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RADIO 4

CURRENT AFFAIRS

**THE REPORT
Hacking Scandal**

TRANSCRIPT OF A RECORDED DOCUMENTARY

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MORGAN: This is the pub here, the Golden Lion, where Daniel came for a drink with his partner, Jonathan Rees, on the night he was killed.

I couldn't see when I came on the night, I kind of knew instinctively that it was going to be somewhere in this dark place in the car park

GOLDBERG: So it was the perfect secluded spot

MORGAN: Yeah, there was no crime scene cordon, there was nothing. And there was a big patch of blood on the tarmac just about there I would say.

GOLDBERG: Alastair Morgan reflecting on the murder 24 years ago of his brother Daniel Morgan, a private detective...

Tonight on The Report, Tom Watson - the MP who exposed the News of the World phone hacking scandal – reveals that he's written to the Prime Minister demanding that the murder be re-investigated as part of Lord Leveson's public inquiry into press and police corruption.

Our story goes all the way back to 1987, and examines the role of newspaper executives, private detectives and the police.

MUSIC

I'm Adrian Goldberg and having steeped myself in this story over the last few weeks, I can see it's full of labyrinthine twists and turns – not to mention a few blind alleyways. And that's why it's never been fully told before.

So I think the best thing to do is let the people I've spoken to over the last few weeks tell their own story...

MUSIC

MORGAN: I got a phone call very early in the morning from my mother who was in Wales and, er, she told me that Daniel was dead and that she had been phoned in the middle of the night by the Metropolitan Police and she had asked them what had happened to him and they wouldn't say so I took a taxi up to London and went to my brother's office and my brother's partner Jonathan Rees wasn't there so I then went to my sister-in-law's home, which was obviously a very upsetting and difficult moment and there I met Jonathan Rees, my brother's partner, who came round very soon after I arrived there.

GOLDBERG: The name of Daniel's business partner, Jonathan Rees, might sound familiar to you. A convicted criminal, he's been implicated in the ethics scandal at the News of the World. But back in 1987 he had a clean criminal record and Alastair Morgan assumed he'd be able to help.

MORGAN: I went to a pub with him because I wanted to talk about, you know, in private about what had happened and, erm, I was unconvinced by his explanation of what had happened and from there I went to the police station in Sydenham, the incident room, and had a rather unsatisfactory conversation with a Sid Fillery who was a detective on the squad now at that time I only knew Sid Fillery as a police officer whom I had met on a couple of occasions socially who knew both my brother and his partner. I wanted to give a statement to them but they didn't seem to be... you know...it was sort of... oh... well.....reluctant to take a statement and it was just so kind of casual you know? I felt that the police were being very casual about the whole thing and when the meeting ended he said to me 'look if you've got any concerns about this case give me a ring and we'll go, we can go and discuss it over a pint' and you know, nobody had taken any notes, I just remember leaving the police station and thinking there is something wrong here, it just didn't feel right. And I came back to my sister-in-law's in the evening. Then three weeks or so after this I received a phone call from a friend who was very excited and he said 'Alastair, Alastair they have arrested six people over your brother's murder', three police officers had been arrested, along with three civilians including my brother's partner, and among the three police officers was Detective Sergeant Fillery who I had been interviewed by at the incident room.

GOLDBERG: So that very same police officer, Sid Fillery, who just three weeks earlier was inviting Alastair out for a drink to discuss the murder, was now a prime suspect in the case – as was the other person Alastair mentioned, Fillery's friend and Daniel's business partner Jonathan Rees who ran the private detective agency Southern Investigations.

In the event, no charges were brought against either man for Daniel's death – there was – crucially - 'insufficient evidence', and this set the tone for the events of the next quarter of a century.

Over that time, there've been five criminal investigations, three reviews or inquiries, a Crimewatch appeal, one inquest and 13 arrests, but still no one's been convicted.

But as we'll hear, it's partly because of these inquiries into Daniel Morgan's death that so many details of the unethical practices at the News of the World have come to light – details which eventually led to the paper's demise.

Given the shadowy nature of Daniel's work, there were many people who might have had a grudge against him – even a motive to kill him – but, as Alastair Morgan explained, one witness who testified at Daniel's inquest said that the threat was closer than Daniel might have realised.

MORGAN: We were absolutely shocked when the first witness, who was a bookkeeper at Southern Investigations, gave evidence, his name was Kevin Lennon and he told the court that Jonathan Rees had approached him several times asking him to find somebody to murder Daniel. And he said that he had each time advised Rees strongly not to do that and that eventually Rees had come to him and said 'look don't worry Kevin I've got someone who's going to kill Daniel, either my friends at Catford CID will murder him or they'll get somebody on a charge to murder him' and that he would, if you like, sort the inquiry out, after which he would take a sick pension and go into partnership with Rees. And by the time of the inquest Fillery had taken a sick pension and was working with Rees, so this statement was made six months before that actually happened, so obviously I had to, you know, take it seriously.

Can I just take a break

GOLDBERG: Yeah, of course you can, absolutely.

MORGAN: I'm Ok I think yeah. We were expecting, we were even expecting during the inquest that the police would make arrests but nothing happened which caused us a great deal of concern and so we were really back at square one again.

GOLDBERG: The credibility of Kevin Lennon can be questioned. He was a convicted fraudster. Even so, the plan Lennon said he'd been told about came to pass. Fillery, the detective in charge of the original inquiry into Daniel's death – the same Sid Fillery who later became a murder suspect - was pensioned off from the police. And he joined Southern Investigations working with Jonathan Rees, Daniel Morgan's former business partner.

In the years after Daniel died, business boomed at Southern Investigations – and one of their major clients was the crime desk at the News of the World run by Alex Marunchak.

It's not clear when Marunchak became friendly with Rees and Fillery...before Daniel Morgan's death – or after.

But the Report can reveal tonight that we've seen a copy of a witness statement to the police suggesting that a week before Daniel Morgan died, he said he was taking a story to a newspaper exposing police corruption.

The witness believed the paper was the News of the World, and that Daniel's contact there was Alex Marunchak.

If Daniel ever had a story, it never appeared.

When we contacted Alex Marunchak he insisted that he'd never met or had contact with Daniel, and says he'd never heard of Southern Investigations before the murder.

GOLDBERG: But given the allegation from one source that the pair might have been talking just days before it happened, you'd expect the police to have at least interviewed him to check it out.

They didn't. Marunchak has confirmed to us that he's never been interviewed by the police about the case.

GOLDBERG ON LOCATION: Well I'm in a cab now somewhere in the south of England heading to meet a woman who knows intimately the inside dealings of Southern Investigations and the relationship between Jonathan Rees and Alex Marunchak which she has seen close up, first hand and what's really significant about this is that this woman has never before spoken to the media but she has given a statement to the police in the aftermath of Daniel Morgan's murder which was most revealing.

BOOKKEEPER: My job at Southern Investigations was part time bookkeeper. I'd gone there because a friend asked me to help her out, I went down to see them and met the office manager and started the following week.

GOLDBERG: And what was the atmosphere like?

BOOKKEEPER: Almost as if there wasn't anything to do, I think that probably in the aftermath of a horrible murder nobody really had anything to say about what they did last night or last weekend it was just...quiet...mmmm.

GOLDBERG: So, just how important was the News of the World to Southern Investigations?

BOOKKEEPER: The News of the World really was the biggest customer, we used to invoice out maybe five to six hundred invoices a month but all of the invoices were for only for 50 pounds or less. Generally when you generate invoices you actually send them to an accounts department and then somebody in the system will give the OK that they are OK and they are not fraudulent and they are to be paid, whereas with the case with the News of the World all the invoices were hand-delivered to a man at the News of the World, not to the accounts department, and he would release an invoice to be paid now and again, so that they didn't all go through in one lump.

GOLDBERG: So who was the man that they were hand-delivered to at the News of the World?

BOOKKEEPER: Alex Marunchak

GOLDBERG: And what did you hear about the relationship between Southern Investigations and Alex Marunchak, what was said about that?

BOOKKEEPER: I think they were pretty good friends, I think it was just a case of he could help us and we could help him, that sort of thing. He did have his credit card paid off at one time and there was a little comment thrown in about the fact that they had paid his school fees, and they obviously didn't go through the books and I can remember Jonathan Rees and Sid Fillery talking about that before they went out to lunch and joking and laughing and saying that this would be the first time in his life that Alex Marunchak had been out of debt.

GOLDBERG: So you overheard Jonathan Rees and Sid Fillery talking about paying off Alex Marunchak's personal credit card debt, and also paying his child's school education fees.

BOOKKEEPER: Yes I did hear those and they didn't try and keep that quiet, this was laughing and joking in the office.

GOLDBERG: Jonathan Rees has told The Report that he never paid Alex Marunchak's credit card bill or school fees.

Alex Marunchak says that he'd never heard of Southern Investigations before Daniel's murder, and denies any allegation of wrongdoing. He also says that he never had his credit card or children's school fees paid by Southern Investigations.

The former book-keeper, who joined Southern Investigations after Daniel Morgan's murder, has no knowledge of what arrangements, if any, existed between the agency and the News of the World prior to Daniel's death. And she saw no records.

The Metropolitan Police, meanwhile, were coming under pressure for failing to solve Daniel's murder.

To try and get to the bottom of it, once and for all, they planted a bugging device in Jonathan Rees' office over several months in 1998 and '99.

Rees was overheard plotting to plant cocaine on an innocent woman to help out a client in a custody battle, and he was jailed for seven years in 2000 for conspiring to pervert the course of justice.

After Rees' office was bugged, transcripts of the conversations eventually came to light – and it was these that helped expose dubious practices at the News of the World.

Among the victims was former Army intelligence officer Ian Hurst – although even then the information came to him second hand through the BBC's Panorama programme which confronted him with the evidence last December.

VIVIAN WHITE: Have a look at what's in here and see if it's familiar to you.

HURST: I can tell you the hairs on the back of my head are up. Yes it's familiar to me. And I can tell you somebody's got a problem because this has been unlawfully accessed.

WHITE: These emails are straight off your own computer aren't they?

HURST: Yes.

GOLDBERG: The News of the World was interested in Hurst because of his work with British intelligence.

He claims the investigator who hacked his computer was introduced to the News of the World by Jonathan Rees, and had been commissioned by Alex Marunchak who was by then the paper's Ireland editor.

We can't name the private detective who admitted on Panorama to carrying out the hacking because he's involved in an active legal case.

We went to see Ian at his home in Bolton where, surrounded by four giant computer screens he runs an investigation agency.

HURST: I was shocked because I didn't believe that I would be a target for, for newspapers.

GOLDBERG: And, correct me if I'm wrong, but the private detective agency who were trying to access that information, Jonathan Rees worked for that organisation and you believe that it was the News of The World that was using Jonathan Rees to access this information about you.

HURST: Well I don't believe, the paperwork shows that that's true. Erm, the invoices were paid by News International, to Mr Rees and in turn Mr Rees paid the private investigator who was commissioned to do the job. And they are going to be held accountable in a civil court, and that's against two News International companies, Mr Jonathan Rees, Mr Alex Marunchak.

Being an investigator myself and knowing the waters that these people swim in I felt it only right and proper that I started my own investigation, and to identify what motivated and what prompted these people to seek to obtain information from me.

GOLDBERG: And what did you find out?

HURST: My researches really did start with the murder of Mr Daniel Morgan. And then we bring it forward all the way through to my hacking, 2006 and onwards to today.

GOLDBERG: So, just so we understand this, your computer was hacked in 2006, the police were aware that your computer had been hacked by a private investigator. They didn't tell you that you had been hacked, nor did they take any action against the person who had illegally hacked your PC.

HURST: That's exactly correct. Yes. Just, put these on your head, yes, headphones and just have a listen. [Audio of Unintelligible phone conversation]

GOLDBERG: As if to underline the point, Ian Hurst plays us an interview he secretly recorded with a private investigator who has worked with both Jonathan Rees and Daniel Morgan.

We can't play it out loud because it was recorded by Ian Hurst without the investigator's permission...

GOLDBERG (TO HURST): So in that phone conversation the former associate tells you that Daniel Morgan was going to go to the newspapers, just before he died, with allegations of serious corruption against the police.

HURST: Yes.

GOLDBERG: Given your own experience and the fact that your own investigations have led you back to the murder of Daniel Morgan, what do you understand to be the situation about Daniel Morgan's murder? How would you sum-up your understanding of it?

HURST: In one word – corruption. And if the family of Mr Morgan don't have a public inquiry, then it will be one of the greatest miscarriages of all time.

GOLDBERG: Earlier this year, the Met Police apologised for their failures in the Daniel Morgan case and admitted the original investigation had been corrupt.

They are now investigating Ian Hurst's allegations of email hacking.

When we contacted Jonathan Rees, he told us he's never commissioned anyone to hack a computer.

And Alex Marunchak denies ever commissioning Southern Investigations, Jonathan Rees or Daniel Morgan to hack into phones or computers and says he never knowingly received information from them which was obtained in this way.

Rees was released from prison in 2005. And despite the fact that he now had a conviction for perverting the course of justice by planting cocaine on an innocent person, he was soon back taking commissions from the News of the World.

Meanwhile, Daniel Morgan's family were still no nearer to securing justice for his murder.

GOLDBERG: In 2002, new hopes of a breakthrough emerged...but instead of leading to the killer, they raised more disturbing questions about the News of the World's involvement in the case.

CRIMEWATCH MUSIC

This is Crimewatch from June 2002

HAMES Rape is a devastating crime but with the help of CCTV we may take these next... (Continues under)

GOLDBERG: You might remember this voice – Jackie Hames, a Met Police officer and a presenter on the programme for 16 years.

By chance her husband at the time, Detective Chief Superintendent Dave Cook, who also worked for the Met appeared on the same programme making a new appeal for witnesses to Daniel's murder.

COOK: We acknowledge there were some difficulties in the early stages of this investigation but I'm here tonight to reinvestigate it with the advantage of 15 years of knowledge and hopefully through this appeal, get the nugget of information which will solve this case.

HAMES Well at the time back in 2002, we were given an indication by the Met that as a result of David being put in charge of that investigation and making his appeal on Crimewatch, that we had then become targets of people who perhaps were involved in the murder of Daniel Morgan, the suspects for it.

GOLDBERG: It soon became clear that David and Jackie had been targeted. But not by the suspects:

HAMES Not long after, my husband told me that he'd seen a couple of vans parked nearby we, where we were living which he felt slightly uncomfortable about. I mean you get an instinct for these things and on another occasion he felt that he was being followed as he was taking the children to nursery and school. So he, after dropping the children off, he arranged for the car to be stopped and subsequent checks revealed that it was, in fact, employees of News International or News of the World, I think was a reporter and a photographer, and that's when we realised the link between News of the World and this whole affair.

GOLDBERG: People listening to this might be a little bit confused. You said that you were warned by the Metropolitan Police that you might be targeted in some way by the people who were mixed up in a murder. In the event, you were being trailed by journalists and photographers from the News of the World. What sense could you make of that?

HAMES I was incredulous. I thought what on earth is going on. It just didn't make sense. Clearly my husband, David, knew of potential links between the private investigation company, Southern Investigations, and the News of the World, and that they'd undertaken work for the News of the World so to him it was an immediate link.

GOLDBERG: Did you ever get to the bottom of why the News of the World said that they were putting you under surveillance?

HAMES I'm aware that at the end of 2002, maybe beginning of 2003, um, there was a meeting at the Yard, I believe, with Dick Fedorcio, who was the head of the press department at the time, Rebekah Brooks, or Wade as she was then, and David, I think possibly Andy Baker was there, who was head of the murder command at the time, which was instigated in order to confront Rebekah Brooks, or Wade as she was then, and the explanation offered for the surveillance on us was that David and I were having some sort of an affair. Now clearly that's absurd. We'd been married at that time for four years or so, we had two children, we'd actually been in Hello magazine together for goodness sake, you know, if they had made simple enquiries they would have found that we actually lived together and were married.

GOLDBERG: MPs asked Rebekah Brooks – who was the News of the World editor at the time – about the meeting at Scotland Yard where Ms Brooks was confronted directly about the paper's surveillance of Jackie Hames and Dave Cook.

BROOKS: Er...I was asked to recall a meeting that I had at Scotland Yard in 2002. I had recollections; I was asked recently I think by Channel Four? About the story you are referring to. My information, sorry my recollection of that meeting was entirely different, erm, it, my recollection of the meeting was on a completely different subject, so I'm only going on what, you know, on what I was told by Channel 4, they say it's a meeting..." [FADES]

GOLDBERG: The Metropolitan Police have confirmed to us that a meeting was held at Scotland Yard on 9 January 2003 after an officer had raised the issue of press intrusion. According to the Met, Rebekah Brooks attended with The Metropolitan Police Press chief Dick Fedorcio and two senior officers Andy Baker and Dave Cook.

When we contacted Rebekah Brooks she said she hadn't been aware of surveillance carried out by the News of the World on a police officer working on a murder inquiry.

A spokeswoman for News International which ran the News of the World, said, quote: they were co-operating fully with the police on various issues and therefore they can't comment further on individuals or details.

As for the battle to prosecute Daniel Morgan's killers, his brother Alastair didn't give up, and four men including – once again - Jonathan Rees were arrested for his murder in 2008.

GOLDBERG: Former Detective Sergeant Sid Fillery who led the original investigation into the murder was charged with attempting to pervert the course of justice.

All the charges were dropped, following a lengthy legal wrangle about evidence.

WATSON: Hello... very good to meet you

GOLDBERG: So the fight for justice goes on. We brought the two key players together for the first time; Daniel's brother and indefatigable campaigner Alastair Morgan, with the MP who has done so much to expose the hacking scandal, Tom Watson

MORGAN What's brought me here Tom is that there have been five investigations into my brother's murder and since the murder there have been numerous revelations of the links between the people who were suspected of my brother's murder and the News of the World which we are now finding out seem to go back to the time of the murder.

WATSON: Well firstly I want to say Alistair thanks for seeing me. And our meeting is long overdue because whilst I've been involved in investigating the hacking scandal for the last two years, it soon became clear to me that the relationship between some people in News International and some people in the Metropolitan Police was unhealthy at best.

GOLDBERG: And Tom it's been suggested to us that there was a link between Daniel Morgan and Alex Marunchak of the News of the world and that Daniel Morgan wanted to expose police corruption and that just days before he died he took that story to Alex Marunchak. Is that a surprise to you? Are you concerned about that?

WATSON: I'm not surprised, I have heard these allegations. What I would find remarkable is if it transpires that in the original murder inquiry a statement was given to the Metropolitan Police to that effect and Marunchak was not interviewed even as a witness in this case, it shows either a staggering incompetence on behalf of the Met or something much deeper.

GOLDBERG: How surprising do you find it Tom that the News of the World had hired a man, Jonathan Rees, shortly after he'd come out of prison?

WATSON: I'm not surprised because I know how the News of the World worked but I am appalled and I think it's an utter disgrace that they would hire someone with that criminal record so close to them being released from jail. Indeed I questioned Rebekah Brooks, the former Chief Executive of News International about this when she gave evidence to the parliamentary inquiry a few weeks ago and remarkably she shared my view that it was remarkable that he'd been hired and claimed that she had no knowledge of his employment, even though she was chief executive of the company at the time.

GOLDBERG: Is it possible that senior managers at News International, at news of the World, would have been unaware of his conviction?

WATSON: Well I have to assume that it's possible because that's what Rebekah Brooks told me in a Parliamentary inquiry and I wouldn't expect her to lie to me, but it does show gross incompetence if that's the case.

GOLDBERG: And Tom Watson made one final revelation for this programme that has never been heard before about the relationship between Jonathan Rees and Alex Marunchak.

WATSON: I know that Jonathan Rees and Alex Marunchak had a very close relationship over many years to the extent that they were even in contact whilst Rees was serving a prison sentence. That kind of relationship between a very senior Newspaper Executive and a private investigator with a criminal record deserves greater investigation.

GOLDBERG: Alastair, when you hear a senior politician saying things like that after such a long struggle to even get noticed what does that make you feel?

MORGAN Well I'm glad. You know, it's really heartening to hear that somebody is taking this seriously because for years and years our concerns were basically dismissed.

Tom I would like to ask you to support my family's call for a judicial inquiry into my brother's murder.

WATSON: Well, I think the Leveson Inquiry should examine the Daniel Morgan murder. I'm going to write to the Prime Minister to ask him to make sure that that happens. The Prime Minister has said they should go where the evidence leads it. You deserve after 25 years to get to the facts and I think this inquiry can do that.