

THE OBSERVER

14 August 1994

Prisoner triggers probe into judge's company collapse

David Rose
Home Affairs Correspondent

FRAUD SQUAD detectives have launched an investigation into a bankrupt company owned by one of three judges whose alleged personal relationship is said to lie at the heart of a historic miscarriage of justice.

As *The Observer* disclosed last month, the Court of Appeal is to consider unprecedented claims that contact between Judge MacDonald of Newcastle Crown Court, Mr Justice Blofield of the High Court in London and Mr Justice Mortimer of the Supreme Court of Hong Kong deprived Paul Blanchard, a businessman jailed for six years for importing the drug Ecstasy, of a fair and proper trial and appeal application.

Tomorrow, during the legal long vacation, the Appeal Court will sit in a special preliminary session to examine the case. Judges have been chosen who have no connection with the London and north-eastern legal circuit, where the three judges practised as barristers. The court will set a date for a full hearing.

Det Sgt Kevin Ross of the North Yorkshire Police confirmed he was leading an inquiry into the soft furnishing firm Judith Mortimer Ltd, co-owned by Mr Justice Mortimer and his wife, which collapsed with debts of £435,000 in 1984.

He said the inquiry had been triggered by a dossier from Blanchard, whom he has interviewed in prison, and who bought a debt to become a creditor of the firm. Inquiries by *The Observer* have established the firm made mounting losses for seven years before liquidation. But a bank reference

in 1982 suggested it was safe to do business with Judith Mortimer Ltd because of the legal eminence of one of its directors.

Det Sgt Ross said: 'We are looking into these allegations to see if there is any substance. That amounts to a fully-fledged investigation. We are not dismissing it out of hand. We've gone into this with an open mind.'

He said he would be visiting other creditors this week. They include a man who invested £10,000 under a deal in which he would become an employee of the firm, only to find himself swiftly made redundant and have his salary cheque bounce. He was forced into litigation to secure the return of his investment, but he is still owed his costs.

It is understood Mr Justice Mortimer denies allegations that the company traded insolvently or that there was any other impropriety.

As John Barry Mortimer QC, Mr Justice Mortimer defended Blanchard on charges that his own property company traded insolvently in 1978.

Blanchard was jailed for a year but says the then Mr Mortimer failed to present his defence — that he was owed substantial sums by a former York Conservative councillor called Wilson Pulleyn.

Only subsequently did Blanchard discover that Mr Pulleyn was Mr Mortimer's uncle, godfather and fellow member of a York masonic lodge.

In a further development, Blanchard last week renewed a complaint over Mr Mortimer's conduct in the 1978 case to the Professional Conduct Committee of the Bar. An earlier complaint was rejected in 1980 —

when Mr Mortimer was a member of the Bar Senate. The new dossier includes new evidence — sworn affidavits from Blanchard's former solicitor and his clerk, which support his version of events.

According to the submissions which the Court of Appeal will begin examining tomorrow, Mr Justice Mortimer is involved in Blanchard's present drugs case because when Blanchard was tried at Newcastle Crown Court in 1992, the trial judge, Judge Angus MacDonald, regularly telephoned him in Hong Kong at critical stages in the case.

Mr Justice Blofield is also alleged to have spoken to Mr Justice Mortimer and Judge MacDonald when he refused Blanchard leave to appeal on the basis of a written application last year.

Evidence of the alleged conversations between the judges is said to have been derived from British Telecom phone records obtained by an inquiry agent.

They will become the focus of tomorrow's extraordinary hearing, with the court having to decide whether to grant witness summonses for full disclosure of the judges' private telephone computer databanks.

Last night legal sources said the case was unprecedented: 'We are in uncharted waters.'