

Newport bankrupt abused covid loan to fund drug habit

Louis Glyn Maxwell, 35, from Newport, was the sole trader owner of Mr Tow Recovery Logistics, a car breakdown recovery business in the Newport area. Established in June 2019, the business operated using a Jeep Cherokee and trailer.

In August 2020 he obtained a £50,000 Bounce Back Loan by overstating his projected income. Maxwell did in fact spend around £22,000 to purchase a new tow truck, but spent the remainder on Class A drugs. He then sold the new truck to also fund his habit.

At the time he was serving convictions for driving offences which meant he was not permitted to drive.

He subsequently filed for bankruptcy in August 2021, which triggered an investigation by the Insolvency Service.

On 18 January 2022 the Secretary of State for Business, Energy and Industrial Strategy accepted a six-year bankruptcy restrictions undertaking from Louis Glyn Maxwell.

As a result, he is under a number of restrictions, including not being able to borrow more than £500 without disclosing his bankrupt status, and he cannot act as a company director without the court's permission.

Maxwell is currently awaiting trial at Cardiff Crown Court on various charges including possession of drugs, driving offences, and theft.

Sue Tovery, lead investigator for the Insolvency Service, said:

Taxpayers' money was made available to help genuine businesses get through the lockdown period and where there have been abuses, we will not hesitate to take action.

Notes to editors

Louis Glyn Maxwell is of Newport and his date of birth is January 1987.

Details of Louis Glyn Maxwell's undertaking is available on the [Individual Insolvency Register](#)

Bankruptcy restrictions are wide ranging. The effects are the same whether you are subject to a bankruptcy restrictions order or to an undertaking. Guidance on the main statutory consequences flowing from a [bankruptcy restrictions order or undertaking](#).

[Information about the work of the Insolvency Service, and how to complain about financial misconduct](#)

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