

Scaffolder's bankruptcy restrictions extended

Lee Thomas Hobson (34), from Sunderland, was a scaffolder and traded as LTH Scaffolding.

In December 2019, however, he stopped trading as LTH Scaffolding and began employment with a separate company.

But this did not stop him from applying for a government-backed Bounce Back Loan of £50,000 in the name of LTH Scaffolding which he received on 12 May 2020.

The money was then used to repay third parties rather than to meet ongoing business costs.

Lee Hobson was declared bankrupt on 26 October 2020. But due to his improper application for the Bounce Back Loan and the risk Lee Hobson posed to other creditors, the Official Receiver sought to extend his bankruptcy restrictions further.

Lee Hobson's bankruptcy undertaking extends his restrictions for 10 years, which means he is limited to what credit he can access, as well as not being able to act as a company director without the permission of the court.

Richard Gill, the Official Receiver, said:

Mr Hobson was not entitled to the loan as he had already stopped trading having taken up employment. This money was not used for the purpose it was intended.

Bounce Back loans are intended to enable businesses to survive the COVID-19 lockdowns and to be used to provide economic benefit for a business.

It is hoped that this Bankruptcy Restrictions Undertaking will act as a deterrent to others who may wish to abuse the government's COVID-19 relief schemes.

Lee Thomas Hobson is from Sunderland and his date of birth is August 1987.

Details of Lee Thomas Hobson'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](#).

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