



L-R: Jamie Colwell, Briony James & Brian Colwell

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£1m property VAT scam trio sentenced

Three tax fraudsters have been sentenced to a total of nearly 10 years in prison - two in their absence after they absconded - for their role in stealing almost £1 million in VAT repayments for building houses that never existed.

Sandbanks resident Jamie Colwell, 51, his father Brian Colwell, 75, of Bournemouth, and Jamie's former partner Briony James, 45, of Salisbury, claimed to have spent £14 million building new houses, but a HM Revenue and Customs (HMRC) investigation revealed not a single brick had been laid.

Ringleader Jamie Colwell set up Robert Lloyd Properties Ltd and Belgravia Construction Services (South) Ltd to carry out the VAT fraud. His father, a retired builder, was a director of both companies, while Jamie's former partner was a director of Robert Lloyd Properties. Jamie Colwell also pretended to be another director Martin Johnstone.

They used the two businesses to fraudulently claim VAT repayments totalling £965,897 between February 2009 and May 2015. Investigations revealed the companies' bank accounts were simply used to fund the criminals' lifestyles.

At Bournemouth Crown Court yesterday (22 January 2018), Jamie Colwell was sentenced to five years and three months imprisonment, Brian Colwell was jailed for 32 months and Briony James was given a 20 month sentence behind bars. Both Jamie and Brian Colwell absconded and were sentenced in their absence. Warrants have been issued for their arrest.

Richard Wilkinson, Assistant Director, Fraud Investigation Service, HMRC, said:

“These criminals set up sham companies solely to pocket public money to fund their lifestyles, blatantly stealing almost £1 million from the public services we all rely on.

“Anyone who has any information on the whereabouts of Jamie and Brian Colwell can get in contact with us at our Fraud Hotline on 0800 788 887 or call police on 101.

“HMRC will continue to pursue those criminals who attack the tax system, and look to recover the proceeds of their crimes from current and future wealth.”

The fraud was discovered by HMRC's VAT Repayment Taskforce which carried out checks on the businesses. No credible evidence of any property sales was provided to HMRC and a criminal investigation revealed the scale of the fraud.

Jamie Colwell used £113,000 of the fraudulent funds to rent a Sandbanks property and pay household expenses. He spent another £64,000 on cars including a pre-owned Porsche 911, which he has since sold. He also owned

a speedboat. His father used the money to rent a four-bedroom Bournemouth home and on general good living. Briony James, a former equestrian and dressage competitor, spent more than £100,000 of the criminal funds on stabling her horses, £40,000 on designer clothing and shopping, and £38,000 on cars including a Mercedes.

Jamie Colwell pleaded guilty to the full fraud of £965,897. Brian Colwell admitted defrauding £178,487 relating to Belgravia Construction Services (South) Ltd, and Briony James admitted defrauding £316,335 as Robert Lloyd Properties Ltd.

Confiscation will be pursued.

Notes for Editors

- Jamie Colwell (30/10/1966), aka Martin Johnstone, previously of Old Coastguard Road, Sandbanks, Poole, Dorset. He was arrested by HMRC on 27 July 2015 and living in Christchurch, Dorset. He pleaded guilty on 27 November 2017 to fraudulently obtaining the payment of VAT credit, contrary to sections 72(1) and (2) of the VAT Act 1994. He was sentenced in his absence to five years and three months in jail on 22 January 2018. He was also disqualified from being a director for 15 years. A warrant has been issued for his arrest.
- Brian Colwell (30/01/1942), a retired builder, previously of Hares Green, Bournemouth, Dorset. He was arrested by HMRC on 22 July 2015. He pleaded guilty on 23 November 2017 to acquiring criminal property, contrary to section 329(1)(a) of the Proceeds of Crime Act 2002. He was sentenced in his absence to 32 months in jail on 22 January 2018. He was also disqualified from being a director for 15 years. A warrant has been issued for his arrest.
- Briony James (26/11/1972), a personal assistant and former equestrian, now of Bouverie Avenue South, Salisbury, Wiltshire. She was arrested by HMRC on 22 July 2015 and lived in Woodfalls, Salisbury, Wiltshire at the time. She pleaded guilty on 27 November 2017 to fraudulently obtaining the payment of VAT credit, contrary to sections 72(1) and (2) of the VAT Act 1994. She was sentenced to 20 months in jail on 22 January 2018. She was also disqualified from being a director for five years.
- VAT repayment claims totalling £965,897 were submitted.

£402,476 for 'Robert Lloyd Properties Ltd' and 'Belgravia Construction Services (South) Ltd' claimed £563,421. Jamie Colwell pleaded guilty to the full fraud. HMRC withheld £24,593 as enquiries began.

- Businesses of a similar name are not linked to this fraud.
- Construction of new build properties is zero-rated under the VAT Act 2004. This means companies can reclaim the VAT paid on legitimate construction costs incurred.
- Taskforces bring together various HMRC compliance and enforcement teams for intensive bursts of activity targeted at specific sectors and locations where there is evidence of a high-risk of tax evasion and fraud. The teams visit traders to examine their records and carry out other investigations.
- Photographs are available from HMRC's Flickr channel www.flickr.com/hmrcgovuk
- Anyone with information regarding suspected VAT fraud is encouraged to contact the HMRC Fraud Hotline on 0800 788 887 or via the website <https://www.gov.uk/report-vat-fraud>
- Follow HMRC Press Office on Twitter @HMRCpressoffice

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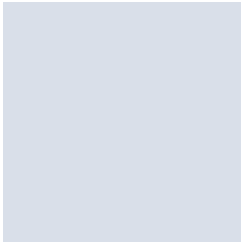
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