<u>Insolvency Service newsletter - Spring</u> 2022

Insolvency Live! 2022 - save the date

This year's Insolvency Live! will be taking place on Tuesday 5 July. We are looking to host a hybrid event with guests either joining us at Broadway House, Westminster, London or online.

Please contact <u>stakeholder@insolvency.gov.uk</u> to register your interest in the event. Suggestions on what you would like to hear about at the event are also welcome.

Frances Coulson appointed to Insolvency Service Board

The Insolvency Service welcomes prominent insolvency expert <u>Frances Coulson</u> as a new non-executive board member.

Frances Coulson is a practicing lawyer, with more than 26 years of experience in insolvency law, and a senior partner, board member and Head of Insolvency & Restructuring for the city-based law firm Wedlake Bell.

Together with the other non-executive board members, Frances will work closely with the Insolvency Service's senior leadership team to provide strategic leadership and governance for the agency.

Chair of the Insolvency Service Board, Mark Austen, said:

I am delighted that Frances has chosen to join our Board. She brings a very experienced practitioner view and will have much to contribute to framing and ensuring a positive impact of the ambitious change agenda planned for the Service over the next few years.

The Insolvency Service commences P&O Ferries investigation

Following its initial enquiries, the Insolvency Service has commenced formal criminal and civil investigations into the circumstances surrounding the recent redundancies made by $\frac{P\&O}{Ferries}$.

As these are ongoing investigations, no further comment or information can be provided at this time.

Nottingham Examiner finalist at counter fraud awards

Sam Powdrill, an Examiner based in the Insolvency Service's Nottingham Office, was a finalist in the <u>best apprentice or newcomer of the year</u> category at the Public Sector Counter Fraud Awards 2022.

The awards, delivered in collaboration with the Government Counter Fraud Profession, recognises those who demonstrate commitment, innovation, great team work or going the extra mile in the national fight to protect people against fraud.

Sam works in Official Receiver Services, with responsibility for investigating personal bankruptcy and company liquidation cases on behalf of the Official Receiver.

Having completed his Examiner qualification in May 2021, three months ahead of schedule, Sam has demonstrated outstanding commitment to learning and development while also successfully delivering his demanding and challenging workload.

Sam joined the Insolvency Service from HMRC in 2018 and since the beginning of 2019, Sam's work has led to 54 bankruptcy restrictions orders and undertakings against people who were guilty of misconduct in relation to their financial affairs.

At the same time, Sam has administered several bankruptcy estates, some of those cases requiring lengthy court proceedings. Sam took a lead role in briefing and preparing solicitors and counsel in these hearings — performing a role usually conducted by a more senior examiner.

Sam said of his achievement:

It was extremely inspiring to attend the Counter Fraud Awards and to hear of the great work being done by the community to stop fraud and reduce its impact. While I didn't win, it was still a great honour to be nominated for 'Newcomer of the Year' and be a part of this fantastic community.

Policy Round up

Review of the Insolvency Rules published

The Insolvency Service has published the Secretary of State's first review of the operation of the Insolvency (England and Wales) Rules 2016.

The Rules came into force in 2017 with the aim of streamlining the insolvency regime and reducing unnecessary regulation. They consolidated the bulk of the existing secondary legislation, updated the insolvency framework with modern

and gender-neutral language, and provided a clearer and more user-friendly rulebook for insolvency processes.

At the same time, they introduced the supporting provisions for the changes to insolvency law and practice contained in the Deregulation Act 2015 and the Small Business, Enterprise and Employment Act 2015.

The Rules contain a five-yearly review clause, that also requires the publication of a report on the findings.

The report found that the Rules are operating correctly and effectively. They provide appropriate detailed procedures to support the Insolvency Act 1986, as well as consolidating and modernising the preceding secondary legislation; implementing policies contained in two other acts of Parliament; and introducing other modernisations such as electronic communication between officeholders and creditors. Those policies remain appropriate and could not be achieved with less regulation.

You can read the full report here.

Temporary insolvency measures have ended

The Corporate Insolvency and Governance Act 2020 introduced various temporary measures to help protect companies affected by the lockdown restrictions during the pandemic.

Most of these measures expired at the end of June and September 2021, except for restrictions on winding up companies, which were extended until 31 March 2022.

This remaining insolvency restriction was not extended further, allowing the insolvency regime to return to its pre-pandemic operation.

Business leaders are being advised to seek professional insolvency advice to protect their business.

The Government has also announced a new law to help <u>resolve certain remaining</u> <u>rent debts</u> in the commercial rental sector.

The Future of Insolvency Regulation consultation closed

The Government consultation on changes to the way the insolvency profession is regulated has now closed. The Insolvency Service is now analysing feedback and the Government will respond in due course.

Recent enforcement activity

<u>Boris Becker</u> has been found guilty of four offences relating to his bankruptcy, including failing to disclose, concealing and removing significant assets. He received a <u>prison sentence</u> of 2 years and 6 months at Southwark Crown Court on 29 April 2022.

9-year disqualification for <u>Glasgow coffee wholesaler boss</u> due to lack of records and cooperation.

11-year disqualification for <u>rental property investment con director</u> who scammed £6.7 million from investors by promising false investment returns including over 100 per cent.

Disqualifications for husband and wife <u>directors of sign company</u> who failed to pay £70,000 tax and preserve adequate accounting records for the company.

9-year disqualification for <u>Wolverhampton director</u> who deliberately exaggerated company turnover to secure £50,000 Bounce Back Loan.

Latest from the insolvency blog

The Insolvency Service blog was set up to let those either working or an interest in the Insolvency Service share thoughts and experiences. It's a place for our people across the agency to share personal experiences of the work they do — work that includes supporting those in financial distress, tackling financial wrongdoing and maximising returns to creditors.

Our latest blogs include <u>Life as a Senior Coordinator in the Official</u>
Receiver Services written by our colleague Rukhi Arshad, who describes how her career has developed within the Insolvency Service and why it is such a great organisation to be part of.

To celebrate National Apprentice Week James Smith tells us about his experience as an <u>apprentice Investigation Support Officer</u> in the Investigation and Enforcement Services.

PM meeting with Japanese Prime Minister Fumio Kishida: 5 May 2022

The Prime Minister hosted Japanese Prime Minister Fumio Kishida at Downing Street this morning to discuss global security and deepening the close bilateral ties.

Both leaders agreed that Russia's barbaric invasion marked the end of the post-Cold War period and had major implications for wider international stability.

Security in the Euro-Atlantic and Indo-Pacific regions was indivisible, they agreed, and the G7 leaders said democracies around the world needed to stand in unity against authoritarian regimes.

Discussing the recent ballistic missile launch by North Korea, the Prime

Minister condemned the provocative actions and said the UK stood shoulder-to-shoulder with Japan and our Indo-Pacific allies.

The Prime Minister praised the new in principle Reciprocal Access Agreement, an idea that was first raised between the leaders when they were foreign ministers, and said it was yet another symbol of the deepening relationship between the UK and Japan.

On the UK's Future Combat Air System (FCAS), both leaders agreed the UK and Japan were making significant progress, and the Prime Minister welcomed Prime Minister Kishida's view that the project could become the cornerstone of the UK-Japan bilateral relationship.

Speaking about the strong trading relationship between the UK and Japan, the Prime Minister welcomed Japanese investment across the UK, and said he had named Greg Clark MP as the UK's new Trade Envoy to Japan to further strengthen economic links.

The leaders also agreed to deepen their research and innovation ties to develop cutting edge technologies of the future.

The Prime Minister added that he hoped the two countries should continue to use their technology prowess and investment to develop more renewables to support energy security across the world.

The Prime Minister said he was pleased Great Britain would soon lift the remaining restrictions on Fukushima food products and both leaders enjoyed popcorn from the region during the meeting.

Commenting on how aligned the UK and Japan were in their approach to global challenges, the Prime Minister said he looked forward to continuing to work closely with Prime Minister Kishida ahead of Japan's G7 Presidency next year, and as the UK progressed its accession to the CPTPP trade bloc.

New documentary goes behind the scenes at National Highways

The Motorway, which airs from 8pm on Monday, 9 May for the next eight weeks, is the second series of the popular programme which takes a fly on the wall approach to the workings of the company responsible for operating, maintaining and improving motorways and major A roads in England.

Crews from production company Fearless Television spent three months filming with traffic officers, control room operators and maintenance crews across Yorkshire and the North West, focusing mainly on the M62 and adjoining motorways.

It follows on from the first series in 2020 which looked at the day to day running of the M1 in the East Midlands and Yorkshire.

National Highways staff can be seen dealing with multi-vehicle collisions, breakdowns, debris and escaped animals. The programme also follows maintenance crews as they carry out resurfacing, collect litter, clear drains and cut grass.

National Highways Customer Service Director Mel Clarke said:

The new series of The Motorway shines a light on the sterling work that goes on around the clock to keep the strategic road network running. It shows the complexities of the incidents we deal with on an everyday basis and the challenges we face in keeping our customers on the move.

We hope people enjoy watching the eight new episodes and get an appreciation of just what goes into the day to day running of our motorways.

Regional Operations Centre Operator Emily Beman co-ordinates National Highways' response to motorway incidents from the Yorkshire and North East control room. Credit: Channel 5/Fearless TV

Executive Producer for Fearless Television Amanda Murray said:

It was great to get back on the road with National Highways and spend time with the brilliant staff that work such a busy bit of the network, across northern England.

The series is driven by great characters and great stories and we weren't short of either. We hope the programmes offer a meaningful and insightful look at the vital work that goes into keeping our motorways moving.

We follow as patrol and control room staff deal with everything from high-speed collisions in treacherous weather and cars ablaze — to handling cows on the run and filling potholes in record time.

It's the indefatigable efforts of this often-unseen workforce that take us into a world of the motorways that most of us know little about — and hopefully makes for an engaging, heart-warming and entertaining series.

The Motorway can be seen on Channel 5 every Monday from 9 May at 8pm and is also available on My5.

General enquiries

Members of the public should contact the National Highways customer contact centre on 0300 123 5000.

Media enquiries

Journalists should contact the National Highways press office on 0844 693 1448 and use the menu to speak to the most appropriate press officer.

Engraved spoon helps identify WW1 casualty

Two British soldiers killed on 26 September 1915 (during the Battle of Loos) were laid to rest with full military honours earlier today (Thursday 5 May), a century after their deaths. The service was organised by the MOD's Joint Casualty and Compassionate Centre (MOD JCCC), also known as the "MOD War Detectives", and was held at the Commonwealth War Graves Commission's (CWGC) Loos British Cemetery, Loos-en-Gohelle in northern France.

Members of the Royal Regiment of Scotland carry Pte Johnston to his final resting place. Crown copyright.

One set of remains was recovered in January 2018 during a WW1 ordnance search near Lens. Also found was a pocket watch and a spoon with the number 13228 stamped on the back. MOD JCCC and the CWGC confirmed it to be the regimental number of Private (Pte) William Johnston (aged 39) of 7th battalion, Royal Scots Fusiliers, having cross referenced it with war records that also confirmed he was the only casualty with this number who did not have a known burial place.

Soldiers of the Yorkshire Regiment carry an unknown East Yorkshire Regiment soldier to his final resting place. Crown copyright.

The MOD JCCC traced a great-great-niece who provided a DNA sample to compare with DNA taken from the remains. The results were conclusive. Pte Johnston's service records no longer exist, so not much personal information is known about him.

Sharon Williamson, of Portadown, County Armagh, is Pte Johnston's great-great-niece and DNA donor, she said:

"I was sent an email by a relative in America who had been contacted by the

MOD War Detectives to say that they had found remains from the Great War. They asked for my DNA, that was the start of our journey. Later, once it was confirmed that William was our relative, we couldn't miss the opportunity to be here and pay our respects to a family member that, though we didn't know, we did not want him to be alone on his final journey."

Phil Aldridge, great great nephew of Pte Johnston lays a wreath. Crown copyright.

The remains of another British soldier were found separately in the same area. Although it was not possible to identify him by name, MOD JCCC did confirm he served with the East Yorkshire Regiment due to two East Yorkshire shoulder titles being found with the remains.

Louise Dorr, MOD JCCC Caseworker said:

"I'm both pleased and saddened that although I have been able to identify one of these soldiers by name, there are just too many casualties missing from the 8th East Yorkshire Regiment for us to be able to name their casualty.

"I'm delighted to see them both laid to rest in front of their military family and, in Pte Johnston's case, his biological family. May they both rest in peace."

The service was conducted by the Reverend Dave Jeal, Chaplain to 2nd Battalion, Royal Regiment of Scotland. Two bearer parties were provided by the Yorkshire Regiment and the Royal Regiment of Scotland respectively.

Rev Dave Jeal leads the service. Crown copyright.

Rev Dave Jeal, who's own grandfather Frederick Nichols served with the East Yorkshire Regiment during the Second World War, said:

"To be involved today is a real privilege for me. When these two men died they did so in the service of our country: they gave everything. That's so important to remember and to honour, because by bearing their remains to their final rest, our young soldiers of today can see they walk in the footsteps of those giants who went before them."

The graves will now be marked by headstones provided by the CWGC, who will care for their final resting place in perpetuity.

CWGC Horticulture Manager, Steve Arnold said:

"As the Recovery Officer I was honoured to be able to retrieve these two British soldiers from where they had fallen over 100 years ago, together with the personal items that have enabled Private Johnston to be named. It is deeply moving to see them laid to rest today alongside their comrades; each time we engrave a new headstone we renew our commitment to caring for all the

<u>Speech by Defence Procurement Minister</u> at DPRTE Conference 2022

It's a pleasure to be here in Farnborough this morning and I want to start by thanking all of you for everything you do for our forces.

In my view the Defence sector is the jewel in the crown of our country's economy — maintaining hundreds of thousands of jobs, developing rich skills bases and boosting our global influence.

And while your immense contribution often goes unsung, the world has been reminded of that value in recent months as a result of Putin's illegal and unprovoked war.

The UK, as you all know, has been at the forefront of efforts to support Ukraine and, as the Prime Minister announced to the Ukrainian parliament on Monday, we will be delivering £300m more in military aid in the coming days, making us the biggest supplier in Europe.

But delivering and maintaining this equipment has been a huge logistical feat and it wouldn't be possible without an agile and resilient supply chain.

Which is where all of you come in.

Firms like yours have helped build, maintain and transport the thousands of anti-tank and anti-air missiles which have helped protect Ukrainian towns and cities.

Of course, this is just one of a number of recent supply chain successes.

You came to the fore during Op PITTING, providing the logistical backbone and equipment for the largest ever peacetime airlift.

And you showed your mettle throughout the pandemic, from manufacturing ventilators to helping establish Nightingale hospitals.

But you will be aware that the challenges we face in Defence procurement are growing quickly in this new era of constant competition and rapid technological advancement.

The current cost of living crisis has placed the emphasis on value for money for the taxpayer as never before.

And those reminders of the failures of Russian kit — tanks stuck in the mud for days, soldiers' cheap handheld radios discarded — have underlined the

need for resilience.

That doesn't just mean building equipment to last but ensuring we have access to the specialist parts required to maintain and repair those platforms at all times.

More than anything though, we need to make the whole acquisition process simpler and quicker, so that we can spend less time hacking our way through red tape and more time delivering on what counts.

So how can we respond to these multiple challenges?

Well, a year ago we published DSIS, the Defence and Security Industrial Strategy, which set out to transform the way we do business while also attracting the best suppliers into our supply chains, including non-traditional and smaller firms.

Today I want to take the opportunity to remind you of those key pillars of DSIS that we believe will help transform procurement.

First, in this age of rapid technological advance, we are injecting pace and clarity into our processes so we can deliver capability at the speed of relevance.

We are reforming the Single Source Contracts Regulations and the Defence and Security procurement rules — making them more flexible and more agile for buying the right capability.

And we are giving industry more notice about the kit we're going to need, so you have the time to upskill and invest in the right areas.

Shipbuilding is a case in point — we've just announced a new strategy which will create jobs and boost skills with a 30-year pipeline of 150 government vessel procurements, backed by £1.7 billion a year specifically for Royal Navy shipbuilding.

Meanwhile, we are rolling out a Category Management system which will take a pan-Defence approach to buying goods and services instead of MOD organisations operating on an individual level — cutting costs and delivery times.

But we recognise the best way to improve procurement is by improving our relationships with those with whom we do business.

That's why we have also strengthened the Defence Suppliers Forum by broadening and deepening the industry membership.

That's why we are using our National Security Technology and Innovation Exchange to give industry and academia the world-class facilities they need to succeed.

And that's why we are making it easier for you to export, developing our government-to-government frameworks to better support Defence exports while

unplugging bottlenecks in our own system.

The second pillar of DSIS, a critical pillar, is innovation.

This government is determined to reverse the long-term decline in R&D in this country.

So we're ring-fencing £6.6bn for Defence R&D to produce game-changing capabilities that help the UK become a global science superpower. We're already seeing successes across every domain and in all corners of the UK.

The Army BattleLab in Dorset is enabling Defence personnel to work with academic institutions and private sector companies to trial cutting-edge tech.

The new AI centre in Newcastle — which I had the pleasure of opening a couple of months ago — has a team of scientists exploiting the latest developments in the use of Defence AI.

While the National Cyber Force in Lancashire will strengthen our already significant capability in the digital domain.

But to really succeed, we need to be tapping into the talents of our SMEs — the backbone of our economy. Last month's inaugural report from the Joint Economic Data Hub showed that more than a fifth of Defence procurement spending is with SMEs.

We believe we must up that contribution further if they are to help spearhead our innovation revolution.

That's why in January we published the SME Action Plan, which sets out plans to improve engagement with SMEs in the defence supply chain by speeding up technology pull-through and providing focused investment to support innovation.

We've also created a specific SME working group within the Defence Suppliers Forum, which is increasing access to opportunities and improving how we measure and report SME engagement.

And our Defence and Security Accelerator (DASA) is helping turn private sector innovation into military capability, with Defence Innovation Loans to SMEs to help commercialise their products.

These relationships are being further strengthened at a local level through our new network of Regional Defence and Security Clusters which allow industry and government to share ideas and work together, thus promoting collaboration and commercialisation into the supply chain.

And the pilot cluster in the Southwest is already proving a hit, with 140 organisations signed up, including 90 SMEs, 45 of which have never previously worked with Defence.

Critically, getting innovation right will also help strengthen great British

companies in the export markets, where the clamour for Defence services in an ever more competitive world is growing louder.

The third pillar for DSIS that is critical to our procurement approach is social value.

At the start of this speech, I mentioned the enormous benefits Defence brings to every part of the country.

We need to ensure that with every Defence procurement we are asking the wider strategic question of what else we can gain as a country alongside excellent kit.

We recognise that our onshore Defence industry has a strategic value in its own right.

To ensure we get the most from our new model we have established a Social Value Centre of Expertise, which will drive added value for Defence and the wider economy by embedding social value in acquisition.

So those are three DSIS pillars that are designed to make our procurement and supply chains faster, more innovative and more socially valuable. But given that today's theme is about building back better together, let me finish by turning the tables on you.

After all, I'm sure many of you in the room have enterprising and innovative solutions to some of the challenges I set out. And perhaps even more answers to those I have not.

So, as you go off and make the most of today's conference, please do consider how you would get more out of your partnership with government.

What more can you do to collaborate on research and development with us?

How can we encourage companies with niche skills who might not be part of the existing Defence supply chain to come on board?

How could you contribute to a Defence and Security Cluster in your area?

What more support would you like to see from government on exports?

How do we keep manufacturing lines open through the lifespan of a platform so we can ramp up production when called upon?

Those are just a few questions that we're going to be grappling with in the coming years and I'd love to hear from you your answers.

If recent events have taught us anything, it's that success from battlefield to boardroom rests on us working together.

So thank you for coming and listening today and I look forward to working together with you and to continue to keep together our country safe and secure.