



The Insolvency
Service

Information Rights Team

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Our ref: FOI25/26-182
Date: 17 November 2025

Dear [REDACTED]

Re: Freedom of Information Act 2000 (FOIA) Request

Thank you for your letter of 20 October 2025 in which you requested from the Insolvency Service (the agency):

"We understand that HMRC has recently launched a voluntary repayment scheme, which will provide Covid scheme recipients with a 'no questions asked' window to repay outstanding money they were not entitled to or did not need.

We write now to request any information relating to this scheme held by the Insolvency Service, specifically relating to any policy / position statement relating to the scheme' impact on any prosecutions that have already been brought. We request copies of any briefing notes, policy statements and / or general correspondence relating to this."

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

I can confirm the agency holds the information that you have requested. However, this information is exempt from disclosure under section 31(1)(g) and section 35(1)(a) of FOIA. Further details of these exemptions can be found below, as can a combined public interest test.

Section 31(1)(g) - Law enforcement

Section 31(1)(g) is engaged because the disclosure of information would be likely to prejudice the exercise by the agency of its functions set out at section 31(2). In this case those functions are:

- (a) the purpose of ascertaining whether any person has failed to comply with the law
- (b) the purpose of ascertaining whether any person is responsible for any conduct which is improper

(d) the purpose of ascertaining a person's fitness or competence in relation to the management of bodies corporate or in relation to any profession or other activity which he is, or seeks to become, authorised to carry on.

Prejudice test

In this case the disclosure to the public of the policy or position statement would prejudice the ability of the agency to investigate and take action in suspected Covid loan fraud cases by revealing types of activity that are considered, the investigative techniques used and thresholds for taking action in both civil and criminal cases. Such information, if released to the general public, would give valuable intelligence to individuals' intent on wrongdoing as to how they can avoid both detection and prosecution.

Section 35 – Government Policy

Section 35(1)(a) provides that information held by a government department is exempt information if it relates to—

(a) the formulation or development of government policy,

In this case, the policy/position statement relating to the voluntary repayment scheme relates to the formulation of policy and forms part of further recommendations or submissions that are still being reviewed by Ministers.

Where section 35 applies the agency must carry out a public interest test to ascertain whether the public interest favours disclosing or withholding the information.

Combined Public interest test

Factors in favour of disclosure

- Increased public understanding of how the agency, and other public bodies, exercise their powers
- Increased public confidence in the agency through general transparency
- Increased public confidence in the use of taxpayer money

Factors in favour of maintaining the exemption

- Disclosure could undermine the integrity of the policy-making process. The disclosure of various versions of policy which has not been finalised could confuse and mislead the public. Ministers continue to review information and recommendations in this area. Section 35 is intended to protect the space needed for officials and Ministers to explore options and develop policy without external pressure based on superseded information. Therefore, maintaining the exemption supports effective and well-informed decision-making.
- Protection of the public from director misconduct
- Undermining the investigation process by revealing investigative techniques, limits and thresholds.

Balancing test

On balance, we consider the public interest favours withholding the information at this time.

For information, information on the Voluntary Repayment Scheme is available here [Voluntary Repayment Scheme for Bounce Back Loans: guide - GOV.UK](#) and also here [Make a Voluntary Repayment of COVID-19 Funding - GOV.UK](#)

Complaints

If you are not satisfied with the response we have provided 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
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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>