

## **Second firm admits illegal role in agreement for essential drug**

This means that 2 of the 3 companies under investigation by the Competition and Markets Authority (CMA) have now admitted to an allegation that they illegally took part in an anti-competitive agreement.

The CMA has alleged, and provisionally found, that the agreement between Aspen, Tiofarma and Amilco contributed to the price of fludrocortisone acetate tablets supplied to the NHS increasing by up to 1800%. Fludrocortisone is a life-saving medicine that thousands of patients rely on to treat adrenal insufficiency, commonly known as Addison's Disease.

In October 2019, the CMA issued a 'statement of objections' provisionally finding that the 3 suppliers had broken the law. The CMA's provisional finding was that the agreement involved Tiofarma and Amilco staying out of the UK fludrocortisone market so that Aspen could maintain its position as the sole UK supplier. The CMA also provisionally found that, in exchange, Tiofarma was given the right to be the sole manufacturer of the drug for direct sale in the UK, and Amilco received a 30% share of the increased prices that Aspen was able to charge.

By the time the CMA issued its 'statement of objections', Aspen had already admitted its part in the agreement and agreed to pay a maximum fine of £2.1 million if there is a formal final decision that the law has been broken. Aspen has also made a payment of £8m in compensation to the NHS as part of a package to address the CMA's wider concerns about its sale of fludrocortisone.

Tiofarma has now agreed to pay a maximum fine of £186,000 if there is a formal final decision that the law has been broken. The third company, Amilco, has made no admission of liability and the CMA's probe is ongoing.

Find out more on the [CMA case page](#).

---

## **AAIB report: EMB-145EP, G-SAJK and Cessna P210N pressurized Centurion G-CDMH, fallen towbar**



An Embraer 145 landing at London Southend Airport ran over a general aviation towbar which had been dropped on the runway. No damage was caused to the aircraft.

The investigation found that the towbar had fallen from a Cessna 210 which had departed Southend Airport 30 minutes before with the towbar inadvertently attached. The towbar was inconspicuous because it did not have any reflective or other high visibility markings.

One Safety Recommendation has been made to the CAA to improve the visibility of general aviation ground equipment.

[Read the report.](#)

Published 23 January 2020

---

## [Chancellor launches search for the next Chair of the Office for Budget Responsibility](#)



The statutory term of the current Chair of the OBR, Robert Chote, comes to an end in October this year. Mr Chote was first appointed in October 2010.

Chancellor of the Exchequer, Sajid Javid, said:

The OBR's independence and expertise is admired not just in Britain but across the world. Finding the right candidate to lead the OBR and build on the significant progress of the last 10 years is vital for maintaining the credibility of the UK's fiscal framework and our status as a world leader in fiscal transparency.

I look forward to working with Robert Chote to deliver my Budget on 11 March before he finishes his second term as Chair.

I would like to thank Robert for his significant contribution to the world-class work of the OBR over the last decade. He has led the OBR with intelligence, independence and integrity.

The OBR has executive responsibility for producing the official UK economic and fiscal forecasts, assessing the Government's performance against its fiscal rules and reporting on the sustainability of and risks to the public finances. As an independent institution, the OBR is committed to providing objective, transparent and impartial analysis.

The Chair of the OBR requires a deep expertise in economic and fiscal analysis and the ability to lead the Budget Responsibility Committee and the OBR's staff.

As with all Treasury appointments, the recruitment process for the next OBR Chair has been designed to ensure that the most qualified candidate is appointed from the broadest possible pool of applicants.

The role has been advertised on the [Cabinet Office public appointments website](#) and is open to applications until 19 March 2020.

Following interviews, the appointment will be made by the Chancellor and is subject to the consent of the Treasury Select Committee.

Published 23 January 2020

Last updated 19 February 2020 [+ show all updates](#)

1. 19 February 2020

Changed the closing date for applications from 20 February to 19 March

2. 23 January 2020

First published.

---

## Walsall fast food boss banned for failing to maintain books

Zabargan Ahmad (37) of Walsall, West Midlands, was the sole director of K2 Grill and Pizza Limited, which traded as K2 Steak & Shake, a fast food takeaway based located at 39 & 40 Caldmore Green, Walsall.

K2 Grill and Pizza was incorporated in April 2015 but right up to the point the company entered into liquidation in April 2017, Zabargan Ahmad failed to maintain and preserve adequate accounting records.

Further investigations by the Insolvency Service found that the tax authorities had previously engaged with Zabargan Ahmad to submit company accounts to determine what tax the takeaway owed. The tax authorities also issued K2 Grill and Pizza with a fine of just under £69,000 for failing to notify them of its tax liabilities.

Zabargan Ahmad's failure to submit adequate accounting records to the tax authorities, the liquidator and the Insolvency Service has meant it has not been possible to confirm the company's assets and liabilities, nor the director's salary.

On 16 December 2019 a disqualification order against Mr Ahmad was handed down by Deputy District Judge Walsh in the County Court of Walsall. Zabargan Ahmad is disqualified from acting as a director for 7 years and in that period he cannot be involved, directly or indirectly, with the formation, promotion or management of a company without prior permission of the court.

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

Zabargan Ahmad's duty as a company director was to maintain and preserve his company's financial records. If he had done this he would have been able to provide information to the tax authorities and also the liquidator attempting to wind-up the company's affairs. This should serve as a reminder to all directors to comply with their statutory duties.

Zabargan Ahmad, 37 is of Walsall and his date of birth is November 1982.

Company K2 Grill and Pizza Ltd (Company Reg no. 09569826).

The order was pronounced by Deputy District Judge Walsh in the County Court of Walsall. Richard Tetlow, Counsel, appeared for the Insolvency Service and no one appeared for or on behalf of the defendant.

Persons subject to a disqualification order are bound by a [range of restrictions](#).

[Further information about the work of the Insolvency Service, and how to complain about financial misconduct.](#)

You can also follow the Insolvency Service on:

---

## **Regulator publishes value for money annex to its 2019 Global Accounts**

The Regulator of Social Housing has published today (23 January 2019) an updated report on the social housing sector's performance on value for money.

In April 2018, the regulator introduced a new VfM Standard, which includes expectations that boards of registered providers are optimising use of their assets and their resources and demonstrate to stakeholders their approach to achieving and improving VfM in the delivery of their objectives.

As part of this new approach to VfM in the sector the regulator has defined a standard set of VfM metrics that providers report on through their annual accounts. Providers are also required to set their own VfM targets and report on performance against those targets.

Whilst this is the second year in which we have published a report on the sector's performance against the standard metrics, it is the first year in which providers have been expected to report against their own targets. Setting targets and reporting against them enables providers to be transparent and accountable to their stakeholders and improves their effectiveness and efficiency, while enabling meaningful comparison with similar providers.

The quality of reporting by registered providers has been mixed. Several providers' reports had a golden thread running through them and included a clear set of strategic objectives and suitably aligned, measurable targets with historic performance against these. They provided brief explanations where targets were not achieved and future targets and plans. Some also included useful information about how investment and maintenance decisions were taken.

Other providers' reports were less transparent. They either did not include targets or had vague or generic objectives which did not clearly relate to the provider's business plan or activities; and ignored or failed to explain areas where performance did not meet target, and how it would be improved. In addition, some reports adjusted measures from previous years making it difficult for both internal and external stakeholders to achieve a realistic view of a provider's performance.

The analysis for 2019 has shown that sector performance has been strongly

influenced by factors such as rent reductions and important investment in building safety. At a sector level:

- The overall operating margin and the return on capital employed fell while the headline social housing cost has increased per unit (median) since 2017 – these largely reflect increasing reinvestment in existing stock across the country, and lower receipts from first tranche sales in London and the South East, combined with the ongoing rent reductions.
- The average rate of new housing supply is consistent at around 1.5% of existing stock – with some notable variation by size, region and transfer status.
- There were variations in performance reported by different types of registered providers – among smaller providers, these differences are greater for specialist care and support providers.

The sector faces significant challenges in the coming period to maintain its stock to existing standards, undertake remediation required to meet building safety requirements, meet new energy efficiency standards and build more affordable homes. The more efficient providers will be able to go further in meeting these objectives.

Fiona MacGregor, Chief Executive of RSH, said:

It is essential that boards and executives ask themselves the right questions to ensure that their organisation's assets and resources – including those subsidised by the taxpayer – are used efficiently and effectively.

Reporting on VfM not only makes the sector more transparent and accountable to its tenants and other stakeholders; it also helps them understand the competing pressures on resources that may impact on a provider's outcomes and how decisions are made.

The report highlights that some providers have not met the requirements of the new Standard first time and need to improve their VfM targets and reporting.

The VfM metrics annex to the 2019 Global Accounts is available on the [Global accounts page](#).

## Notes to editors

1. The dataset includes the metrics for all registered providers with more than 1,000 properties at both a group and at an entity level. The analysis for 2019 is based on 217 registered providers compared to 230 in 2018 and 229 in 2017.
2. [The Value for Money metrics – Technical note](#) includes the suite of metrics for providers to report on through their Annual Accounts.

3. The Regulator's revised Value for Money Standard and supporting Code of Practice were introduced in 2018 as part of the [regulatory standards](#).
4. The annual Global accounts are published on the [Global accounts collections page](#).
5. RSH promotes a viable, efficient and well-governed social housing sector able to deliver homes that meet a range of needs. It does this by undertaking robust economic regulation focusing on governance, financial viability and value for money that maintains lender confidence and protects the taxpayer. It also sets consumer standards and may take action if these standards are breached and there is a significant risk of serious detriment to tenants or potential tenants. For more information about RSH, visit the [RSH homepage](#).

## **Further information**

For press office contact details, see our [Media enquiries page](#). For general queries, please email [enquiries@rsh.gov.uk](mailto:enquiries@rsh.gov.uk) or call 0300 124 5225.