning home one afternoon in late 1997, I found my disabled wife, who is a community volunteer, crying on the settee, the victim of abuse by a council officer. The more we complained about the abuse and the higher up the power levels we went, the worse the abuse became. Then we discovered that others were being abused.

It turned out that my wife just happened to be one of those people who find themselves in the wrong place at the wrong time and she was targeted for removal. The abuses were systematic, ruthless and relentless and they were supported by the local government.

As a systems auditor, I set about trying to find out why the abuses were occurring. It turned out that through the local council the government was setting up a structure which, in addition to creating the illusion of community empowerment, was to be used as a vehicle for the fraudulent acquisition and subsequent unlawful disposition of European funds.

While evidence was being collected, the local and regional governments and their associated institutions were backtracking and retrospectively forging documents to cover up what was being exposed. One hard blow occurred when it was established that South Yorkshire Police were themselves corrupt. This confirmed that the corruption was government sourced.

My findings were being presented to the European Commission on an ongoing basis in 1998. In 1999, after the formation of the European Anti-Fraud Office (OLAF), the European Commission transferred its files to OLAF, with a directive to open an investigation. However, the EU Economic and Social Development Fund (ESDF) commissioner for Eurofunds for Northern Europe was also shown to be corrupt.

The corruption and abuses continued unabated. There were many e-mails to and from the EU and OLAF. In addition to myself, other communities in South Yorkshire were also inundating the EU and OLAF

and the European Court of Auditors (ECA) with evidence of the multi-billion fraud and corruption in the area.

In 2003, under pressure, OLAF asked that I visit Brussels. On my arrival, I was met by two Englishmen who claimed to be working for OLAF. They claimed that they had received nothing over the four-year period. They said that they had not received any material from any other source. At the end of the visit, I suggested that they would find the source of the corruption within the UK government. I was told that this was highly unlikely.

The two OLAF Englishmen received more information. When it was stated that an arrest could take place upon the EU commissioner determined as corrupt, when he visited the UK, OLAF intervened, warned the EU, and arranged a visit themselves.

Meanwhile, I was suspicious that OLAF were alerting the UK to everything that they were being told, and, because of the denials, forced responses by copying e-mails to the European Ombudsman, the ECA, and Europol. OLAF were being trapped.

When in the UK, OLAF visited those known to be corrupt, including the police, and timed their visit with that of the EU commissioner. They were given yet more material.

OLAF, now having more than sufficient information for a prosecution, allegedly returned to Brussels, and dismissed the case, on the grounds that there was no evidence. This despite the fact that they had received over seven thousand documents which clearly demonstrated the contrary.

The ECA says it is bound by the actions of OLAF and the EU member state's Fraud Office – which in the UK is covering up the government corruption – and, despite having received in its own right the same evidence of corruption as OLAF, say that there is nothing that they can

do. There is also a question mark concerning the probity of one person within the ECA.

In Sheffield, the corruption and multi-billion fraud has now become blatant, confident in the knowledge that the UK government has plugged all the gaps.

UK partners in Eurofraud: an interview with Martin Brighton

What sort of injustices can UK local community volunteers expect to suffer when their centre happens to stand in the way of Eurofunding? To what extent can they rely on local councils, the police force and MPs for justice? And how professionally are such complaints being dealt with by OLAF? Martin Brighton supplies some of the answers

Response: *At the start of your report, Ascending circles of corruption, you say that your disabled wife, a volunteer at "The Annexe" community centre in Lowedges, Sheffield, had fallen victim to abuse by a local council officer. Can you say more about these specific abuses, when they began and why they were carried out?*

Martin Brighton: The abuses by the council officer towards my wife go back to 1992 and were not limited to the one victim. They had the full support of the officer's council activist colleagues who were part of the council's corrupt "community forum". OLAF [European Anti-Fraud Office] eventually received files describing the full range of abuses but I can give you a few examples. One was browbeating at the home of the disabled woman and attempting to bully her into submission so as to force her removal from her volunteer activities. Another example was providing publicity, resources and public distribution of notices designed to undermine and isolate the victim as part of the process to "break" her. Then there was supporting and encouraging false accusations and

justifying these through the widespread circulation of 'poison-pen' letters. This included obscene material. The aim was to impose prejudice, sanctions and public humiliation at meetings and she was given no advance opportunity to deny them.

Response: *Were there other examples?*

Brighton: Another example was arranging meetings and stacking the attendance for the sole purpose of removing my wife from her position, her group, its users and its assets, in effect depriving her of everything that she had spent years creating. City-wide, this tactic was shown to be part of the "Control or Destroy" strategy. Since the existing voluntary group could not be taken over and Eurofunds could not be used to pay for something that already existed, the group had to be destroyed and Eurofunds used to create something that was controlled by the local government. The money was and is still laundered through the corrupt local forum.

Response: *Can you tell us more about the wider range of abuses that you describe as "systematic, ruthless, relentless and supported by the local government"? How did you find out about this?*

Brighton: It took quite a long time before it was realised that the institutions to which complaints were made were, in their turn, simply "playing" with the victims. As has now been proved with OLAF, they were assisting the abusers, who were furthering what was later established to be a government agenda. Through mistakes, especially within the local council – by the local government ombudsman, local police and the European Secretariat of the regional government office – it was realised that the abuses and the cover-ups were being centrally co-ordinated.

Response: *Can you say a bit more about how institutions "played" with victims?*

Brighton: A typical measure was, when sabotaging the activities of the volunteer, to also inform any host organisations which the victims contacted – the charity commission, donor groups, etc. These groups were then convinced not to work with the victims. The personal abuses increased in both severity and frequency, and the more it appeared that they were having an effect, the more they were applied. Throughout the city of Sheffield, the victims chosen were the old, vulnerable, sick, the dying. In each case it was also discovered that the council was using a

'community forum' from which to launch abuse. These forums were also shown to be corrupt. Any weakness was exploited.

Response: *Can you give some examples?*

Brighton: One good example was, when providing the objective evidence of fraud and corruption to the European Secretariat in Leeds, it was explained that all documents were being copied to the EU in Brussels. This was a lie. It took months to realise that the UK secretariat, specifically Ed Griffin, was colluding with Manfred Beschel of the EU, who, in turn, was later shown to be protected by Glenn Phillips of OLAF. OLAF later wrote attempting to prevent me from invoking UK law against Manfred Beschel when he visited South Yorkshire. Also through the Leeds office, Ed Griffin was caught out working with the local council fabricating documents and retrospectively forging material to negate the evidence of corruption that was being sent to him. Groups throughout Sheffield, whose volunteers were experiencing similar abuses, were also treated in the same way. The ECA [European Court of Auditors], who were also briefed, claimed they could do nothing about the Eurofraud and corruption, and, in any case, via a Jesus Lazaro, sent the documents to OLAF.

Response: *Were UK members of parliament aware of all of this?*

Brighton: UK members of parliament knew but either simply lied or did not respond. Even at public "Cabinet" meetings, council executives and elected leaders blatantly lie, confident in the knowledge that they have government protection. This has been the case for years and it still is to this day. The Lowedges local tenants and residents association was suffering the same abuses from the same council officer and for the same reasons. Eventually, the council, having failed at every attempt to gain control of the community centre, simply bulldozed it. We later discovered that the same had happened to the buildings of other groups around Sheffield.

Response: *In your report you say that through the Sheffield local council the British government was "setting up a structure which, in addition to creating the illusion of community empowerment, was to be used as a vehicle for the fraudulent acquisition and subsequent unlawful disposition of European funds". Can you say a bit more about this structure and explain how exactly they were creating the illusion of community empowerment?*

Brighton: The local council set up a structure called a community forum. The intent was to have an organisation that appeared to be community based and community run. However, when local people were elected to this forum, rather than the council activists, an effective 'war' was declared upon the community volunteers, who were subjected to an

abusive policy of Control or Destroy, along with any community groups they represented. Over a three-year period all community groups withdrew from the council controlled forum, and there were no independent community volunteers that had any meaningful involvement with the forum. Throughout this time, and especially on applications for funds, including Eurofunds, the council lied about membership and community representation of the forum. This continues even to this day and OLAF have been kept fully informed.

Response: *What sort of money are we talking about in the unlawful disposition of EU funds? To what extent do you think the Sheffield case is revelatory of what is going on elsewhere in the UK re abuse of EU funds?*

Brighton: At first the fraudulent access to Eurofunds, or funds used as a “match”, were comparatively small – just a few tens of thousands of pounds. Then it was determined that the scam was operating on a regional basis, involving tens of millions. It was then discovered that there were seven such multi-billion schemes in the UK. Local examples of unlawful disposition of funds include funding council and political agendas at the expense of community projects that were sabotaged, use of funds to pay council staff wages, and the duplication and repetition of existing projects and facilities.

Response: *In your report you say: “While evidence was being collected, the local and regional governments and their associated institutions were backtracking and retrospectively forging documents to cover up what was being exposed. One hard blow occurred when it was established that South Yorkshire Police were themselves corrupt.” Can you say more about this and what exactly the hard blow was?*

Brighton: Putting together evidence to meet the requirements of the Police and Criminal Evidence Act, so as to ensure successful prosecution, is never easy. It was eventually discovered that the police were recipients of Eurofunds, among other UK funds, and had themselves falsified documents to acquire money fraudulently. After many months of providing information the police let it slip that they would be doing nothing. Corrupt policemen were identified, from the top down. All the work had been in vain. Similar hard blows occurred with the Serious Fraud Office and the Government Office for Yorkshire and the Humber, and, most recently, with OLAF itself. All they did was draw out the evidence, then trash it.

Response: *In 2003 you accepted OLAF’s invitation to meet them in Brussels. You say that you had meanwhile grown suspicious that OLAF were alerting the UK to the information you were proving them with. What exactly was it that made you suspicious and around what date did this occur?*

Brighton: It became obvious that OLAF were passing information back when they started to intervene in affairs that did not concern them, for example, due process of law in the UK, after my visit to Brussels and

handing over of yet more evidence. In October 2003 OLAF made a joint visit to the UK with the known corrupt Manfred Beschel. Beschel, as the records show, had been in receipt of the evidence of corruption, yet was knowingly continuing to allocate Eurofunds to groups proved to be corrupt. Later publicity shows Beschel praising those whom he knew were corrupt and joining in a photo-shoot with them. Beschel, like so many others, had been patronising the whole time. OLAF had written to me attempting to dissuade me from applying UK law – from instigating an arrest whilst Manfred Beschel was on UK territory – and at the same time warned Beschel and the UK regional Eurofund managers of my intention. Meanwhile, at the meeting, I learned Beschel had been informed to delay his presentation until I had left, and an announcement was made that he had not turned up. Confirmation came later in October when, using a previously proved case, OLAF attempted to dismiss it.

Response: *Why were they alerting the UK and in what precise sense were they being trapped? Who in OLAF issues the orders for such clandestine and unethical procedures?*

Brighton: Other than for reasons of self-preservation and following the orders of Kinnock, it would be a guess as to why the two corrupt UK citizen members of OLAF were alerting the UK. However, is it not highly improper that, in every instance, UK citizens with an interest were asked to investigate UK corruption? When it was determined that OLAF were themselves corrupt, they were pushed for answers to questions, or acknowledgements of receipt of information. This way OLAF could no longer deny having received evidence, and would, in time, be forced to explain their lack of action. E-mails were sent to OLAF, and they were copied to other organisations such as Europol, European Court of Human Rights, European Court of Justice, etc. This was done so that OLAF were forced into answering. OLAF did answer, then shortly wrote saying that, in effect, there was nothing wrong. It is not known who issues the orders within OLAF, but all e-mails and correspondence to the Director General have been answered by others, including Glenn Phillips. It is also no coincidence that Kinnock was appointed by Prime Minister Tony Blair, who was also in receipt of evidence of corruption, had acknowledged receipt and yet continues to do nothing. The Eurofrauds are financing the imposition of a political manifesto.

Response: *What, in your view, is basically wrong with OLAF and what would be required for it to function correctly?*

Brighton: Under Neil Kinnock, OLAF has been deliberately underfunded and kept dysfunctional. At the same time, Kinnock has criticised OLAF for its failures. OLAF's weak leadership, reliance on host country police

services, and lack of authority have ensured that corruption, especially UK corruption, could never be dealt with properly. Rather than cleaning up the EU, OLAF has contributed to the increasing corruption, which in turn has its effects upon EU citizens. OLAF needs full autonomy, judicial independence along the lines of similar institutions, and proper funding. Having citizens of the same host country investigate that country's corruption is a design for failure. There must be an end to sanction and prejudice against whistleblowers, with measures put in place for their protection, and eventual reward.

Response: *What stage has your battle for justice now reached and what do you propose to do next?*

Brighton: As far as my personal battle for justice is concerned, having been denied both EU and UK access to justice, all I can do is inform and educate as many as possible, as widely as possible. If my actions will prevent yet more victims of government sponsored abuse, and secure justice for those targeted so far – the sick, vulnerable, weak, old, and even the dying – then there will have been some measure of success. The identities of all those known to be corrupt must be published, and the actions of this corrupt UK government exposed. Despite the death threat made against me, I must continue, and urge all others to come forward, and not be frightened off by the various authorities.