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Economia [magazine has reported](#):

*The government's Insolvency Service is on the verge of becoming insolvent, according to reports*

*The group needed an emergency injection of government cash this year to stay afloat and is set to record a deficit of £5m to £7m for 2012-13, according to a [report in the Financial Times](#).*

It has required £89m of rescue cash from the business department between 2008 and 2012.

This is farcical. Shall we stop playing silly games here? What's happening is that an important function of the state - the insolvency service - has not been given enough to do its job during a period of economic downturn. So central government got its budget wrong. That's all that happened.

This farcical pretence that somehow this is a body that can go bust - and so we won't have an insolvency service (which we need because there is no money in undertaking its job to attract the private sector to undertake it) - is not just absurd, it's absolutely Orwellian in its use of language.

Much the same as reports of NHS units going bust is.

Not giving enough to a government owned agency to enable it to do its job is not a measure of market failure. It's a measure of under-resourcing. Now get on and address the problem and not pretend this is reason for privatisation.