



The Insolvency  
Service

Insolvency Practitioner Regulation Section  
16<sup>th</sup> Floor  
1 Westfield Avenue  
Stratford  
London  
E20 1HZ

e-mail: [Dear.IP@insolvency.gov.uk](mailto:Dear.IP@insolvency.gov.uk)  
[www.gov.uk/government/organisations/insolvency-service](http://www.gov.uk/government/organisations/insolvency-service)

**DEAR INSOLVENCY PRACTITIONER**  
**Issue 112 – October 2020**

Message from the Insolvency Service

Dear Reader

Please find enclosed the latest updates from the Insolvency Service.

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## 50) DCRS Changes

On Wednesday 18 November 2020, the Insolvency Service plans to release a new version of the Director's Conduct Report. In order to facilitate this, we will need to take the system off line for a period of 24 hours.

On Thursday 29 October 2020, it is currently planned that a message will be placed on the DCRS dashboard of all users advising them that DCRS will be unavailable between 7.00am on Wednesday 18 November and will be available again from 7.00am on Thursday 19 November. If the dates of this release change, users will be advised via the dashboard message.

The message will also advise users that all work completed on any form that is not submitted by 7.00am on the 18 November will not be saved.

When the service is live again from 19 November all forms that have not been previously submitted will need to be started again from the beginning on the new version of the form. Part of the work undertaken whilst the system is offline will be to create a version control so that users will be able to view submitted forms in the version of the DCRS that was live at the time of submission.

The revised form will include changes based on DCRS user feedback and our own experience of using the form. Some of the key areas of change will include the addition of an option for where HMRC liabilities are less than 40% of the overall deficiency and changes to the questions on accounting records to provide more clarity when completing this, details on the extent to which books and records have been delivered and the extent to which the absence of records has hampered insolvency practitioners. There is also a change in emphasis on the question set regarding different treatment of creditors to link this more to specific transactions and a new section on other investigations, which will allow insolvency practitioners to flag any matters of criminality or that may require other regulator investigation.

At the same time, there will also be changes to the sift rules engine, both to take account of the revisions to questions and to apply more questions to the logic used. Although the form will contain more questions, the changes to the rules engine, along with the additional information requested on the form should result in less need for the Insolvency Service to contact insolvency practitioners for information on cases.

There are also plans for a later release of user enhancements to the form. This will include an overview page with a progress tracker, improved navigation around the form and a one-page overview of the completed form. At present, it is not planned that we will have to take the system off line when these enhancements are ready for release.

*Dear IP*

October 2020– Issue No 112  
Chapter 10- Disqualification

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Enquiries regarding this article may be sent to [DCAS@insolvency.gov.uk](mailto:DCAS@insolvency.gov.uk)

### **34) Filing notice of a Restructuring Plan for an overseas company, pursuant to the Corporate Insolvency & Governance Act 2020**

This article provides guidance for filing notice of a Restructuring Plan for an overseas company, pursuant to the Corporate Insolvency & Governance Act 2020, section 901F(6)(a).

#### Content

A restructuring plan Notice should comprise an order stamped by the court, appending details of the plan. It should not include the full explanatory statement.

#### Code

Notices will be published under code 2301 'Other Notices'.

Notice placers should ensure that emails to The Gazette include '901F Restructuring Plan notice' in the subject.

For expediated notice placement (see below) the notice placer should contact the Gazette Customer Services team in advance, to discuss their expected requirements by calling +44 (0)333 200 2434. The team is available Monday-Friday 8.00am-6.00pm, except for bank holidays.

#### Cost

Notice - £95.50\* plus VAT.

Long notice printed pages charge – variable as based on the length of the restructuring plan (price list available from The Gazette on request)

For notice placers with a TSO credit account an invoice can be raised accordingly. For customers without credit facilities advanced payment is required.

#### Standard Timings

Restructuring plan notices can be placed according to the standard time scales for notice publication in The Gazette:

- The London Gazette: notices that are submitted by email, post or fax should be received before 11:30am, at least two working days ahead of publication.
- The Edinburgh Gazette: notices that are submitted by email, post or fax should be received before 9:30am the working day ahead of publication.
- The Belfast Gazette: notices that are submitted by email, post or fax should be received before 3pm the working day ahead of publication.

For notices received after these times, where timely publication is required, a late fee is payable. Notices can be accepted up until approximately 4pm on the working day before publication. Late fee - £43.50\* plus VAT.

#### Expedited Timings – Restructuring Plan notices only

TSO can accept notices up until 10am with the aim of same day publication. Notices received after 10am will be published the next working day. A late fee of £43.50\* plus VAT will be payable in all instances.

The notice placer will need to supply a Word document version of the notice. The quickest way to send this is via email to the relevant edition (london@thegazette.co.uk, edinburgh@thegazette.co.uk, or belfast@thegazette.co.uk), detailing the required publication date. For expediated notice placement, the notice placer should also alert the Customer Services team to their email request by calling +44 (0)333 200 2434.

These timings can be improved if the plan details are made available ahead of the stamped court order, as follows:

- The plan details must be submitted in Word document format, in advance of the court hearing date, no later than 4pm on the working day before publication.
- The court order must be submitted by 3pm on the day of publication. The order may be submitted in pdf format.

*Please note, Gazette staff are used to working with embargoed publications and have the security processes and training to support this.*

#### Example

If the court hearing is 7 October, then the plan details will need to be supplied in advance as soon as possible, by 4pm on 6 October at the latest, leaving the court order information to be inserted once granted by the court, supplied to The Gazette by 3pm at the latest on the 7 October.

It will be possible to amend the plan details following the hearing – any changes will need to be clearly annotated. Excessive changes may impact the

publication timescale, but this will be discussed with the notice placer at the time.

If the restructuring plan is supplied in advance and is not ultimately sanctioned by the court then a charge, as per the standard price list for withdrawing notices (£95.50\*) after the standard deadline, will apply. If the notice was particularly large or complex, TSO reserve the right to charge for the time spent typesetting the notice.

Notices are placed in accordance with The Gazette terms and conditions for notice placement <https://www.thegazette.co.uk/place-notice/terms-and-conditions>.

*\*prices correct for 2020.*

Enquiries regarding this article may be sent to: [Policy.Unit@insolvency.gov.uk](mailto:Policy.Unit@insolvency.gov.uk)

### **35) HMRC: Post and IVA claim requests**

HMRC's Individual Voluntary Arrangements Service (VAS) team has been supporting COVID-19 helplines and is now working hard to clear a backlog of correspondence and proposals. In helping with this work, HMRC has identified two main areas where it is asking insolvency practitioners for assistance:

- Duplicated post items
- IVA claim requests

#### Duplicated post

HMRC are receiving many copies of the same item of correspondence and they're being sent using several different HMRC references; perhaps because the debtor owes more than one type of tax, duty or Tax Credits overpayment.

If HMRC have already contacted the insolvency practitioner, a HMRC reference will have been provided, prefixed either 623 or for older cases, 880 or 075. HMRC would be grateful if insolvency practitioners could please use this reference. If insolvency practitioners have not been provided with a reference number and have not been contacted by HMRC, practitioners should use the debtor's Self-Assessment (SA) reference or National Insurance number.

Post is also being received both electronically and physically which is contributing to delays. HMRC asks that practitioners send correspondence by one method only, preferably to its mailbox: [vas@hmrc.gov.uk](mailto:vas@hmrc.gov.uk).

#### IVA claim requests

HMRC's claim in the majority of IVAs will usually include an element of SA or overpaid tax credits for years up to and including the tax year in which the arrangement is approved. The claim cannot be finalised until the debtor provides all outstanding tax returns up to and including that year, or until his or her tax credits position is finalised as part of the annual renewal cycle.

In practice this means that for a self-employed debtor whose IVA was approved on 31 August 2020 for example, the IVA will comprise all years up to and including tax year 2020-2021. This includes both amounts already due and unpaid, as well as sums that will only be calculated following submission of their tax return for years up to and including 2020-21.

The taxpayer can complete that year's return any time from April 2021 onwards, even though the statutory deadlines are 31 October 2021 if submitting a paper return, or 31 January 2022 if they file electronically.



If they leave it until the last date to submit their returns, HMRC wouldn't have the figures to finalise its claim until 17 months from the date of approval.

In many arrangements HMRC is a creditor simply because of overpaid tax credits. Using the same approval date of 31 August 2020, HMRC wouldn't know the final amount due for another 12 months - until the renewal of the claim by August 2021.

So, if the debtor is either currently self-employed and/or claiming tax credits, HMRC's claim won't be known for some considerable time after approval. Please remember this when you are considering chasing up a claim. Chasing prematurely creates unnecessary work.

HMRC therefore asks that before insolvency practitioners chase HMRC, they consider whether HMRC has received the information it requires to agree a claim and that requests for claims are only issued when either:

- The debtor has confirmed that all years' returns or the appropriate tax credits renewals have been submitted.
- For the self-employed, the statutory filing deadlines have passed.
- For those who may have tax credits overpayments - the renewal date has passed.

Whilst HMRC continues to work through the current backlog of correspondence, it will be unable to respond premature claim requests.

When responding to claim requests, HMRC aims to write within the first four months of receipt of a claim with a note of its reference and with either:

- Confirmation that HMRC will not be claiming in the arrangement.
- A final claim where that is already known.
- To advise that the final claim is dependent on returns or renewals - as outlined in this notice.

HMRC thanks insolvency practitioners in advance for their support.