Latest ESFA senior staff changes

News story

An update from Eileen Milner, ESFA chief executive, on senior staff moves in the agency

Education & Skills
Funding Agency

Eileen Milner, ESFA chief executive said:

> ESFA's Director of Funding, Kate Josephs, has been asked to take up a Director General role in the Cabinet Office dealing with the Government response to COVID-19, with immediate effect.
>
> Kate has been responsible for leading and overseeing the creation and operation of a single Funding Operations Centre of Excellence responsible for schools, academies and post-16 funding. This includes the allocation of all schools and academies funding including the national funding formula, the post-16 funding agenda, apprenticeships funding and adults skills funding. In addition to her to role of Director of Funding, Kate has also been the lead Director of ESFA's COVID-19 core team. She has expertly balanced two very demanding roles and has done so with great skill and capability.
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> From Thursday 16 July John Edwards, the Regional Schools Commissioner for East Midlands and the Humber, will be moving across to join ESFA as the new Director of Funding. John brings with him a wealth of experience as an RSC and in local government. I know he is very much looking forward to working with the directorate team and stakeholders to continue to develop an efficient and user-centred approach across the agency's funding responsibilities.
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> I wish Kate and John all the very best as they step into their new roles.

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UK Space Agency, European Space Agency and DCMS open call for proposals on 5G and space

The UK Space Agency, European Space Agency (ESA) and DCMS have joined forces to invite companies to submit ideas for how they can use 5G terrestrial and space technology to support the UK's logistics businesses – from rail to ports, from DPD to Amazon.

A digital presence and the need to be connected is intrinsic to modern life and in recent times, new digital networks have increasingly been replacing old physical infrastructure as ever more services migrate online. The rollout of 5G networks will play a vital role in supporting faster connectivity across the country and innovative new systems, such as the Internet of Things.

COVID-19 has reaffirmed just how important logistics companies are in not just the UK, but across the world – keeping us connected and providing vital services like food to people's homes and medical deliveries to people's hospitals.

The Call for Proposals launched today will seek out proposals from businesses for how ESA, the UK Space Agency and DCMS can use space technology to support the logistics sector in a 5G environment, and in doing so, increase the connectivity and close the digital divide for businesses in this sector.

Catherine Mealing-Jones, Director of Growth at the UK Space Agency, said:

> This is a great initiative to show how together we can work to help close the digital divide. Access to constant connectivity regardless of location offers huge benefits.

> We've seen through the current pandemic, that logistics are vital to keeping the country going and space technology is a key part of making that happen.

Magali Vaissiere, ESA Director of Telecommunications and Integrated Applications said:

> This is a great opportunity for ESA to join forces with DCMS and UK Space Agency and prove the key role that satellite communications will play in the future converged 5G networks.

> In the context of the ESA 5G Strategic Programme Line, this Call for Proposals is intended to stimulate the emergence of sustainable applications relying on innovative 5G solutions, starting from the logistics sector.

This Call for Proposals follows the Memorandum of Intent signed in December 2019 by ESA and DCMS, designed to support the emergence of commercially viable products and services enabled by the deployment of converged 5G terrestrial and space networks.

The UK already hosts the European Centre for Space Applications and Telecommunications in Harwell, Oxfordshire, and the European Space Agency announced at the end of June that it is to open a new 'space tech incubation unit' in Leicester to help start-ups access the expertise they need, whether it be from university research to large corporations.

This is one of a number of business incubation centres across the UK supporting entrepreneurs and innovators who want to join our growing space sector.

Government plan new changes to criminal records disclosure regime

The government has announced it intends to make changes to the criminal records disclosure rules to ensure the right balance is struck between rehabilitating offenders and protecting the public.

Today, the government has laid a Statutory Instrument to amend the filtering rules that govern what is automatically disclosed through standard and enhanced criminal records certificates issued by the Disclosure and Barring Service (DBS).

The new legislation will remove the requirement for automatic disclosure of youth cautions, reprimands and warnings and remove the 'multiple conviction' rule, which requires the automatic disclosure of all convictions where a person has more than one conviction, regardless of the nature of their offence or sentence.

The move comes following the government's careful consideration of a Supreme Court judgment relating to the current disclosure regime and strikes the balance between the needs of protecting people, especially the most vulnerable and children, while ensuring those who have reformed after committing offences are not disproportionately hindered by previous wrongdoing.

This will particularly benefit those with childhood cautions and those with minor offences who have moved away from their past. The changes build on the government commitment to increase employment for ex-offenders.

Convictions and adult cautions for offences specified on a list of serious offences, which received a custodial sentence, are recent or unspent will continue to be disclosed under other rules.

Safeguarding Minister Victoria Atkins said:

> By making these adjustments we will ensure that vulnerable people are protected from dangerous offenders while those who have turned their lives around or live with the stigma of convictions from their youth are not held back.

The Statutory Instrument will be debated in both the Commons and Lords later this year before the changes come into effect.

The criminal records disclosure regime provides information through DBS certificates to employers about an individual's criminal record to help them consider a person's suitability for certain roles, principally those working closely with children and vulnerable adults or roles requiring a high degree of public trust.

Employers use the information provided through a DBS certificate as part of their recruitment process when considering the suitability of applicants for eligible roles or work.

In 2018 to 2019 the DBS issued 5.8 million disclosure certificates.

Notes to editors

- the Statutory Instrument will amend The Police Act 1997 to remove automatic disclosure of:
  - youth cautions, reprimands and warnings (an out of court disposal issued to young offenders that were replaced by youth cautions in 2013)
  - all convictions where the individual has more than one conviction (except where disclosed under the other rules)
- the other rules will continue to result in the disclosure of unspent convictions, convictions receiving a custodial sentence, a conviction or adult caution for an offence specified as 'serious' (the 'never filter' list of offences), where less than 11 years has passed (5.5 years for convictions received under age 18) and all adult cautions where less than 6 years has passed
- in addition, enhanced criminal records certificates may also include any

information which a chief officer of police reasonably believes to be relevant and in the chief officer's opinion ought to be included in the certificate A corresponding Statutory Instrument has also been laid to amend the disclosure scheme for certain sensitive roles under the Rehabilitation of Offenders Act 1974 (Exceptions) Order 1975

Thérèse Coffey's speaking notes from the OECD event

Thank you colleagues, Minister, Secretary-General for the opportunity to contribute to this important discussion. As others have said, COVID-19 is the biggest challenge the world has faced in decades, and the OECD has played a crucial part in providing in-depth analysis on the impact of this disease, and it will be important for the OECD to continue this work as we recover.

Now in the UK going from a situation in which we had enjoyed record employment rates, we took steps straight away to ensure that no one was going to be penalised for doing the right thing to protect themselves, their families and their communities.

That involved modifying access to sick pay, streamlining our main social security system (Universal Credit), which had to respond to unprecedented numbers of claims during the pandemic. We did make temporary changes on access to the benefits to manage that demand and get money to people as quickly as possible. But now we're over the peak we will be returning to our usual processes to help people back into work.

In the UK we avoided mass unemployment with the swift introduction of the Job Retention Scheme, also known as the furlough scheme in which taxpayers guaranteed 80% of employees' pay up to £2,500 per month and the Self Employment support scheme.

Both of these schemes have been a lifeline to millions of people. Over 9 million people were supported on the Job Retention scheme, and over two and a half [sic] self-employed people by that individual scheme. The key aim was to help employers and their employees to be connected, to stay connected, so they were ready to resume as soon as the economy properly restarted.

And so we are making changes to the scheme from next month. That extra flexibility will help get people working again as we will definitely phase out the Job retention scheme entirely by the end of October. The road to full recovery will be long and many people are relying on us to create the right environment to recover the stability they need to pick up their lives and futures again. That is why we are working to deliver a package of measures that will stimulate the economy, support job growth, and get people back to work safely, while continuing to protect the most vulnerable.

As José said, data is key on this, especially as we don't know exactly how the economy and this situation is going to unfold. We don't quite yet know how consumer behaviour will have changed, and so we do need to be agile in the months and year ahead.

In terms of considering vulnerable groups, we must ensure that our measures continue to protect all workers in need, and we will redouble our global efforts to eradicate all forms of exploitation. Training will be crucial for those without work, so they maintain their work-readiness and gain new skills to quickly move sector and pivot back into work.

We are particularly focusing on young people, who are already disadvantaged due to their lack of skills and experience. So that's why our new youth offer will support this group into work, with the aim of reducing the long-term scarring effect.

Colleagues, finally this is a time for the global community to stand together to ensure that this significant but temporary disruption does not inflict permanent damage to the global economy. We welcome the work the OECD is doing to support the implementation of the G20 Action Plan, and I look forward to seeing you all at a successful October meeting.

Tax gap falls to lowest recorded rate

There is a long-term downward trend in the tax gap, falling from 7.5% in the tax year 2005 to 2006, to 4.7% in the tax year 2018 to 2019, its lowest recorded rate.

More than 95% of the tax due was paid in the 2018 to 2019 tax year. This is the result of sustained efforts by HMRC to support the overall health of the tax administration system and make it as easy as possible for taxpayers to pay the right tax at the right time.

The tax gap is the difference between tax that should be paid and what is actually paid. HMRC collected £628 billion in tax revenue in 2018 to 2019.

This is the first year that a stand-alone tax gap for wealthy taxpayers has been included in the report. The total wealthy tax gap stands at £1.7 billion and represents a very high collection rate of all tax due within this group. The wealthy tax gap is the smallest proportion of the total gap by customer group, making up 6% of the total tax gap.

Any impact of COVID-19 on the tax gap is likely to be first seen in the tax year 2020 to 2021.

Jesse Norman, Financial Secretary to the Treasury said:

> At 4.7%, the 2018-19 tax gap is the lowest on record. The coronavirus pandemic has highlighted the importance of everyone playing their part and paying the tax that is due.
>
> Having a secure and comprehensive tax base is what allows the government to pay for public services, but also to provide financial support in a crisis, at a time when it is most needed.

HMRC’s Chief Executive Jim Harra said:

> More than 95% of the tax due was paid in 2018 to 2019. HMRC’s aim is for everyone to pay the tax that is due, no matter who they are.
>
> Our role is increasingly about making it straightforward for taxpayers to get it right, first time, while also tackling the minority who deliberately set out to cheat the system. I’m pleased that we’re now able to share more information about who pays what.

Making Tax Digital for businesses launched in April 2019. Businesses with a taxable turnover above the VAT threshold now have to use digital record keeping tools and submit their VAT return data direct from those records using Making Tax Digital-compatible software.

Making Tax Digital seeks to reduce the tax gap caused by error and failure to take reasonable care which cost the Exchequer £8.5 billion in lost revenue in 2018 to 2019. More than 1.4 million businesses have signed up to the service which helps them reduce errors and see, in close to real time, the health of their finances. This includes around 280,000 businesses below the VAT threshold who have joined voluntarily.

Further findings from the Measuring the Tax Gap publication include:

- the tax gap for Income Tax, National Insurance contributions and Capital Gains Tax is 3.4% in 2018 to 2019 at £12.1 billion – this represents the biggest share of the total tax gap by type of tax
- there has been a long-term reduction for the Value Added Tax (VAT) gap from 14.0% in 2005 to 2006, to 7.0% in 2018 to 2019
- the excise duty gap has reduced from 8.4% in 2005 to 2006, to 5.0% in 2018 to 2019
- the Corporation Tax gap has reduced from 11.3% in 2005 to 2006, to 7.0% in 2018 to 2019
- the avoidance tax gap has reduced from £3.7 billion in 2005 to 2006, to £1.7 billion in 2018 to 2019

Each year, HMRC estimates the tax gap for direct and indirect taxes based on the latest available information. HMRC may revise previous years’ tax gaps as more data becomes available, in order to show the long-term trend.

Read the full ‘Measuring tax gaps – 2020 edition’ report.

Since 2010, the government has introduced over 100 measures to tackle tax avoidance, evasion, and other forms of non-compliance, that secured and protected over £220 billion that would otherwise have gone unpaid. In 2018 to 2019, HMRC secured a record £34.1 billion in additional tax through activity tackling tax avoidance, evasion and non-compliance.

HMRC has been publishing comprehensive tax gap estimates since 2009, the earliest point in the time series is 2005 to 2006.

HMRC is the only revenue authority in the world that measures and publishes the tax gap in this level of detail, covering both direct and indirect taxes, every year. It publishes the tax gap because the department believes it’s important to be transparent in their work.