



The Insolvency
Service

Information Rights Team
The Insolvency Service
Cannon House
18 Priory Queensway
Birmingham
B4 6FD

Tel: 0300 678 0015

foi@insolvency.gov.uk
www.gov.uk/insolvency-service

Our ref: FOI25/26-016
Date: 27 May 2025

Dear [REDACTED]

Re: Freedom of Information Act 2000 (FOIA) Request

Thank you for your email of 1 May 2025 in which you requested from the Insolvency Service (the agency):

"I write in a personal capacity as someone who is extremely about the professional conduct which in certain instances is capable of being punished by incarceration. This Freedom of Information request is made pursuant to the Freedom of Information Act 2000. It seeks urgent clarity and disclosure from the Insolvency Service, in its role as oversight regulator of the UK insolvency profession, in relation to the standards applied to the ongoing regulation, supervision, and fitness of Insolvency Practitioners ["IP's"] licensed by recognised professional bodies (RPBs), such as the ICAEW and IPA who I will make specific reference to during the course of this letter.

It has come to my attention that an ICAEW-licensed Insolvency Practitioner—who previously served on both the ICAEW's Insolvency Licensing and Disciplinary Committees—is presently subject to contempt of court proceedings in the High Court. Despite the serious nature of those proceedings, including allegations involving dishonesty and conduct potentially punishable by custodial sentence, this individual continues to practice without restriction.

Accordingly, I seek information and clarity on the following points:

1. What policies or guidance does the Insolvency Service issue or expect to be followed by the RPB's when an Insolvency Practitioner they regulate is facing serious proceedings such as contempt of court or fraud related offences, which if found guilty are punishable by custodial sentences?

2. Is it the view of the Insolvency Service that Insolvency Practitioners under such circumstances, like the one facing contempt charges in the High Court, should be permitted to continue in practice without any restriction? If so, please explain how such a position protects the public, creditors, and the integrity of the insolvency regime? If you issue 'guidance' on suitable restrictions to the RPB's on how to protect the public and the profession when IP's face serious charges, such as contempt of court, then please disclose.

Further, I understand that the same Insolvency Practitioner has made unsubstantiated accusations of "Theft" against a party relating to 'Partnership Interests' in Scottish Limited Partnerships ["SLP's"] —despite the legal position apparently being that one cannot 'steal' a partnership interest under Scots law when the SLP's' General Partner(s) has legally admitted the 'Partner' to their 'Partnership'. In this case the General Partner admitted a bankrupt pursuant to Scots Law as a 'Partner' more than ten years before the bankruptcy, which is still contested. This ICAEW regulated Insolvency Practitioner has also made implied threats of fraud in relation to the 'Partner's' admission to the SLP's and their receipt of monies as a Partner. All of these 'threats' of Theft (and implied threats of Fraud) are made by the IP on a completely unfounded basis and they continuously refuse to sign a Witness Statement with a Statement of Truth or swear an Affidavit to confirm the factual basis for making such allegations. As oversight regulator do you consider that it 'should' be necessary for an IP making such threats of criminality to be willing to state the factual basis for the making of the allegations in Witness Statement or Affidavit? The IP refuses to do either.

3. What safeguards or investigatory protocols does the Insolvency Service expect RPBs to have in place when their members make unfounded, damaging threats or accusations of criminal conduct (such as theft or fraud) which may be legally or factually unsustainable?

4. Does the Insolvency Service agree with me that if IP's are to make serious accusations, in this case Theft and possible Fraud of SLP Partnership Interests and the monies derived from them as Partner, then they should be willing to support these allegations by way of Witness Statement or Affidavit? If not, then please state why not and the Insolvency Service's reasons?

5. Does the Insolvency Service consider that it is appropriate for Insolvency Practitioners to make such unfounded threats when they relate to conduct governed by a very different legal system in Scotland to that of England & Wales, with seemingly no legal advice? The same ICAEW-licensed Insolvency Practitioner appears to have ignored the fact that the SLP-related judgment debts against a bankrupt were obtained on what is acknowledged to be legally flawed basis via the making of false and . or misleading statements, as well as misleading omissions by an IPA regulated IP and solicitors, etc. The primary element of the SLP related judgment debts involves the supposed transfer of a (deceased's) limited partnership interest in an SLP – which is impossible pursuant to Scots law, not least because when die you leave the 'Partnership'. The ICAEW regulated IP is also aware that notwithstanding the fact that the supposed 'Transferor' was never a 'Partner' (giving them no legal ownership and ability to transfer pursuant to Scots Law) the legal assignment requirements under Scots Law, specifically the advertisement of a 'Section 10 Notice' in the Edinburgh Gazette pursuant to s.10 of the Limited Partnerships Act 1907 – without this the alleged transfer is deemed to be "of no effect" under statute. The IPA regulated IP who alleges that the is the largest creditor in the bankruptcy and acted as supporting creditor, arguably misleading the Adjudicator in the process, admitted to the Court of Session in 2023 that no transfer occurred via the Asset Purchase Agreement 'APA'] as he told the High Court.

Leaving aside the fact that the assistance of the Scots Court as needed for any proprietary / possessory rights determinations on the SLP's; voidance of Scots Contracts; and civil wrongdoing claims (should have been under the Scots Law of Delict – English Tort e.g. Conversion as claimed was impossible) was required under s.426 of the Insolvency Act 1986; the impact of there being no transfer to void under s.284 of the Insolvency Act 1986 (which was wrongfully used by the IPA regulated IP in relation to SLP's as Scots Property as well as against Scots Contract(s)) should have been a legally pointless claim. Instead the IPA regulated IP has decided to adopt the untenable (and 'dishonest') position of the transfer of SLP partnership interest being legally effective in England, but not in Scotland. This underpins the whole bankruptcy. The ICAEW regulated IP in full knowledge of these

contrasting stances on the 'transfer' has decided to adopt the IPA's regulated IP's English stance – although all the factual information (including Scots Law) proves otherwise.

So, in view of this:

6. What actions would the Insolvency Service expect of a licensed IP when presented with evidence that SLP related judgment debts upon which the bankruptcy is solely based are entirely dependent on the making of false and / or misleading representations and misleading omissions?

7. What actions would the Insolvency Service expect of a licensed IP when presented with evidence that SLP related judgment debts upon which the bankruptcy is solely based were made outside the jurisdiction of the English Courts pursuant to the Civil Judgments and Jurisdictions Act 1982 – Schedule 4 (i.e. determinations of possessory / proprietary rights over SLP Partnership Interests as 'Scots (moveable) Property'/ voidance/amending of Scots Contracts / Civil Wrongdoing (English tort not Scots delict))

8. What obligations, if any, are IPs under to report apparent suspected judgment fraud and / or misrepresentation to the court or relevant authorities? If IP's are not obliged to report suspected judgment fraud and / or misrepresentation then how is this consistent with the deterrence of fraud, etc and the soon to be introduced failure to prevent offence(s)? It has also come to my attention that the IPA-regulated Insolvency Practitioner is on formal notice of misrepresentation and fraud from a leading City law firm, yet continues to practice without restriction. The IPA has it seems simply opted to ignore these serious allegations and concerns about the IP's professional conduct.

9. What does the Insolvency Service expect from an RPB when one of its members is formally accused of dishonesty or misrepresentation by a prominent law firm operating globally?

10. What level of expertise and independence should be expected of those appointed to investigate such serious and complex allegations? Is it acceptable for such investigations to be delegated to junior solicitors, local to the accused, or should they be handled by experienced senior individuals with standing, such as King's Counsel and / or experienced Partner level solicitors?

Given the public interest in the honesty and integrity of those IP's entrusted with significant powers over the estates and livelihoods of others, I would be grateful for your full and prompt response to the above. If any part of this request is considered unclear or would benefit from refinement, then I would be happy to assist.

Your request has been dealt with under the Freedom of Information Act 2000 (FOIA).

I can confirm the agency holds some of the information that you have requested, and I have provided answers to your questions below.

1. What policies or guidance does the Insolvency Service issue or expect to be followed by the RPB's when an Insolvency Practitioner they regulate is facing serious proceedings such as contempt of court or fraud related offences, which if found guilty are punishable by custodial sentences?

The Insolvency Service, acting as oversight regulator, would typically consider the actions of an RPB separately for each case, and we have not issued specific guidance to RPBs on the point raised. As oversight regulator our role is to ensure that the RPBs have policies and guidance in place to ensure fair, consistent, transparent, and proportionate regulation of

insolvency practitioners. It may be appropriate for us to direct the RPBs if/where policies and guidance is found not to meet the regulatory objectives (as set out in IA86).

2. Is it the view of the Insolvency Service that Insolvency Practitioners under such circumstances, like the one facing contempt changes in the High Court, should be permitted to continue in practice without any restriction?

This information is not held as the question is asking for an opinion. The answer to this question would depend on the facts of each individual case. Guidance relating to any suitable restrictions can be found in Common Sanctions Guidance (please see link below)

[Common Sanctions Guidance - GOV.UK](#)

Because this information is reasonably accessible to you the agency is not obliged to provide you with a separate copy of the information pursuant to the exemption at section 21 of FOIA.

3. What safeguards or investigatory protocols does the Insolvency Service expect RPBs to have in place when their members make unfounded, damaging threats or accusations of criminal conduct (such as theft or fraud) which may be legally or factually unsustainable?

As with question 1, the Insolvency Service, acting as oversight regulator, would typically consider the actions of an RPB separately for each case, and we have not issued specific guidance to RPBs on the point raised. Any legal disputes are for the courts to adjudicate on.

4. Does the Insolvency Service agree with me that if IP's are to make serious accusations, in this case theft and possible Fraud of SLP Partnership Interests and the monies derived from them as Partner, then they should be willing to support these allegations by way of Witness Statement or Affidavit?

This information is not held as the question is asking for an opinion.

5. Does the Insolvency Service consider that it is appropriate for Insolvency Practitioners to make such unfounded threats when they relate to conduct governed by a very different legal system in Scotland to that of England & Wales, with seemingly no legal advice?

This information is not held as the question is asking for an opinion. Any legal disputes are for the courts to adjudicate on.

6. What actions would the Insolvency Service expect of a licensed IP when presented with evidence that SLP related judgment debts upon which the bankruptcy is solely based are entirely dependent on the making of false and / or misleading representations and misleading omissions?

As with question 1, the Insolvency Service, acting as oversight regulator, would typically consider the actions of an RPB separately for each case, and we have not issued specific guidance to RPBs on the point raised.

7. What actions would the Insolvency Service expect of a licensed IP when presented with evidence that SLP related judgment debts upon which the bankruptcy is solely based were made outside the jurisdiction of the English Courts pursuant to the Civil Judgments and Jurisdictions Act 1982 – Schedule 4 (i.e. determinations of possessory / proprietary rights over SLP Partnership Interests as 'Scots (moveable)

Property'/ voidance/amending of Scots Contracts / Civil Wrongdoing (English tort not Scots delict))

This information is not held. Any legal disputes are for the courts to adjudicate on.

8. What obligations, if any, are IPs under to report apparent suspected judgment fraud and / or misrepresentation to the court or relevant authorities?

Based on their own findings, that Insolvency Practitioner may be under a duty to report suspected fraud or false representations to the Court or appropriate authority under a SIP or the Code of Ethics or other relevant standards or guidance. Again, any obligation would be subject to the specific details of the case, and it isn't appropriate for us to comment on any ongoing action by an Insolvency Practitioner in a specific insolvency.

9. What does the Insolvency Service expect from an RPB when one of its members is formally accused of dishonesty or misrepresentation by a prominent law firm operating globally?

It's not for the RPB to investigate the merits of such an allegation if it's in relation to court proceedings. It would be for the complainant to either pursue the IP in court or to submit a complaint to the Gateway which would be considered as per its published process.

10. What level of expertise and independence should be expected of those appointed to investigate such serious and complex allegations? Is it acceptable for such investigations to be delegated to junior solicitors, local to the accused, or should they be handled by experienced senior individuals with standing, such as King's Counsel and / or experienced Partner level solicitors?

This information is not held as the question is asking for an opinion.

Complaints

If you are not satisfied with the response we have provided to you and would like us to reconsider our decision by way of an internal review (IR), please contact our Information Rights team within 40 working days of this letter at foi@insolvency.gov.uk or by post at:

Information Rights Team
The Insolvency Service
3rd Floor
Cannon House
18 Priory Queensway
Birmingham
B4 6FD
United Kingdom

You also have the right to contact the Information Commissioner's Office (ICO) if you wish for them to investigate any complaint you may have regarding our handling of your request. However, please note that the ICO is likely to expect an IR to have been completed in the first instance.

Yours sincerely

Information Rights Team
The Insolvency Service

The Department for Business and Trade, Official Receivers and the Adjudicator are Data Controllers in respect of personal data processed by the Insolvency Service. For the details about how personal data is processed by the agency, please see the full Insolvency Service Personal Information Charter here:
<https://www.gov.uk/government/organisations/insolvency-service/about/personal-information-charter>