

IN THE BACK



FORENSICS

Clueless decision



EARLY last year, when the publicly-owned Forensic Science Service faced the chop, *Eye* 1279 asked: "Will the needs of justice be met by a competitive market trying to improve turnaround times?"

The answer seems to be a resounding no, if the recent four-month detention of a man wrongly charged with rape when he was hundreds of miles from the crime is anything to go by. The charge was based on contaminated DNA evidence and marks another low point in the provision of what was once a public service by a company controlled by private equity.

Last month the Forensic Science Regulator reported how a Devon man had been linked to an attack in Manchester by a saliva sample he had given following a minor "spitting incident" in Exeter. This sample and evidence from the rape were processed through one of Britain's biggest forensic science companies, LGC – until privatisation in 1996, the Laboratory of the Government Chemist.

In March 2010, having already passed through one private equity firm's hands, LGC was sold to another, Bridgepoint, which counts former health secretary Alan Milburn, Sir Stuart Rose of M&S fame and Lord (Chris) Patten among its advisers.

High finance comes with some pretty low standards. The same saliva sample contaminated the equipment used for analysing evidence from the rape when the laboratory trays it had been placed in, which should have been disposed of, were re-used. The error should have been picked up when the "negative control" sample, containing none of the rape evidence being tested, also showed signs of the suspect's DNA; but this red light "was not sufficiently dealt with", leading to a "missed opportunity to identify the true extent of the problem", said the regulator.

In addition, LGC's "procedures themselves were not adequate, leading to no records maintained by the technicians and nothing done to mark used

trays as such". The body that accredits forensic science service providers insisted on improvements.

All this contrasts sharply with the image LGC tries to present, churning out press releases whenever it can link doing what it is supposed to do to with a high profile conviction. But then the company needs to keep winning business to feed the huge financial demands of private equity.

LGC's modest annual profits are wiped out by the interest and dividends paid to its private equity backers. Its 2011 accounts show that profits of around £10m were trumped by interest charges to bankers and investors of more than £12m and "preference" dividend payments to investors of £17m. The investors' interest and dividends rack up at between 10 and 15 percent and take priority over any other spending.

This puts pressure on costs (and of course leaves the group paying no tax) but works well for the executives and backers. Chief executive David Richardson picked up £344,000 last year, plus around £150,000 on his preference shares and loan notes in the company. Handsomely rewarded in the same way, to the tune of more than £90,000 a year, is chairman Graham Love, who as chief executive made £20m from the privatisation of defence research company QinetiQ. Also on the board is former Met Police commissioner Lord (John) Stevens, on whose watch in 2003 the force awarded a DNA contract to... LGC.

The Bridgepoint boys, two of whom sit on the LGC board to keep an eye on their investment, don't do badly either. From advising on investments like LGC, healthcare provider Care (UK) and many others, Bridgepoint earns more than £100m a year, enabling its 150 staff to share more than £40m, or around £270,000 each. And that's without the top men's profit from buying and selling shares in the companies they invest in.

The Forensic Science Service was closed by the coalition because it was "losing" £24m, which is less than the company that has taken over most of its work has to pay out to the private equity industry, with what look like very questionable results.

PS: LGC chairman Love resigned last year as QinetiQ chief executive very soon after the firm was described in an official enquiry into the Nimrod disaster of 2006, in which 14 servicemen lost their lives, as "fundamentally lax and compliant" in its work on a major safety review of the aircraft. Just what's needed in forensic science!

INSOLVENCY

It's a wind-up

THINGS haven't looked good for investors in funds run by Wimbledon-based Connaught Asset Management for a while now. Last year the Financial Services Authority warned them that their money – much of it put into Tiuta, a mortgage "bridging" loan specialist – was not as safe as the firm would have them believe.

Sure enough, earlier this year Tiuta was placed into administration with the big accountancy firm BDO. Creditors weren't too impressed since BDO had been the company's financial adviser as it went pear-shaped, and appointing the same firm as a supposedly objective administrator presented a serious conflict of interest.

BDO has now been replaced, while Connaught's misfiring investment means it too has had to call in an administrator. But chairman Mike Davies's choice for the job has angered investors who face eight-figure losses and claim a clean pair of hands are needed at the murky operation.

In comes Peter Hollis, formerly of shady and now defunct beancounting firm Vantis and whose name will be familiar to readers of *Eye* 1272. In 2009, as joint administrator of a fashion chain called Sixty UK, Hollis under-valued guarantees the company's parent company had given to its landlords, and thus how much it would pay them when it reneged on tenancies. What should have been £1m was presented as £300,000, a high court judge calling the change "a shameless substitution".

In fact the whole administration was contrived and "should never have seen the light of day" since "the evident purpose of the [administration] was to compel [the landlords] to give up their rights for a fraction of their value". As a result, said Mr Justice Henderson, "there is a *prima facie* case of misconduct on their [Hollis's and his partner's] part which ought to be considered by the professional bodies to which they are answerable".

More than two years on the Association of Chartered Certified Accountants has done nothing and Mr Hollis can continue to trouser substantial sums from juicy post-financial crisis administrations like Connaught.

BORDER AGENCY

Kidney punch

DOCTORS' warnings that a 49-year-old Nigerian woman, who was given a kidney transplant after she fell dangerously ill in the UK seven years ago, will suffer a painful death before Christmas if she is deported have been ignored by the UK Border Agency.

Far from being a "health tourist" as the agency has branded her, the *Eye* has seen evidence showing that Roseline Akhalu came to the UK in September 2004 on a student visa, having beaten fierce competition to win a Ford Foundation scholarship. Her consultant at St James's hospital in Leeds, Dr James Tattersall, confirmed in a witness statement that her renal illness in April 2005 was both sudden and impossible to predict. She needed immediate dialysis and was given a transplant in July 2009.

Dr Tattersall, who serves on the European Renal Best Practice Advisory Board, said that she must take anti-rejection drugs for life and that, due to complications in her case, she needs especially scrupulous monitoring, hygienic food, living conditions and clean water – and is particularly at risk of infectious diseases such as malaria, which are prevalent in Nigeria.

He said that while there are transplant specialists in Nigeria, they can only be accessed privately and are available only to the wealthy few. "These would be unavailable to Akhalu in Nigeria as she has no employment, accommodation or access to funds there," he said. Her lawyers say her family are very poor.

Dr Tattersall detailed the suffering a kidney patient experiencing transplant rejection would face without medical care – something unimaginable in this country. He warned that she would be dead within weeks if she returned to Nigeria.

The National Kidney Federation has also argued that all Akhalu's NHS care and the dying wish of the transplant donor would be squandered were she to return to Nigeria.

Despite this testimony, the UKBA last month rejected Akhalu's application for leave to remain in the UK, bizarrely claiming that such a grim death would not qualify as "physical or mental suffering" under its interpretation of the European Convention on Human Rights Article 3, which prohibits torture, inhuman or degrading treatment or punishment. Nor, it claims, would it breach Article 8, her rights to family life.

The agency has pursued her removal with remarkable zeal, detaining her twice despite her medical condition and in the absence of any evidence that she might be a flight risk. Subjecting Akhalu to restrictions more familiar to high security prisoners, the agency's commercial escort contractor Reliance even refused her access to a toilet during the 150-mile journey from Leeds to Yarl's Wood detention centre earlier this year. Instead, her lawyers say, Reliance guards gave her a plastic bag in which to urinate in full view of guards and CCTV cameras. She completed the journey in urine-soaked clothes, contracting a urinary tract infection.

Her case has been taken up by Bishop of Ripon and Leeds John Packer and Liberal



Democrat MP for Leeds North West Greg Mulholland and celebrities such as Colin Firth, who have urged home secretary Theresa May to grant Akhalu indefinite leave to stay. Akhalu's last hope is an appeal by public interest lawyers to an immigration tribunal, scheduled for 21 November.

ASYLUM SEEKERS

Slave trade

SERVICE giant Serco has long been exploiting vulnerable asylum seekers and those facing deportation by paying them a mere £1 an hour for cleaning and other menial tasks in the detention centres in which they are imprisoned.

A Serco job ad from the detention centre at Yarl's Wood in Bedfordshire seeks a "laundry assistant" at £1.50 a day for 90 minutes of making up bedding packs, emptying bins, cleaning the floor, restocking sanitary disposers and watering plants in the adjacent garden. Not only does this provide the company with captive cheap labour, it can then make paltry savings on the toiletries and the other small necessities that the detainees, desperate for any income, will spend their money on. Taking away the work and giving it to another desperate detainee is used a form of punishment.

One successful asylum seeker who had been detained in Yarl's Wood told campaigners: "I feel this is just subtle modern-day exploitation of people who are vulnerable and desperate for some form of income." Not only does it flout minimum wage law for those who have a right to work, but it also breaches the government's own punitive policy of not allowing failed asylum seekers the right to work.