

Press release: Bankrupt director banned for supplying illegal workers

Shane Zeb Khattak has been disqualified from acting as a director for 10 years, following an investigation by the Insolvency Service. The Secretary of State for Business Energy and Industrial Strategy accepted a disqualification undertaking from Khattak which commenced on 2 October 2017.

Khattak was acting as a director for Recruitment Base (UK) Limited which provided payroll and recruitment services in the Midlands. He failed to ensure that Recruitment Base complied with obligations around immigration checks, resulting in the employment of 11 illegal workers.

Additionally, from 13 March 2015 until its liquidation he was acting as a director whilst being undischarged bankrupt, without leave of the Court.

On four separate occasions between 30 April 2014 and 8 June 2015, Home Office Immigration Officers investigated businesses in the Midlands, finding illegal workers that were employed by Recruitment Base. The Home Office fined Recruitment Base a total of £140,000, none of which was paid.

Khattak claimed that a fire at the trading premises had destroyed employee records, resulting in an inability to provide documentation on the workers. However, the claimed date of the fire was before the start of employment of 10 of the men found to be working illegally, and the other breach pre-dated the fire by seven months, during which no documents had been provided.

On 15 September 2014, The Law Society petitioned for Khattak's bankruptcy. A bankruptcy order was made against him on 13 March 2015 in the Birmingham County Court.

Commenting on the disqualification, Cheryl Lambert, Chief Investigator at the Insolvency Service, said:

In this case, Shane Khattak displayed a thoroughly disreputable contempt for his obligation to comply with the law, being willing to provide inaccurate statements to a series of authorities to cover up his activities.

In partnership with the Home Office, who remove people who have no right to work from the market place; the Insolvency Service is seeking to ensure those who exploit the vulnerable will also be dealt with. They will be removed from the bank of legitimate directors.

A Home Office spokesperson said:

Illegal working is not victimless. It undercuts honest employers, cheats legitimate job seekers out of employment opportunities and defrauds the taxpayer.

Businesses should be aware that they have a duty to check that their staff have permission to work in the UK.

We are happy to work with employers who play by the rules but those who do not, should know that they will not go under our radar.

Notes to editors

Shane Zeb Khattak, date of birth September 1987, is of Birmingham.

Recruitment Base (UK) Ltd (CR0 No. 08651566) was incorporated on 15 August 2013. Its registered office and trading address were 1606 – 1608 Coventry Road, Yardley, Birmingham, West Midlands, B26 1AL.

Recruitment Base (UK) Ltd was wound up in Birmingham County Court (6436 of 2015) on 3 August 2015 and on 5 January 2016 David A Ingram of Grant Thornton UK LLP, 30 Finsbury Square, London, EC2P 2YU was appointed liquidator. The liquidation has been completed and the company was dissolved on 30 June 2017. At liquidation, Recruitment Base had no assets and liabilities to creditors totalling £254,980.

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](#).

All public enquiries concerning the affairs of the company should be made to: Cheryl Lambert, Head of Outsourced Investigations, Investigations and Enforcement Services, The Insolvency Service, 3rd Floor, Abbey Orchard Street, London SW1P 2HT. Tel: 0207 596 6117. Email: Cheryl.Lambert@insolvency.gsi.gov.uk

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