



## **Covid-19: Important information for IPA members**

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### **1. How is the IPA responding to Covid-19?**

We're acting on advice from relevant authorities such as the UK Government, World Health Organisation, the NHS and Public Health England. We have taken proactive steps to contact our members to ensure that they have access to the latest advice.

We are closely monitoring the situation. We have plans to act quickly if the situation changes, and we will provide further updates as necessary.

### **2. Is the IPA open and operating as normal?**

We continue to follow all government guidance and are currently continuing our operations via remote working in the main. Email is the best method to contact us. If you usually email a particular contact at the IPA, please continue to do so as normal. You can also [click here](#) to access a list of our general email addresses.

- For finance queries (including payments and refunds), please email [accounts@ipa.uk.com](mailto:accounts@ipa.uk.com);
- For membership queries, please email [membership@ipa.uk.com](mailto:membership@ipa.uk.com);
- For events, please email [events@ipa.uk.com](mailto:events@ipa.uk.com); and
- For any other queries, please contact [secretariat@ipa.uk.com](mailto:secretariat@ipa.uk.com).

We do anticipate an impact on some areas of our work and will take all the steps we can to minimise disruption and maintain communication with any parties involved.

### **3. As IPA staff are mainly working remotely, what should I do about post that needs to go to the IPA?**

Please scan and email any post to the addressee, or alternatively to [secretariat@ipa.uk.com](mailto:secretariat@ipa.uk.com). Please contact us if for any reason you are unable to do this.

#### **4. How should I make payments to the IPA?**

Please send payments via BACS. Please do not post any cheques.

#### **5. Are Insolvency Practitioners or those in linked roles classed as key workers?**

Key worker status is ultimately to be decided by the employer, although the Government has issued guidelines on who is classified as a key worker, details of which are on the bottom of this [page](#) on Gov.uk. We would still strongly recommend that you work from home ideally all the time.

#### **6. Has the Insolvency Service made any changes to its payments system, and what other information has it issued?**

The Insolvency Service has announced that payment requisitions are being accepted by email. [Click here](#) for full information. It has also announced that IVA registration fees can be paid electronically, e.g. via BACS. [Click here](#) for full details.

In issue 95 of Dear IP, the Insolvency Service set out further steps being taken during the pandemic. These include the acceptance of CAU103 and 104 forms by email, information on books and records, HMRC information and emergency insolvency legislation. [Click here](#) to read this in full.

Following this, in issue 96 of Dear IP, the Insolvency Service announced a temporary insolvency practice direction. This came into force on 6 April 2020 and supplements the Practice Direction – Insolvency Proceedings July 2018.

The direction has been launched to avoid the need for parties to attend court in person, as well as to deal with problems arising from courts having limited resources and staffing at this time.

Insolvency Practitioners are recommended to read the temporary practice direction carefully. You can view it [here](#).

Issue 97 of Dear IP contains important updates on payments against Proofs of Debts, exemptions for payments made under the Victims' Payments Regulations 2020, fee requests to the Redundancy Payments Service, and an alert to a fraudulent Covid-19 information source that is circulating. [Click here](#) to read the issue.

[Issue 99 of Dear IP](#) contains an important notification from Companies House concerning the filing of insolvency documents.

[Issue 100 of Dear IP](#) contains guidance from the Government on [working safely during the Covid-19 emergency](#), which was shared with members on 14 May 2020. The issue also contains a request for user research assistance from Companies House as it develops its document upload system.

[Issue 102 of Dear IP](#) contains further guidance on the [IVA Standing Committee's Straightforward IVA Protocol](#).

[Issue 105 of Dear IP](#) contains information on the moratorium introduced by the Corporate Insolvency and Governance Bill, including the Insolvency Service's [guidance for Monitors](#). The issue also contains guidance on dealing with government financial support schemes on insolvency.

[Issue 106](#) of Dear IP contains an explanation of HMRC's new position on IVAs, PVAs and CVAs, in relation to variations and new proposals from 1<sup>st</sup> July 2020 to 30<sup>th</sup> November 2020. HMRC has issued this information as it is anticipated that Covid-19 will likely impact on voluntary arrangements and in turn the HMRC liabilities arising from them.

The issue also contains Court Practice Directions for the Corporate Insolvency and Governance Act, and a newly published Schemes Practice Statement for the Act's new Restructuring Plan under part 26A of the Companies Act 2006.

[Issue 107](#) of Dear IP contains two issues around employment that are important to take note of. Firstly, article 66 in the issue deals with changes to the reference period used to calculate the rate of holiday pay following redundancy (for those with variable weekly pay). To give additional protection to employees, particularly those with seasonal variations in their pay, the reference period used in holiday pay calculations has been changed from 12 to 52 weeks. This applies to all employees with variable pay. The change takes immediate effect.

To notify the Redundancy Payments Service (RPS) of the rate of pay applicable to holiday pay, there will be, for use in the short term, a dedicated email address set up to contact the RPS. Article 67 in the issue sets out the process for submission in this way.

[Issue 108](#) of Dear IP contains a significant update from Companies House. Following past information in Dear IP about the new service allowing some documents to be directly uploaded digitally, Companies House has confirmed that users are now able to upload all statutory insolvency documents, using the 'Upload a document to Companies House' service.

To use the service, you will need, if you don't have one already, to register for a Companies House Service (CHS) account. You can do this [here](#).

There are also other steps you need to take when setting yourself up to use the document upload service, which are detailed in the Dear IP article.

You can contact Companies House on [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk) if you are experiencing difficulty with the document upload service, so that they can try to resolve this for you.

Following requests from organisations for other team members to be able to file documents as well as the Insolvency Practitioner, Companies House has advised that up to 10 users can access the service at any one time using the same email address. Read more [here](#).

[Issue 109](#) of Dear IP contains two key Covid-19 updates. Firstly, the issue advises that HMRC is helping Insolvency Practitioners by changing the way in which it deals with forms and letters that it receives. A Digital Mail Service (DMS) has been launched across all of HMRC's Debt Management and Enforcement & Insolvency Service teams. Correspondence is now digitally scanned and can therefore be accessed and worked on by teams across HMRC. If required, staff can view the digital version remotely, helping HMRC to deliver more efficient customer service.

Secondly, the issue contains news on the guidance published on 20th April 2020 to support people in Individual Voluntary Arrangements (IVAs) through the pandemic. The guidance has been revised by the IVA Standing Committee (IVASC) and was published on 7th September 2020. You can access it [here](#).

The key changes are:

- Extension of the guidance until 20 April 2021 (subject to continued review by the IVASC)
- Discretion for the supervisor to grant a further three-month payment break after the initial three months, having reviewed the client's circumstances
- Discretion for the supervisor to allow reduction of up to 50% of payments into the arrangement

The underlying objective here is to ensure that clients can continue their IVA successfully and to give the supervisor discretion to decide the best way to achieve this.

You may also be aware that, with immediate effect, the Insolvency Service can now accept requests for cheque payments, as it has carefully reopened its offices. There is a new process that must be followed and a new timetable that will be worked to, owing in part to reduced members of staff being present at the offices. Read more [here](#).

[Issue 112 of Dear IP](#) contains an update on filing notice of a Restructuring Plan for an overseas company, pursuant to the Corporate Insolvency & Governance Act 2020, section 901F(6)(a).

The Insolvency Service advises that a restructuring plan notice should consist of a court-stamped order with appended details of the plan. The full explanatory statement should not be included.

Notices will be published in the Gazette under code 2301 (other notices). When placing the notice, emails to the Gazette need to include '901F Restructuring Plan notice' in the subject.

There are also details of costs and timeframes in the Dear IP article.

## **7. What information has HMRC issued, and is there any guidance for contacting them with any queries?**

HMRC has published 13 sets of insolvency information, which you can find [here](#) on our website.

The email address for correspondence regarding bankruptcies, sequestrations, administrative receiverships and liquidations (excluding members voluntary liquidations) is [insolvencyhelpdesk@hmrc.gov.uk](mailto:insolvencyhelpdesk@hmrc.gov.uk).

Changes are being made to HMRC's IT systems. As well as the move to Making Tax Digital (MTD) for VAT, HMRC is gradually moving customer VAT records over to a new platform.

HMRC appreciates your patience during this time. **If it is absolutely essential and urgent** that you raise an issue with HMRC, **and your enquiry does not relate to a routine delay as a result of Covid-19**, the IPA may be able to help. If you are satisfied that your enquiry is absolutely critical and should be raised, please contact us on [regulation@ipa.uk.com](mailto:regulation@ipa.uk.com). We will endeavour to raise the matter with HMRC on your behalf.

### **HMRC acceptance of electronic banking**

There is an update from HMRC on its acceptance of electronic banking. In the unlikely event that you have any older cases with distinct tax/NI and VAT claims, you will need to contact us at [regulation@ipa.uk.com](mailto:regulation@ipa.uk.com) for instructions on completing the payment references, as these are not covered by HMRC's instructions on electronic banking (which you can access [here](#)).

Additionally, please email us using the same address if you have any feedback on the electronic banking process that you would like us to share with HMRC.

## **8. What changes has Companies House brought in?**

Please note that Companies House's email filing service closed on 25<sup>th</sup> September 2020.

Companies House has confirmed that users are now able to upload all statutory insolvency documents using the 'Upload a document to Companies House' service.

To use the service, you will need, if you don't have one already, to register for a Companies House Service (CHS) account. You can do this [here](#).

There are also other steps you need to take when setting yourself up to use the document upload service, which are detailed in this [issue](#) of Dear IP.

You can contact Companies House on [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk) if you are experiencing difficulty with the document upload service, so that they can try to resolve this for you.

Following requests from organisations for other team members to be able to file documents as well as the Insolvency Practitioner, Companies House has advised that up to 10 users can access the service at any one time using the same email address. Read more [here](#).

## **9. As an Insolvency Practitioner, is there any change to my responsibilities during this time?**

We have worked with the ICAEW and the Insolvency Service to introduce various measures to ease the burden and support Insolvency Practitioners during the current situation we are faced with. [Click here to view the measures we have introduced](#). Some of these are general and some apply to either corporate or personal insolvency. We are working to agree positions on other areas and will continue to update you as we reach agreement on these. We have also summarised these measures below:

### **General**

- If Insolvency Practitioners fall short on their regulatory obligations, special consideration will be given to the surrounding context
- Changes to operations and all resulting effects of the current crisis could amount to a "reasonable excuse" defence for any statutory breaches
- Virtual meetings are sufficient
- Insolvency Practitioners allowed to defer non-priority work on a short-term basis and focus on new/urgent areas
- Breach of GDPR compliance will be considered in the context of the crisis
- Payment requisitions accepted by email

- All reasonable steps must be taken to progress case administration in the longer term and ensure stakeholder financial interests are not prejudiced
- When selling assets affected by markets, there will be no breach of the Professional Competence and Due Care ethical principle by allowing reasonable time for markets to recover
- Where a Notice of Intended Dividend has already been issued, the payment of the dividend can be postponed, and it is acknowledged that it may be unable to be paid within two months

### **Corporate insolvency**

- For statutory declarations of solvency in MVLs, we would accept swearing of documents via video conferencing – clarity is expected from the Law Society on this
- Relaxation of the expectation in existing MVLs that creditors will be paid in full within 12 months (with certain provisions)
- A longer deadline for notifying creditors that a company is unable to pay debts in full within 12 months, when considering MVLs moving to a CVL (s.95)
- Wider discretion for handling CVAs

### **Personal insolvency**

- Wider discretion for handling IVAs
- We acknowledge that it is not likely to be possible to comply with the SIP 3.1 requirement to respond to debtor enquiries ‘promptly’ and to close IVAs ‘promptly’

In addition to these changes, members are encouraged to use electronic means of communication wherever possible and to utilise the existing provisions already contained within the current legislation, regarding the use of websites (S246B). Physical meetings should be avoided and where appropriate, meetings should be held online. If considered appropriate, these meetings can be recorded. Members should ensure that communications are sent in good time to allow for the inevitable delays caused by the current crisis, which might slow down the processing of the information by recipients.

We have also lobbied No10 on your behalf to allow Insolvency Practitioner firms to qualify for business rate relief. We will update you as and when this progresses.

If there are any measures that you would consider useful to relax or change, please do let us know. Please email [regulation@ipa.uk.com](mailto:regulation@ipa.uk.com).

### **10. Do you have any specific information for IVA providers?**

The current situation is likely to make many more people seek financial help. For any firms operating at over 200 IVAs or Trust Deeds, can we ask you to please tell us your working from home operations, as well as any other impacts on clients’ business management. We are particularly keen to understand your firm’s approach to payment breaks and other measures for clients who find themselves in

financial difficulty. Our expectation is that supervisory discretion is being fully utilised. We previously requested that you email us on this at [regulation@ipa.uk.com](mailto:regulation@ipa.uk.com) by 10 April. If you have not done this already, please do so immediately.

We recognise that these are extremely difficult times and are keen to help you manage your business through this process. Please get in touch if you have any concerns regarding the current operating climate and allow us to draw your attention to the Government's support for businesses throughout this time, which is referenced in question 15 in this document.

The more insight and knowledge we have on the problems faced by our members, the more we are able to engage with the Government and alert them to any major possible issues. To get in touch with us for this purpose, please email [regulation@ipa.uk.com](mailto:regulation@ipa.uk.com).

Covid-19-related guidance for the IVA Standing Committee's Straightforward Consumer IVA Protocol has been published by the Government. The guidance contains special provisions for IVA clients during this time. [Click here](#) to read the guidance.

### **11. Is there any updated guidance on Anti-Money Laundering?**

The Accountancy AML Supervisors' Group (AASG) (formerly known as the Accountancy Affinity Group (AAG)), of which the IPA is part, has released five advisory notes on Anti-Money Laundering (AML) responsibilities of Insolvency Practitioners during this time. Criminals are trying to use this time of difficulty and uncertainty to their advantage. You can read the notes via the members section of our website [here](#). Please note that you will need to log in.

Additionally, the National Crime Agency (NCA) UK Financial Intelligence Unit (UKFIU) has issued six bulletins detailing trends that it has seen so far in AML. You can access these via our website [members area](#). The bulletin dated 24/04/2020 contains an important message that should be considered as part of Insolvency Practitioner risk assessments.

The NCA has also released other important publications on Covid-19 and AML on its website. There is a link to access these on the aforementioned IPA members area webpage. You can also access them [here](#).

You are also advised to refer to the NCA website page on [money laundering & illicit finance](#) for the latest news and publications relating to Covid-19 Suspicious Activity Reporting.

### **12. As an Insolvency Practitioner, am I still expected to complete my CPD?**

We recognise the challenge that this time may present in meeting CPD requirements, when faced with event cancellations and/or postponements. We encourage you to find alternative ways for completing your CPD, for example online sources such as webinars.

When genuine attempt has been made, but you fall short of completing the required CPD hours, please get in touch with us to discuss alternatives.

Normally, the rule is that all licence holders must gain 50% of their CPD in person, e.g. attendance at conferences. We lifted this restriction for 2020.

### **13. Are IPA examinations still taking place?**

This year's CPCI examination sitting had already been cancelled, and June's sittings of the CPI and CPPI were postponed to November and conducted virtually. We are carefully planning the format for next year's examinations and will update student members accordingly.

### **14. What is happening with inspection visits?**

Until further notice, we will not be conducting monitoring visits on practitioners' premises. Inspections will take place remotely as far as is practicable. Practitioners who are due a visit during this period may expect to hear from an inspector to make arrangements to supply the relevant information, and personal interviews may take place remotely or subsequently. It may be necessary to adjust the scope of our monitoring during this period.

### **15. Where can I access guidance for businesses/employers and also find out what support is available from the Government and others?**

We are regularly updating members with the latest Government measures, and we have compiled a list of information and help, which you can access [here](#).

### **16. Are there any changes to insolvency law and/or other regulations?**

In April we notified members of planned changes to corporate insolvency law. The Corporate Insolvency and Governance Bill, containing these changes, received Royal Assent on 25<sup>th</sup> June 2020 and has therefore become law.

You can view the Bill [here](#). You can also view fact sheets on the Bill, produced by the Insolvency Service, [here](#).

We will monitor the new measures in practice. Where we deem it necessary, we will offer input to help ensure that the measures serve all stakeholders in insolvency processes correctly.

If you have any points that you would like to bring to our attention, please email [regulation@ipa.uk.com](mailto:regulation@ipa.uk.com).

#### **Extension of the temporary measures introduced by the Corporate Insolvency and Governance Act 2020 to support companies in difficulties**

The Government has announced that some of the temporary measures introduced in the Corporate Insolvency and Governance Act 2020, that were due to expire on 30 September 2020, will be extended to help support companies affected by the Covid-19 pandemic.

The announcement can be found [here](#), and further details are available in [Dear IP](#).

The extended measures are:

- Companies and other qualifying bodies with obligations to hold physical AGMs will continue to have the flexibility to hold them (and other general meetings) by electronic means until 30<sup>th</sup>



December 2020 (extended from 30<sup>th</sup> September), so that they can comply with social distancing measures. Shareholders' and members' rights to vote on important issues remain unaffected;

- Statutory demands and winding-up petitions will continue to be restricted until 31<sup>st</sup> December 2020 (extended from 30<sup>th</sup> September), so as to protect indebted, but otherwise viable, companies from creditor enforcement action where Covid-19 has affected their ability to pay;
- Termination clauses are still prohibited, stopping suppliers from ceasing their supply or asking for additional payments while a company is going through a rescue process. However, small suppliers will continue to be exempted from the obligation to supply until 30<sup>th</sup> March 2021 (extended from 30<sup>th</sup> September 2020) so that they can protect their business if necessary; and
- Modifications to the new moratorium that ease access to the procedure, which give companies breathing space whilst they seek a rescue. And the temporary moratorium rules will also be extended until 30<sup>th</sup> March 2021 (extended from 30<sup>th</sup> September).

These measures are in addition to measures announced on 16<sup>th</sup> September 2020 which extends support to stop business evictions until the end of the year, providing commercial tenants with greater scrutiny and protecting vital jobs.

The following measure within the Act terminated on 30<sup>th</sup> September and now ceases to apply:

- In moratoriums, the modification that relaxes the assessment criteria used by the monitor to determine that the company is likely to be rescuable in order to enter a moratorium (or for the moratorium to continue)

The Insolvency Service has advised that the temporary moratorium rules within Schedule 4 to the Act were limited to those essential for the moratorium provisions to work on commencement of the Act.

The Government's guidance published earlier in the Summer can be found here:

- Webinar on [Corporate Insolvency](#) measures of the Act;
- Webinar on [Corporate Governance](#) measures of the Act;
- Guidance on [how the Act affects company filings](#) at Companies House;
- Guidance on [applying for a moratorium](#) and [Companies House moratorium forms](#) under the Act;
- [Guidance for monitors](#) of moratoriums; and
- [Code of Practice for the commercial property sector](#).

#### **Further extensions and a reinstatement**

The Government announced on 9 December that it will extend the temporary suspension of statutory demands and winding-up petitions, with the suspension running until 31 March 2021. This was due to end on 31 December 2020. The Government has also announced, on 25 November, its intention to reinstate the temporary suspension of wrongful trading until 30 April 2021. The wrongful trading suspension ended on 30 September 2020, and the new temporary suspension is effective from 26 November in England, Wales & Scotland and from 14 December 2020 in Northern Ireland.

Without the Regulations having retrospective effect, there appears to be a gap of approximately two months where wrongful trading liability for directors was not suspended. As a result, it would appear that decisions and actions taken by directors in England, Wales & Scotland during the interim period between 30 September and 26 November would be subject to the ordinary wrongful trading provisions under sections 214 and 246ZB of the Insolvency Act 1986, and between 30 September and 14

December for directors in Northern Ireland under Article 178 (wrongful trading) of the Insolvency (Northern Ireland) Order 1989.

Additionally, companies and other qualifying bodies that are obligated to hold AGMs will continue to be able to hold these meetings virtually until 31 March 2021. This was due to expire on 30 December 2020.

You can read the Government's announcement [here](#).

### **Changes to notifying an option to tax land and buildings during Covid-19**

The Government has made temporary changes to the time limit and rules for notifying an option to tax land and buildings. It has temporarily extended the time limit to 90 days from the date that the decision to tax was made. This applies to decisions made between 15 February and 30 June 2020. You can read its guidance on these changes in full [here](#).

### **Temporary Insolvency Practice Direction**

Chief Insolvency and Companies Court Judge Briggs has released guidance to advise on how Insolvency Practitioners should deal with the Temporary Insolvency Practice Direction (TIPD) [issued 2<sup>nd</sup> October 2020](#).

The new TIPD replaces the previous direction, which expired on 1<sup>st</sup> October 2020. The guidance covers winding-up and bankruptcy petitions, and other hearings. Read the guidance [here](#).

## **17. Is there any insolvency information specific to Scotland?**

### **Registers of Scotland**

Registers of Scotland has launched a remote submissions service for documents to be registered electronically with the Register of Judgements and the Register of Inhibitions.

Registers of Scotland has also published guidance on its Digital Submission Service. [Click here](#) to view.

### **Oaths in Scottish insolvency processes**

The Coronavirus (Scotland) (No.2) Bill addresses a problem currently experienced by Insolvency Practitioners in Scotland by removing the requirement for a relevant individual (either a solicitor, advocate or a notary public) to be in the same place as another in order to:

- sign or subscribe a document;
- take an oath; or
- make an affirmation or declaration.

## **18. Is there any provision for remote swearing of documents?**

The Law Society has published the Lexis Nexis Protocol for Virtual Statutory Declarations, which you can access [here](#).

The document sets out practical steps for making a statutory declaration and argues that although the Temporary Insolvency Practice Direction specifically refers to declarations under Schd. B1 of the Insolvency Act 1986, there appears to be no reason why it should not apply to statutory declarations in

other insolvency proceedings.

We are aware that some solicitors are willing to undertake remote swearing and we are maintaining a list of those of whom we are aware. Please contact us for further details as necessary.

### **19. Has the IPA issued any advice for businesses?**

The IPA has issued the following advice. We hope that this is helpful.

Firstly, if businesses have any concerns, we advise that they speak to an Insolvency Practitioner. Most firms give initial advice for free.

If it gets to a point where a business might be insolvent, or they are insolvent, speak to an Insolvency Practitioner as soon as possible. There are various options for businesses facing financial difficulty, and the earlier these are considered, the more options there are.

Secondly, businesses need to keep an eye on their turnover and what patterns they can see – has there been a sharp decline recently or is this usual for the time of year? They should speak to their customers and see how their businesses are doing – ditto with key suppliers. Make sure they know you are open for business, and check how their pipelines are doing – see if there are ways to perhaps alter what you are currently doing that may assist your customers and/or your suppliers; prepare for some of your customers asking for time to pay, etc.

Keep a record of all decisions made and the reasons for them. These include Board minute decisions, etc.

Board minutes are the go-to place for business-critical decisions. Therefore, to ensure a proper record is kept and to minimise criticism in the future, directors should always keep board minutes. It's an official file note.

Cash is king – look at various scenario predictions and their impact on cash. Speak with the bank and stakeholders if facility is at risk.

Also worth considering and implementing for those stressed rather than distressed at this point:

- Deferral of discretionary spend
- Leverage all government measures, e.g. rate holidays
- Arrange temporary extensions to facilities – the Government is encouraging banks to support businesses (assuming they are not already on a watch list presumably)

### **20. Has the IPA released any information on business continuity for Insolvency Practitioners?**

While electronic communication and technology is enabling many people to continue working from home effectively at the present time, we are aware that some Insolvency Practitioner practices may be considering furloughing staff.

Both the ICAEW and the IPA have previously said that the constraints caused by the Covid-19 pandemic will be taken into account when considering an Insolvency Practitioner's conduct at the present time.

However, as Insolvency Practitioners are still required to comply with their statutory duties and need to continue to progress their cases as far as they can in the current circumstances, we would not expect Insolvency Practitioners to furlough staff if doing so will compromise their ability to meet their obligations.

Where the circumstances surrounding Covid-19 put any company into financial difficulty, the IPA would expect the Insolvency Practitioners to contact us immediately. In the present circumstances, Members are required to keep the IPA informed of all staff who are unable to work, whether by reason of furloughing or serious Covid-19 illness, by number and job title. This would also apply if Insolvency Practitioners themselves are furloughed or unable to work for an extended period as a result of Covid-19 or if there are any significant changes within their practice. Please email [regulation@ipa.uk.com](mailto:regulation@ipa.uk.com).

It is important that Insolvency Practitioners carefully observe the guidance and keep up to date with further guidance as it is issued.

#### **21. For appointment-taking Insolvency Practitioners: Alternate/successor IPA licence-holders**

As you will no doubt be aware, as an appointment taking licence-holder, you are required to have a viable continuity plan in place in the event that you are, for any reason, incapacitated and unable to do your daily job. As part of that plan, you should have nominated an alternate/successor Insolvency Practitioner. It may also be useful for you to have a nominated alternate in another practice, and we encourage you to consider this possibility and to inform us of their identity.

It is in the context of the potential impact of Covid-19 on your business that the IPA is taking this opportunity to ensure that our records in this regard are current. Therefore, if you haven't already (we sent a request out on 18<sup>th</sup> March), please email us as soon as possible on [membership@ipa.uk.com](mailto:membership@ipa.uk.com) to confirm the identity of your alternate/successor Insolvency Practitioner.

#### **22. The running of care homes could be made difficult through staff shortages brought on by employees self-isolating. Homes could additionally become at risk of insolvency. In the event that an Insolvency Practitioner is appointed, what would the arrangement be in terms of personal liability in a situation such as this, where adequate staffing is an issue and therefore beyond the Insolvency Practitioner's control?**

Public Health England (PHE) has released guidance on residential care during this time, intended for the attention of local authorities, clinical commissioning groups and care homes. PHE has recommended the co-operation between care homes and local authorities to mitigate any shortages in the workforce. View the guidance in full [here](#).

The IPA strongly advocates that all avenues to prevent the Administration or Liquidation (including CVLs) of care homes should be taken during the ongoing Covid-19 crisis. We ask all members to inform the IPA immediately if they are providing insolvency advice in respect of a care home or are contemplating an appointment as Administrator or Liquidator of a care home. The IPA is seeking clarification on potential personal liability for Insolvency Practitioners in the event of an appointment.

**23. Considering the added challenges and difficulty that this time can present, has the IPA issued any guidance on dealing with mental health and vulnerability issues amongst stakeholders in insolvency processes?**

Vulnerability, mental health and protecting vulnerable customers have become a focus at this time, with Rachel Reeves MP, Chair of the Department for Business, Energy and Industrial Strategy Committee, recently highlighting the issue.

Of course, our day to day health and wellbeing is always important. Especially at the moment, protecting the interests of those who are suffering through ill mental or physical health, whether in a work or community setting, is vital in the current situation, where, for example, people may be caring for loved ones, may have relatives in hospital, are ill themselves, or are experiencing difficulty in their jobs or businesses, for example.

The IPA made mental health and vulnerability a focus in 2019, with sessions covering the topic at our regional Roadshows, presented by Ken Marland, IPA committee member and Partner at Harrison's Business Rescue. November's Personal Insolvency Conference also covered the topic, with Caroline Sumner, Technical Director at R3, joining Ken in giving the session.

Statistics tell us that one in four adults in England experiences at least one diagnosable mental health condition in any one year; 6.5 million people in the UK have significant caring responsibilities; half of people in problem debt also have a mental health problem; and in a Money and Mental Health Survey of nearly 5,500 people with experience of mental health problems, 86% said that their financial situation had made their mental health problems worse.

Clearly, in our line of work, we are going to encounter vulnerability amongst stakeholders in insolvency processes. It's very likely there will be instances where this is amplified given the current situation. As we recommended in the sessions at our events, it is extremely important to have in place a vulnerability procedure, including a clear process for identifying vulnerable clients, which as we know often isn't easy.

Other recommendations for dealing with this issue include establishing mental health specialists with relevant training and experience; expanded staff training on vulnerability, including specific tools, strategies and skills; introducing a policy for collecting and sharing written details about an individual's position; using data to anticipate any problems that may arise; and tailoring contact procedures, plus any other reasonable adjustments.

For more information and guidance, you can refer to our Aide Memoire on vulnerability, available on our website page on [other regulation and guidance](#). Charities such as Mind also have a wealth of resources.

**24. Where can I access the latest general Covid-19 advice?**

For comprehensive information, visit the Covid-19 section of the UK Government website at [www.gov.uk/government/topical-events/coronavirus-covid-19-uk-government-response](http://www.gov.uk/government/topical-events/coronavirus-covid-19-uk-government-response).

If you have any questions, please contact us on [membership@ipa.uk.com](mailto:membership@ipa.uk.com). For event queries, please contact the events team on [events@ipa.uk.com](mailto:events@ipa.uk.com). You can also telephone us on 0330 122 5237.