# News story: Sir Michael Barber report into improving value in public spending published

Sir Michael Barber has published his report into how central government can ensure it is delivering maximum value for every pound spent on our hospitals, schools and other essential services.

The <u>review</u> sets out a practical, new approach to the understanding of public sector productivity and how it can be addressed in government. It aims to ensure that ongoing improvements in the delivery of public services become firmly embedded in daily working practice.

Chief Secretary Elizabeth Truss said:

Great public services unleash technology, creativity and ideas that improve lives. We are already focusing on ensuring our brilliant public sector workers can lead in transforming what they do. Alongside that, we must ensure every pound of public spending is as effective as possible. Sir Michael's report is a vital step as we aim to create a culture of public services that continuously improve.

#### Sir Michael Barber said:

There have been many efforts to make government more efficient in recent decades. Some of them have been very valuable but, once they are over, business as usual returns. The aim this time is to embed a new approach to productivity in the day-to-day working of government. That means changing how Treasury and departments work together to maximise public value. I have been very encouraged by the enthusiasm of ministers and officials for this new approach.

Announced at Spring Budget 2017, Sir Michael and the project team have explored how government understands and measures impact for each taxpayer pound spent on public services. The Public Value Review advises on the best ways to encourage ongoing improvements and better, more productive public services.

The central recommendation is for government to introduce a new Public Value Framework, that will be used by government to measure the likelihood that public spending will turn into results that improve people's lives. This Framework will set the agenda for dialogue between Treasury and departments.

The report also recommends:

- further improvements in data systems so that departments are better able to monitor the impact of public expenditure
- embedding incremental improvement or marginal gains in the way government works
- encouraging departments to put forward innovations that could improve outcomes at no extra cost, through, for example, the application of technology

The project team have consulted widely across government and with international experts in developing this approach.

The government will respond to Sir Michael's report in Autumn Budget.

## Press release: PM meeting with Irish Taoiseach Leo Varadkar: 17 November 2017

Prime Minister Theresa May and Irish Taoiseach Leo Varadkar this morning met for talks at the Gothenburg Social Summit.

The two leaders held constructive discussions on Brexit and looked forward to making further progress in the run-up to the December European Council.

On Northern Ireland, the PM was clear that the Belfast agreement must be at the heart of our approach and that Northern Ireland's unique circumstances demand specific solutions.

The PM said it was important to protect progress made in Northern Ireland over recent years. Both leaders agreed to work together to find solutions which ensure there is no return to the borders of the past.

The PM and Taoiseach reiterated that they want to see the Northern Irish executive re-established as soon as possible. They committed to continuing to work together with the parties to achieve that.

### Press release: 7 year ban for Leicestershire director for under declaring VAT

On 11 September 2017, the Secretary of State for Business, Energy, & Industrial Strategy, accepted a disqualification undertaking from Ms Townsend from 2 October 2017 for 7 years.

The company went into liquidation on 6 April 2016 owing £110,236 to creditors, of which £58,522 related to Value Added Tax (VAT).

The unfit conduct that led to Ms Townsend giving the undertaking was that she submitted incorrect VAT returns to HM Revenue & Customs (HMRC) which resulted in the company receiving £21,588 in VAT reclaims whereas at least £30,542 should have been paid to HMRC equivalent to an under declared amount of at least £52,130.

Martin Gitner, Deputy Head of Investigations with the Insolvency Service said:

Under-declaration of the VAT due by a company deprives the exchequer of the monies needed to provide public services. In cooperation with HMRC, the Insolvency Service will not hesitate to investigate such misconduct with disqualification as a director the likely outcome.

Ms Christie Elizabeth Townsend, date of birth October 1947 and she resides in Wigston.

Greendeal Helpline Limited was incorporated on 7 February 2012. The company traded as a lead generator.

Ms Townsend was a director from 7 February 2012 to liquidation.

The Company went into Creditors Voluntary Liquidation on 6 April 2016 with an estimated deficiency of £106,721.

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 <u>range of other</u> restrictions

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>.

You can also follow the Insolvency Service on:

#### <u>Press release: Figures don't add up</u> <u>for banned Merseyside directors</u>

Following an Insolvency Service investigation, the Secretary of State for Business, Energy and Industrial Strategy accepted a disqualification undertaking from Alan Verinder effective from 31 October 2017.

Disqualification undertakings were also accepted from Ross Verinder, Graham Rummens and Carol Verinder who were also directors of the company, for allowing Alan Verinder to increase the debt he owed to the company when the company was unable to pay its debts owed to HM Revenue and Customs (HMRC).

Ross Verinder, a licensed financial advisor, and Graham Rummens, a chartered certified accountant, have been disqualified for a period of three years each which will take effect on 24 November 2017. Carol Verinder has been

disqualified for a period of two years with effect from 31 October 2017.

V&AES Limited operated as a payroll company for subcontractors working for third party companies. As such it was paid gross sums in bulk by third party companies and would be responsible for deducting PAYE from their employees and paying it to HMRC on their behalf. It had minimal tax liabilities in respect of its own employees but significant amounts due in respect of the sub contractors.

The Insolvency Service's investigation found that from 1 September 2012, when V&AES Limited was unable to pay its debts to HMRC as and when due until 13 February 2014 when the company went into liquidation, Alan Verinder caused the company to make payments to directors and connected businesses of £406,240 and therefore breached his duty to act in the best interests of the company by increasing his borrowings from the company from £22,125 to £163,091.

During this time debts owed to HMRC increased from £53,974 to £395,274.

As a result, the payments to the directors and connected businesses were at the risk of HMRC.

In June 2016 Alan Verinder paid £210,000 to the liquidator of V&AES in full and final settlement of his director's loan account and the payments that had been made to connected businesses.

Robert Clarke, Head of Insolvent Investigations North at the Insolvency Service, said:

Directors who put their own personal financial interests above those of creditors damage confidence in doing business and are corrosive to the health of the local economy.

These bans should serve as a warning to other directors tempted to help themselves first; you have a duty to your creditors and if you neglect this duty you could be investigated by the Insolvency Service and lose the privilege of limited liability trading.

Alan Lovell Verinder's date of birth is 8 September 1948 and he resides in Merseyside.

Carol Ann Verinder's date of birth is 19 November 1949 and she resides in Merseyside.

Ross Kenneth Verinder's date of birth is 11 March 1978 and he resides in Merseyside.

Graham John Rummens' date of birth is 4 February 1978 and he resides in Merseyside.

V&AES Limited (CRO No. 07513460), formerly known as Verinder & Associates Employee Services Limited until 29 November 2013, was incorporated on 2 February 2011 and latterly traded from 1-3 Crosby Road South, Waterloo, Liverpool, Merseyside, L22 1RG.

Alan Verinder was a director from 2 February 2011 until 13 February 2014.

Carol Verinder was a director from 2 February 2011 until 13 February 2014.

Ross Verinder was a director from 2 February 2011 until 29 November 2013.

Graham Rummens was a director from 2 February 2011 until 29 November 2013.

The company went into voluntary liquidation on 13 February 2014 with an estimated deficiency of £201,980.

On 10 October 2017 the Secretary of State accepted a disqualification undertaking from Alan Verinder, effective from 31 October 2017, for a period of four and a half years. The matters of unfitness, which Alan Verinder did not dispute in the disqualification undertaking were that from at the latest 01 September 2012 when V&AES was unable to pay its liabilities to HM Revenue and Customs as and when due, Alan Verinder breached his fiduciary duty by allowing an overdrawn director's loan account to increase from £22,125 to £163,091 while liabilities to HMRC increased from £53,974 to £395,274

On 10 October 2017 the Secretary of State accepted a disqualification undertaking from Carol Verinder, effective from 31 October 2017 for a period of 2 years. The matters of unfitness, which Carol Verinder did not dispute in the Disqualification Undertaking, were that from at the latest 01 September 2012 when V&AES was unable to pay its liabilities to HM Revenue and Customs as and when due, Carol Verinder breached her fiduciary duty by allowing an overdrawn director's loan account to increase from £22,125 to £163,091 while liabilities to HMRC increased from £53,974 to £395,274.

On 3 November 2017 the Secretary of State accepted disqualification undertakings from Ross Verinder and Graham Rummens, effective from 24 November 2017 for a period of 3 years each. The matters of unfitness, which Ross Verinder and Graham Rummens did not dispute in the disqualification undertakings, were that they relied upon the Managing Director of V & AES who was principally involved in the day to day management, but accept that they failed to take sufficient steps, and as a result from at the latest 1 September 2012 when V & AES was unable to pay its liabilities to HMRC as and when due until 29 November 2013 when they resigned as directors, they breached their fiduciary duties by allowing an overdrawn Director's Loan Account to increase from £22,125 to £204,424 while liabilities payable to HMRC increased from £53,974 to £247,932.

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### Speech: Reviewing Public Health England's data collection

Professor Keith McNeil, Chief Clinical Information Officer for Health and Care, on his review of Public Health England's data collection.

As Chief Clinical Information Officer for Health and Care, and Chair of the National Information Board, I was asked to independently review Public Health England's (PHE) data collections to determine whether they should and could be managed in future by NHS Digital.

Following extensive engagement with stakeholders across the health and care system, including staff in both PHE and NHS Digital, I am very happy to publish my <u>review of Public Health England's data collection and data management functions</u>.

How these recommendations are implemented is crucial. Colleagues in the Department of Health, PHE and NHS Digital have worked closely to develop a high-level implementation plan, which is published alongside my report. I am pleased that this shows that real momentum is behind implementation, and that a joint working group is being set up with representation from PHE, NHS Digital and the Department of Health to collaboratively oversee the work.

There is a real opportunity to gain maximum value from data, including maximising functionality and linkages across the system. Implementation of the recommendations in my review will help to rationalise data collections across NHS Digital and PHE, securing best value for the taxpayer.

Key to implementation will be using this as an opportunity to enhance the functionality of data collections wherever possible and to ensure that all data and information collected is translated into practical intelligence that improves health outcomes.