Press release: Boss banned after construction company breaches health and safety regulations

Michael Allen, 64 of Ashbourne, Derbyshire, was a director of Allen and Hunt Construction Engineers Limited, a specialist company in manufacturing and erecting steel-framed agricultural and industrial buildings.

In July 2014, one of Allen and Hunt Construction Engineers Limited's workers was carrying out repairs on a farm building in Buxton, when they fell through the roof and suffered life-changing injuries.

An investigation was carried out by the Health and Safety Executive (HSE) and they found that Allen and Hunt Construction Engineers Limited breached several health and safety regulations.

Among several breaches, HSE found that the company failed to carry out health and safety plans for the site in Buxton, did not properly train the employee to carry out fragile roof work and equipment was inadequate and insufficient for the risks posed.

As a result of court proceedings the company was found to be in breech of three counts of the working at heights regulations and was fined £274,671 in November 2016.

However, Allen and Hunt Construction Engineers Limited went into liquidation in December 2016 and Michael Allen told investigators that the business closed down because it could not afford to pay the fine imposed by the court.

But further investigations by the Insolvency Service found that after the accident and to allow for a clear division between fabrication and installation activities, a new company was incorporated in October 2014. The new company carried out fabrication services, while the installation side of the business was wound down.

And if the fabrication contracts had remained within Allen and Hunt Construction Engineers Limited, the original company, there would have been sufficient funds to pay the fine.

The Secretary of State for Business, Energy and Industrial Strategy has since accepted a disqualification undertaking from Michael Allen.

Effective from 27 June 2018, he is now banned from directly or indirectly becoming involved, without the permission of the court, in the promotion, formation or management of a company for 6 years.

Dave Elliott, Chief Investigator for the Insolvency Service, said:

Michael Allen had a lack of regard for the workers, which unfortunately resulted in a horrific injury for one person.

Directors who fail to adhere to health and safety regulations to protect their employees and then fail to pay the fine can expect to face the consequences of a period of disqualification.

Michael Allen, date of birth is February 1954, is known to have resided in Ashbourne.

Allen and Hunt Construction Engineers Limited (CRO No.02832623) was incorporated on 02 July 1993 and traded from Derbyshire manufacturing and erecting steel framed agricultural and industrial buildings.

Michael Allen was a director from 02 July 1993 until the company went into liquidation on 22 December 2016. The estimated deficiency as regards creditors and shareholders was £217,833.

On 6 June 2018 the Secretary of State accepted a Disqualification Undertaking from Michael Allen, effective from 27 June 2018, for a period of 6 years. The matters of unfitness that were accepted were that:

On 30 July 2014, Michael Allen failed to ensure that Allen and Hunt Construction Engineers Limited complied with its obligations under the Health and Safety at Work Act 1974 and as a result an employee fell through the roof of a barn and sustained serious and life changing injuries.

Disqualification

A disqualification order has the effect that without specific permission of a court, a person with a disqualification cannot:

- act as a director of a company
- take part, directly or indirectly, in the promotion, formation or management of a company or limited liability partnership
- be a receiver of a company's property

Disqualification undertakings are the administrative equivalent of a disqualification order but do not involve court proceedings.

Persons subject to a disqualification order are bound by a range of <u>other</u> <u>restrictions</u>.

The Insolvency Service (England and Wales)

The Insolvency Service, an executive agency sponsored by the Department for Business, Energy and Industrial Strategy (BEIS), administers the insolvency regime, and aims to deliver and promote a range of investigation and

enforcement activities both civil and criminal in nature, to support fair and open markets. We do this by effectively enforcing the statutory company and insolvency regimes, maintaining public confidence in those regimes and reducing the harm caused to victims of fraudulent activity and to the business community, including dealing with the disqualification of directors in corporate failures.

BEIS' mission is to build a dynamic and competitive UK economy that works for all, in particular by creating the conditions for business success and promoting an open global economy. The Criminal Investigations and Prosecutions team contributes to this aim by taking action to deter fraud and to regulate the market. They investigate and prosecute a range of offences, primarily relating to personal or company insolvencies.

The agency also authorises and regulates the insolvency profession, assesses and pays statutory entitlement to redundancy payments when an employer cannot or will not pay employees, provides banking and investment services for bankruptcy and liquidation estate funds and advises ministers and other government departments on insolvency law and practice.

Further information about the work of the Insolvency Service, and how to complain about financial misconduct, is <u>available</u>.

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