



IN THE CROWN COURT AT WOOD GREEN

REX

v

**GYUNESH ALI
GALINA NIKOLOVA
STOYAN STOYANOV
PATRITSIA PANEVA
and
TSVETKA TODOROVA**

SENTENCING REMARKS

1. It falls to me to sentence you today for your involvement, along with others not before the court, in the largest fraud of its type ever to be prosecuted in this country. For a period of some years you systematically plundered the state's support mechanism for the needy in order to fund your lifestyles and those of many others. Bearing in mind the eye-watering sums involved, it may be thought that, for reasons which I shall explain shortly, my sentencing powers are inadequate.
2. Each of you is a Bulgarian national who, whilst living in the UK, involved yourself in fraud, on an industrial scale. Your target was the Universal Credit benefits scheme. That scheme provided welfare benefits, not just for UK nationals, but also for European Union citizens who had 'settled' or 'pre-settled' status under a settlement scheme. EU citizens living and working in the UK were entitled to Universal Credit if they fulfilled the criteria of living and working in the UK but earning insufficient money to make them ineligible.
3. Many thousands of fraudulent claims for Universal Credit were made to the Department for Work & Pensions, resulting in losses of many millions of pounds. Claims were mostly made on behalf of real people – nearly

always Bulgarian nationals – who were complicit in the dishonest activity and who themselves gained financially from the claims made on their behalf. Other claims were made in respect of which it has not been possible to verify that the individual claimants existed. In some cases, the identities of real persons may have been hijacked. In every case, the aim was the same - to obtain money dishonestly from the DWP: money which would never have been paid had the DWP been aware of the true position.

4. What you did was to create false documents and tell lies in order to progress the claims which were being made. The documents included fictitious tenancy agreements and letters from landlords, claiming untruthfully that a claimant lived at a particular address, and bogus letters from employers and counterfeit payslips, indicating falsely that a claimant worked for a particular business and earned a modest salary. Letters from GPs and schools were fabricated, indicating untruthfully that individuals were registered at GP practices and, in some cases, that children – who either did not exist or who were living in Bulgaria – were living and being educated in the UK.
5. Many of those for whom you processed claims were in fact living in Bulgaria. Some travelled to the UK briefly in order to give credence to the bogus claims. Others never did so, but their identities were used regardless.
6. When claims were rejected by the Department for Work & Pensions, the claims were boldly renewed until, eventually, most were granted.
7. The fraudulent activity began in 2016 and continued until 2021. That it was able to continue for so long undetected is indicative of a woefully inadequate checking system which was then in use at the DWP, which failed to identify repeated use of the same names, addresses and telephone numbers.

The First Conspiracy

8. The first of the three conspiracies for which I must pass sentence concerns an agreement entered into between Ali, Nikolova and Paneva and others, some of whom remain under investigation, and others who have never been identified, to make false representations to the DWP.
9. What is not in dispute is that Ali and Nikolova played leading roles in this conspiracy and that you, Ms Paneva, played a lesser role.

10. Gyunesh Ali, you came to the UK from Bulgaria in 2010; Galina Nikolova came in 2012, and Patrissia Paneva in 2015.
11. The conspiracy began at 223 Whittington Road, N22, from where you, Mr Ali and you, Ms Nikolova, operated a company known as G & G Advisors Ltd. – also known as G & G Deluxe. The two 'G's in the name were the initials of your first names. Mr Ali, you were the director of the company and you, Ms Nikolova, were a shareholder. The two of you worked closely together, assisted by Ms Paneva and others.
12. The business had begun with each of you acting as interpreters for Bulgarian clients who required assistance of various kinds, including entering into a tenancy agreement, securing employment, registering for a national insurance number, registering with a GP's surgery, etc.
13. Before very long, it became apparent that the checking system at the DWP was extremely lax and wide open to fraud. You began jointly working to defraud the DWP by submitting and pursuing claims on behalf of your clients who were applying for Universal Credit, using documents which you fabricated or caused to be fabricated and which contained a myriad of false representations.
14. Your conspiracy to commit fraud by making false representations began in October 2016. Between then and July 2018, the DWP was defrauded of some £1.14 million, secured by making false representations on behalf of over 250 claimants.
15. Ms Paneva, you also worked as an interpreter, assisting with the processing of claims. Messaging between you and Mr Ali shows you sharing details and imagery of passports and bank statements relating to false claims. You had two mobile phones, the numbers of which were given falsely to the DWP as contact numbers for the landlords of properties in relation to more than 100 false claims. Two addresses where you yourself lived were falsely given as contact addresses for landlords in some 40 false claims.
16. In the summer of 2018, you, Ms Nikolova, parted company with Mr Ali. By then, as I have said, over 250 false claims had been made, resulting in a minimum loss to the taxpayer of some £1.14 million.
17. At that point, you, Mr Ali set up a new company, called Deluxe Development Group Ltd, of which you were a director. This operated as Deluxe Advisors from 151 Green Lanes, N13. You continued to commit fraud by false representations, assisted by others, on an industrial scale.

18. This address was searched by officers on 5th May 2021. It had been set up, in effect, as a fraud factory.
19. On the ground floor, 2,651 individual packs relating to fraudulent claims (some relating to more than one claimant) were found on metal racking. The possession of these articles for use in fraud has been reflected in Count 12 of the indictment as a separate charge.
20. Each claim pack contained some or all of the following:
 - a front sheet - normally including a passport photograph of the individual claimant and a series of login details, security questions, contact details for the claimant, such as an email address, and bank details. This sheet would often refer to how much money a claimant was paying for the service fraudulently provided;
 - A mobile telephone or sim card associated with the claim;
 - Evidence of residential status such as a forged tenancy document and a receipt for the payment of monthly rent
 - Evidence of employment, in the form of forged payslips and/or an employment contract;
 - Evidence of settled status within the EU;
 - Photographic identification;
 - Passports of children or information on dependents;
 - Handwritten notes on copies of identification documents such as passports. These would normally contain reference to payment received;
 - Royal Mail postcode finder computer prints with an address and postcode for the addresses at which it was said a claimant lived and had a tenancy;
 - Bank cards, and
 - Bank statements
21. Computers were found which were logged into the Universal Credit system. The computer equipment was seized and subsequently the material on it was downloaded and analysed. Officers found:

- Evidence of the organisation of hundreds of flights and other travel arrangements having been made for claimants to come to the UK in order to make fraudulent claims;
 - Blank tenancy document templates, used to create forged tenancy agreements;
 - Evidence of hundreds of thousands of accesses to the Universal Credit computer system, to make and support false claims;
 - Forged employment contracts for shell companies which had been used to support false claims;
 - Forged GP letters, landlord letters and utility bills
 - A spreadsheet which revealed the fraud in operation. This shows, claimant by claimant, work that had been undertaken to support the claim for Universal Credit, such as the provision of false documentation and the amount charged for that service, when and what claims were being paid, into which bank accounts, the employee at Deluxe tasked with checking the ongoing false claims, work to be undertaken on the claim to keep Universal Credit from continuing to be paid and what was last done on each claim. This spreadsheet also revealed 40 addresses available for use by you and your fellow fraudsters, addresses which could be used falsely in the pretence that they were the genuine addresses of claimants and landlords.
22. 15 bank cards were recovered, some from your person, Mr Ali. These were in the names of third parties, for some of whom fraudulent claims had been processed through Deluxe.
 23. Burner phones were found, as well as 261 sim cards, each wrapped in a post-it note bearing the details of a claimant.
 24. Upstairs, over 200 mobile telephones were stored. It was evident that a system was in use by which these phones could be lowered in a bucket out of the window to be used downstairs by those communicating bogus information to the DWP.
 25. A quantity of cash was also recovered.
 26. Mr Ali, your home address, 3A Beech Road, Bounds Green, was also searched. Further cash was recovered from there. The total cash found at both premises was £41,511.32. That money is the subject matter of

Count 14. I make no confiscation order in respect of that money today as, in due course, there will be proceedings under the Proceeds of Crime Act in relation to the total benefit obtained by your fraudulent activity and monies recovered will be dealt with at that stage.

27. Also found at your home was documentation relating to almost 200 false Universal Credit claims. Your own address was being used for four false claims and an adjacent property for a further 38.
28. Your mobile phone was seized. On it are photographs of banknotes, a Tiffany ring, images of Bulgarian ID cards and passwords for Universal Credit claimants and messages which you exchanged with Ms Paneva and others concerning the operation of the fraud, including those making fun of the DWP's gullibility in processing fraudulent claims. There were also 'photoshopped' photographs of claimants outside properties which it was falsely claimed they were renting. The photographs had been doctored to make it appear that claimants had physical access to properties which, in reality, they did not have. I have been shown a video on your phone in which you are throwing many thousands of pounds in £20 notes liberally across a room in the direction of an unidentified lady.
29. Attempts were made by the DWP to trace those whose details were provided as landlords and employers. I have been given by way merely of example a claim pack recovered for a claimant called Mihail Asenov, the claim being for Universal Credit of £1,941 per month. The telephone number given for the landlord was for a mobile telephone attributed to Patriscia Paneva. The employer was said to be Nadmir Ltd, which turned out to be one of over 40 shell companies used during the course of the frauds. That company was said to be based at 185B Town Road, London. When officers went to that address, they found post-bag loads of mail addressed to numerous employers sitting unopened in the hallway. In each case the employer was a shell company which had never employed a Universal Credit claimant.
30. As I have already mentioned, in the summer of 2018, Ms Nikolova stopped working for G & G Deluxe. There has been some dispute over whether Ms Paneva stopped working for the business at around the same time, as she claims. In order to deal with sentencing effectively, it is agreed between the prosecution and the defence that it is not necessary for me to resolve that dispute.
31. After that time, until the conspiracy came to an end on 5th May 2021, more than 3,000 false claims for Universal Credit were made, resulting in a further minimum loss to the taxpayer which, it is accepted, was in the

region of £25 million. Mr Ali is the only defendant present bearing responsibility for that loss and, on any view, played a leading role in the ongoing conspiracy which continued with the assistance of others not before the court.

32. That conspiracy is the subject of Count 1 on the indictment.

The Second Conspiracy

33. Ms Nikolova, having left Mr Ali in 2018, you then set up a rival business, called G Translations & Advice Ltd. You were a director of that company. You rented a small back office behind a grocery store called Antonia Foods, at 338 High Road, Wood Green.
34. From there, starting in July 2018, you and others processed thousands of fraudulent claims.
35. In 2019, you, Ms Paneva went to work for Ms Nikolova. A mobile telephone number which has been attributed to an email address linked to you personally was provided in some 500 false claims as a contact number for landlords with different names and addresses.
36. In August 2020, you, Stoyan Stoyanov, arrived from Bulgaria. Within a very short time you met and entered into a relationship with Ms Nikolova and, during the course of September 2020, you joined her, Ms Paneva and others not named in progressing the conspiracy which is the subject matter of Count 2, and which operated in a virtually identical manner to the conspiracy which I have just described.
37. On 5th May 2021, officers executed a search warrant at 338 High Road and discovered that the office had been equipped with five desks and computer terminals. Ms Paneva, you were present.
38. 240 claim packs, similar to those previously described, were recovered and these contained the details of 636 false claims. (These packs are the subject of Count 8.)
39. A handwritten list of false claims was found, containing the details of 3,582 individual false benefit claims.
40. CCTV footage was recovered which showed the conspiracy in operation, with those on whose behalf claims were being made attending the premises and handing over cash in exchange for documentation

containing representations. The same CCTV footage, coupled with an analysis of your mobile phone, Ms Nikolova, provides an example indicating how you would pretend to be a genuine Universal Credit claimant when accessing the Universal Credit online system.

41. It was subsequently determined that the IP address for G Translations & Advice Ltd accessed over 7,000 Universal Credit benefit claims between July 2018 and September 2021.
42. When the search warrant at High Road was executed, you, Ms Nikolova, and you, Mr Stoyanov, were still at your own home, a flat at Tulip House in Green Lanes. A second warrant was executed there the same day and it was there that you were arrested.
43. In your flat, the police found a further 22 claim packs (which are the subject of Count 6).
44. The police also recovered a total of £751,237.69 in cash (Count 5). This money was found in various locations, including in a suitcase, hidden in a bed and stuffed behind a fridge. As in relation to the cash found at Mr Ali's premises, I make no order in respect of that money today as, in due course, there will be proceedings under the Proceeds of Crime Act.
45. A large amount of designer clothing, jewellery and watches were also seized. These too will be dealt with in the proceedings which will follow.
46. Your motor car was identified and searched. In it, there were a further 253 claim packs (Count 7), so bringing the total number of claim packs discovered in relation to Count 2 to 515 packs. However, as I have already said, it is apparent that 3,582 individual claims for Universal Credit were processed via G Translations & Advice Ltd.
47. Analysis of the packs shows that the offending behaviour was similar to that which I have already described. The falsity of claims was apparent in numerous ways, for example landlord details did not match Land Registry records, multiple claims were made using the same address for claimants – one example being of 19 claims relating to the same address, using the particulars of 12 different landlords, all of whom purported to have the same telephone number.
48. Also recovered from your car was a laptop computer which was analysed and documents were found upon it including employment contracts from a company called Tenyo Cleaning Ltd, bearing Mr Stoyanov's name.

These, together with forged wage slips were provided in support of claims made by G Translations & Advice Ltd for Universal Credit.

49. The reality is that Tenyo Cleaning Ltd was a shell company of which, in October 2020, you, Ms Nikolova, and you, Mr Stoyanov, had become directors.
50. Other documents on the computer included forged landlord letters, false NHS registration documents and even DWP letterheads for Universal Credit.
51. When the police first spoke to you, Mr Stoyanov, you were searched and found to be in possession of £840 in cash and nine bank cards in the names of others. Of those nine names, eight had Universal Credit claims in pay and in total some £11,516 had been paid by the DWP into accounts linked to the cards.
52. Indicators of the falsity of claims is shown, for example, by the fact that one of the claimants, Georgi Lilov, purported to be employed by Tenyo Cleaning Ltd. Another, for a claimant called Radoslav Georgiev, had been supported by false wage slips from a company called Yuliyam Motors. No national insurance number had ever been provided to Mr Georgiev, so the wage slips were self-evidently bogus. I shall return to Yuliyam Motors in a little while.
53. In addition to the fraudulent claims made in others' names, you, Mr Stoyanov received Universal Credit in a personal capacity. You made false declarations that you were the main carer for your daughter, Elenka, and that there was no one else living with you. In fact, you were living with Ms Nikolova and the daughter in respect of whom you claimed did not in fact exist.
54. The claim pack for your own claim was found at 23A Green Lanes, which is an address linked to others still under investigation. In your claim, you had pretended to have entered into a tenancy agreement with Hassco Building Ltd, but in reality it was Ms Nikolova whose landlord this was and the liability to pay rent was hers alone. The contact telephone number which you provided for the landlord is one which was given to the DWP as being the contact number for six other landlords. The DWP realised that this was a fraudulent claim and no Universal Credit payment was made.
55. The banking records of G Translations & Advice Ltd revealed no payments received from any customer, nor any legitimate income. 452 credits had been made to the company account totalling £74,385. These

were a combination of cash credits and credits from accounts which can be shown to be linked to Universal Credit claimants. It is evident that you, Ms Nikolova, were using the company account as a personal bank account, from which you made payments for clothes, shoes and jewellery.

56. Ms Paneva, your home address, 23 Melford Road, E11 was searched. There, the police found bogus pay slips relating to a fraudulent Universal Credit claim in the name of Mitko Shikov.
57. After your arrests on 5th May 2021, you were each released under investigation.
58. However, on 13th May 2021, you, Ms Nikolova, were arrested having made an application for a fresh Bulgarian passport. Your original passport had been seized by the DWP officers in the search of your home and you provided the Bulgarian authorities with a false account of how you had 'lost' it. Following that second arrest, you were remanded in custody.
59. You, Mr Stoyanova continued to make false representations, pursuant to the conspiracy, for another four months, until 9th September 2021. The IP address at Antonia Foods accessed 74 claimants' claims and IP data from Tulip House indicates that you accessed and assisted with four Universal Credit claims, so obtaining more than £16,000 dishonestly, more than £8,000 of which was paid into bank accounts to which you had access.
60. You were arrested for a second time on 9th September 2021 and, this time, you were in possession of documentation in the name of P G Spasova, in respect of whom Universal Credit totalling £17,143 had been paid since your original arrest.
61. The mobile phones of Nikolova, Paneva and Stoyanov have all been downloaded.
62. Ms Nikolova, messages on your phone showed: communication in which you made it clear that you could produce forged employment documents, GP letters and birth certificates and could also put claimants in touch with others who could produce false documentation which would be necessary to make a fraudulent Universal Credit claim. Other messages showed a pricing structure for forgeries. They revealed that you were aware that claimants were living in Bulgaria, not in the UK. You suggested how 'Photoshop' could be used to doctor images to fool the DWP. You made recommendations that unsuccessful claims should be

appealed, saying that appeals were always successful. You told claimants to say that they had children when in fact they had none. If a claimant's income as shown on a forged payslip was too high, you indicated that it needed to be reduced, to ensure eligibility for Universal Credit.

63. Ms Paneva, messages on your phone showed communication with Stoyanov relating to the production of forged GP letters to support false Universal Credit claims and with Nikolova relating to the production of a forged GP's letter and a birth certificate. One conversation with her indicated her mobile phone number being provided as that of a landlord. Further communication confirms that you were aware that a claimant and his children were living in Bulgaria and not intending to come to the United Kingdom.
64. Mr Stoyanov, your phone contained messages requesting forged housing documentation, a recommendation for someone who uses 'Photoshop' to do what you called 'magic tricks'. There is messaging in which you explain to a claimant what false documentation is required in order to progress a claim and there is communication with a third party, plainly a co-conspirator who has not been named on the indictment, as to what false documents would be required for particular claims to be processed by the DWP and the costs associated with creating those documents. You told this man that his mobile number would be used to provide the DWP with a contact number for a non-existent employer.
65. The loss caused to the taxpayer by the conspiracy into which you, Ms Nikolova, you, Ms Paneva, and you, Mr Stoyanov, entered, together with others, has been calculated to amount to a minimum of £25 million.

The Third Conspiracy

66. I turn to the third conspiracy for which I must pass sentence. On this charge, which is Count 9 on the indictment, you alone, Ms Todorova, are charged with conspiring with others unknown to commit fraud by making false representations, between 1st October 2018 and 10th July 2021. This was a conspiracy which operated on a much smaller scale. The prosecution accept that it began when others who have not been named made a series of fraudulent claims for Universal Credit. It is further accepted that, although you acted as an interpreter for a number of people who were applying for national insurance numbers in 2018 and 2019, you only became involved in acting dishonestly within the conspiracy in the autumn of 2020.

67. You, like the other four defendants, were originally arrested on 5th May 2021. The arrest took place at your home address, 64A Holly Hill Road, in Erith, Kent.
68. When your home was searched, 92 claim packs, similar to those I have previously described, were found. (They are the subject of Count 11.)
69. Six of the claims made on behalf of those named in the packs indicated that the claimants were living at your home address. As with the two other conspiracies, the claim packs show a number of addresses and telephone numbers for notional landlords were used numerous times, in respect of different addresses. There were forged letters from landlords, false tenancy documents and rental receipts, sometimes containing identical wording and formatting. Claims showed claimants being employed by shell companies and, in some cases, it was evident that claimants were no longer in the United Kingdom.
70. Of particular note, the same password was used to access the DWP computer system as had been used in the first two conspiracies.
71. Other material was also found which indicates your fraudulent work.
72. For example, a sheet of paper was found bearing the name 'Radoslav Dimitrov.' A claim pack in that name included a rent receipt for an address in Thames Ditton. A telephone number had been provided for the landlord of the property. The same telephone number was provided as a contact number for nine other landlords in claims processed by you.
73. You forged documents purporting to be genuine employer's references, from at least six different employers. One of those was from Tenyo Cleaning Ltd., the shell company of which Nikolova and Stoyanov were directors. Another was from Yuliyam Motors, an entity which I have previously mentioned was given as an employer in one of the false claims made by Mr Stoyanov.
74. 29 mobile telephones and five sim cards were found in the packs.
75. A bank card and the PIN for that card were found in respect of one of the claimants.
76. Bank statements in third party names were found, showing the receipt of Universal Credit payments from the DWP and then transfers into your own bank accounts. Your own bank statements show 298 credits, to a total value of £26,889.30, including payments from named individuals for

whom you processed claims. By way of example, one such person was 'Asen Marinov', who received £20,520 in Universal Credit between July 2020 and May 2021. There were 11 receipts from Marinov's bank account into your own, totalling £3,690.

77. Cash totalling £14,185.67 was found, together with a small quantity of Bulgarian Lev. These monies are not the subject of a separate count on the indictment, but they will nevertheless fall to be considered in the confiscation proceedings which will follow under the Proceeds of Crime Act.
78. It has been established that the IP address for your home was used to commence 59 separate Universal Credit claims and that the IP address was in all used to access 358 separate DWP Universal Credit accounts. The frequency with which the DWP site was accessed indicates that you were effectively working full-time on claims.
79. Your mobile telephone was downloaded and messages were found showing you complaining about the extent of the workload which you were undertaking and calling for assistance. You said that your phone was ringing more than 50 times a day and that you had to respond to emails and messages, as well as attend interviews. You referred to people paying you in advance to fix their documents.
80. At one stage, you were boasting that you were working with more than 700 people.
81. On 12th January 2021, you were sent a message asking for a fictitious address and responded instructing the claimant to stand in front of the house in respect of which a false claim was being made and take photographs which could subsequently be 'Photoshopped'.
82. On 13th April 2021, you sent photographs showing the recipient that you were holding at least 30 mobile phones. Six days later, you messaged that there were people who owed you over £3,000 and that you needed to fix their documents as soon as possible.
83. You received messages about payslips and employment contracts and in one message directed what should be shown on a false payslip, indicating that you would answer the telephone if the DWP called to check on the veracity of the claim.
84. As I have already mentioned, you were arrested on 5th May 2021. Following an interview, you were released under investigation. Your offending did not stop. Following your release, you accessed 21

individual claims, including one in your own name and another in the name of your husband.

85. The total loss to the taxpayer which has been calculated to be linked to your participation in the conspiracy amounts to £263,514.92.

The Approach to Sentencing

86. The main offence for which I must sentence each of you is in respect of the guilty pleas by which you have admitted participation in a conspiracy to make false representations to the DWP. (In your cases, Ms Nikolova and Ms Paneva, there was, of course, involvement in two separate conspiracies, but in reality you were concerned with the same dishonest conduct which I have described within both conspiracies, albeit from different addresses.) Those conspiracies are charged as Counts 1, 2 and 9 of the indictment.
87. I have described other counts to which guilty pleas have been entered. In respect of charges of possessing articles for use in fraud, Counts 6, 7, 8, 11 and 12, relating to the claim packs which were recovered, I accept that your criminality in relation to each of those counts was, as the prosecution put it, part and parcel of the conspiracies to which you have pleaded guilty. It would therefore be wrong in principle and inappropriate to pass any separate penalty to reflect those counts.
88. I have considered with care the position in relation to two other offences in respect of which some of you fall to be sentenced.
89. Ms Paneva, you pleaded guilty to Count 4 - entering into or becoming concerned in a money laundering arrangement which you knew or suspected facilitated the acquisition, retention, use or control of criminal property by or on behalf of another. The case was opened to me by the prosecution on the basis that your guilty plea to this count reflects your acceptance that you handled and dealt with some of the proceeds of the Count 2 conspiracy. You have admitted in a Basis of Plea submitted on your behalf that you received cash payments for your role in the two conspiracies, which you banked in your own bank account. You then made multiple small transfers from your bank to third party accounts so as to enable those accounts to be active in order to be able to generate and print bank statements which could then be submitted to the DWP in connection with the Count 2 fraud. I accept that your criminality in relation to Count 4 was, therefore, part and parcel of the mechanism by which the main fraud was perpetrated.

90. Mr Ali and Ms Nikolova, each of you pleaded guilty to possession of criminal property, contrary to section 329(1) of the Proceeds of Crime Act 2002. In your case, Mr Ali, the plea was to Count 13, in respect of the total of £41,511 in cash which was found at your premises. In your case, Ms Nikolova, the plea was to Count 5, in respect of the £751,237.60 in cash which was found at your home.
91. I have considered with care whether, in respect of these offences, there is any basis for concluding that it would be appropriate to pass sentences consecutive to those which I must pass in relation to your participation in the conspiracies.
92. In ***R v Cooper, Park & Fletcher*** [2023] EWCA Crim 945, the Court of Appeal has recently given guidance as to the approach which should be adopted by a judge who is required to sentence for possession of criminal property as an offence which is additional to the primary offence for which an offender must be sentenced.
93. Edis, LJ, having reviewed a number of earlier authorities, said this:

“(1) Where the 2002 Act offence adds nothing to the culpability and harm involved in the primary offence then there should be no additional penalty... In such a case it is appropriate to impose concurrent sentences, with no upward adjustment.

(2) Where the 2002 Act offence involves additional criminality (whether increasing the culpability or harm, or both) beyond that involved in the other offences for which sentences are imposed, an additional penalty should be imposed....

“It is thus important, in each case, to identify whether the 2002 Act offence involves additional culpability and/or harm, and, if so, the extent. Examples of cases where there is such an additional factor include those where the 2002 Act offence:

(1) takes place over a different period from the primary offending.

(2) involves additional or different criminal property, beyond the proceeds of the primary offending.

(3) makes it more difficult to detect the primary offending.

(4) involves dealing with the proceeds of the primary offending in a way which increases the risk that victims will not recover their losses, or that confiscation proceedings will be frustrated.

(5) creates additional victims. This may arise where the proceeds of the primary offending are used to make further transactions which are then thrown into question, resulting in loss to the innocent parties to those transactions....

(6) involves additional planning or sophistication, extending the culpability that might otherwise attach to the primary offending.

(7) assists in the continuation of offending....

“Conversely, where the 2002 Act constitutes nothing more than the continued possession of the proceeds of the primary offence, then there is unlikely to be any additional culpability or harm beyond that reflected in the primary offence. In that event, it would be wrong in principle to impose any additional penalty. If an immediate custodial sentence is imposed for the primary offence this principle requires a sentence for the 2002 offence that runs concurrently with it.”
[Paras. 10-12]

94. The Crown concede that the only basis on which it could conceivably be argued that there is an additional factor to be taken into account in respect of the monies recovered from your premises, Mr Ali and Ms Nikolova, would be by relying on the fact that some of the cash recovered may have been provided by claimants by way of payment in advance of any claim for Universal Credit having been made, rather than being monies received by claimants as a result of the fraud which were then paid on to you. It is accepted that it would be impossible to differentiate between the various sums which you received since there is no direct evidence of what amounts were received in cash and when. The defence argue that, whether paid in advance or in arrears in respect of any particular claims which were made, the reality is that you were, in any event, in possession of the fruits of the conspiracies and that it would be wholly artificial to suggest that the possession of the monies I have mentioned in some way adds to your culpability, or to the harm caused to the taxpayer by your fraudulent behaviour.
95. For the reasons cited on behalf of the Crown and because I accept the logic of the defence submissions, I accept that my sentencing powers are therefore, in reality, restricted to the maximum penalty prescribed by Act of Parliament for the conspiracies for which each of you has been prosecuted. The maximum sentence possible in law is one of 10 years’

imprisonment and that is before giving you the credit to which you are entitled for having pleaded guilty.

96. The position would have been different had you been charged with specimen counts of individual frauds by false representation, but, fortunately for you, that is not the position in this case.
97. I have, as I am obliged to do, had regard to the Definitive Guideline for Benefit Fraud, which provides a useful tool for categorising the degree of culpability of an offender and consideration of the harm caused or intended to be caused.
98. However, that guideline, at its highest category, envisages a benefit fraud in which an amount of money up to £2 million has been obtained or was intended to be obtained. For those bearing the greatest culpability in such a fraud, a starting point of 7 years' imprisonment is expressed, with a range of between 5-8 years.
99. In respect of you, Mr Ali and you, Ms Nikolova, I am dealing with losses to the taxpayer which exceed by more than ten times the highest amount of money specified in the guideline.
100. A better indicator of how loss to the public purse of the huge sums involved in this case should be treated is reflected by the Definitive Guideline for Revenue Fraud, which I accept entirely is designed to punish those who defraud His Majesty's Revenue & Customs, as opposed to those who defraud the DWP. Under that guideline, anyone who bears high culpability in a conspiracy which defrauds HMRC of between £10 million and £50 million can expect their sentence to be assessed using a starting point of 10 years' custody (based on an amount of £30 million), with the applicable range being between 8 and 13 years' custody, once aggravating and mitigating features have been taken into account.
101. Although I cannot and do not sentence any of you based upon that guideline, I am reinforced in my belief that, as submitted by the Crown, it would be wholly inappropriate to sentence either Mr Ali or Ms Nikolova by looking to the top category of the Benefit Fraud guideline.
102. Instead, in my judgment, my starting point in this case for both Mr Ali and Ms Nikolova must be the maximum sentence I have mentioned. I accept, of course, that it is only in the rarest of circumstances that this course should be followed.

103. In **R v Bright** [2008] EWCA Crim 462, the former Lord Chief Justice, Lord Judge (who was then President of the Queen's Bench Division) said this:

"The maximum sentence permitted by statute is, of course, very rarely imposed, and nowadays when there has been a guilty plea, effectively never. Such sentences should be reserved for those cases which, at the end of the trial and within the statutory context, can fairly be regarded as crimes of the utmost gravity. It is sometimes loosely said that the maximum sentence should be reserved for the worst case of its kind, and from this, imaginative counsel for the defendant will urge examples of cases of greater criminality than the offence established against his client. The argument however is founded on the misapprehension that if a realistically more serious case can be imagined, the imposition of the maximum sentence is precluded. That is why we repeat, the maximum sentence permitted by statute is reserved not for the worst possible case which can realistically be conceived, but for cases which in the statutory context are truly identified as cases of the utmost gravity." [Para. 29]

104. So far as Mr Ali and Ms Nikolova are concerned, I have no hesitation in concluding, as effectively has been conceded by defence counsel, that the offending was of the utmost gravity.

Ali

105. You, Mr Ali, are now aged 34. You played a leading role in a conspiracy which was sophisticated in its nature and which involved significant planning. You offended for some four and a half years, involving yourself, as I have described, with a vast number of false declarations. I have seen evidence of you enjoying a lavish lifestyle, as demonstrated by the material found on your mobile phone.

106. Following your arrest on 5th May 2021 at 151 Green Lanes, you were interviewed and claimed that your business was legitimate and that you provided a service to help people. You stated that your clients provided all of the documentation and that you helped them to claim benefits.

107. You blamed Ms Nikolova and Ms Paneva for fraudulent conduct which had occurred prior to them leaving G & G Deluxe and claimed that you had parted company with them because you had discovered that they were not honest people.

108. You gave no explanation whatsoever for fraudulent activity after their departures.

109. You were then released under investigation and told to notify the DWP and the Metropolitan Police if you were moving from your home address of 3A Beech Road. On 17th May 2021, you returned to Bulgaria. You were extradited from Bulgaria, being returned to the United Kingdom on 25th February 2023.
110. It has been urged upon me that I ought to afford you credit in respect of your lack of previous convictions. I have read, and reflected upon, the comments of four referees who speak enthusiastically of how, since being remanded in custody, you have behaved impeccably, studying for qualifications, putting your catering skills to excellent use and impressing those for whom and with whom you have been working. Your behaviour in prison will stand you in good stead in the future and I have no doubt will enhance your prospects of employment when you are released.
111. However, given the enormity of your offending, the only appropriate sentence on Count 1, before making a deduction for your guilty pleas, is one of 10 years' imprisonment, albeit that that is the maximum permitted in law.
112. It has been submitted to me that I should afford you a full one-third credit, the suggestion being that, because of the voluminous evidence in this case and the difficulty in obtaining access to you whilst you were in custody, those representing you could not fully review the material and advise you how to plead. I do not accept that argument. You well knew, long before you were originally arrested, back in May 2021, that you were involved with others in making false representations to the DWP, you were revelling in the cash which you accumulated through your dishonesty, and it did not require the advice of any lawyers in order for you to understand that you were guilty of the offences to which you pleaded.
113. I will, as previously indicated, allow you a 25% credit for pleading guilty when you did, so reducing your sentence on Count 1 to one of 7 years and 6 months.
114. In respect of Count 12, for which the Statutory maximum is 5 years' custody, there will be a concurrent sentence of 3 years and 9 months' imprisonment.
115. In respect of Count 13, possessing criminal property, I am, as I have previously said, concerned with the £41,511. Your culpability is high, for the reasons previously stated and, if I were sentencing you for that offence alone, your offending would fall within category 5A of the

Definitive Guideline for Money Laundering. The starting point, based on £50,000, is one of 3 years' custody. I am obliged to bear in mind totality and also to give you credit for your guilty plea. Taking those matters into account, I pass a sentence of 18 months' imprisonment, again concurrent to the sentence of 7 years and 6 months, for the reasons I have previously explained.

116. The total sentence therefore would remain one of 7 years and 6 months, but it is appropriate for me to make a minor adjustment to that sentence. Having been arrested in Bulgaria, you were detained under house arrest for 204 days until the day before your extradition, 24th February 2023. The length of time for which you were detained for each of those days exceeded by some considerable margin the time period in respect of which you would have been entitled to receive credit in the UK, had you been subject to a tagged curfew. In respect of those days during which you were under house arrest, I will make a further reduction to your sentence of three months (allowing you approximately a half day's credit for each day when you were detained.)
117. The sentence which I pass on Count 1 is therefore reduced to one of 7 years and 3 months. I make no alteration to the remaining concurrent sentences.
118. You will serve up to one-half of that sentence of 7 years and 3 months in custody and the time which you have been on remand in custody in the UK, 461 days, will be taken into account.
119. Ordinarily you would then be released into the community on licence until the end of the sentence, but in your case, since you are a foreign national, and since I have imposed a qualifying sentence, you are liable in principle to automatic deportation to Bulgaria. The earliest point at which you may be deported will be on completion of the custodial part of this sentence and before you are released on licence. However, there may be a delay in your case in the operation of the automatic deportation provisions or there may be a particular reason in your case why the provisions do not apply to you at all, in which case you will be released into the community on licence. In that event you must comply with all the conditions on your licence until the end of this sentence, or until your deportation, whichever comes first, failing which you may be recalled to custody.
120. I disqualify you from acting as a company director for a period of 12 years.

Nikolova

121. You, Ms Nikolova, are now 39 years old.
122. As previously mentioned, you entered into a relationship with Mr Stoyanov very shortly after his arrival in the UK and, in December 2022, you gave birth to his son.
123. Following your arrest on 5th May 2021, you were questioned about your suspected involvement in defrauding the DWP and asked about the three quarters of a million pounds found in cash at your home. You were asked about your involvement in the management of benefit claims on behalf of others. You declined to answer any questions.
124. After that interview, you were released under investigation. As I have already explained, you were arrested eight days later, having made an application for a Bulgarian passport on a false basis. Interviewed a second time, you again exercised your right not to answer questions, but provided a short, prepared statement in which you claimed to be a businesswoman engaged in legitimate business, who had not acted dishonestly and who should not be held responsible for the actions of others over whom you said you had no control or influence. You claimed to be in fear of others involved in the DWP investigation and said that you were unable to provide a full account for fear of future reprisals.
125. I reject entirely your claim to have been in fear of others. You played a leading role in both the Count 1 and Count 2 conspiracies and were the instigator of the Count 2 conspiracy. You bear personal responsibility for at least £25 million of taxpayers' money lost as a result of that conspiracy.
126. A number of matters have been submitted to me by way of mitigation on your behalf. First it was said that it was reasonable for you to delay admitting liability until such time as you had been fully advised by your lawyers. I do not accept that that is correct. On the day you were arrested you were fully aware that you had committed the offences to which you finally pleaded guilty almost three years later.
127. I accept, of course, that you have no previous convictions. I have read, with some sadness, about the health issues of your two sons. The eldest is a 13 year old boy whose father is your former husband. That son lives in London with his father but you have a close relationship with him and are in regular contact. The boy is autistic, with needs which I am told – and accept – are hard to meet. When you were remanded into custody,

between 13th May 2021 and 8th March 2022, his behaviour deteriorated badly as a direct result of him losing contact with you.

128. Your second son is, as I have just mentioned, Mr Stoyanov's child. He was born prematurely at only 27 weeks and he is still only 17 months old. He suffers from a chronic lung condition, gastro-oesophageal reflux and weak bones. He is presently living with Mr Stoyanov's parents and the plan for him is that when Mr Stoyanov is released from custody, which is likely to be considerably earlier than you, for reasons which I shall explain shortly, he and the boy will return to Bulgaria. My attention has been drawn to a very recent addition to the sentencing guidelines, made on 1st April this year, which invites me to treat as a factor reflecting personal mitigation the harmful impact which a custodial sentence may have on both a woman and her child by separation, especially during the first two years of a child's life.
129. Finally, I have read your letter to me in which you express remorse for your criminal offending. I regret to say that I have concluded that that expression of remorse has more to do with the fact that you have finally accepted the overwhelming evidence which would have confronted you in a trial which would at last have begun and are confronting the fact that you must return to prison. Your pleas were finally entered on 5th April 2024, mere weeks before your trial was due to commence. The other defendants have had to await being sentenced as a consequence of your reluctance to admit your criminality at a much earlier stage.
130. Given the enormity of your offending and having concluded that the sentences which I pass on all counts other than Count 2 should be concurrent to that count, I do not find that it is appropriate to make any reduction from the maximum sentence to reflect the matters urged upon me in mitigation, save that I will of course honour the indication which I previously gave and afford you 20% credit in respect of your guilty pleas, late though they were.
131. The sentence I impose, therefore, on Count 2, is one of 8 years' imprisonment.
132. For the Count 1 conspiracy, I impose a concurrent sentence of 7 years' imprisonment.
133. In respect of Count 8, possession of the fraudulent claim files, there will be a concurrent sentence of 3 years and 9 months' imprisonment.
134. Finally, in respect of Count 5, relating to the £751,237.69 in cash found at your home, your culpability is high, for the reasons previously stated and,

if I were sentencing you for that offence alone, your offending would fall within category 3A of the Definitive Guideline for Money Laundering. The starting point, based on £1 million, is one of 7 years' custody. I am obliged to bear in mind totality and also to give you credit for your guilty plea. Taking those matters into account, I pass a sentence of 4 years and 6 months' imprisonment, again concurrent to the sentence of 8 years, for the reasons I have previously explained.

135. You will serve up to one-half of that sentence of 8 years in custody and the 297 days which you spent in custody on remand will count towards your sentence. You spent a further 814 days on bail subject to a qualifying curfew and I therefore direct that a further 407 days will count towards your sentence. If this calculation is later found to be wrong, it will be put right by correcting the record administratively without any further hearing.
136. Ordinarily you would then be released into the community on licence until the end of the sentence, but in your case, since you are a foreign national, and since I have imposed a qualifying sentence, you are liable in principle to automatic deportation to Bulgaria. The earliest point at which you may be deported will be on completion of the custodial part of this sentence and before you are released on licence. However, there may be a delay in your case in the operation of the automatic deportation provisions or there may be a particular reason in your case why the provisions do not apply to you at all, in which case you will be released into the community on licence. In that event you must comply with all the conditions on your licence until the end of this sentence, or until your deportation, whichever comes first, failing which you may be recalled to custody.
137. I disqualify you from acting as a company director for a period of 12 years.

Paneva

138. You, Ms Paneva, are now 27 years old. You came to the UK with your parents in 2016 after graduating from high school in Bulgaria. You lived with them, initially at 52 Westdown Road, E15 for a matter of months; then at 1a The Pavement, Hainault Road, E11, and finally at 23 Melford Road, from December 2019.
139. You were only 19 years old when you were recruited by Ms Nikolova into your first proper job, working for G & G Deluxe. You had been introduced to Ms Nikolova by your mother, who suffers from lupus, and who had

been assisted by Ms Nikolova, who acted as an interpreter for her at GP appointments.

140. Your employment with G & G began in May 2017 and you worked part-time, acting as an interpreter for Bulgarians who were seeking to obtain national insurance numbers and those who required assistance at GP's surgeries.
141. Before long, I am told by November, you began assisting with applications for Universal Credit being processed by G & G. If you did not know at the outset that the overwhelming proportion of the claims being made were being supported by false information, the position must swiftly have become apparent to you.
142. It has been suggested to me that your involvement was fairly limited, on the basis that only nine messages pursuant to the fraud were found between your phone and Mr Ali's.
143. I do not accept that contention. You had regular contact at G & G with both Mr Ali and Ms Nikolova. You allowed a mobile phone linked to you to be used as a contact number for the landlord in over 100 false claims.
144. It is agreed that you received into your bank account, by way of salary from G & G Deluxe, an average of £200 per week.
145. As I have already said, your involvement in the Count 1 conspiracy began in November 2017. It is not agreed between the Crown and those defending you when your involvement ended. It is apparent that, in the academic year 2018-2019, you had registered for a BA Business course at the University of Sunderland and, I accept, attended lectures at what has been described as a satellite branch of the university in Canary Wharf. You maintain that you ceased working for G & G at the same time that Ms Nikolova did.
146. The prosecution dispute this and suggest that you may have continued working for G & G, at least on a part-time basis, until April 2019. Certainly some new claims were processed in respect of which your personal mobile telephone number and your home address were provided dishonestly in the guise of being contact details for a landlord. However, the prosecution accept that the DWP seldom if ever sent correspondence to landlords' addresses and it was extremely rare for any telephone contact to be attempted.
147. Ultimately, I have decided that it is not necessary for me to reach a concluded view on the matter. Your greater criminality, by far, relates to

your involvement in the Count 2 conspiracy, in which you were involved from April 2019 until your arrest in May of 2021.

148. The fairest way to treat you, in all the circumstances, having regard to the principle of totality, is for me to pass a greater sentence in respect of Count 2 and to pass a shorter concurrent sentence on Count 1.
149. In relation to Count 2, in April 2019 you started to work for Ms Nikolova once again at G Translation. Given the fraudulent work which you had undertaken at G & G Deluxe, it must have been apparent to you from the outset that false representations were being made to the DWP by those working at G Translation. A mobile phone linked to you was used as a contact number for landlords in another 500 or so false claims. You say, and I accept that, although this number has correctly been linked to you, it was in fact a number which was a shared work number and calls to it would be answered by anyone working at G Translation. You have accepted in your Basis of Plea that a second mobile phone, also linked to you, was used in a similar way. A third mobile phone, which you accept to have been your personal phone, was given as a contact number for at least seven different landlords in respect of bogus claims.
150. Whatsapp chats identify you acting upon instructions from Ms Nikolova and Mr Stoyanov, facilitating Universal Credit applications, including by creating false documents using templates which had been created by others and sometimes modifying details on documents.
151. At your home, 23 Melford Road, payslips were found for a Mitko Shikov, falsely showing that person to be employed and earning a salary which would entitle the claimant to Universal Credit.
152. I am willing to accept that, in your role, you had no control or decision-making responsibility, but you played a significant role in group activity offending and it is impossible for me to overlook that.
153. When you were initially arrested, on 5th May 2021, you declined to answer any questions when interviewed, as was your right. You were released under investigation and then re-arrested on 9th September 2021, when once again, you declined to answer questions when interviewed. Fortunately, you had had the good sense not to reoffend in the period between May and September.
154. No attempt has been made to calculate the extent of the loss to the taxpayer to which you personally contributed, but you worked for G Translations for some two years, often being the first to arrive at the Antonia Foods office and sometimes working into the early hours.

155. The Benefit Fraud guideline cannot be said to apply in your case in respect of the Count 2 conspiracy. Self-evidently, however, significant though your role was, you bear very considerably less liability than Ms Nikolova, who employed you, and, in all the circumstances, I feel that it is appropriate for me to take a starting point in respect of Count 2 in your case of 6 years, before turning to matters raised in mitigation.
156. There is, in my judgment, very considerable mitigation in your case. First and foremost, I have regard to your youth, accepting that you were impressionable and naïve, as well as taking account of your lack of previous convictions.
157. I have read and accept the contents of a psychologist's report, noting that you meet the diagnostic criteria for General Anxiety Disorder, Major Depressive Disorder and Panic Disorder. I accept the conclusion of that report - that the inevitable custodial sentence which I must pass is most likely to contribute to a substantial decline in your mental health.
158. I accept that, working for Ms Nikolova, you earned, initially, £80 a day and, as G Translations became more and more profitable, you were being paid up to £200 a day in cash. You deposited a considerable amount of the cash which you were paid, if not all of it, into your bank account and declared income to HMRC of £46,462 in the year ending April 2020 and £77,846 in the year ending April 2021. There is no evidence to support any suggestion that you enjoyed a lavish lifestyle.
159. I have read letters detailing the impact which your offending has had both upon you and members of your family. In your case, I accept that the remorse which you have expressed to me is entirely genuine.
160. Taking all of the matters which have been urged upon me on your behalf into account, in respect of Count 2 I come down from the starting point of 6 years to 4 years and 6 months.
161. I now must afford you credit for your guilty pleas. You were the first among all the defendants to accept your criminality and I accept that, especially in view of your youth, knowing that those older than you who were responsible for instructing you in the commission of fraud were still contesting this case, you showed a degree of bravery, it having been explained to you that, once you entered your pleas in respect of counts 1 and 2, the existence of the conspiracies alleged by the Crown would be proved. Your pleas were entered at a much earlier time than any other defendant and must have been a contributory factor which led to other conspirators acknowledging their own guilt.

162. In the circumstances I have outlined, I am prepared to extend you slightly more than 25% credit in respect of your guilty pleas and I will therefore reduce the sentence on Count 2 from 4 years and 6 months down to 3 years and 2 months.
163. In respect of Count 1, as previously mentioned, even though the Definitive Guideline for Benefit Fraud does not apply, because of the enormous sum involved overall in the conspiracy, it provides a useful guide to assessing your personal culpability. You were involved for a relatively short period of time and it is therefore plain to me that you were dishonestly involved in the obtaining of only a modest proportion of the £1.14 million figure to which I have previously referred.
164. In respect of Count 1, I am satisfied that you performed a limited function under direction, so that, if I were applying the guideline, your culpability would be what is described as 'lesser'. In all the circumstances, bearing in mind the various mitigating factors to which I have referred and giving you credit for your guilty plea, I pass a concurrent sentence of 18 months' imprisonment.
165. In relation to Count 4, I pass a concurrent sentence of 2 years' imprisonment and, in relation to Count 8, a concurrent sentence of 2 years' imprisonment.
166. The total sentence to be served remains therefore one of 3 years and 2 months' imprisonment.
167. You have never been remanded in custody, nor have you been subject to a qualifying curfew. There are therefore no days due to be deducted from the sentence imposed today.
168. You will serve up to one-half of that sentence in custody and then, ordinarily, would be released into the community on licence, but, since you are a foreign national, and since I have imposed a qualifying sentence, you are liable in principle to automatic deportation to Bulgaria. The earliest point at which you may be deported will be on completion of the custodial part of this sentence and before you are released on licence. However, there may be a delay in your case in the operation of the automatic deportation provisions or there may be a particular reason in your case why the provisions do not apply to you at all, in which case you will be released into the community on licence. In that event you must comply with all the conditions on your licence until the end of this sentence, or until your deportation, whichever comes first, failing which you may be recalled to custody.

Stoyanov

169. You, Mr Stoyanov, are now 28 years old. You entered the UK on 7th August 2020, met your partner, Ms Nikolova within weeks and, by September 2020, you were assisting her in the Count 2 conspiracy.
170. It is accepted on your behalf that the total loss sustained by the taxpayer, throughout the period of your involvement, was approximately £6.4 million. I accept that you did not play a leading role, but you were a trusted subordinate who was aware of the enormity of the conspiracy led by Ms Nikolova.
171. You were principally and directly concerned with seeking Universal Credit payments by making fraudulent claims yourself in respect of yourself, family members and friends and it is accepted on your behalf that those claims gave rise to a loss of over £100,000.
172. You, like Ms Paneva, were arrested initially on 5th May 2021, declined to answer questions when interviewed and were released under investigation. Unlike Ms Paneva, you continued engaging in fraudulent activity until you were re-arrested on 9th September 2021, when you again declined to answer any of the questions which you were asked.
173. It is accepted that your role was a significant one, which would bring you within Category 1B of the Benefit Fraud guideline, if that guideline were to apply. The starting point, based on a loss of £1 million, is one of 5 years' imprisonment, with a range of 3 to 6 years.
174. Since the total loss sustained during the period of your involvement was more than three times the highest amount which features in the guideline, the guideline does not apply.
175. In your case, an appropriate starting point in my judgment is one of 6 years' imprisonment.
176. I have been asked to accept as mitigating factors that you were a late entrant into the conspiracy which had an established modus operandi, that your lack of English meant that you were not and could not be a key worker, but played a subordinate (although plainly still significant) role, and that your personal profit was limited to some £45,000 which was transferred into your bank account. Given that you were living with Ms Nikolova and were the father of her child, I find it hard to accept that you were not also in receipt of additional cash payments, especially noting

the existence of the £750,000 in cash found in the home which you shared with Ms Nikolova.

177. Your relative youth is a matter to which I must have regard, together with your lack of previous convictions. What, however, amounts to an aggravating feature in your case is the fact that, when you were originally released under investigation, you continued to pursue existing Universal Credit claims until you were re-arrested.
178. I also bear in mind the effect the impact which a custodial sentence will have upon the relationship with your son, whose position I have previously commented upon.
179. Taking all of these features into account, I come down from the starting point mentioned to a sentence of 5 years' imprisonment on Count 2, before allowing you a further 20% reduction to reflect credit for your guilty plea.
180. The final sentence in your case on Count 2 is therefore one of 4 years' imprisonment.
181. In respect of each of Counts 6, 7 and 8, relating to the claims files found at Antonia Foods, at the home which you shared with Ms Nikolova and in the motor car which I have mentioned, there will be a sentence of 2 years' imprisonment concurrent.
182. You will serve up to one-half of the total sentence of 4 years in custody and the 179 days which you spent in custody on remand will count towards your sentence. In addition, you spent a further 814 days remanded on bail subject to a qualifying curfew and I direct that a further 407 days will count towards your sentence. If this calculation is later found to be wrong, it will be put right by correcting the record administratively without any further hearing.
183. Ordinarily you would then be released into the community on licence until the end of the sentence, but in your case, since you are a foreign national, and since I have imposed a qualifying sentence, you are liable in principle to automatic deportation to Bulgaria. The earliest point at which you may be deported will be on completion of the custodial part of this sentence and before you are released on licence. However, there may be a delay in your case in the operation of the automatic deportation provisions or there may be a particular reason in your case why the provisions do not apply to you at all, in which case you will be released into the community on licence. In that event you must comply with all the conditions on your licence until the end of this sentence, or until your

deportation, whichever comes first, failing which you may be recalled to custody.

184. I disqualify you from acting as a company director for a period of 7 years.

Todorova

185. You, Ms Todorova, came to the UK in 2010. You are now 53 years old. In relation to the Count 9 conspiracy, to which you pleaded guilty, the Definitive Guideline for Benefit Fraud is clearly applicable.

186. As previously explained, this conspiracy was started by others unidentified in October 2018 and you only became involved from autumn 2020.

187. When you were first arrested, on 5th May 2021, you said, in answer to questions posed in interview, that you had never met either Nikolova or Paneva. I doubt that that was true. One of the messages recovered from your mobile phone speaks about obtaining a false document from Galya, to show dishonestly that a child was attending a particular school. There are too many similarities to the Count 2 conspiracy for me to conclude anything other than that you were, in effect, mirroring the north London conspiracy in south London.

188. You declined to answer further questions. After interview, you were released under investigation.

189. On 10th July 2021, you were arrested at Stansted Airport, attempting to leave the jurisdiction on a one-way ticket with your husband and daughter. Following that arrest, you were interviewed for a second time. On this occasion, you said that you had acted as an interpreter for those seeking national insurance numbers and those making claims for Universal Credit, saying that you had done that to improve your English. You said that you were not paid for the service you provided and did not ask for money; clients, you said, would buy you a drink, but nothing more than that. You said that what you had done was legal. You said that a claimant was always physically present with you when you accessed the Universal Credit system on their behalf.

190. You were shown various claim packs recovered from your address on 5th May 2021, and said that you had packages for people applying for Child Benefit. You said that you believed that the documents in the packs were genuine. You denied being responsible for any false documents.

191. You were then asked to confirm that the people making the claims were in the United Kingdom. To the very first name put to you, you said, *"Probably I see them, but I don't remember now."*
192. You then asked for a private consultation with your solicitor, following which the interview recommenced.
193. You were asked about further claim packs, but mainly exercised your right not to answer questions about them. When asked why you had access to so many mobile phones and why you, rather than a claimant, would have a phone if the number related to a claim being made, you declined to answer.
194. At one stage, you said this: that after your arrest on 5th May 2021, you had become aware that there *"was a group in Wood Green that was stealing people's money and people's accounts and people's details and stuff."* You claimed to have received a few anonymous phone calls from someone who was threatening you not to assist people with their claims.
195. Although the Crown accepts that there may have been one or more others who were more involved in the Count 9 conspiracy than you were, it is clear that you were very heavily involved. Although far fewer claims were made than in the other two conspiracies, your offending involved significant planning and the offending was sophisticated. The amount which was obtained, however, was £263,514.92, and so this is plainly Category 2 offending within the fraud guideline (in respect of which a starting point is based on £300,000.)
196. The Crown have invited me to say that you played a leading role, which would call for a starting point of 5 years' custody. The defence invite me to conclude that you played a significant role, which would call for a starting point of 3 years' custody. In my judgment I can achieve justice in your case by taking a starting point of 4 years.
197. Aggravating factors are the high number of false declarations and the fact that your criminality continued even after you had initially been arrested and were released under investigation. Had you not been arrested for a second time, your offending behaviour would have continued.
198. I therefore go up from the starting point to 4 years and 6 months.
199. Your good character is a mitigating factor under the guideline and I also take into account the medical evidence submitted on your behalf, confirming that you are suffering from anxiety, depression and a number

of other medical conditions which I need not spell out in open court. You have an 18 year old daughter who sadly has multiple mental health difficulties and learning difficulties. She requires considerable support in daily living and you are her principal carer. Furthermore, I accept that the time which you previously spent on remand in custody has had a profound salutary effect upon you.

200. These factors enable me to reduce the sentence to 3 years and 9 months before then, as previously indicated, giving you a further 20% credit in respect of your guilty pleas. That has the effect of reducing the sentence to one of 3 years' imprisonment and that is the sentence which I impose on Count 9.
201. On Count 11, possession of the claim packs, I pass a concurrent sentence of 2 years' imprisonment, so that the total sentence remains one of 3 years' imprisonment.
202. In respect of such a sentence, you would normally expect to be released after serving just under 18 months in custody. However, in your case, you have spent 199 days in custody on remand and those days would count towards your sentence. Furthermore, since you have spent a further 776 days remanded on bail subject to a qualifying curfew, you would be entitled to be credited with a further 388 days as counting towards your sentence. I am told that there was a period of time between 7th April 2022 and 24th June 2022 when, through no fault of your own, your curfew was no longer being electronically monitored, although you continued to wear a tag and abide by your curfew times. In those circumstances, it is only right that you should be credited with a further 38 days. Adding the 388 days to the 199 days and the additional 38 days brings me to a total of 625 days.
203. The effect of all of this is that you will be deemed to have served more than the 18 months in custody which you would otherwise have expected to have to serve and you should be released on licence today.
204. Like the other defendants, however, since you are a foreign national, and since I have imposed a qualifying sentence of 3 years' imprisonment, you remain liable in principle to automatic deportation to Bulgaria. You must comply with any conditions imposed on your licence until the end of the 3 year sentence, or until your deportation, whichever comes first, failing which you may be recalled to custody.

Concluding Remarks

205. The Statutory surcharge will apply in the case of each of you at the point of confiscation.
206. There are a number of counts on the indictment in respect of which not guilty pleas were entered or where no plea has ever been taken. The prosecution has accepted that the guilty pleas which have been entered represent sufficiently the criminality of each of you. Those other counts, therefore, will be left to lie on the file on the usual terms.
207. As indicated during the course of submissions, the prosecution wish to apply for a Serious Crime Prevention Order to be made in relation to each of you. The orders proposed are presently being drafted and a separate hearing will be arranged shortly for the court to consider what is proposed. The Crown will upload its application in this regard by 14th June 2024, the defence must respond by 19th July and the case will be listed for mention, either to fix a date for argument or to agree what is proposed, on 26th July 2024. The Crown must notify the court by 24th July if any proposed order is agreed, in which case the defendant concerned must either be produced in person or over a prison video link (or in the case of Ms Todorova, attend). Counsel may attend by CVP.
208. In respect of confiscation proceedings under the Proceeds of Crime Act, I direct that each of you must serve a response to the s.18 questionnaires with which you have already been served by 25th June. The prosecution must provide details of the claim which it wishes to make against each of you under the Act, pursuant to Section 16, by 20th October. You must serve your response, pursuant to Section 17, by 17th December. The Crown will reply, indicating what, if any matters are to be contested, by 21st January 2025 and the case will be listed for mention, to determine how confiscation proceedings are to be resolved, on 31st January 2025.
209. Deprivation Orders, principally regarding computer equipment, mobile telephones and sim cards seized, will be addressed at the conclusion of the confiscation proceedings.
210. I wish to say a few words about the enormous amount of work which was carried out by DWP employees to bring this case to fruition, work which is still continuing in terms of ongoing investigation into others who, although not named on the indictment in this case, may yet face prosecution.
211. This is believed to be, cumulatively, the largest case ever prosecuted in respect of fraud on the DWP. It was an extremely complex case to unravel and a particularly difficult case to present in a coherent fashion to the court.

212. All those who have been involved in the task are to be thanked, but it is right that I should publicly acknowledge the work of four people in particular:

- Carolann Mongan, who has been the case officer in charge of the investigation, driving it forward both in the UK and overseas and always meeting the tight deadlines set for her;
- Lorraine Hallett, the senior officer on the investigating side;
- James MacIntyre, who has, as disclosure officer, led the team reviewing the vast amount of material which fell to be considered in this case, and
- Karen Priest, the senior officer working on disclosure.

213. I am very pleased to give each of them a judicial commendation.

214. Finally, I would like to express the court's appreciation to the Bulgarian authorities for their assistance and co-operation in this case.

HHJ David Aaronberg KC

30th May 2024