



JUDICIARY OF
ENGLAND AND WALES

R -v- Lee Philip Rees

**Sentencing Remarks of
Her Honour Judge Eleri Rees
Recorder of Cardiff**

26 June 2015

James Davies for the prosecution
Peter Wormald for the defence

[There is an order in force under s.4 (2) of the Contempt of Court Act 1981, postponing the reporting of these proceedings until 19th October, 2015 when the matter will be listed before me for further consideration.]

You are to be sentenced for 31 offences. Taking them in chronological order, the first 14 offences were committed on various dates between 31st January and 21st April, 2010. I shall refer to this as Indictment 1. There were 11 counts of blackmail and 3 counts of distributing indecent photographs of children. You pleaded guilty to these offences at a Plea and Case management hearing at Teeside Crown court, on 30th March, 2015.

You were arrested in relation to those matters in May, 2011, and released on police bail pending further investigations and for further examination of your computers. You acquired another computer and continued to offend.

On 23rd March, 2015, at the preliminary hearing at Cardiff Crown Court, you pleaded guilty to the first 16 counts on Indictment 2. These include 11 specific counts of securing unauthorised access to a computer or “computer hacking” on dates between 2nd November, 2013, and 22nd July, 2014, together with a compendious count of

computer hacking between 1st January, 2013 and 7th November, 2014. There are 3 specific counts of blackmail and one compendious count of blackmail spanning the period from 1st January, 2013 to 7th November, 2014.

The third indictment contains a single count of blackmail committed on 16th September, 2014. You pleaded guilty to this indictment at Cardiff Crown Court on 24th November, 2014, at the preliminary hearing.

In 2011, following your separation from your wife, she and her new partner discovered a file on your laptop which they suspected contained indecent images and the laptop was passed to the police. In May 2011, you were arrested and interviewed, you initially made no comment but in later interviews, you admitted posing as a 13 year old girl in internet chat rooms and waiting for paedophiles to contact you. You encouraged the men to show themselves on a webcam, and once they had done so you then threatened to expose them online.

You used a website which you had created to post names, addresses and images of the men, along with the chat room conversations you'd had with them. The men were told that their details would be removed from the site provided they pay a fine, usually in the form of Amazon vouchers.

The police recovered conversations in which you boasted about your offending and encouraged others to do the same. In one conversation, you said *'got some perv in another MSN box and trying to find out anything about him so I can then extort good money'*. Also, *'you should peado hunt, I made about £1,200 last month'*, and *'you should do my scam, makes a fortune'*.

During police interview, you said that you would *'terrify the living daylights out of them'* meaning your victims.

You were released on bail but then rearrested, following a complaint from the victim in the single count on the third indictment. The victim told the police that he looked in his documents folder and saw there were indecent images there, and then another message appeared on his screen saying that you now had a picture of him looking at

the images, and that he shouldn't attempt to delete them, or his picture would be sent to Facebook, the media and local Schools.

The victim did attempt to delete the pictures but another Chat Box appeared saying that it *'didn't look good deleting the pictures'*, and he was then given a choice to either go to the Police or to make a donation to a Children's Charity.

His Yahoo account was also opened remotely, and he was instructed to send the screen saver to everyone on his contacts list, or everyone on the list would be sent a video of a child being raped, which would also show that it had been sent by him. He was told to pay £200 into a Halifax account, for which he was provided an account number and sort code. The money was to be paid in two stages: a first payment of £30 and then a further payment of £170 two weeks later. In fact, his computer battery went dead and he contacted the police.

In interview, you told the police that you had carried out this scam hundreds of times over the last two and a half years. Further examination of your new computer proved this to be true and the second indictment relates to that offending.

By now, you were using a remote access tool (RAT) to achieve your objectives. You would engage in conversation with the victims and eventually send them photographs of 13-14 year old girls accompanied by a file that looked like a video for them to click on. This contained a computer program virus which allowed you to take full control of the victim's computer and you would then search their computers to obtain their personal details and any pornographic and incriminating images you found there. Thereafter, you would blackmail the victim threatening to expose them online. You used a website to post their details and photographs of your victims. They were told that their details would be removed provided they paid a fine. The amounts paid varied from £25 - £100.

You admitted that you would have received approximately 40 thousand pounds over that period, from hundreds of victims.

You told the police that you were very close to a family in Thailand, and had travelled out to the country approximately 9 times over the last 4 years and you would send these friends £400-£500 a month.

Police enquiries showed that there had been some 400 transactions involving Western Union and Paypal. They are currently investigating over 4,500 skype contacts as recorded on your computers.

The images referred to in counts 2,10 and 13 of the first indictment are the images sent to entrap victims and are level C images.

You are now 47 years of age. On 15th January, 1989, you were placed on probation for 2 years for possession of indecent photographs of children. On 17th January, 2013, you were fined for failing to notify the police of your change of address, an offence under the Sexual Offences Act 1997.

There is a psychiatric report, dated 12th June, 2015, from Dr Reagu. It sets out, in some detail, your account of your upbringing, including some significant events during your childhood and the impact of the breakup of your marriage. There were previous referrals and involvement with psychologists and health services arising from your possession of indecent images of children. Some of your assertions were inconsistent with the accounts given in the medical records. Dr Reagu concluded that you were an unreliable reporter. He concluded that you suffer from paedophilia. However, he was not of the opinion that you suffer from any mental disorder to a degree or of a nature that would require a disposal within the hospital setting.

The author of the pre sentence report relates much of the same history and he also voices doubt about your denials in relation to having a sexual interest in children.

On your behalf, Mr Wormald invited the court to give full credit for your pleas and note the following mitigation:

1. Your troubled and childhood experiences had left you fragile mentally and emotionally.

2. The offending took place in the context of a failing marriage and financial problems.

3. There was no attempt to conceal what had been done or to delete the history from the computer. In your later interviews, you had been open with the police about your own offending.

4. The police had obtained valuable information from you and your computers which would assist them in the investigation of crime.

In relation to the last submission, I note that most of the information gained for the purpose of further investigations into the offending of others was already available to the police on the computer itself.

Mr Wormald also submitted that Post Traumatic Stress Disorder (PTSD) or some form of addiction contributed to your offending. I made it clear, that in the absence of any evidence to support those contentions and, in light of the findings of Dr Reagu, I could not accept those submissions.

I also made it clear that I rejected the suggestion that you were conducting some kind of moral crusade, through the entrapment of paedophiles, or that the fact that some of the victims may themselves have committed offences, somehow reduced your culpability.

Having read all of the evidence and, in particular, the “chat logs” I have reached the conclusion that you derived much enjoyment and satisfaction in controlling and manipulating these individuals, preying on their fears and extracting for yourself significant financial gain. The money was spent on holidays abroad, buying expensive computer equipment and sending money to persons in Thailand. This was a cynical exercise and you even encouraged others to carry out similar offending.

I treat the fact that you continued, after your initial arrest and while on bail, to offend on an even greater scale and using more sophisticated methods to hack into the victims’ computers, as a seriously aggravating factor.

The Sentencing Guideline in relation to the distribution of indecent images of level C provides a Starting Point of 13 weeks custody. Even allowing for the aggravating

factor of a previous similar conviction, those offences in counts 2,10 and 13 of the first indictment would only merit a relatively short sentence.

However, there are no definitive sentencing guidelines in relation to blackmail or computer hacking.

The maximum sentence for blackmail is 14 years. I have been referred to two cases: R v Paul Andrew Christie (1990-1) 12 Cr. App.R (S) 540 and R v Ansar Miah [2002] EWCA 1893. Those two cases related to a far smaller number of victims and provide limited assistance when dealing with the scale of offending before the court today. The offence of blackmail can be committed in a variety of ways, some involving threats of violence, others not. However, it is an offence which is universally regarded as particularly repugnant and always serious.

The offence of accessing computer material or “hacking” carries a maximum sentence of 2 years imprisonment. In the cases of R v Mangam [2013] 1 Cr. App. R (S) 11. CA, and R v Martin [2014] 1 Cr. App. R (S)63,CA, the Court of Appeal noted the increased prevalence of such offences. The aggravating factors identified in those cases and which are relevant to this case are the persistence of the offending, the invasion of the privacy of individuals and the sophistication and planning involved. In your case, there is also the significant financial benefit derived by you.

Having regard to credit for plea, the evidence against you was overwhelming and therefore arguably the credit could be reduced. Furthermore, the pleas to the first indictment were not at the first opportunity and there was an adjournment of sentence when you indicated a wish to withdraw some pleas. However, given the multiplicity of counts, the scale of the offending to be dealt with and the fact that frank admissions were made to most of the offending in police interview, I will allow full credit for your guilty pleas.

I take into account the mitigation and the contents of the reports. In a case such as this, I must have particular regard to the need for totality. In structuring my sentence. I have treated the computer hacking and distributing of indecent images, used as they were to facilitate the blackmail, as aggravating features of the lead offences of blackmail and increase the sentence on those accordingly. In relation to the second

indictment, those being offences committed whilst on bail for the offences contained in the first indictment, I think it only right that there should be a consecutive term.

The total sentence will be one of 9 years imprisonment, made up as follows.

In relation to the first (Teeside) indictment:

Count 1 (blackmail) - 3 ½ years imprisonment

Counts 3 – 9, 11-12 and 14 (blackmail) – 3 ½ years imprisonment concurrent on each

Counts 2, 10 and 13 (distribution of indecent images of children) - 6 months imprisonment concurrent on each

In relation to the second (Cardiff) indictment:

Count 16 (blackmail) – 5 ½ years imprisonment consecutive to the 3 ½ years already imposed

Counts 3*, 9, 13 and 16 (blackmail) 5 ½ years imprisonment concurrent on each

On each of counts 1, 2, 4-8, 10-12, 14 and 15, (computer hacking) 15 months imprisonment concurrent on each

In relation to the single count on the **third indictment** 5½ years imprisonment concurrent

Halfway through your sentence, you will be eligible for release on licence. Breach any condition of your licence and you will be liable to recall to prison. The prosecution has applied for a Serious Crime Prevention Order in the terms drafted and to which there is no objection. I am satisfied that it is necessary and proportionate in its terms and make the order in those terms for a period of 5 years beginning with the date of release from prison.

You are subject to the notification requirements as a sex offender and you come within the protective regime operated by the Safeguarding Children and Vulnerable Adults Panel and their powers to bar you from certain activities and employment. The computers seized by the police will be forfeit and destroyed.

** Please note that HHJudge Eleri Rees, on July 1st, 2015, sitting at Newport Crown Court amended the sentence for count 3 on the second indictment from 15 month imprisonment to 5 ½ years imprisonment concurrent. On 26th June, 2015, this count had, in error, been wrongly included in the counts of “computer hacking”. Count 3 was in fact a count of blackmail.*