

# Press release: 17-year bans for claims management bosses after breaching regulations

Clifford Martin Stanford has been disqualified from acting as a director for 11 years for his conduct as director of Cerys-Angharad Ltd (Cerys) and Ifonic Plc (Ifonic).

And Timothy Mark Schubert has also been disqualified from acting as a director for 6 years in relation to his conduct as a director of Ifonic.

The order disqualifying the directors was made in the High Court on 27 November 2017 by Deputy Registrar Kyriakides.

The Insolvency Service found that members of the public had complained to Trading Standards and the Ministry of Justice (MOJ) about Cerys, which resulted in the MOJ conducting an investigation into the company's claims management procedures.

It was found that Cerys engaged in unfair trading practices in breach of the Conduct of Authorised Persons Rules 2006 and 2013 ("COAPRs") and had failed to comply with the Compensation (Claims Management Services) Regulations 2006.

Cerys misled the public in sales calls regarding claims services offered, fees charged and cancellations. Services paid for by customers were not provided and fees were deducted from customers without their authorisation. Customers also complained of Cerys' failure to issue a refund of up-front fees paid.

Despite the MOJ issuing warnings, the company failed to rectify the breaches, resulting in Cerys voluntarily surrendering its authorisation to provide claims management services.

The Insolvency Service then looked into the activities of Ifonic and found that following the closure of Cerys in March 2014, Ifonic acquired over 4,000 of Cerys' existing clients and promised to honor the terms and conditions of their contracts including an assurance that all those due a refund of fees would be paid. Ifonic also entered a number of contracts with new clients.

However, existing and new clients of Ifonic experienced similar problems to those at Cerys and submitted complaints to the Legal Ombudsman and the MOJ.

The complaints received included claims that Ifonic provided misleading information in sales calls, had failed to address complaints and provide the service customers had paid for, taken unauthorised payments from customers and failed to issue refunds of up-front fees to customers who had cancelled their contracts within the cooling-off period.

The Insolvency Service found that similar to Cerys, Ifonic engaged in unfair trading practices in breach of the Conduct of Authorised Persons Rules 2013 and 2014 ("COAPRs") and therefore failed to comply with the Compensation (Claims Management Services) Regulations 2006.

Despite the MOJ issuing warnings, Ifonic failed to rectify the breaches, resulting in Ifonic voluntarily surrendering its authorisation to provide claims management services.

Robert Clarke, Investigations Group Leader at the Insolvency Service said:

The Compensation (Claims Management Services) Regulations 2006 provide protection to the general public from unfair sales techniques by agents for companies operating within the claims management sector.

When company directors do not comply with legislation that is designed to protect customers and avoidable losses result, the Insolvency Service will seek lengthy periods of disqualification.

This should serve as a warning to other directors who may feel tempted to breach customer protection legislation. The Insolvency Service will rigorously pursue directors who deliberately mislead and breach the trust of customers.

The Insolvency Service is grateful for the assistance provided by The Ministry of Justice, Trading Standards and The Legal Ombudsman in achieving this outcome.

Mr Clifford Martin Stanford is of Swansea and his date of birth is October 1954.

Mr Timothy Mark Schubert is of Swansea and his date of birth is November 1982.

The disqualification orders were pronounced by Deputy Registrar Kyriakides. Simon McLoughlin appeared as counsel, for the Secretary of State and the defendants neither appeared nor were represented.

Cerys-Angharad Ltd (CRN 07073557) which was incorporated on 12 November 2009, traded in claims management: cold calling members of the public and offering claims management services including mis-sold payment protection insurance and mortgages. Cerys traded from Princess House, Princess Way, Swansea, SA1 3LW. Cerys ceased trading on 20 March 2014 and was dissolved on 5 January 2016.

Ifonic Plc (CRN 03772954) was placed into Creditors' Voluntary Liquidation (CVL) on 17 June 2015 with a deficiency as regards creditors of £600,243. The company which was incorporated on 19 May 1999, traded in claims management, offering claims management services including mis-sold payment protection insurance and bank charges reclaims. Ifonic traded from 3rd Floor, Princess House, Princess Way, Swansea, SA1 3LW.

On 27 November 2017, Disqualification Orders were made against Mr Stanford and Mr Schubert on behalf of the Secretary of State, effective from 18 December 2017, for a period of 11 and 6 years respectively.

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, 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 7637 6498 or 020 7596 6187

You can also follow the Insolvency Service on:

---

## Press release: PM to announce new research and funding in drive to fight prostate cancer

The Prime Minister will today [10 April 2018] set out ambitious new plans to help thousands of men with prostate cancer get treated earlier and faster.

Over 40,000 men will be recruited into prostate cancer studies over the next five years, which will be backed by £75 million to support new research into early diagnosis and treatment.

The Prime Minister will also meet with NHS staff during the visit to Cambridgeshire – the first in a series of discussions as the government works with the health service to develop a long-term plan for the NHS.

Ahead of the visit, Theresa May said:

Too many people endure the loss of a loved one because cancer diagnosis comes too late in the day.

Our cancer treatments are world class and survival rates are at a record high, but prostate cancer still claims thousands of lives every year.

I know we can do more. That's why I am setting out new plans to help thousands of men get treated earlier and faster.

Today's announcement comes as the Prime Minister confirmed the government will come forward with a fully funded, long-term plan for the NHS this year – the year of the service's 70th birthday – in conjunction with NHS leaders, clinicians, and health experts.

She continued:

Now in its 70th year, our NHS has a bright future – since last November, we have already committed £10 billion in new funding, including a new pay deal for one million NHS workers. In fact, as part of our balanced approach to managing the economy we have increased spending on the health service every year since 2010. But I'm clear the way to secure the NHS's future is having a long-term plan, with sustainable multi-year funding.

To inform this, I'll be meeting doctors, nurses and other NHS staff today to understand the challenges they face and discuss how we can

effectively meet the demands of the future.

Health and Social Care Secretary Jeremy Hunt said:

Prostate cancer claims too many lives every year and our ability to detect and treat it in the very early stages is crucial in fighting this disease.

The plans announced today will refocus our efforts to develop new treatments and will give men with prostate cancer, and their families, hope of survival. The NHS is a world leader in fighting cancer and survival rates are at record highs but there is still more to do – this research will ensure that many more lives are saved.

The new studies will particularly target higher risk groups including black men – one in four of whom will develop the disease – as well as men aged 50 or over and men with a family history of prostate cancer.

Over 40,000 patients will be recruited for more than 60 studies in prostate cancer, to test treatments including more precise radiotherapy, high-intensity focused ultrasound, cryotherapy, alongside supportive interventions including exercise and dietary advice.

This new research drive comes as ‘one stop cancer shops’ are being piloted in ten areas to catch cancer early and speed up diagnosis, particularly for those suffering with less obvious symptoms.

Dr Jonathan Sheffield, Chief Executive at the National Institute for Health Research (NIHR) Clinical Research Network said:

Clinical research brings us closer to the development of new treatments for prostate cancer patients.

The NIHR will work closely with the NHS, life sciences industry, charities and research funders to support the recruitment of 40,000 men into research studies over the next five years. This will provide more opportunities for earlier access to new drugs and therapies, which will ultimately lead to improved diagnoses and care in the future.

Today’s announcement will both complement and extend research undertaken over the past fifteen years in close partnership with Cancer Research UK, Prostate Cancer UK, the Medical Research Council and the NIHR.

Dr Iain Frame, Director of Research at Prostate Cancer UK said:

Prostate cancer is the most common cancer in men and it is now the

third most common cause of cancer deaths in the UK.

However, with increased research investment used wisely, over the next few years we can turn this around and make prostate cancer a disease men no longer need to fear. This is what Prostate Cancer UK is striving for through our ambitious research programme.

Today's announcement shows a very welcome and positive commitment from the government to play a key role in getting men the early and accurate diagnosis and treatments for prostate cancer they deserve. It at last shows recognition of what a huge issue prostate cancer is and the focus needed to stop it being a killer.

We look forward to finding out more about the plans laid out by the Prime Minister. By working together and pooling our resources we will be able to save more lives more quickly and build a better future for men.

---

## **Press release: New changes to encourage small businesses to apply for government contracts**

Today the government will launch a package of tough new measures designed to level the playing field for smaller businesses bidding to win government contracts.

Cabinet Office Minister Oliver Dowden will announce proposals to exclude suppliers from major government procurements if they cannot demonstrate fair and effective payment practices with their subcontractors. Other plans include allowing subcontractors to have greater access to buying authorities to report poor payment performance, signalling the government's commitment to improving payment practice in the UK.

Further requirements mean suppliers will have to advertise subcontracting opportunities via the [Contracts Finder website](#), and to provide the government with data showing how businesses in their supply chain, including small businesses, are benefiting from supplying to central government.

The Prime Minister has also today written to members of her Cabinet to nominate a Small Business Champion minister in each department to ensure that small- and medium-sized enterprises (SMEs) are given a fair opportunity.

This package of measures is designed to ensure that more businesses – including smaller firms – will be able to supply goods and services to the

public sector, while also making public procurement more transparent.

In the most recent figures from 2015/16, government spent £5.6 billion directly with small businesses. Indeed, when sub-contracts to small businesses from larger suppliers was taken into account, total spend rose to £12.2 billion.

Oliver Dowden, Minister for Implementation, said:

This government is listening to the business community and is committed to levelling the playing field for smaller suppliers to win work in the public sector.

We have set a challenging aspiration that 33% of procurement spend should be with small businesses by 2022 – and are doing more than ever to break down barriers for smaller firms.

Small businesses are the backbone of the UK economy, and play a key role in helping us to build a strong, viable private sector that delivers value for taxpayers and jobs for millions all over the UK.

Emma Jones, the Government's Crown Representative for Small Business, said:

Securing a government contract is a great way for small firms to bring in a steady income stream that can really help their business to grow. These measures demonstrate the government's clear commitment to small business, ensuring they can easily find and access new opportunities to supply to government.

Oliver Dowden has discussed the plans during a round table event in March, attended by the Federation of Small Businesses, the Confederation of British Industry, and industry bodies representing social enterprises, entrepreneurs, and Chambers of Commerce.

It is estimated that this group of organisations represents more than 2 million small businesses across the UK.

Federation of Small Businesses National Chairman, Mike Cherry, said:

Each year, the UK public sector spends over £200 billion on goods and services from third parties. As such a large and prominent customer in the economy, the government has a pivotal role to play in demonstrating what it is to be a good client.

It is right then that the government today announces, as part of a new package to boost SME procurement, that it will clamp down on poor payment practice throughout public procurement supply chains. Companies who pay late should not be rewarded with public sector contracts. We need a robust public procurement process that holds

larger companies to account for their payment practices.

To coincide with the launch, the minister will today also be visiting two small businesses in the north-west who both supply services to the government.

---

## **Press release: Four-time bankrupt hit with fourteen-year restriction**

The ban, from 7 February 2018 to 6 February 2032, one year short of the maximum, follows an investigation into the affairs of Fintan Noel Arrowsmith.

During the period 2010 to 2017, Fintan Arrowsmith had traded as a horticulturist but ceased trading in April 2017 after the failure of his crop.

He stated his liabilities mostly related to stock obtained on credit from suppliers and on 18 October 2017, Fintan Arrowsmith filed on his own bankruptcy petition, listing a deficiency of £39,374.

Fintan Arrowsmith was interviewed by the Official Receiver at which time he stated that he had traded as F Arrowsmith, Glebe Farm Nursery during the period 2010 to April 2017.

He further explained that in 2016 he had a significant loss of his perishable stock, which were uninsured as no underwriter was willing to insure him because of his bankruptcy history

The Insolvency Service investigation into his affairs confirmed that Fintan Arrowsmith had signed a Bankruptcy Restrictions Undertaking (BRU) on 17 November 2009, which was accepted by the Secretary of State and was effective for 11 years to November 2020.

This meant that Fintan Arrowsmith had defied his bankruptcy restrictions and obtained a variety of stock and supplies, to the value of at least £24,549, from trade creditors on cash-on-delivery and credit terms.

The Official Receiver made enquiries with these trade creditors, all of whom confirmed Fintan Arrowsmith had not disclosed that he had been made bankrupt before obtaining credit and that they would not have extended credit to Mr Arrowsmith had they been aware of this.

On 7 February 2018, a bankruptcy restrictions order (BRO) was made by the court, as directed by the Secretary of State for Business, Energy and Industrial Strategy, against Mr Arrowsmith (47), ordering him to be bound for 14 years, by the restrictions set out in insolvency law that a bankrupt is



subject to until they are discharged from bankruptcy – normally 12 months – until 2032.

Gerard O'Hare, an Official Receiver at the Insolvency Service, said:

Where a bankrupt has acted contrary to restrictions placed upon him by insolvency law, by obtaining credit with fully disclosing his states, he should not expect to do so without consequences, particularly when others suffer financial loss as a result.

A bankruptcy restriction in these circumstances will serve to provide creditors with a degree of protection, and it will also act as a deterrent to the bankrupt not to act in a similar manner in the future.

Mr Fintan Noel Arrowsmith is of Sleaford and his date of birth is December 1970. The Bankruptcy Order was made against him on 19 October 2017 on his own petition.

Mr Arrowsmith's bankruptcies were:

- In 2003 – as Fintan Mahgabhan
- In 2005 – as Fintan Noel Mahgabhan-Arrowsmith
- In 2008 – as Fintan Noel Arrowsmith
- In 2017 – as Fintan Noel Arrowsmith

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

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 7637 6498 or 020 7596 6187

You can also follow the Insolvency Service on:

---

## **[Press release: Ban on live animal exports for slaughter explored by government](#)**

[A call for evidence for a potential ban on the live export of animals for slaughter after Brexit](#) has been launched by Environment Secretary Michael Gove. It will also look at higher welfare standards for live animal movements.

Taking action on live animal exports forms part of the government's programme of reforms to cement our position as a global leader in animal welfare as we leave the EU and deliver a Green Brexit.

[The Farm Animal Welfare Committee](#) has also launched a review into the existing welfare standards for animals during transport, and this is being complemented by research commissioned by Defra from [Scotland's Rural College](#) and [the University of Edinburgh](#).

Environment Secretary Michael Gove said:

We have some of the highest animal welfare standards in the world which we are strengthening further by raising maximum sentences for animal cruelty to five years and introducing mandatory CCTV in abattoirs.

All animals deserve to get the respect and care they deserve at every stage of their lives. This call for evidence begins to deliver on our manifesto commitment which aims to control the export of live animals for slaughter once we leave the European Union.

With all options being considered, I am keen to hear from industry, the devolved authorities and charities on all possible options and evidence on this vital issue.

The call for evidence, which will last for six weeks, seeks views from across industry, devolved authorities, charities and the general public on how the government might raise standards of animal welfare during transport after the UK leaves the EU. All options for future improvements in this area are being considered, including a potential ban on the live export of animals for slaughter.

Latest figures, from 2016, show that each year over four thousand sheep are transported from the UK to continental Europe for slaughter.

British Veterinary Association President John Fishwick said:

"BVA welcomes the launch of the government's call for evidence on live animal exports. We believe that production animals should not be transported long distances to the abattoir but should be slaughtered as near to the point of production as possible. Animals should be transported on the hook, as meat, not on the hoof, as live animals.

"It is vital that we maintain the UK's current high standards of animal welfare post-Brexit and seek opportunities to improve them. We look forward to contributing to this call and seeing the results once the evidence has been collected."

This announcement builds on a wide range of animal welfare reforms announced by the government, including:

We will discuss the evidence and any future proposals with the Devolved Administrations.

Notes to Editors:

- The Government's full manifesto commitment in this area is "as we leave the European Union, we can take early steps to control the export of live farm animals for slaughter."