

Exposed: dealers cashing in on war memorials**An undercover sting has caught rogue merchants making huge profits by 'laundering' stolen metal, reveal Mazher Mahmood and Robin Henry**

THE criminals who buy and "launder" stolen metal prized from war memorials and removed from railways, and the role they play in an illicit trade worth hundreds of millions of pounds a year, are exposed today by The Sunday Times.

An undercover investigation reveals how stolen metal is sold to unscrupulous scrap metal dealers before being passed on to middlemen who ensure that all traces of its origin are removed. In effect "laundered", much of the metal is then smelted and shipped to countries such as China and India.

The creation of those countries' skyscrapers, modern transport networks and high-tech communication systems is, in part, being driven by men such as Billy Wells and his son Martin, who run a small scrapyards behind their scruffy army surplus store in Brentford, west London.

Alerted that the pair would be willing to buy stolen metal, our undercover reporters posed as thieves trying to sell a haul of lead that we claimed had been taken from a war memorial, but was in fact just scrap metal, and a load of copper cable that was clearly marked "property of BT".

Spotting the cable in the back of our reporters' van and listening with interest as the investigators claimed a further five tons of stolen cabling were available, Martin Wells ushered them inside the shop,

saying: "Out of sight, out of mind."

Towering Martin, wearing a blue sweater and military camouflage trousers, excitedly discussed the illicit metal on offer with his elderly father. "It's copper, he's got about five ton of it," Martin said. "But it'll have to be taken out of sight to clean it."

Billy, who falsely claimed to hold a scrap merchant's licence, then examined the cable himself and, when told that it was "nicked", replied: "That's all right, we can take it. We've got to strip it down. A quarter of a ton is a oner, ain't it? One hundred quid. No comebacks. There's no comebacks here, no worries... You could do a murder here and nobody worries about it."

After agreeing a price of £100 in cash for the cable, Billy asked for the van to be reversed into a small yard at the side of the shop so the cable could be unloaded.

He and his son run a larger yard a few minutes' walk away and another in West Drayton. They would be unable to store the cable there for fear of it being stolen.

"We couldn't have it in the railway yard. We've got a place in West Drayton but we couldn't leave anything down there because pikeys, they f***** nick everything," Billy said.

The pair may give the appearance of a modern day Steptoe &

Son but there is no humour; only greed and a callous disregard for soldiers who laid down their lives for their country. When offered the

lead, Billy warned that being caught with metal stolen from war memorials — crimes that have sparked public revulsion — would result in "big bird" (a lengthy prison sentence).

Sitting in front of a rack of British Army and Royal Air Force uniforms, the 81-year-old said: "You want to be very careful what you do with them. I tell you why, because you get

somebody, probably an old soldier, and they grass you up over it."

Despite this, when our reporter returned with lead flashing three days later that, he claimed, had been taken from the roof of a war memorial, the Wellses were happy to buy it.

Pulling a £10 note from his pocket, Billy said: "We'll buy

the lead off you. Any old scrap lead is all right. I'll have a weigh up and see what it is [worth]. If an old boy came by now, I'd give him a fiver for it, wouldn't I? So if I give you tenner on account and we'll see how it goes."

The sum of £110 paid to The Sunday Times by the Wellses will be donated to The Royal British Legion.

An epidemic of metal theft across the country, and the



public outcry accompanying it, has drawn a response from the police and the government. Last week, the chancellor, George Osborne, announced that £5m was being made available to fund a new unit headed by the British Transport police to tackle the problem.

The Home Office is considering measures to tighten the regulation of scrapyards and a growing number of MPs are calling for a ban on cash transactions, which make it hard for police to track down stolen metal.

The crackdown is having some effect. Our investigators visited seven scrap metal yards across Yorkshire, the Midlands and London. Four immediately

refused to buy the cable and lead. Three others suggested they were interested in buying the material until they were explicitly told it was stolen, at which point they declined the offer.

The Wellses were, however, undaunted. It is not difficult to understand why, when they can sell copper for £500 that they have bought for £100.

Legitimate scrap metal dealers operate with a profit margin of about 5%.

Looking at the cabling our reporters had sold to him, Billy said: "If you take that in [to a yard] now as it is, they call the police on that stuff. It's taboo now."

To avoid detection, Billy explained, the sheath surrounding the valuable copper and the BT labelling would have to be removed. Explaining how this could be done by burning off the sheath inside large drums, he said: "It's worth doing . . . you are talking about £2,000 a ton [after the removal]. You're talking about big money. You know when it's clean, you can make the money on it."

The "cleaning" of the stolen metal is carried out either by

the scrap metal yard itself or by middlemen who remove the lead coating and sheath and grind the copper into small unrecognisable chunks.

That "service" is provided to the Wells by a company called P&L Parts and Services, based in an industrial estate in Hanwell, west London.

"My mate in Hanwell has got a machine that can strip it,"

Billy said. "He's right on the ball with that. He's got a machine. It just cleans it all. He's into that and he's a very reliable bloke."

The "reliable bloke" in question is 41-year-old Peter Smith. Alerted by the Wellses about our fictitious five-ton haul of stolen cable, he arrived by lorry at their shop early last Wednesday. Sitting in the

passenger seat, Smith, wearing a black Nike hooded top, sipped tea and asked: "Is it rail stuff or BT?" Told it was the latter and that it had been difficult to find a buyer for it because it was so obviously stolen, Smith said: "We've got our own little yard. We've got to work on it to get rid of it."

The van driver, a man in his thirties, complained that one of

his friends had been arrested for buying similar BT cabling. "It's getting a bit hot, ain't it?" he observed.

"I tell you one of our good mates went to a yard, he went in there and sold it, BT stuff. As soon as they paid him the money they [the authorities] all broke through the door, arrested him, gave him three years." Despite the experience

of their friend, Smith and the driver said they would be happy to purchase the stolen cable.

On Thursday a photographer for The Sunday Times was chased by a vehicle when Smith and another man spotted him observing them at his premises in Hanwell. The photographer escaped

unscathed. Earlier, Smith's van was pulled over by police on an unrelated spot check.

As well as "cleaners" such as Smith, the laundering of stolen metal is carried out by so-called "collectors", who actively seek out metal and then act as intermediaries between the illegal dealers and legitimate recycling plants. Once stolen metals have passed through the hands of these middlemen, they become practically impossible to trace.

Ian Hetherington, director-general of the British Metals Recycling Association, said of the "collectors": "Some will know it's stolen but others will have no idea or just don't ask. They go round street to street picking up any scrap that's being offered or sold cheap and so everything gets mixed together."

Copper is "cleaned" or deformed by a machine called a granulator, which can reduce metals to small chunks. Such second-hand machines were last week available to buy on the internet for as little as a few hundred pounds.

Once "cleaned", copper is usually sold to recycling plants, who are either unaware of its provenance or do not ask questions about its origin. There it is smelted and the resulting large bales are shipped overseas. Such copper is valued at about £5,000 a ton. The Wellses pay about £400 a ton.

When copper arrives in countries such as South Korea, India and China, it is often turned back into copper cables, wires and pipes — exactly the kind of products initially stolen in

Britain. Lead, however, is far more likely to be sold domestically. Much of the lead that arrives at unscrupulous scrapyards is sheet flashing, found on church roofs and memorials but also as legitimate building waste. Yards sell it to roof sheeting manufacturers, which reprocess it and sell it to



builders and roofers.

Metal theft is now a huge illicit business and is believed to cost the British economy £1 billion a year. A consortium, including BT, Network Rail, British Transport police and the Energy Networks Association, is pressing the government to bring in tougher laws, including a ban on cash transactions and more robust licensing requirements. According to the Environment Agency, neither Wells nor Smith is licensed to run a scrap yard at their premises although P&L Parts and Services holds a licence for carrying waste materials.

Luke Beeson, BT's general manager of security, who provided the supposedly stolen cable for The Sunday Times investigation, said of our findings: "This goes to highlight the ease with which metal thieves can convert their ill-gotten gains into cash which is a significant factor in the continuing rise in incidents of metal theft across the UK."

Billy Wells yesterday denied buying any stolen metal from the undercover reporters. "We've never bought any metal off you. The only metal we buy is old batteries," he said.

Peter Smith could not be contacted for comment. Our dossier of evidence is available to the authorities.





Any old iron?

Stolen metal is bought and "laundered" by criminals before being resold



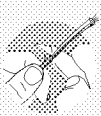
Theft

Metal is stolen from railways, phone lines, church roofs, war memorials and homes



Rogue scrapyards

Unscrupulous dealers buy stolen scrap



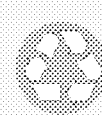
Cleaning

Traces of the metal's origin are removed



Collectors

Middlemen scavenge metal for larger dealers



Metal recyclers

Laundered metal is processed and resold, much of it going abroad

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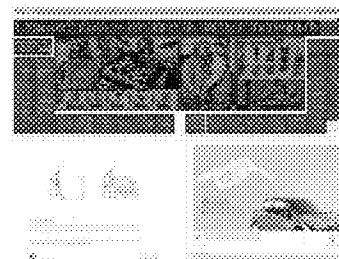




JULIAN ANDREWS

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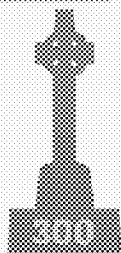
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Easy targets

The Association of Chief Police Officers (Acpo) estimates the total annual cost to the British economy of metal theft is

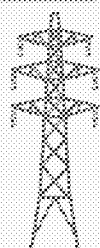
£1bn

Memorials



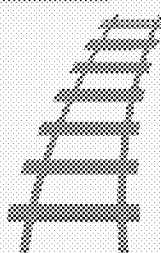
war memorials are targeted by metal thieves each month, according to the War Memorials Trust

Electricity



7,000 thefts from the energy network in the past year have resulted in 280 hours of power cuts

Trains



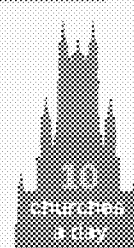
1,882 thefts of cabling between April and October led to 1,969 cancelled trains and 167 days' worth of delays

Communications



thefts, mostly of copper cabling, reported from British Telecom's network this summer

Churches



are targeted by thieves. Church insurers have paid out £25m for 9,500 claims in the past five years

Billy Wells, far left, Martin Wells, centre left with BT cable, and Peter Smith, pictured being stopped by police on an unrelated matter, are involved in the stolen metal trade. War memorials have been targeted by thieves, right

