

# Guide to The Insolvency Service



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## 1. Background

The Insolvency Service (The Service) operates under a statutory framework – mainly the Insolvency Acts 1986 and 2000, the Companies Act 1985, the Company Directors Disqualification Act 1986, the Employment Rights Act 1996 and the Companies Act 2006.

Our staff are based at our:

- network of 42 official receiver (OR) offices throughout England and Wales;
- Enforcement and Investigations Directorates in London, Birmingham, Manchester and Edinburgh;
- Estate Accounts Services (EAS) in Birmingham;
- Redundancy Payments offices (RPOs) in Edinburgh, Birmingham and Watford;
- Companies Investigation Branch (CIB) in London and Manchester; and
- Corporate and Business Services and policy functions in London, Birmingham and Leeds.

## 2. What we do

We:

- administer and investigate the affairs of bankrupts, companies and partnerships wound up by the court and establish why they became insolvent;
- act as trustee/liquidator where no private-sector insolvency practitioner (IP) is appointed;
- act as nominee and supervisor in fast-track individual voluntary arrangements;
- act on reports of bankrupts' and directors' misconduct;
- deal with the disqualification of unfit directors in all corporate failures;
- deal with bankruptcy restrictions orders and undertakings;
- authorise and regulate the insolvency profession;
- assess and pay statutory entitlement to redundancy payments when an employer cannot or will not pay its employees;
- provide estate accounting and investment services for bankruptcy and liquidation estate funds;
- conduct confidential fact-finding investigations into companies where it is in the public interest to do so;
- advise BIS Ministers and other government departments and agencies on insolvency, redundancy and other related issues; and
- provide information to the public on insolvency, redundancy and investigation matters via our website, leaflets, Insolvency Enquiry Line and Redundancy Payments Helpline.

## 3. What we cannot do

We cannot:

- advise on personal financial issues;
- investigate the affairs of individuals or unincorporated partnerships without there being a bankruptcy order;
- pay wages or holiday pay where the employer is not subject to a formal insolvency procedure;
- comment on whether or not a company is reputable, or provide you with references (credit or otherwise) for a particular company;

- help you resolve any differences you have with a company;
- help you recover any money that you are owed;
- intervene in any dispute between a company and its shareholders or resolve a dispute within a company's own management;
- investigate companies that have no business address in England, Wales or Scotland;
- investigate companies that have been dissolved;
- investigate companies that are being investigated by someone else, for example by the police.

## 4. Equality of Service delivery

Our customer-focused approach is recognised by the Charter Mark accreditation, which we have held continuously since 1998. We aim to provide a professional, fair, efficient, courteous and helpful service to all our users, whether they are creditors, redundant employees, bankrupts, directors, insolvency practitioners or anyone else with whom we have dealings. We value and respect the diversity of our users, and are committed to ensuring that our services are accessible to all, irrespective of age, gender, sexuality, religion, race, cultural beliefs, or any disability.

## 5. How do we do this?

We set clear, measurable service standards and monitor, review and publish our performance against them with as little unnecessary paperwork and administration as possible.

With our users, partners and staff we ensure that we deliver high-quality services by being open, communicating clearly in plain language and providing information about services, their cost and how well we perform. We are fair and accessible to all users who access our services, promoting choice wherever we can and paying special attention to those with special needs. We continuously develop and improve our services and facilities by putting things right quickly and effectively when there are complaints or expressions of dissatisfaction, and by using suggestions and compliments received to spread best practice across The Service. We use our resources effectively and innovatively to provide best value for taxpayers and users. We contribute to improving opportunities and quality of life in the communities we serve through innovative initiatives and the imaginative use of resources.

## 6. Our services

### Website

We maintain a website at [www.insolvency.gov.uk](http://www.insolvency.gov.uk).

The website contains:

- information and guidance on insolvency legislation and processes;
- access to our online services;
- the contact details of OR, RPS and CIB offices;
- our publications;
- insolvency statistics;
- consultation documents we have issued;
- answers to frequently asked questions; and
- our Freedom of Information Publication Scheme.

If you have any questions or comments about the website, please complete the feedback questionnaire on the site or email us at [web.admin@insolvency.gsi.gov.uk](mailto:web.admin@insolvency.gsi.gov.uk).

## Online services

The following services are available online via the 'Do it online' section of our website.

### a. The Individual Insolvency Register

The Register contains details of:

- current bankruptcies, including those that have ended in the last 3 months; and
- current individual voluntary arrangements and fast-track voluntary arrangements.

### b. Disqualified directors database

The database includes:

- names of disqualified directors and their company name and number;
- the length of the disqualification period; and
- the reasons for the disqualification.

### c. Bankruptcy restrictions database

The database, which is part of the individual insolvency register, contains:

- the names of individuals against whom a bankruptcy restrictions order (BRO) has been obtained or who have given a bankruptcy restrictions undertaking (BRU); and
- the duration of the restrictions and reasons for them.

### d. Public interest cases database

The database contains details of:

- all cases in which the court has appointed an OR as provisional liquidator or interim receiver; and
- other cases that may be of specific public interest.

The court appoints a provisional liquidator or interim receiver to preserve a company's or person's assets pending the hearing of a winding-up or bankruptcy petition.

### e. Make a complaint about the actions of a limited company

If you wish to complain about the actions or operations of a limited company you can register a complaint online. CIB will consider complaints about live companies.

## **Our publications**

Our publications are available for download on our website. A full list of all our publications is at Annex B.

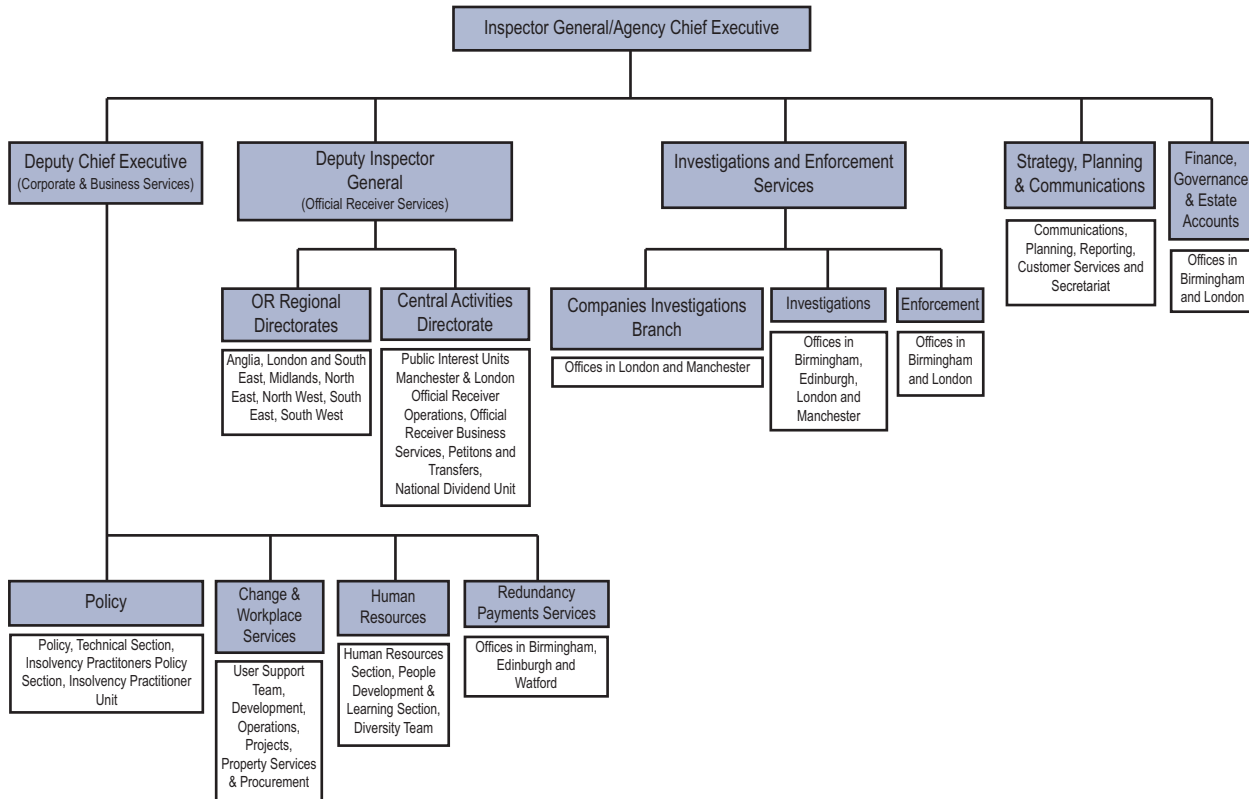
## **Our helplines**

The following helplines are available 9am – 5pm Monday to Friday. If we can't answer your query immediately, we will respond within 24 hours.

Our insolvency enquiry line deals with general calls and gives basic information on insolvency legislation and procedures and the work of the OR. You can phone the enquiry line on 0845 602 9848, or email your enquiry to [insolvency.enquiryline@insolvency.gsi.gov.uk](mailto:insolvency.enquiryline@insolvency.gsi.gov.uk).

Our Redundancy Payments Helpline provides basic information on redundancy and how to claim redundancy and other payments owed to you by your insolvent employer. You can phone the helpline on 0845 145 0004, or email your enquiry to [birmingham.rpo@insolvency.gsi.gov.uk](mailto:birmingham.rpo@insolvency.gsi.gov.uk).

## 7. Our organisational structure



## 8. Insolvency Service management boards

### Steering Board

The Steering Board has no executive functions. Its role is to advise the Secretary of State, through the Director General, on:

- the strategies that The Service will adopt in line with its strategic and corporate plans;
- the targets to be set for quality of service and financial performance (and monitoring and advising on performance against these); and
- the resources needed to meet those targets.

### Steering Board members

#### Philip Wallace, chairman

Philip was a former partner in KPMG where he specialised in Corporate Recovery. Before retiring, he was vice-chairman of KPMG in the UK. He was a founder member of the Insolvency Practitioners Council, a former chairman of the Insolvency Practitioners' Committee of the Institute of Chartered Accountants in England and Wales (ICAEW), and a member of the councils of ICAEW and R3, The Association of Business Recovery Professionals.

### **Rosalind Wright CB**

Rosalind Wright is the chairman of the Fraud Advisory Panel and the chairman of the Supervisory Board of OLAF, the European Anti-Fraud Office, based in Brussels. She was Director of the Serious Fraud Office from 1997 until April 2003. Before that she was a General Counsel and an Executive Director in the Securities and Futures Authority.

She joined The Insolvency Service Steering Board in May 2006 and has also been an external member of the BERR Legal Services Group Board since 2002. She is vice-chairman of the Jewish Association for Business Ethics. She is a member of the Bar Association for Commerce, Finance and Industry and a bencher of Middle Temple, where she chairs the Scholarships and Prizes Committee. She was awarded Honorary QC status in 2006.

### **Louise Brittain**

Louise joined The Insolvency Service Steering Board in September 2006. She is the partner in charge of the Proceeds of Crime Act, the Crown Prosecution Service contact, a National Bankruptcy partner, and head of Special Investigations London with Baker Tilly. Louise specialises in high-profile bankruptcies, asset tracing and insolvencies/receiverships. She is a lecturer for BERR company inspectors training courses and R3 personal insolvency introductory courses. She was included in the top 100 'Who's who in 2002' in Accountancy Age and the top 10 'up-and-coming' insolvency practitioners in The Lawyer 2002.

### **Peter Holmes**

Peter retired in 2008 from Accenture, a global management consultancy, IT systems integrator and outsourcing company. During his time with Accenture Peter undertook a number of senior management roles in their public service practice. He worked closely with clients in the UK, Canada, Southern Africa and the Nordic region on large IT enabled change programmes.

His expertise in transformational change in the public sector will be extremely useful for The Service. In particular, he will help us to deliver our wide-ranging programme of internal change, 'Enabling the Future', and will bring valuable experience to bear on our relationships with key suppliers, such as our main IT supplier, IBM.

Peter is a director and Vice President of Operations at Intellect, the trade association representing the UK information technology, telecommunications and electronics industries. He is also an independent non-executive director of a number of software and IT services companies.

### **Derek Morrison**

Derek has recently retired after a 37-year career in the automotive industry, where he held a number of senior positions with Ford and Volvo; most recently he was Chief Finance Officer for Volvo worldwide. He has experienced and led significant change in industry; he is a qualified finance professional and has considerable non-executive board experience in his role as a board member of the East of England NHS Strategic Health Authority, where he chairs the Audit Committee.

His career also includes board experience in the private sector with Volvo Car Corporation and 2 other medium-sized international companies.

**Stephen Speed**, Inspector General and Agency Chief Executive of the Insolvency Service

**Graham Horne**, Insolvency Service Deputy Chief Executive, Corporate and Business Services

**Les Cramp**, Insolvency Service Deputy Inspector General, Official Receiver Services

**Robert Burns**, Insolvency Service Inspector of Companies

**Lesley Beech**, Insolvency Service Director of Finance, Governance and Estate Accounts

### **Audit Committee**

The Audit Committee is a sub-committee of the Steering Board and has no executive functions. It is chaired by an independent member of the Steering Board, and the Chief Executive has the right to attend. The Committee agrees the scope and priorities for annual and long-term audit work; and advises the Chief Executive on risk management, internal control, the annual financial statements and any other areas requested by the Steering Board or the Chief Executive.

### **Directing Board**

The Inspector General/Agency Chief Executive is the Agency Accounting Officer and is responsible for the day-to-day running of The Service. He is assisted in this by the Directing Board, comprising senior managers from The Service, who also provide him with advice and support on policy and strategic issues.

## **9. The official receiver**

### **Who is the official receiver?**

The official receiver (OR) is a civil servant who acts on directions, instructions and guidance from our Inspector General or, less often, from the Secretary of State. The OR is a statutory office holder and also an officer of the courts to which he or she is attached. The OR is therefore answerable to the courts for carrying out the courts' orders and for fulfilling his or her duties under the law.

There are 42 ORs managing offices at 35 sites in England and Wales, organised into 7 regional groups, each under a regional director. You can get telephone numbers and addresses of OR offices from our website, or from our insolvency enquiry line on 0845 602 9848, or by email: [Insolvency.Enquiryline@insolvency.gsi.gov.uk](mailto:Insolvency.Enquiryline@insolvency.gsi.gov.uk).

### **What official receivers do**

#### **Responsibilities**

- **Interim receiver and provisional liquidator**

At any time after a petition for an insolvency order has been presented, the court may appoint the OR as **interim receiver** (for an individual who is bankrupt) or **provisional liquidator** (for a company). This is to protect a debtor's property or take control of a company's affairs pending the outcome of the hearing of the petition.

- **Receiver, trustee and liquidator**

The OR becomes **receiver and manager** when the court makes a bankruptcy order against an individual. The OR becomes the first **liquidator** when the court makes a winding-up order against a company. The OR is responsible for protecting the assets of the insolvent person or company and will take immediate steps to collect or secure any assets or property of the bankrupt or the company. If no private-sector insolvency practitioner is subsequently appointed, the OR becomes the **trustee** of the insolvent person or remains the liquidator of the company.

- **Supervisor**

The OR may also act as **supervisor** in a fast-track voluntary arrangement proposed by a bankrupt.

### How the OR carries out these duties

#### Administration

The bankrupt or the company director(s) must give the OR information about their own or the company's affairs, dealings and transactions. The OR will interview them in person or by telephone. The OR will examine their business records and any other information about their financial affairs, and will make background enquiries of banks, accountants, solicitors and others who have had dealings with them.

In every case, the OR reports to creditors (and to shareholders in winding-up cases) giving details of the assets and liabilities listed by the bankrupt, the director(s) or the partners.

Depending on the nature and monetary value of the assets, the OR may arrange a meeting of the creditors (and a meeting of contributories in a company) to consider appointing a private-sector insolvency practitioner (IP) as a trustee or liquidator in his or her place. Alternatively, the OR may consult the creditors but ask the Secretary of State to appoint an IP.

If an IP is appointed as trustee or liquidator, the OR will hand over the administration of the case to the IP.

If no IP is appointed, the OR acts as the trustee or liquidator to sell any assets, distribute the proceeds to creditors and complete the administration of the estate.

Whether or not the OR continues as trustee or liquidator, he or she remains responsible for investigating the insolvent's conduct and affairs.

When the OR has completed the administration as trustee or liquidator, and has been formally released from his or her duties, their responsibility as trustee or liquidator continues by virtue of their office. They deal with enquiries, and with any assets that may later come to light or had previously remained unsold.

If creditors or bankrupts are dissatisfied with the way the OR has completed the administration – and think the OR should not have been granted release – then our Technical Section will judge their objections.

## Investigating the conduct of bankrupts and directors

In every bankruptcy (except where he or she decides it is unnecessary) and compulsory liquidation, the OR has a duty to investigate the affairs and causes of failure of the bankrupt or company and the conduct of the bankrupt or directors.

ORs have wide-ranging legal powers to acquire the information and documents they need, including the power to hold public examinations in court to obtain information. The investigation may uncover:

- criminal activity;
- a case for the disqualification of directors; or
- a case for a bankruptcy restrictions order or undertaking.

ORs may consider that the disqualification of unfit directors would be appropriate in cases that either they or an IP has investigated (the OR handles compulsory liquidation cases, while the IP reports on some voluntary liquidation, administrative receivership and administration cases). With permission from the Secretary of State, the OR will take and argue the case in court, or draw up an undertaking for the directors not to act in company management for a specified period.

## 10. How we deal with wrongdoing

### Criminal allegations

ORs and IPs report to our Enforcement Directorate on possible criminal offences. If their allegations are considered serious enough, they refer the case to a prosecuting or investigatory authority such as the BIS's Legal Services Directorate or the Serious Fraud Office. They decide to prosecute if it is in the public interest and if they have enough admissible and reliable evidence to offer a realistic prospect of a conviction.

If you have any queries or need any further information about our work in dealing with criminal allegations, please contact Enforcement Directorate at PO Box 203, 21 Bloomsbury Street, London WC1B 3QW, or on 020 7291 6784, or email: [Enforcement.Director@insolvency.gsi.gov.uk](mailto:Enforcement.Director@insolvency.gsi.gov.uk).

### Disqualification of directors under the Company Directors Disqualification Act 1986 (CDDA)

Under the CDDA, the OR or IP must report on directors' conduct to The Service, acting for the Secretary of State.

When they think the court is likely to make a disqualification order, ORs set out the case in full detail for the Enforcement Directorate. The Directorate then decides whether it is in the public interest to apply for disqualification. If ORs identify elements of unfit conduct but do not consider them sufficient to justify disqualification, they complete a short formal report.

IPs must report on the conduct of directors of companies in voluntary liquidation, administrative receivership or administration. They report possible misconduct to our team in Birmingham or Edinburgh. If it appears to be in the public interest, the Investigations Directorate will investigate further. They will report their findings to the Enforcement Directorate, who will decide whether it is in the public interest to apply for a disqualification.

Once the Secretary of State is satisfied that a director should be subject to a disqualification order, the director can offer an undertaking not to act as a director or be involved in the promotion, formation or management of a company for between 2 and 15 years. If an undertaking is not offered or accepted, proceedings to seek a disqualification order begin in court.

Disqualification proceedings must begin within 2 years of the company's insolvency. If the court finds unfit conduct, it must make a disqualification order of between 2 and 15 years. The CDDA is common to England, Wales and Scotland.

### **Bankruptcy restrictions orders and undertakings under Schedule 4A of the Insolvency Act 1986**

In bankruptcy cases, where ORs identify misconduct, they can apply to the court for a bankruptcy restrictions order. If the court agrees, it may grant an order that will continue to apply the restrictions of bankruptcy for between 2 and 15 years. The OR should apply for this within one year of the bankruptcy. Alternatively, the bankrupt may offer a bankruptcy restrictions undertaking to the Secretary of State.

If you have any queries or need more information about our disqualification or bankruptcy restrictions work, please contact the Enforcement Directorate at, 21 Bloomsbury Street, London WC1B 3QW or on 020 7291 6807 for matters relating to England and Wales.

Contact the Disqualification Investigation Team (Edinburgh) at 2nd Floor, Ladywell House, Ladywell Road, Edinburgh, EH12 7UR or on 0131 222 6531 for matters relating to disqualification in Scotland.

### **Companies Investigation Branch (CIB)**

Under the Companies Act 1985, CIB has the power to investigate live limited companies. CIB investigations are confidential, so CIB does not give company directors specific reasons for investigating their company. CIB will not inform people who have complained about a company whether it is carrying out an investigation or what, if anything, it has discovered during an investigation.

If you want to contact CIB, you should first write to:

Companies Investigation Branch  
Ground Floor  
21 Bloomsbury Street  
London  
WC1B 3QW

Email: [enquiries@cib.gsi.gov.uk](mailto:enquiries@cib.gsi.gov.uk)

## 11. Authorisation and regulation of insolvency practitioners

Insolvency practitioners (IPs) are appointed mainly to administer insolvent estates, either as trustees in bankruptcy or as liquidators of a company. They may also be appointed to act in a range of other insolvency proceedings that do not involve The Service.

### Who may act as an insolvency practitioner?

#### Nomination

Under the Insolvency Act 1986, only authorised individuals may act as insolvency practitioners. Authorised insolvency practitioners may be nominated in a meeting by creditors (and contributories in a company), or appointed by the Secretary of State or by the court, and in certain corporate insolvencies by floating-charge holders, directors or the company itself.

#### Authorisation

Insolvency practitioners are authorised on the basis of education, practical training and experience. They are subject to monitoring and regulation and must hold a security bond against losses caused by their fraud or dishonesty. Seven recognised professional bodies (RPBs) are responsible for about 92% of all authorisations. The bodies currently recognised are:

- the Institute of Chartered Accountants in England and Wales;
- the Institute of Chartered Accountants of Scotland;
- the Institute of Chartered Accountants in Ireland;
- the Association of Chartered Certified Accountants;
- the Insolvency Practitioners Association;
- the Law Society; and
- the Law Society of Scotland.

IPs who are not members of an RPB can apply to the Secretary of State for authorisation. Our Insolvency Practitioner Unit handles their applications and also regulates their performance, investigating cases of possible impropriety or dishonesty.

If the Secretary of State refuses or withdraws authorisation, an applicant or IP can apply to the Insolvency Practitioners Tribunal for investigation. The Tribunal must normally report its findings to the Secretary of State within 4 months of the date of application.

#### Finding an IP

You can search a database of authorised IPs on our website, or your local OR office can provide a list for your area.

If you have any queries or need more information on IP authorisation, please contact our Insolvency Practitioners Policy Section at PO Box 203, 21 Bloomsbury Street, London, WC1B 3QW, or on 020 7291 6772, or email: [IPPolicy.Section@insolvency.gsi.gov.uk](mailto:IPPolicy.Section@insolvency.gsi.gov.uk).

## Insolvency Practitioner Unit (IPU)

The IPU is responsible for all of the Secretary of State's functions in relation to IPs. As the competent authority, it processes applications to the Secretary of State for authorisation to act as an IP. It deals with complaints about the conduct of practitioners authorised by the Secretary of State (complaints about other practitioners are dealt with by their professional bodies). It appoints trustees and liquidators on behalf of the Secretary of State and, where appropriate, deals with their removal or resignation. IPU also maintains the register of individual voluntary arrangements and the search facility for deeds of arrangement.

If you have any queries or need more information on the monitoring of insolvency practitioners, please contact IPU at Canon House, 18 Priory Queensway, Birmingham, B4, or on 0121 698 4103, or email: [IPU.email@insolvency.gsi.gov.uk](mailto:IPU.email@insolvency.gsi.gov.uk).

## 12. Estate Accounts

Our Estate Accounts Services have responsibility for insolvency estate accounting within The Service, operating under a service-level agreement containing a range of quality and performance standards against targets.

Trustees and liquidators, including the OR, must pay funds from the realisation of assets into the Insolvency Services Account (ISA) within set time limits.

Since 1 April 2004 all estate funds in the ISA automatically receive interest. The rate will be set by insolvency regulations but will be changed by notice. The current rate is published on our website.

We issue account statements to IPs automatically every 6 months from the date of the bankruptcy order, winding-up order or resolution for voluntary winding-up, and also on request. A User Group helps us be more responsive to our users.

If you have any queries or need more information on banking and investment services for bankruptcies and liquidations, please contact our Estate Accounts Services at 3rd Floor,

Cannon House, 18 Priory Queensway, Birmingham, B4 6FD, or on 0121 698 4268/70, or email: [EAD.Enquiries@insolvency.gsi.gov.uk](mailto:EAD.Enquiries@insolvency.gsi.gov.uk).

## 13. Redundancy

### The Redundancy Payments office

The office's main work is making redundancy and other payments to former employees of insolvent individuals, partnerships and companies out of the National Insurance Fund, in cases where the insolvent employer is clearly liable for those payments.

In 2007-08 the office handled over 76,000 redundancy and other insolvency claims from redundant workers and paid more than £200 million from the National Insurance Fund. They also gather information on collective redundancy notifications (nationally) to give to local jobcentres and other government agencies, which will use the information to assist those facing redundancy to find work or gain new skills through training programmes. The Birmingham office gives information on redundancy to the public through our Redundancy Payments Helpline.

When we pay an employee from the National Insurance Fund, we seek, on the employee's behalf, to recover the money from the employer directly or as part of the insolvency proceedings.

### Information

For information on how to claim redundancy and other payments owed to you by your insolvent employer, phone the helpline on 0845 145 0004 Mondays to Fridays from 9am to 5pm; or email [birmingham.rpo@insolvency.gsi.gov.uk](mailto:birmingham.rpo@insolvency.gsi.gov.uk).

For information on your claim for payment, write to the redundancy payments officer dealing with your claim.

For information on your rights under the redundancy payments scheme, phone the Advisory, Conciliation and Arbitration Service (ACAS) on its helpline: 08457 474747.

For information on redundancy policy, email BIS's Disputes Resolution Directorate: [dispute.resolution@bis.gsi.gov.uk](mailto:dispute.resolution@bis.gsi.gov.uk).

If you have a dispute with your employer or us about your entitlement, you can appeal to an Employment Tribunal to hear your case and it will make a judgment. There are time limits for applying. You can get the booklet 'How to appeal to an Employment Tribunal' from your local Jobcentre Plus or from the Employment Tribunal Service public enquiry line: 0845 795 9775. Information is also available on the Employment Tribunal website <http://www.employmenttribunals.gov.uk>.

## 14. Advice to ministers

We advise ministers on domestic, European Union (EU) and international insolvency issues.

When ministers are thinking about making changes, our Policy Unit will advise how best to do it, consulting within The Service and outside, as appropriate. Also, if we think that insolvency law – whether the Insolvency Act itself or the supporting secondary legislation – is not working efficiently and effectively, we may propose changes. However, since changing the law quickly is not always possible or desirable, we may suggest alternative solutions that can be achieved quickly by, say, administrative action.

When there are insolvency implications, we also co-operate with other government departments and agencies to help achieve their ministers' policies or deal with particular problems. Similarly, we will often take the lead in dealing with EU and wider international insolvency issues, including representing the United Kingdom in formal negotiations.

If you have any queries or need more information on insolvency policy, please contact Policy Unit at Zone A, 3rd Floor, 21 Bloomsbury Street, London WC1B 3QW, or on 020 7291 6740, or email: [Policy.unit@insolvency.gsi.gov.uk](mailto:Policy.unit@insolvency.gsi.gov.uk).

## **15. Media issues**

Our press office is responsible for media coverage for The Service.

If you have any queries or need more information on media issues, please contact the press office at Zone A, 5th Floor, 21 Bloomsbury Street, London, WC1B 3QW, or on 020 7637 6279, or email [press.office@insolvency.gsi.gov.uk](mailto:press.office@insolvency.gsi.gov.uk).

## Annex A - List of helpful organisations

We cannot give advice on specific insolvency problems or redundancy-related issues; for example whether you should go bankrupt, whether your company should go into liquidation, or whether you should look at alternative insolvency procedures.

A list of organisations that provide free advice is set out below. Many other organisations can also advise on insolvency and redundancy-related matters, but may charge a fee for their services. You should always check what this fee will be when you contact them. Alternatively, you may prefer to seek independent legal advice. We do recommend that you choose a professional who has been accredited by the Lord Chancellor's Community Legal Service (CLS) and has the CLS Quality Mark. You can find out more from [www.clsdirect.org.uk](http://www.clsdirect.org.uk). The Insolvency Service cannot accept any responsibility for the information, advice or other services provided by other organisations.

Organisation	Who they are	Contact details
<b>Advisory, Conciliation and Arbitration Service (ACAS)</b>	ACAS is a public body funded by taxpayers. It offers free help and information on work-related issues.	Helpline: 08457 474747 Opening hours: Monday to Friday 8am–8pm. Website: <a href="http://www.acas.org.uk">www.acas.org.uk</a> . The ACAS website contains details of the local ACAS offices.
<b>Business Debtline</b>	Business Debtline is a registered charity that provides a free telephone debt-counselling service for the self-employed and small businesses facing financial hardship. Advice is free, independent and confidential.	Helpline: 0800 197 6026 Opening hours: Monday to Friday 10am–5pm. Website: <a href="http://www.bdl.org.uk">www.bdl.org.uk</a>
<b>Citizens Advice</b>	Citizens Advice is a registered charity that offers free, independent and confidential advice from more than 700 locations throughout the UK.	Helpline: 0207 833 2181 to find your local Citizens Advice Bureau (CAB). Opening hours: Monday to Friday 8am–6pm. Website: <a href="http://www.citizensadvice.org.uk">www.citizensadvice.org.uk</a> which contains a directory of local CABs. For advice, visit the CAB Advice Guide website at <a href="http://www.adviceguide.org.uk">www.adviceguide.org.uk</a>
<b>Community Legal Advice (CLA)</b>	CLA is a free and confidential service paid for by legal aid. It is funded by the Legal Services Commission and delivered in partnership with independent advice agencies and solicitors.	Helpline: 0845 345 4345 Opening hours: Monday to Friday 9am–6.30pm. Website: <a href="http://www.clsdirect.org.uk">www.clsdirect.org.uk</a>

Organisation	Who they are	Contact details
<b>Consumer Credit Counselling Service (CCCS)</b>	The CCCS is a registered charity dedicated to providing free, confidential counselling and money-management help to families and individuals in financial distress. They provide counselling on budgeting; advice on the wise use of credit; and, where appropriate, achievable plans to repay debts.	Helpline: 0800 138 1111 Opening hours: Monday to Friday 8am–8pm Website: <a href="http://www.cccs.co.uk">www.cccs.co.uk</a>
<b>Consumer Direct</b>	Consumer Direct is the government-funded telephone and online service offering information and advice on consumer issues. It is funded by the Office of Fair Trading and delivered in partnership with Local Authority Trading Standards Services.	Helpline: 0845 404 0506 Opening hours: Monday to Friday 8am–6.30pm. Saturday 9am–1pm. Website: <a href="http://www.consumerdirect.gov.uk">www.consumerdirect.gov.uk</a>
<b>Lawyers For Your Business (LFYB)</b>	LFYB is a Law Society initiative that represents some 1,400 firms of solicitors in England and Wales who have come together to ensure that businesses, especially the smaller owner-managed ones, get access to sound legal advice when they need it.	Helpline: 020 7405 9075 Opening hours: Monday to Friday 9am–5pm. You will be sent a list of the member solicitors in your area (including information on specialist areas of work and languages spoken) and a voucher for a free consultation. Website: <a href="http://www.lawsociety.org.uk/choosingandusing/helpyourbusiness/foryourbusiness.law">http://www.lawsociety.org.uk/choosingandusing/helpyourbusiness/foryourbusiness.law</a>
<b>National Debtline</b>	National Debtline provides free, confidential and independent advice over the telephone for anyone in financial difficulty. Callers will receive a free self-help information pack.	Helpline: 0808 808 4000 Opening hours: Monday to Friday 9am–9pm and Saturdays 9.30am–1pm. Website: <a href="http://www.nationaldebtline.co.uk">www.nationaldebtline.co.uk</a>
<b>Business Link</b>	Business Link is a free business advice and support service available online and through local advisors	Helpline: 0800 600 9006 Website: <a href="http://www.businesslink.gov.uk">www.businesslink.gov.uk</a>

## **Annex B – List of publications**

### **Information about The Service**

Guide to The Insolvency Service  
\* The Insolvency Service Charter  
Complaints procedure - Information on making a complaint  
The Insolvency Service Publication Scheme

### **Information about insolvency procedures**

\* Guide to Bankruptcy  
\* A Guide for Creditors  
\* A Guide for Directors  
Bankruptcy Restrictions Orders  
Fast-Track Voluntary Arrangements  
When will my bankruptcy end?  
\* What will happen to my home?  
What will happen to my bank account?  
Income Payment Agreements and Income Payment Orders  
Can my bankruptcy be cancelled?  
Individual Insolvency Register  
\* What happens when you are interviewed by the Official Receiver?  
What will happen to my pension?  
Re-use of a company name after liquidation  
Alternatives to bankruptcy  
Guide to DROs  
Statutory Demands

### **Information about disqualification procedures**

Company Directors Disqualification Act 1986 and Failed Companies  
Company Directors Disqualification Act 1986 and Disqualified Directors  
Enforcement Hotline – What the hotline is and how to use it  
Effects of a Disqualification Order

### **Insolvency practitioners**

Trustees and liquidators in bankruptcies and compulsory liquidations  
Company Directors Disqualification Act 1986: Guidance notes for insolvency practitioners on the completion of statutory reports and returns  
How to make a complaint against an insolvency practitioner

### **Dealing with debt**

How to petition for your own bankruptcy  
How to make someone bankrupt  
How to wind up a company that owes you money  
How to wind up your own company  
How to wind up a partnership

## **General enquiries**

Any Questions? Information on the Insolvency Enquiry Line

## **Information on redundancy**

Redundancy and Insolvency – A Guide for Employees – including the claim for payments from the National Insurance Fund

A guide for insolvency practitioners to employees' rights on the insolvency of their employer

## **Redundancy forms**

Claim for payments from the National Insurance Fund (Form RP1)

## **Information about companies investigation**

Company investigation – What does Companies Investigation Branch do?

These forms are available from our website [www.insolvency.gov.uk](http://www.insolvency.gov.uk)

*\*These publications are also available on the website in Urdu, Traditional Chinese, Welsh and Sylheti. They are also available on audiotape, on request, from official receiver offices.*

*The back page of this publication provides details on how to obtain further copies of all the leaflets listed above.*

***If you have any queries or need more information about Insolvency Service publications or our website, please contact our Strategy, Communications and Planning Directorate at Zone A, 5th Floor, 21 Bloomsbury Street, London WC1B 3QW or on 020 7291 6709 or email: [web.admin@insolvency.gsi.gov.uk](mailto:web.admin@insolvency.gsi.gov.uk)***

## Annex C – Chief Executive’s Activities Review and Financial Results 2008-9.

The Service dealt with 78,029 new compulsory insolvencies, an increase of 16% against the 67,218 new cases received during 2007-08. The increase in the level of new bankruptcies was 15.5% and the rise in the number of company cases was 22.8%. The number of cases where income payment orders or agreements were obtained increased by 3% and the amount collected rose by 17% in the same period.

During 2008-09 we secured 1,252 disqualification orders and undertakings against directors, compared to 1,145 in 2007-08. CIB received 4,153 new complaints about the actions of live limited companies, which represent a 15% increase on the 3,619 complaints received during 2007-08.

The Service successfully secured 1,781 bankruptcy restriction orders/ undertakings in 2008-09, with 90% being obtained by way of an undertaking, in which the bankrupt can accept the official receiver’s allegations of misconduct and agrees to a bankruptcy restrictions undertaking for an appropriate period.

During 2008-09, 186 defendants were sentenced having been convicted of offences following prosecutions brought by the prosecutions branch of BERR, as a result of referrals from The Service.

In 2008-09 The Service dealt with 164,083 new claims for redundancy payments and paid 95% of these claims within 6 weeks. The insolvency of Woolworths resulted in 22,500 claims for redundancy and other payments and despite the scale of the task the average time taken to make a payment for redundancy in this case was just four days. The Service also handled the redundancy claims for a number of other large and high profile cases such as XL Leisure, Barratts shoe shops, Land of Leather and Waterford Wedgwood.

### 1. Finance results

During 2008-09, The Service spent a total of £205.3million carrying out the statutory functions required by the Insolvency Acts, Company Directors Disqualification Act, Employment Rights Act and Companies Acts under our Agency Framework document.

The Service received £148.6million income from fees to cover:

- (i) case administration - £150.3million;
- (ii) estate accounts - £2.3million; and
- (iii) insolvency practitioner regulation - £1million.

We received £8.3million under the Service Level Agreement from HM Revenue and Customs to cover the administration of the redundancy payments scheme.

We received £3million from costs awarded against disqualified directors, which is shown in our income. However, the remaining cost of enforcement and investigation was met by funding from BERR and is shown as financing in the Cash Flow Statement of the Annual Report and Accounts 2008-09. The cost of policy is met by administration funding from BERR and is also shown as financing.

## Annex D - Five-year performance summary

	2004-05	2005-06	2006-07	2007-08	2008-09
Compulsory insolvency caseload (planning assumption)	36,000	36,000	72,000	77,188	74,200
Compulsory insolvency caseload (Outturn)	42,039	58,991	69,939	67,218	78,029
Claims for Redundancy payment entitlements (planning assumption)	90,000	90,000	86,000	90,000	80,000
Claims for Redundancy payment entitlements (outturn)	78,397	91,516	86,066	76,416	164,083
Complaints about live companies made to CIB (planning assumption)	n/a	n/a	4,000	3,500	3,600
Complaints about live companies made to CIB (outturn)	4,272	3,711	3,595	3,619	4,153
Average staff in post	1,680*	1,825* Restated 1,899	2,146*	2,529*	2,484
<b>Key Targets and Indicators</b>	<b>2004-05 Actual</b>	<b>2005-06 Actual</b>	<b>2006-07 Actual</b>	<b>2007-08 Actual</b>	<b>2008-09 Actual</b>
<b>Financial</b>					
<b>Quality</b>					
Percentage of user satisfaction as measured by the User Satisfaction Index	86.30%	83.40%	91.50%	91.3%	89.8%
Level of public confidence in The Service's Enforcement Regime	51%	64.80%	62.8%	65.3%	64.1%
Reduce average time (months) from a company's insolvency to conclusion of disqualification proceedings**	25	27	27.5	n/a	n/a
Reduce the average time (months) from the date of insolvency to instigation of disqualification proceedings to 22 months**	n/a	n/a	n/a	18.5	19.7
Check and action Insolvency Services Account payment requisitions within 4 days or by due date	97.9%	98.5%	99.1%	99.5%	99.20%
Action invoices for payment within 30 days of receipt	99.20%	99.10%	99.20%	99.00%	99.00%
Reply to letters from Members of Parliament delegated to the Chief Executive within 10 working days	100%	100%	100%	100%	100%
Action redundancy payment claims within 3 weeks	n/a	78.60%	80.1%	78.7%	81.9%
Action redundancy payment claims within 6 weeks	92.50%	92.60%	94.1%	93.7%	94.8%
CIB to complete consideration of vetting complaints within 2 months***	n/a	n/a	94.80%	92.60%	91.3%
CIB to Complete internal Section 447 investigations within 6 months***	n/a	n/a	93.2%	95.7%	92.7%

**Productivity**

Complete case administrations	28,972	44,180	53,819	64,913	64,801
Uncompleted administrations	37,758	53,191	69,863	73,818	87,733
Number of cases where income payment order/ agreement obtained by official receiver	6,741	9,605	12,533	13,018	13,447
Number of criminal referrals submitted to the prosecutions branch of BERR where there is evidence of criminal behaviour	1,227	1,295	606	705	686
Take proceedings for disqualification of unfit directors – orders and undertakings obtained	1,240	1,173	1,200****	1,145****	1,252
Secure bankruptcy restrictions orders against unfit debtors	22	843	1,867	1,827	1,781
Increase enforcement activity outputs	2 year target	33%	10.9%	0.10%	1.10%

\* Staff in post figure includes staff on maternity leave, SWOP and the career break scheme but does not include short term appointees.

\*\* From 2007-08 we have measured performance against the time taken to instigate disqualification proceedings rather than to the conclusion of disqualification proceedings. This was to remove possible court delays when calculating the efficiency of the disqualification process.

\*\*\* CIB considers complaints about the conduct of companies (or the company’s officers) to determine whether there are grounds for a statutory enquiry into the company affairs, and carries out such enquiries. The power of enquiry used is almost exclusively







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