[TRA helps preserve critical steel supplies to the UK]

News story

The Trade Remedies Authority (TRA) has recommended changes to the tariff rate quotas (TRQs) on imports of certain steel products from Russia and Belarus.

In light of current UK sanctions on imports from Russia and Belarus, the TRA initiated a Tariff Rate Quota (TRQ) review of steel imports covered by the UK's safeguard trade remedy measure. The TRA assessed whether the quotas for these countries should be re-allocated to avoid a potential shortage of steel in the UK. The Secretary of State for International Trade has accepted the TRA recommendation and the HMRC notice detailing the changes was published on Thursday 30 June. The tariff rate quotas (TRQs) will change from 1 July 2022.

Avoiding a shortfall in critical steel supplies to the UK

As with any safeguard measure, the UK has set quotas for different countries or regions to import a certain amount of steel tariff-free into the UK. Once their quota is exhausted, they have to pay a higher tariff rate. Russia and Belarus between them accounted for around 22% of the UK's supply of rebar. The TRA has recommended reallocating the Russia and Belarus quota to other countries and regions including Ukraine, the EU, Turkey and Taiwan.

TRA Chief Executive Oliver Griffiths said: "We have responded to changes in the international steel market following the Russian invasion of Ukraine. Reallocating quotas currently held by Russia and Belarus will provide UK firms in the construction, engineering and automotive sectors with access to higher volumes of duty-free steel."

What this means for importers and users of steel in the UK

There are two product categories affected by the re-allocation. Category 1 (non-alloy and other alloy hot rolled sheets and strips) are used in yellow goods, construction, tube-making and the production of downstream steel products. Category 13 (rebars) are used in construction, the automotive industry, engineering and white goods manufacture. New tariff rates may apply to imports of steel in these categories, depending on which country they come from.

Wider changes to the steel safeguards measure

The Government confirmed this week in a statement that it plans to maintain steel safeguard tariffs on 15 categories of steel imports for two further years, to 2024. The Trade Remedies Authority completed its analysis of the measure under Government direction after the work was called in by the Secretary of State for International Trade. The TRA's final Report of Findings is available on its public file.

The TRA has also completed two further TRQ reviews related to the steel safeguard measure. These assess:

- whether imports from developing countries exceed 3% of total UK imports, which is the threshold for developing countries to be subject to the safeguard measure
- updates to HMRC data in relation to a small subset of steel product categories.

The TRA's Recommendations on all three TRQ reviews are incorporated in the final TRQ allocations for the safeguard measure and are confirmed in the taxation notice which takes effect from 1 July.

Background information

- The Trade Remedies Authority is the UK body that investigates whether trade remedies measures are needed on imports. Trade remedy investigations were carried out by the EU Commission on the UK's behalf until the UK left the EU.
- Safeguard measures are one of the three types of trade remedies – along with anti-dumping measures which counter goods being 'dumped' into countries at prices below their normal price in their country of origin and countervailing measures against countervailable subsidies – that are allowed under World Trade Organization (WTO) rules.
- Forty-four EU trade remedies measures that were of interest to UK producers were carried across into UK law when the UK left the EU and the TRA needs to review each one to check if it is suitable for UK needs.
- As part of this process, the TRA reviewed a safeguard measure on certain steel products, reporting its recommendation in June 2021. The TRA

recommended that measures should be extended on some steel products but removed on others, where they were not needed. The TRA was subsequently asked to reconsider this decision. The reconsideration was ‘called in’ by the Secretary of State for International Trade. The TRA completed the reconsideration under her direction.

- Tariff Rate Quotas (TRQs) are part of the World Trade Organization (WTO) framework. They specify how much of a product can be imported from a country before its imports are subject to higher tariffs. The UK’s trade remedies system follows WTO rules and is designed to make sure UK industries are not damaged by unfair trade practices or unexpected surges in imports.

- The UK has the power to review its Tariff Rate Quotas on imports covered by safeguard measures to make sure its safeguard measures remain up to date and useful. This is not part of the reconsideration process.

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9-year bankruptcy restrictions for Indian restaurant owner

Rathudi Mahesh Manglanand, 47, from Pontypridd, was a sole trader who ran the Chutney Roti Indian Restaurant in Cardiff.

The restaurant had already ceased trading prior to the beginning of the pandemic and was therefore not eligible for Covid-19 financial assistance schemes.

However, in April 2020 Manglanand applied for a £25,000 grant from his local council and the following month he applied for a £18,000 Bounce Back Loan.

Manglanand subsequently applied for his own bankruptcy in July 2021 at which point the Insolvency Service began investigating and uncovered his misuse of the Covid-19 financial support schemes.

Manglanand accepted that his business had already ceased trading and told investigators that he had been drinking heavily and “was not thinking straight”. He estimated he had lost around £30,000 though gambling in the space of a year.

The Secretary of State for Business, Energy and Industrial Strategy accepted a nine-year bankruptcy restrictions undertaking from Rathudi Manglanand, which commences on 20 June 2022.

In their capacity as Rathudi Manglanand's trustee in bankruptcy, the Official Receiver is assessing assets available in order recover the Covid-19 support funding.

Gavin Seymour, Deputy Official Receiver at the Insolvency Service, said:

> The Covid-19 support schemes generously provided taxpayer money to support genuine businesses and anyone who abused those schemes should expect to be caught and punished.

Notes to editors

Rathudi Manglanand is of Pontypridd and his date of birth is September 1975.

Details of Rathudi Manglanand's undertaking is available on the Individual Insolvency Register

Bankruptcy restrictions are wide ranging. The effects are the same whether you are subject to a bankruptcy restrictions order or to an undertaking. Guidance on the main statutory consequences flowing from a bankruptcy restrictions order or undertaking.

Information about the work of the Insolvency Service, and how to complain about financial misconduct.

Contact Press Office

You can also follow the Insolvency Service on:

Government launches consultation on reforms to the funding arrangements for the Homelessness Prevention Grant for 2023/24 onwards

News story

Government to consult local authorities on reforms that will ensure funding covering 2023/24 onwards is allocated fairly and based on current need.

The government has today (1 July 2022) launched a consultation seeking views from local authorities and other interested stakeholders on a review of funding arrangements and conditions for the Homelessness Prevention Grant for 2023/24 onwards.

The Homelessness Prevention Grant is funding allocated to all local housing authorities in England.

They can use the funding flexibly to support their homelessness and rough sleeping strategies, such as:

- offering financial support for people to find a new home
- working with landlords to prevent evictions
- providing temporary accommodation

The consultation will review a new funding formula based on current homelessness pressures to make sure that funding is distributed fairly to local authorities and is driven by a current picture of need.

The government is also consulting on changing the grant conditions to improve its understanding of how the grant is spent and making the payments in two phases, with the second payment released when accurate data has been returned.

The consultation will run for 8 weeks. Funding allocations will be finalised and announced later this year.

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[10 year ban for director of online hair and beauty business]

Grigorijs Hacaturjancs, 34 and originally from Latvia, has been disqualified as a director for 10 years after fraudulently claiming a £50,000 Bounce Back Loan.

Grigorijs Hacaturjancs was director of Beauty&Melody Shop Ltd which was incorporated in 2015 and operated as an online retailer for hair and beauty products. The company was not related to the London-based chain of hair and beauty salons of the same name.

Despite company accounts showing that the company had ceased trading in 2019 and had shut down its website, Hacaturjancs applied for a £50,000 Bounce Back Loan (BBL) in May 2020 on behalf of the company.

Businesses were only eligible for support through the BBL scheme if they had been adversely impacted by the pandemic lockdown, meaning online-only retailers such as Beauty&Melody could not apply.

In addition to Hacaturjancs' business being ineligible, he inflated the company's turnover on the BBL application in order to secure the maximum £50,000 available through the scheme.

Beauty&Melody went into voluntary liquidation in July 2021 shortly after which the liquidator passed on concerns to the Insolvency Service regarding Grigorijs Hacaturjancs' conduct.

Investigators discovered that the last sale by Beauty&Melody was on 23 March 2019, with no further money being paid into the company bank account after that date until the receipt of the £50,000 Bounce Back Loan in May 2020.

Just two weeks after this, a payment of nearly £50,000 was made to a company based in Slovakia. Hacaturjancs told investigators that this was to a company supplier, although Beauty&Melody had never done business with this company before, and it received no goods or services in return for the payment.

The Secretary of State for Business, Energy and Industrial Strategy accepted a disqualification undertaking from Grigorijs Hacaturjancs, after he admitted his company had been insolvent in 2019 on a balance sheet basis and also that he did not carry out adequately checks on the new Slovakia-based supplier.

His disqualification is effective from 12 July 2022 and lasts for 10 years.

The disqualification undertaking prevents Hacaturjancs from directly, or indirectly, becoming involved in the promotion, formation or management of a company, without the permission of the court.

Dave Elliott, Chief Investigator at the Insolvency Service said:

> Mr Hacaturjanc’s disqualification should act as a deterrent to others who think they can profit by obtaining taxpayer-backed loans to which they are not entitled.

The liquidator has determined that Hacaturjancs has no personal assets, however the possibility of applying for a compensation order will remain under review.

Notes to editors

Grigorijs Hacaturjancs is a Latvian national and his date of birth is February 1988.

Beauty&Melody Shop Ltd (Company number 09639900). The company traded online from https://www.beautyandmelody.shop.

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 other restrictions].

[Information about the work of the Insolvency Service, and how to complain about financial misconduct].

Contact Press Office

You can also follow the Insolvency Service on:

[Thousands of rural primary schools to get huge broadband upgrade]

- £82 million investment will help an estimated half a million primary school children
- Scheme will also encourage roll out of better broadband to surrounding rural homes and businesses

Hundreds of thousands of pupils living in the countryside will enjoy lessons powered by better digital connections as the government invests to level up internet access in rural primary schools.

A joint £82 million investment from the Department for Digital, Culture, Media and Sport (DCMS) and Department for Education (DfE) announced today will mean pupils in classrooms from Cornwall to Cumbria will reap the benefits of full fibre broadband capable of delivering up to 1,000 megabits per second.

This means an estimated 500,000 primary school pupils will be able to use the internet with no interruptions, even if multiple classes are using it at the same time. They will benefit from being able to link up with others anywhere in the world to learn from one another, with access to an ever-growing library of online tools designed to make lessons more fun and engaging.

Over the next three years, up to 3,000 eligible schools will be able to embrace efficiencies through modern ways of working – generating cost savings and reducing workload for frontline professionals. The programme will cover the costs of connecting rural schools not likely to be connected by commercial rollout currently stuck on outdated copper cables.

Digital Secretary Nadine Dorries said:

> Children's opportunities in school should not be pre-determined by where they grow up.
>
> Today we're announcing millions of pounds to get lightning fast broadband connections to rural schools and level up children's access to the best possible teaching.
>
> Teaching has been revolutionised by digital technology and we need to make sure all pupils can benefit from the opportunity it brings.

Schools Minister Robin Walker said::

> High speed, reliable internet is crucial to helping schools provide the best possible experience for pupils. This investment will open a whole world of possibilities for schools and teachers in hard-to-reach areas, whether that is through more access to online resources for children, or fast, top quality video streaming.
>
> It is more important now than ever for schools to be connected and this welcome investment comes on top of the programme of upgrades to connectivity and Wi-Fi that we are delivering through our Priority Education Investment Areas.

Russell David, Head of The Acorns and Whitley Village Federated School in Ellesmere Port, which has already been connected to gigabit broadband through Project Gigabit, said:

> Our pupils now feel more connected to each other, their teachers and our community than ever before.
>
> Fast, reliable connectivity is vital in today's classrooms and gigabit broadband, along with the fantastic new WiFi provided through the Connect the Classroom programme, has allowed us to transform how we teach using the latest educational tech, giving pupils and staff access to a huge library of new tools and resources to thrive and engage with the curriculum.
>
> Our remote location is no longer a constraint to our participation with the rest of the Rowan Learning Trust in our exciting journey.

Funding for up to 2,000 schools will be from the DCMS GigaHubs programme, which is part of Project Gigabit, the government's £5 billion programme to deliver lightning-fast, reliable broadband in hard-to-reach areas of the UK. The scheme is set to connect up to 7,000 rural public sector buildings including schools, GP surgeries, libraries and other public buildings.

The new infrastructure will bring gigabit-capable connections (1,000 megabits per second) to the heart of communities, incentivising more investment in hard-to-reach areas and providing 'hubs' from which the commercial sector can connect surrounding homes and businesses.

An additional 1,000 schools will be funded by DfE as part of their mission to enable every school in England to access high-speed internet by 2025.

To ensure teachers and schools can make the most of these connections in the classroom, DfE is also investing £30 million in the pilot project 'Connect the Classroom', which aims to upgrade technology in thousands more schools in priority areas, meaning pupils will benefit from fast Wi-Fi and cloud services and will be able to link up with peers, experts and specialists in countries from around the world via live video calling.

The government is investing in 'Connect the Classroom' in its Priority Education Investment Areas, 24 areas of the country where education outcomes are weakest and support is being targeted.

The delivery of new gigabit connectivity also underpins the government's net zero ambitions – helping schools to move away from inefficient locally-hosted servers and embrace more efficient and secure cloud data storage, services and devices.

ENDS

A regional breakdown of the number of schools to benefit will be determined at the time of procurement, with costs also determined by local factors established at the project's next stage. An engagement exercise will take place over the coming months with all eligible schools, and procurement will begin in the autumn term.

This announcement of £82m has been calculated using the average site cost from the Rural Gigabit Connectivity programme, a precursor to GigaHubs. The programme connected around 1000 sites of which 530 were rural English schools.

The potential number of sites included in the project (up to 3,000) has been calculated by comparing a DfE list of rural schools supplied to DCMS GigaHubs eligibility criteria – this provides DCMS-funded project numbers of around 2,000 schools, while DfE will be funding around 1,000 further sites.

Project Gigabit

Project Gigabit is the government's flagship £5 billion programme to connect hard-to-reach communities unlikely to be connected through commercial rollout, meaning families no longer having to battle over bandwidth and people in rural areas can have the freedom to live and work more flexibly, helping businesses to grow and vital public services to thrive.

The faster connections delivered by the scheme have been levelling up rural communities across the UK: enabling businesses to grow by using digital technology to boost their productivity and giving people living in more remote areas better access to good jobs.

GigaHubs

Over the next 3 years, up to £110m of government funding will be invested into providing gigabit connectivity to up to 7,000 rural public sector buildings including schools, GP surgeries, libraries and other public buildings. This will deliver a range of benefits, such as enabling clinicians to provide remote video consultations and allowing whole classes of schoolchildren to be online, at once, with no interruptions.

The GigaHubs model works by providing funding towards infrastructure build for eligible public sector buildings which meet qualifying criteria set by BDUK and where investment cases are clear.

Priority Education Investment Areas – 'Connect the Classroom'

The government's Priority Education Investment Areas are: Blackpool, Bradford, Derby, Doncaster, Fenlands and East Cambridgeshire, Halton, Hartlepool, Hastings, Ipswich, Knowsley, Liverpool, Middlesbrough, North Yorkshire Coast, Norwich, Nottingham, Oldham, Portsmouth, Rochdale, Salford, Sandwell, Stoke-on-Trent, Tameside, Walsall, West Somerset.