

Press release: UK Market Supports Half A Million Scottish Jobs

More than half a million Scottish jobs – around one in four – depend on Scotland's trade with the rest of the UK, new research published today reveals. That is more than four times as many jobs supported by EU trade.

The figures from the Fraser of Allander Institute show:

- around 530,000 jobs in Scotland (nearly one in four of all jobs) are supported by demand for Scottish goods and services from the rest of the UK;
- more than 175,000 jobs in Scotland are supported by export demand from the rest of the world; and
- around 125,000 jobs in Scotland supported by export demand from the rest of the EU.

Secretary of State for Scotland David Mundell said:

More than half a million Scottish jobs depend on being able to trade freely within the UK. These figures demonstrate clearly the value of the UK market to Scottish businesses – which is worth four times that of the EU market. As we leave the EU, it is vital we maintain the integrity of the UK market and prevent any new barriers to doing business across the UK.

We have seen recent worrying figures showing the Scottish economy contracting, compared to the UK economy growing overall. So, at this time, it is more important than ever that Scotland's two governments work together for the benefit of people in Scotland. That is what people in Scotland expect, and to what I am committed.

The UK Government is working closely with the Scottish Government to help boost the Scottish economy. That includes our new industrial strategy, UK City Deals and a £1.2 billion funding boost for Scotland.

Around two thirds of Scottish jobs supported by exports to the rest of the UK are in the services sector (more than 328,000 jobs), and just under one third are in manufacturing and construction (more than 150,000 jobs).

The new research confirms the importance of Scotland's trade with the rest of the UK, the value of which is worth four times that of the country's exports to the EU. Scotland sells goods and services worth £49.8 billion to the rest of the UK, and £12.3 billion to the EU. Today's figures show that more than four times as many Scottish jobs are supported by UK trade compared to EU trade.

The research, 'Employment supported by Scottish Export Demand', commissioned by the UK Government, is available from the [Fraser of Allander Institute](#).

The Scottish Government paper, [Export Statistics Scotland](#), published earlier this year shows the value of Scottish exports.

The latest [Scottish GDP figures](#), published by the Scottish Government earlier this month, showed that the output of the Scottish economy contracted by 0.2 per cent during the latest quarter.

The UK Government's [Industrial Strategy](#) was published earlier this year and sets out how we are building an industrial strategy to deliver a high-skilled, competitive economy that benefits people throughout the UK.

[Statement to Parliament: Sale of Green Investment Bank](#)

The government is announcing today the sale of the UK Green Investment Bank plc (GIB) to Macquarie Group Limited (Macquarie), with a £2.3 billion deal which secures a profit on the government's investment in the bank, provides value for taxpayers and ensures GIB continues its green mission, in the private sector.

GIB has been a real success story since it was created in 2012 – the world's first dedicated green investment bank, established to accelerate private sector investment into the UK green economy. It has fulfilled that mission, supporting almost 100 green infrastructure projects in the UK so far, and attracting £3 of third party funding for every £1 it invests. It has shown, as it set out to do, that green investment can be both green and profitable. Having demonstrated its success, the government decided to move GIB into the private sector where it can continue its success on an even greater scale.

The deal, secured through a competitive process as set out in a report to Parliament on 3 March 2016, will meet the objectives outlined by government of securing value for money for the taxpayer while ensuring GIB continues its green mission, free from the constraints of public sector ownership. It has the backing of GIB's independent board.

Under the ownership of Macquarie, one of the largest infrastructure investors in the world, GIB will invest more into the green economy than ever before, with £3 billion of new investment targeted over the next 3 years, exceeding GIB's track record of committing £3.4 billion of investment over the 4 and a half years since it was founded. GIB will become the primary vehicle for Macquarie's renewable energy investment in the UK and Europe, allowing GIB to expand internationally.

Macquarie has today published a series of commitments over the future of GIB under their ownership, including that GIB's green purpose and green objectives will be maintained. This is in line with the 'special share' in GIB to safeguard GIB's green purposes, which will be held by 5 independent trustees who will have the power to approve or reject any proposed change to GIB's green mission.

Macquarie has also committed to continue GIB's investment approach, targeting investments across all areas of the green economy and across all stages of the project lifecycle, including the critical phases of development and construction. This will ensure GIB remains a specialist green investor supporting renewable energy investment and emissions reduction in the UK.

Macquarie is committed to maintain the GIB platform and brand, and to utilise the skills and experience of GIB employees in Edinburgh and London. GIB's Edinburgh office will be home to a new revenue generating project delivery business providing services to the green energy portfolios of GIB and Macquarie in the UK.

The transaction value of around £2.3 billion ensures that on completion, all taxpayer funding invested in GIB has been returned with a substantial profit. This comprises proceeds from the sale of around £1.7 billion, with a further £0.6 billion of GIB's current outstanding commitments which will be met by Macquarie and its partners, rather than by taxpayers.

As part of the transaction, a number of GIB's offshore wind assets will be moved into a new offshore wind investment vehicle, which GIB will manage and hold a 25% stake. Investors in this investment vehicle will be long-term institutional investors Macquarie European Infrastructure Fund 5 (MEIF5) and the Universities Superannuation Scheme (USS). This type of transaction structure matches GIB's existing approach to asset ownership, providing a mechanism for long-term institutional investors to invest in low carbon projects while ensuring GIB can recycle its capital into new green investments.

The government will continue to hold a £130 million portfolio of a small number of GIB's existing investments. This portfolio will continue to be managed by GIB until these investments can be sold on in a way which returns best value for taxpayers' money.

The government would like to put on record its gratitude to GIB management and staff, who have all played a key role in GIB's success, and who have worked tirelessly and professionally to support the sale process while continuing to source and finance green projects across the UK.

The sale proceeds will be received on completion of the transaction, which is expected to take around 2 months. The transaction is conditional on certain regulatory approvals including EU merger clearance. Under the Enterprise Act 2016, government is required to provide a full report to Parliament on completion of the transaction.

Press release: Green Investment Bank to boost support for low carbon projects as government confirms sale to Macquarie

- under Macquarie's ownership GIB will look to invest at least £3 billion of new investment into green economy over the next 3 years
- £2.3 billion deal will meet government requirements for a sale, providing value for the taxpayer while ensuring GIB continues its green mission in the private sector
- the deal has the backing of GIB's independent board

The [UK Green Investment Bank plc \(GIB\)](#) will look to invest at least £3 billion into the green economy after a deal was agreed to sell it to Macquarie Group Limited (Macquarie), Climate Change and Industry Minister Nick Hurd confirmed today (20 April 2017).

The deal, which has the backing of GIB's independent board, was secured through a competitive process and will meet the objectives government outlined when it launched the sales process last year. As well as securing value for money for the taxpayer and freeing GIB from the constraints of public sector ownership, it will enable GIB to grow its support for green projects.

Nick Hurd Climate Change and Industry Minister said:

The Green Investment Bank has been very successful in attracting private capital to the UK's green economy. It now makes sense to move it into the private sector where it will be free from the constraints of public sector ownership, allowing it to build further on its success.

This deal gives us the best of both worlds. We have secured fair value for the UK taxpayer. GIB has a well-funded new owner that is committed to the Bank's green mission, with a track record of success in green investment and an ambition to grow the business. The UK will benefit from increased investment in our green infrastructure as we make the transition to a green economy.

Today's sale to Macquarie, with a transaction value of around £2.3 billion, ensures that on completion, all taxpayer funding invested in GIB since its creation, including set-up costs, has been returned with a profit.

Lord Smith of Kelvin, chair of GIB's independent board said:

There is a compelling logic in the world's first green bank joining forces with the world's largest infrastructure investor. When we embarked on this process, we were determined to find a new owner who would build on GIB's successful history – an owner who would have access to deep pools of capital, a commitment to expand GIB's activities, and a respect for the unique role GIB has played in the market. Macquarie will bring all of this to GIB, along with its own impressive track record of green investments. Its vision for the future growth of GIB demonstrates a redoubling of its commitment to a low carbon economy.

Launched in 2012, GIB has been a huge success story, supporting nearly 100 green infrastructure projects in the UK to date. For every £1 it has invested, it has attracted another £3 of third party capital.

GIB will become the primary vehicle for Macquarie's renewable energy investment in the UK and Europe, with a commitment to target £3 billion of new green infrastructure investment over the next three years, exceeding GIB's track record of committing £3.4 billion of investment over the 4 and a half years since it was established.

Macquarie has published today a series of commitments for the future of GIB under its ownership, including:

- maintaining GIB's green purpose and green objectives, in line with the 'special share' arrangements to safeguard GIB's green purpose which will be held by five independent trustees
- maintaining the GIB platform and brand, and to utilise the skills and experience of GIB employees in Edinburgh and London
- GIB's Edinburgh office will be home to a new revenue generating project delivery business providing services to the green energy portfolios of GIB and Macquarie in the UK

David Fass, CEO EMEA, Macquarie Group, said:

The addition of the Green Investment Bank, its people and expertise, strengthens Macquarie's commitment to the green energy sector. Our combined platform will build on the legacy of the Green Investment Bank and, alongside our knowledge of energy and infrastructure, will open further opportunities in low carbon investment both in the UK and further afield. We are excited by a business that will take a leading role in the green economy using the specialist knowledge of our teams in Edinburgh and London.

As part of the transaction, a number of GIB assets will be moved into a new offshore wind investment vehicle which will be managed by GIB, which will retain a 25% stake. Investors in this investment vehicle will be long-term

institutional investors Macquarie European Infrastructure Fund 5 (MEIF5) and the Universities Superannuation Scheme (USS).

This transaction structure matches GIB's existing approach to asset ownership following its success in raising a £1 billion offshore wind fund and selling three GIB assets into that fund. GIB was established to accelerate investment in new green energy projects, not to be a long-term owner of operating projects.

The government will continue to hold a £130 million portfolio of a small number of GIB's existing green infrastructure investments. These assets will continue to be managed by GIB until they are sold on in a way which returns best value for taxpayers' money.

Since 2010, Macquarie and its managed funds have invested or arranged more than £8.5 billion of capital into green energy projects globally. In the UK, Macquarie is involved in a number of green energy projects in offshore wind, solar, waste and bioenergy and tidal energy.

The deal will support GIB's international expansion into Europe and developing countries. As part of this, Macquarie is committed to supporting the UK Climate Investments Initiative, a £200 million pilot joint venture between GIB and the government, established to invest in renewable energy and energy efficiency projects in developing countries.

1) Completion of the transaction is conditional on certain regulatory approvals including EU merger clearance and is expected to take around 2 months.

The total value of the transaction at the date of signing is £2.3 billion, which comprises:

- £1.7 billion transaction price
- £0.6 billion estimated future funding commitments for existing GIB projects

At completion, the total value of the transaction will adjust for any further GIB investments made between signing and completion, together with an interest rate applied between the dates of signing and completion.

The total government funding provided to GIB since 2012 is £1.5 billion. The transaction price at the date of signing represents a £160 million (approximate) premium on total government funding.

2) The Green Purposes Company was established on 2 February 2016 to hold a 'special share' that safeguards the green mission of the GIB once it moves from UK government ownership into the private sector. The trustees will formally take up their role on completion of the sale. The nominated trustees are:

- Tushita Ranchan (Chair), experienced green infrastructure investor and former CEO of a renewable energy company
- James Curran – former CEO of Scottish Environment Protection Agency

- Trevor Hutchings – previously a senior civil servant at the then Department of Energy and Climate Change (DECC) and currently Director of Advocacy at WWF
 - Robin Teverson – chair of House of Lords EU select sub-committee, Energy and Environment
 - Peter Young – environmentalist and former Chair, Aldersgate Group
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[Press release: 12-year bankruptcy restriction for man who ran failed £8.5m spread betting scheme](#)

Mr Mudge obtained over £8.5 million from investors for his failed spread betting scheme – the Churchgate Trading Syndicate – between June 2009 and February 2012. An investigation by a specialist team at the Insolvency Service found that investors were promised ‘guaranteed’ returns of 15 per cent every quarter and told their money would be used to trade spread bets.

The Financial Conduct Authority (FCA) obtained interim injunctions against Mr Mudge in February 2012, freezing his assets and preventing him from operating the syndicate.

In a settlement reached in September 2013, Mr Mudge acknowledged that by operating the syndicate without FCA authorisation, he broke the law. The High Court subsequently ordered him to pay £7,010,000 to the FCA to distribute to the Syndicate’s investors.

Mr Mudge was made bankrupt after failing to pay any money to the FCA. Other sums recovered by the FCA funded a small pro-rata return to the investors; they have, nevertheless suffered substantial losses.

Following his bankruptcy on 9 December 2014, the Official Receiver further investigated Mr Mudge’s conduct and on 3 February 2017, the County Court at Cardiff made a bankruptcy restrictions order against him for 12 years.

Commenting on the bankruptcy restrictions order, Ken Beasley, Official Receiver at the Insolvency Service said:

This case is a prime example of the losses that can be incurred via an investment scheme that looks too good to be true. Investors lost over £7,000,000 and Mr Mudge will face severe financial restrictions lasting for 12 years.

Bankruptcy restrictions orders and undertakings are central to

protecting not only the bankruptcy process, but the people and organisations owed money who suffer financially from irresponsible or unscrupulous behaviour.

Mark Stuart, executive director of enforcement and market oversight at the FCA, said:

Churchgate is one of several unauthorised spread betting schemes we've investigated where investors have lost large amounts of money. Spread betting on shares and currencies can be very risky, and it is illegal for someone to trade them in this way on behalf of investors without FCA approval.

We urge investors to check the FCA register before handing over any money for this type of investment, and be very wary of anyone promising high or guaranteed returns on this type of investment – these are often the hallmarks of a scam.

Mr Mudge's period of bankruptcy restriction means that he cannot promote, manage, or be a director of a limited company until February 2029. Further restrictions include that:

- he must disclose his status as a person subject to bankruptcy restrictions to a credit provider if he wishes to get credit of £500 or more
- he may not act as an insolvency practitioner, or as the receiver or manager of the property of a company

Mr Mudge's sanction follows investigation by the Official Receiver at Public Interest Unit (North), a specialist team of the Insolvency Service.

The Official Receiver's investigation found that in addition to acting in breach of the Financial Services and Markets Act 2000, Mr Mudge effectively operated the trading syndicate as a scheme where capital and interest repaid to investors was paid out of the capital payments made by other investors. This gave the impression that the trading syndicate was generating such returns through trading whereas it made significant losses through spread betting.

Notes to editors

Stuart Carl Mudge is of Newport, Gwent and his date of birth is March 1956.

Mr Mudge is therefore bound by the restrictions set out in insolvency law that a bankrupt is subject to until they are discharged from bankruptcy – normally 12 months – until 2029. In addition, he cannot manage or control a company during this period without leave of the court.

The Bankruptcy Restrictions Order was pronounced by HH Judge Keyser, QC, on 3 February, with Mr Mike Smith, Deputy Official Receiver appearing for the Official Receiver and the bankrupt appearing in person. If the Official Receiver considers that the conduct of a bankrupt has been dishonest or blameworthy in some other way, he (or she) will report the facts to court and ask for a Bankruptcy Restrictions Order (BRO) to be made. The court will consider this report and any other evidence put before it, and will decide whether it should make a BRO. If it does, the bankrupt will be subject to certain restrictions for the period stated in the order. This can be from 2 to 15 years.

The bankrupt may instead agree to a Bankruptcy Restrictions Undertaking (BRU) which has the same effect as an order, but will mean that the matter does not go to court.

These are restrictions set out in insolvency law that the bankrupt is subject to until they are discharged from bankruptcy – normally 12 months and include that bankrupts:

- must disclose their status to a credit provider if they wish to get credit of more than £500
- who carry on business in a different name from the name in which they were made bankrupt, they must disclose to those they wish to do business with the name (or trading style) under which they were made bankrupt
- may not act as the director of a company nor take part in its promotion, formation or management unless they have a court's permission to do so
- may not act as an insolvency practitioner, or as the receiver or manager of the property of a company on behalf of debenture holders

Additionally, a person subject to a Bankruptcy Restrictions Order/Undertaking or a Debt Relief Restrictions Order/Undertaking may not be a Member of Parliament in England or 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 [available](#).

Media enquiries for this press release – 020 7674 6910 or 020 7596 6187

You can also follow the Insolvency Service on:

[News story: British Embassy Budapest is moving to a new address](#)

The Embassy is moving to 5-7 Füge utca and is closed until 25 April.

On the 20 April the British Embassy moves out of its building in Harmincad utca after 70 years. We move into an office building at 5-7 Füge utca in the second district of Budapest. This building, which used to be the Dutch Embassy, has been completely renovated to provide the British Embassy, its staff and visitors a modern and fit for purpose working environment.

The Embassy reopens on 25 April, our phone numbers and email addresses remain the same.

In case of consular emergency call the following number: 0036 1 266 2888 except for 20 April when you should call our temporary phone number: 0044 1908 51 6666