

# Press release: Households urged to play their part in tackling waste crime

The Environment Agency (EA) has revealed that over a third of illegally dumped waste is from households.

The regulator is now urging homes to avoid illegal waste operators by taking extra care when it comes to disposing of rubbish.

A recent change in the law means that householders found to be knowingly involved in the illegal dumping of waste, could be liable for Landfill Tax or prosecuted alongside the actual illegal operators.

It's been found that unlicensed waste operators target householders via social media or local advertising, often luring customers with cheaper rates to dispose of unwanted furniture, building rubble or garden waste.

An Environment Agency spokesperson, said:

We must all come together to win the fight against waste criminals. We're doing our part with enforcement action and prosecution, whenever necessary. But we cannot do this alone. Households also have a responsibility to ensure their waste is collected by a responsible operator who will not pollute the environment with waste or cost thousands to clear up and make safe.

It's estimated to cost the UK economy £600M every year, the equivalent of a new and fully staffed NHS hospital. More than 850 new illegal waste sites were discovered by the EA in 2016-17. While an average of two illegal waste sites are shut down every day, they continue to create severe problems for local communities and business, particularly in rural areas, as well as posing a risk to key national infrastructure.

To avoid contributing to waste crime, householders are advised to take the following steps:

- Check the waste management operator being used is a registered waste carrier. Registration documents should be available on request and should be inspected before services are rendered. [You can check environmental permits online](#) or call 03708 506506.
- Get a written receipt/transfer note complete with contact details, a description of waste removed and details of where the waste is being taken to.

- Note down the vehicle type, colour and registration number of the vehicle that's taking your waste away.

Report suspected waste crime to the EA incident hotline 0800 807060 or anonymously to Crimestoppers on 0800 555 111.

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## **Notice: SN15 2DX, Bromham Biogas Limited: environmental permit issued**

The Environment Agency publish permits that they issue under the Industrial Emissions Directive (IED).

This decision includes the permit and decision for:

- Operator name: Bromham Biogas Limited
- Installation name: Bromham House Farm
- Permit number: EPR/XP3631JX/A001

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## **Official Statistics: Landings of selected shared quota stocks from UK waters: 2012 – 2016**

This release contains provisional estimates of landings of some commercial sea fishery quota stocks shared by the UK, non-UK EU member states and, in some cases, Norway.

It is planned that these provisional data will be followed by a more detailed release, covering a wider range of quota stocks, accompanying the UK Sea Fisheries Statistics 2017 annual publication in September 2018.

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## **Press release: Directors banned after**

## attempting to cheat millions in complex VAT scam

The two directors, Nadeem Ahmed and Ulhaque Ahtamad, were involved in highly complex Missing Trader Intracommunity (MTIC) fraud schemes, which involve artificially extended trading chains.

Typically in MTIC fraud schemes, at one end there is a 'missing trader defaulter' who imports goods and charges VAT to its UK customers but does not pay what is owed to HMRC.

At the other end of the chain, there is a 'broker', which is an exporter that seeks to reclaim the VAT that has not been paid. When challenged, the broker insists on being paid and denies knowledge of the default on VAT payment to HMRC as there are intermediate traders who act as 'buffers'.

In both cases, evidence presented by HMRC and the Insolvency Service demonstrated the artificial trading features, which enabled the courts to decide that the directors ought to have had knowledge of their involvement in MTIC trading.

Nadeem Ahmed, 42 from Forest Gate, London, was a director of Face Off South Ltd (FoS), which was wound up in April 2015 following a petition by HMRC for £199,072 in unpaid VAT.

Investigations found that between June and December 2006, FoS exported £38 million worth of mobile phones and computers. The company then filed quarterly returns with HMRC attempting to claim back VAT to which it was not entitled.

HMRC warned Nadeem Ahmed about the risks of MTIC wholesaling of electronic goods and that he should conduct more robust checks on his trading partners, goods and commercial procedures.

However, Nadeem Ahmed ignored the general warnings and the varied MTIC trading hallmarks, as well as specific advice that FoS's trades were traced to fraudulent losses.

Furthermore, despite the closure of FoS's account with an offshore bank complicit with MTIC fraud, FoS continued to trade for another VAT quarter by setting up an account with an unregistered offshore bank. Fraudulent losses in its trading chains totalled up to £2.3 million.

Following a trial in 2013, the court dismissed FoS's appeal for reclaims and found that Nadeem Ahmed knew the company's trades were connected to fraud.

And considering Nadeem Ahmed's knowledge of FoS's involvement with this fraud, the High Court has since ordered that he is banned from running companies for 13 years – effective from 15 May 2018.

Nadeem Ahmed's ban closely follows a High Court order for the 15-year disqualification of Ulhaque Ahtamad – the maximum sanction possible.

Ulhaque Ahtamad was a director of Masstech Ltd, based in Gerrards Cross, Buckinghamshire, and traded in carbon emissions allowance and metals.

Following regulations restricting fraud in electronic goods wholesaling, MTIC fraudsters sought new opportunities in carbon credit trading and Masstech Ltd played the role of a buffer artificially extending an MTIC trading chains.

Investigators found that Ulhaque Ahtamad made sales of more than £38 million in the wholesale trade of carbon emission allowances and metals with little initial finance in place.

Masstech also entered into trading arrangements which were too good to be true and was repeatedly warned by HMRC, in particular against paying third parties who were not suppliers. This left no money along the supply chain to pay VAT to HMRC.

And Ulhaque Ahtamad was obstructive in his dealings with HMRC, he failed to advise them of Masstech's carbon credit trades or change of address, as well as preventing visits and sight of company records. He also paid £7.38 million to unconnected third parties, this topping the £7.1 million of tax losses in Masstech's supply chains.

Tony Hannon, Official Receiver for the Insolvency Service, said:

Both Ulhaque Ahtamad and Nadeem Ahmed involved their companies in complex VAT fraud schemes which attempted to cheat taxpayers out of millions of pounds.

The serious nature of their misconduct has been reflected in the severity of their disqualifications and this should serve as a clear and strong warning to others that we will not hesitate to use enforcement powers to investigate and disqualify directors whose companies defraud the public purse.

## **Notes to editors**

Nadeem Ahmed disqualification effective from 15 May 2018. Face Off South Ltd (FOS) (Company No. 05041464) was incorporated on 11 February 2004. Its trading address was at 421 Marshgate Lane, London E15 2NQ.

The petition to wind up the company was presented by HMRC on 25 February 2015 for £199,072 in respect of costs awarded against FOS for a VAT Tribunal and in respect of unpaid VAT. The winding up order was made against FOS on 20 April 2015.

Ulhaque Ahtamad's disqualification is effective from 3 May 2018. Masstech Ltd

(CRO No. 02737217) was incorporated on 4 August 1992 as Masstech Ltd. Its trading address was at Bishops House Market Place, Chalfont St Peter, Gerrards Cross, Bucks, SL9 9EA.

The petition to wind up the company was presented by HMRC on 11 February 2013 for £7,484,940 in respect of unpaid VAT. The winding up order was made against Masstech Ltd on 25 March 2013.

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

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

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

You can also follow the Insolvency Service on:

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## **Press release: Director banned after failing to pay minimum wage to farm labourers**

Euro Contracts Services Limited was incorporated in 2004 by Shakil Ahmed, 61 from Slough, providing manual labourers to a farm in Hertfordshire.

The company operated much like a recruitment service, where the farm paid a fee for the supply of workers before Euro Contracts Services paid the labourers while taking a percentage for administrative costs.

The first investigation by HMRC into Euro Contracts Services took place in 2009 and they found that the farm labourers had not been paid the national minimum wage, losing out on close to £69,000.

In this instance, Euro Contracts Services paid the correct remuneration to the farm labourers but then deducted the costs of transporting the workers to the farm. This meant their pay packets were below the national minimum wage.

Shakil Ahmed corrected this underpayment but it was not the last time he would cheat his workers as two years later, HMRC carried out another investigation.

This time, HMRC found that between August 2010 and January 2011 Euro Contracts Services had paid 246 employees below the minimum wage to the tune of more than £110,000.

Shakil Ahmed launched an appeal against HMRC's findings but this was dismissed in the courts. However, unlike last time when Shakil Ahmed corrected the underpayment, the money owed to the workers was not paid, leading HMRC in December 2015 to lodge a claim against Euro Contracts Services to recover the money owed.

Unfortunately, the money remained unpaid and a month before a full hearing had been set for September 2016, Euro Contracts Services entered Creditors Voluntary Liquidation meaning money owed to the employees was not paid.

The Secretary of State has since accepted a disqualification undertaking from Shakil Ahmed after he admitted that he had failed to ensure that Euro Contracts Services Limited complied with its obligations to pay the National Minimum Wage Act. His ban is effective from 22 May 2018 and lasts for seven years.

Dave Elliott, Head of Insolvent Investigations (Midlands & West) for the Insolvency Service said:

The fact that Shakil Ahmed was investigated on two separate occasions, shows that this was not the case of administrative error but a wilful act on his behalf.

Shakil Ahmed fully deserves his ban after cheating his workers out of what was rightfully theirs and this should serve as a warning to other directors that they have a duty to comply with regulations or else be banned from running companies for a long time.

## **Notes to editors**

Director Shakil Ahmed is of Slough and his date of birth is 26/07/1956.

Company Euro Contracts Services Limited (Company Reg no.05192572).

Shakil Ahmed offered an undertaking to the Secretary of State which was accepted on 01 May 2018.

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](#).

The Insolvency Service administers the insolvency regime, investigating all compulsory liquidations and individual insolvencies (bankruptcies) through the Official Receiver to establish why they became insolvent. It may also use powers under the Companies Act 1985 to conduct confidential fact-finding investigations into the activities of live limited companies in the UK. In addition, the agency authorises and regulates the insolvency profession, deals with disqualification of directors in corporate failures, 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 7637 6498

You can also follow the Insolvency Service on: