



The Insolvency
Service

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DEAR INSOLVENCY PRACTITIONER
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Message from the Insolvency Service

Dear Reader

Please find enclosed the latest updates from the Insolvency Service.

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104) The Insolvency Service's Official Receiver Services launch Special Manager Panel to support them on complex casework

The Special Manager Panel is for special manager services relating to highly complex insolvencies, following compulsory liquidation. Applicants must be able to offer market-leading insolvency expertise and services in order to support the Official Receiver in the most complex and challenging compulsory liquidations.

These are unpredictable times for the insolvency sector, and we do not know how many highly complex cases requiring special manager assistance the Official Receiver may receive. We wish to manage expectations of the industry and ensure that only those organisations capable of taking the largest appointments at short notice devote time to applying. Applicants must be able to meet and evidence eligibility criteria including mobilisation of **75+ corporate insolvency** staff across multiple UK sites, with little notice, along with prior experience of working with Government on insolvency/restructuring.

For full eligibility criteria and further information on this opportunity, we will be running this process through the Insolvency Service's preferred eTendering portal, Delta. Many organisations will have signed up to this portal to apply for other public sector work, however, if you do not have details, then you can register as a new supplier here. Once you have registered you will be able to see opportunities for public sector work. When the Insolvency Service releases this Special Manager Panel, it should be visible on your opportunities, and if you have signed up for them, you should be alerted to it via email. Please do keep an eye out for it regularly, bearing in mind our intended release date is 14 September 2020 and planned deadline for submissions of 30 September 2020.

Once we have started the process and you have expressed an interest in the opportunity you will be able to access the panel selection document and submit your proposal as well as raise any clarification questions via the portal. Please note we will only respond to clarifications via the portal.

Enquiries regarding this article may be sent to:

insolvency.technical@insolvency.gov.uk

69) Law Commission Launches Consultation on Transfer of Ownership Rules

In its July 2016 Report, [Consumer Prepayments on Retailer Insolvency](#), the Law Commission made recommendations to enhance the protection of consumers who had paid retailers in advance for goods but had not received the goods at the point of the retailer's insolvency. One of the Law Commission's recommendations was to reform the rules governing the transfer of ownership of goods under consumer sales contracts. The Law Commission has now launched a consultation on a draft Bill which would implement this recommendation and invites insolvency practitioners to respond.

The draft Bill aims to make the transfer of ownership rules easier for consumers to understand and for insolvency practitioners to apply. Among other things, the draft Bill sets out a list of events and circumstances, the occurrence of any of which will cause ownership of goods to transfer to the consumer. These include the trader labelling or setting aside the goods for the consumer in a way that is intended to be permanent, the trader altering the goods to an agreed specification, and the delivery of the goods to a carrier for delivery to the consumer. The proposed rules would be inserted into the Consumer Rights Act 2015 and would apply specifically to sales contracts between traders and consumers. Transfer of ownership of goods under other sales contracts (for example, contracts between suppliers and traders) would continue to be governed by the rules in the Sale of Goods Act 1979.

The Law Commission seeks qualitative and quantitative evidence about the possible impact of the draft Bill on the insolvency process and the work of the insolvency practitioner. The consultation paper asks how the draft Bill might impact the claims of other creditors on an insolvency (for example, warehouses asserting a lien over the goods or suppliers claiming retention of title). It also asks about the practical implications of the draft Bill for insolvency practitioners, including the additional time insolvency practitioners might have to spend in determining whether ownership of goods has transferred to the consumer under the proposed rules.

The Law Commission's consultation is open until 31 October 2020.

Responses can be made by completing an [online form](#). Alternatively, responses can be provided by email to ownership@lawcommission.gov.uk or by post to Transfer of ownership project, Commercial and Common Law Team, Law Commission, 1st Floor, Tower, 52 Queen Anne's Gate, London, SW1H 9AG. If practitioners send plan to send their comments by post, it would be helpful if, whenever possible, they could also send them by email.

Enquiries regarding this article may be sent to: Policy.Unit@insolvency.gov.uk

11) Collaborative Working Gets Results

An investigation into the conduct of the directors of Walsham Chalet Park Limited, which entered administration on 14 January 2019, has resulted in the Secretary of State accepting a disqualification undertaking from director Simon Moir for a period of 14 years commencing on 22 September 2020. The undertaking was accepted only 10 months after the case was allocated to the investigator, Peter Smith, and only 20 months after the company entered administration.

The main area of misconduct related to the mis-selling of investments in holiday chalets which were never built, resulting in losses to investors amounting to £14.2m. Simon Moir sold these lodges to 161 investors when he was, or should have been aware that there was no prospect of them being built. Furthermore, 30 of these investors paid the company £1.8m to the company for holiday chalets at a site which the company did not own at the time.

The Insolvency Service investigator worked closely with Paul Evans of Deloitte, the administrators, to achieve this outcome. A comprehensive meeting was held during which Paul provided an update about the progress of the administration, set out the various areas of alleged misconduct and went through the information that had come to light during their investigations. This meant that Peter was able to identify quickly, obtain and review the relevant evidence and field further questions and requests for information. This meant that the investigation progressed quickly and resulted in a timely outcome, thereby affording protection to future investors and the business community.

This case showed that collaboration between the Insolvency Service and insolvency practitioners really has a positive impact on the time it takes for the Insolvency Service to remove miscreant directors from the market place.

Enquiries regarding this article may be sent to:
Business.DevelopmentTeam@insolvency.gov.uk

29) HMRC - Introduction of Digital Mail Service (DMS) into Enforcement & Insolvency Service (EIS)

HMRC is helping insolvency practitioners by streamlining the way it deals with forms and letters it receives. HMRC has now introduced Digital Mail Service DMS across all of Debt Management and EIS teams. Correspondence is now digitally scanned and can be worked by teams across HMRC.

This also means that, if needed, staff can access and view the digital version remotely, helping it deliver a more efficient customer service.

What HMRC needs from insolvency practitioners

HMRC has updated [Insolvency \(VAT Notice 700/56\)](#) with the latest contact details for each of our EIS teams.

HMRC asks that insolvency practitioners do not send cheques for dividend payments by post as they cannot be processed via DMS. Section 8 of the [Insolvency \(VAT Notice 700/56\)](#) outlines the process that practitioners should follow.

30) IVA Protocol COVID-19 Guidance – Revision Published

Guidance published on 20 April 2020 to support consumers currently in individual voluntary arrangements (IVAs) through the COVID-19 pandemic has been revised by the IVA Standing Committee (IVASC).

The revised guidance was published on 7 September 2020 and can be found [here](#).

The key changes are:

- The extension of the guidance until 20 April 2021, subject to continued review by the IVASC.
- Discretion for the supervisor to grant a further three-month payment break after the initial three months having performed a review of the consumer's circumstances.
- Discretion for the supervisor to allow reduction of up to 50% of contributions into the arrangement.

The focus of these changes is to ensure that consumers can continue their IVA successfully and allows discretion for the supervisor to decide as to the best way to achieve this. Supervisors should, where possible, try to ensure consumers take payment reductions rather than breaks which will in turn mean that the consumer has less shortfall to make up.

Supervisors should, at all times, document decisions and reasons when using the guidance.

This guidance will continue be monitored and reviewed by the IVASC and further amendments will be made where appropriate.

Enquiries regarding this article may be sent to:

IPRegulation.Section@insolvency.gov.uk

31) Companies House: Delivery of Insolvency Forms by Email

Companies House have advised they will be extending the email service for submitting insolvency forms for two weeks until 25 September when the service will be decommissioned.

Companies House respectfully asks that insolvency practitioners do not submit the same documents in both the upload and email services. This results in duplication of work and contributes to processing delays.

Companies House thanks insolvency practitioners for their continued support.