

IN THE MATTER OF PATRICIA MARSH (A MEMBER OF THE INSOLVENCY PRACTITIONERS ASSOCIATION)

IN THE MATTER OF AN APPEAL FROM THE DECISION OF THE REGULATION AND CONDUCT COMMITTEE OF THE INSOLVENCY PRACTITIONERS ASSOCIATION

B E T W E E N:

PATRICIA MARSH

Appellant

and

THE REGULATION AND CONDUCT COMMITTEE OF THE INSOLVENCY PRACTITIONERS ASSOCIATION

Respondent

The Appellant appeared in person

The Respondent was represented by counsel.

1. On 22 December 2025 the Appeals Panel made the following order on the appeal of Patricia Marsh from the decision of the Regulation and Conduct Committee of 28 August 2025 to withdraw Ms Marsh's licence to act as an insolvency practitioner:

“In accordance with Rule 38(a) of the Appeal Rules, the decision of the Regulation and Conduct Committee, notification of which was given to Ms Marsh on 28 August 2025, be affirmed but its effect be suspended on a non-extendable basis until 30 June 2026, on condition that Ms Marsh:

- a. takes no new appointments;
- b. submits to the IPA, monthly progress and closing reports within 5 business days of the end of each month;
- c. pays, within 28 days, any fee necessary to renew or retain her insolvency licence and complies with any other legal or regulatory licencing requirements; and
- d. uses her best endeavours to secure the appointment of a joint officeholder in relation to her open cases.”

We set out below our reasons for making that order.

2. The background to the appeal is set out in the briefing report of 20 May 2025 (page 1 ff of the appeal bundle) and the table which appears at paragraph 8 of the respondent's Answer (page 76 ff). We shall not repeat it here: it is uncontroversial and largely unchallenged. Suffice it to say for present purposes, that the matters with which we are concerned date back to 2022. In September of that year the Regulation and Conduct Committee gave notice of its intention to withdraw Ms Marsh's licence as a result of a number of concerns about her conduct, notably a failure on her part to progress cases in respect of which she was the appointed office-holder,

file statutory documents in a timely manner, and engage in a timely manner with the IPA secretariat. In October 2022 the Committee drew back from that decision, electing instead to allow Ms Marsh to continue to be licensed but subject to conditions set out in its letter of 13 October 2022. On 7 December 2022 a consent order was entered into, under the terms of which three severe reprimands were imposed together with a fine of £20,000. Ms Marsh's continued licensing was again subject to conditions. Those have been modified from time to time in the light of changing circumstances.

3. The Committee met on 3 June 2025. It noted a continued failure on the part of Ms Marsh to progress cases adequately, that she had acted as sole office-holder in breach of a condition that retention of her licence was her acting jointly, and to respond to correspondence from the IPA's accounts department in relation to payment of the fine. On 17 June 2025 notice was given to Ms Marsh of the Committee's intention to withdraw her licence. On 26 August 2025 the Committee considered representations from Ms Marsh but concluded that she was not a fit and proper person to act as an insolvency practitioner. On 28 August 2025 it gave notice of its decision to withdraw her licence on grounds which may be summarised as follows:

- (1) Ms Marsh's failure to comply with conditions imposed on her continuing to be licensed;
- (2) her failure to adhere to case closure plans and a continuing failure to progress cases in a timely manner;
- (3) her failure to respond to the IPA's accounts department in relation to payment of her outstanding fine.

In the light of those matters, the Committee concluded that Ms Marsh's continued authorisation to act as an insolvency practitioner was likely to be prejudicial to the public interest. It is that decision which is the subject of this appeal.

4. The grounds of Ms Marsh's appeal are set out in emails dated 19 September 2025 (page 58), 22 September 2025 (page 63) and 25 September 2025 (page 71). The respondent's grounds for opposing the appeal are set out in an answer to the appeal drafted by Counsel (page 76 ff). The bundle includes a copy of that answer annotated with comments in red from Ms Marsh which also forms part of her appeal documentation (page 85 ff). The appeal was conducted on the basis of those and other documents appearing in the appeal bundle. We also heard oral submissions from both parties. There was no oral evidence or cross-examination.

5. Ms Marsh's grounds of appeal can be summarised as follows:

- (1) The position as regards her management of the cases in respect of which she has been appointed has improved considerably: it is, she submits, "NOT the same and the differences are, I believe, significant enough to warrant further consideration." [...] "In October 2022, I had approximately 300 late reports and a real need for assistance. I currently have less than half the number of cases and less than 10% of that number of reports which are being filed or being collated for filing" (email of 19 September 2025). She says her case load is now half of what it was.
- (2) She has filed "all but 3 of my outstanding corporate reports and I am in the process of filing the rest over the next day or so" (email of 22 September 2025). In fact, she says, no reports are outstanding.

- (3) She has instructed a compliance service provider, Compliance Alliance, to assist her: “we will be looking at ways to improve my systems so that the Committee can be satisfied that they are fit for purpose” (email of 19 September 2025). She says she is already implementing advice she has received.
- (4) Although she has been unable to find a joint appointee on her cases to replace X, who acted as her joint office-holder but vacated office in September/October 2024 (different dates appear in the papers), she has “a willing and very able alternate” (email of 19 September 2025).
- (5) Her failure to communicate with the IPA’s accounts department was because she had been told debt collectors would be instructed, so she was waiting to “liaise with them” (email dated 19 September 2025).

She then makes this point:

“I fully appreciate the need to protect the general public, but as you are aware, I am not seeking new appointments, I am simply closing old cases” (email dated 22 September 2025).

6. Counsel’s primary submission is that none of those grounds of appeal shows the Committee’s decision to withdraw Ms Marsh’s licence to be wrong in fact or in principle. In particular, he says:

(1) The breaches of the licence conditions identified in the notice of 28 August 2025 are not disputed as matters of fact.

(2) Ms Marsh’s representations in support of the appeal go to future compliance. However, there have been longstanding concerns regarding compliance with conditions attached to Ms Marsh’s licence. Promises of future compliance provide no comfort when set against the risk of prejudice to the public interest and a history of non-compliance.

(3) Those risks are not addressed by any of the matters relied on by Ms Marsh:

(a) An “alternate” is not the same as a joint office holder, and does not provide the same comfort or assurance as a joint appointment.

(b) The use of a consultant service provider does not address the fact that the Ms Marsh is a sole practitioner, which give rise to concerns as to levels of support and supervision of her work.

(c) The fact that Ms Marsh is closing old cases does not obviate the risk of prejudice to the public (in fact the risk is greater in view of the historic delays).

He invites the panel to affirm the Committee’s decision in accordance with Rule 38(a) of the Appeal Rules.

7. There is considerable force in much of what Counsel submits, but not, perhaps, in everything he contends. In our view:

- (1) Counsel is largely right in saying that the basic facts are not challenged.
- (2) There has, however, from what we heard from Ms Marsh (which we accept), been improvement in her case management as regards moving a significant number of cases towards closing and dealing with statutory filings.
- (3) We agree with Counsel that what Ms Marsh says about getting compliance support goes *in part* to the future; it does not help as regards the past; Ms Marsh should have acted earlier. However, Ms Marsh refers to implementing advice, which implies that some steps at least have been or are currently being taken.
- (4) We agree that an “alternate” is not the same as, and is no substitute for, a joint appointment. A joint office-holder has a joint duty as office-holder so would have a stake in ensuring Ms Marsh’s compliance with and performance of her duties; an alternate does not. This is, in our view, the greatest weakness in Ms Marsh’s appeal. It has been a condition of her holding a licence for some time: its importance is self-evident and cannot be over-emphasised. Whilst we acknowledge that X’s resignation as joint office-holder was outside Ms Marsh’s control and that she made efforts to replace him, we take a serious view of Ms Marsh’s failure to comply with a clear condition attaching to her ability to continue to practise for a significant period.
- (5) Counsel is sensibly accepted that limited weight now attached to Ms Marsh’s deficiencies in communicating with the IPA about payment of the fine imposed on her. Her conduct appears to have been deficient in some respects, but it does not go to public protection which was the emphasis in the Committee’s decision to withdraw. In any event, the fine has now been paid.

Although we attach weight to Ms Marsh’s statement and submissions to the effect that she is now just closing cases and not taking new appointments, that does not undermine the decision of the Committee, which cannot be faulted and which we affirm, in particular having regard to the matters set out in (4) above. In the course of her submissions, Ms Marsh accepted that there came a point when she realised she was not going to be able to procure a joint appointment. The material on which she relies includes nothing evidencing attempts to do so. When she realised that she would not be able to comply with the joint appointment condition, at the very least Ms Marsh should have notified the Committee of her difficulty. She continued to practise in breach of this condition for over a year.

8. We do, however, take the view that current circumstances warrant some modification of the Committee’s decision to take into account the limited but important changes in circumstances and their implications for the public interest: creditors and others are bound to suffer in delay and costs if an immediate withdrawal of Ms Marsh’s licence results in the need to appoint a new office-holder to close outstanding cases who, in doing so, will inevitably have to duplicate work undertaken by Ms Marsh or undertake work she may not yet have done. In our view, that is undesirable in the present circumstances, to say nothing of the likely difficulty of finding an office-holder willing to replace Ms Marsh, given the lack of funds in the cases that remain open.

9. Rule 38 of the Appeal Rules provides:

On an appeal from a decision and order of the Regulation and Conduct Committee, the Panel may by order:-

- a) affirm, vary or rescind any decision and order made by that Committee;
- b) substitute for any such decision and order which are the subject of the appeal, such decision and order as it thinks appropriate;
- c) include in any substituted decision and order such terms and conditions, if any;
- d) direct that the Committee reconsider the case.

We affirm the decision of the Committee, which was plainly right as matters stood when it made its decision, but vary it as set out in paragraph 1. We reject Ms Marsh's submission that we should extend her licence until 28 December 2026. That is too long in the circumstances of this case and having regard to its history. The period for which we have suspended the effect of withdrawal should be sufficient to enable Ms Marsh to close all outstanding matters. In our view, there can be no further extension.

10. We ordered Ms Marsh to pay two thirds of the costs of the appeal, to be agreed or assessed by the chair and gave directions for written submissions. That order reflects the fact that the appeal was fundamentally unsuccessful but also that some matters had been resolved or were not pressed by Counsel (in our view rightly).