



The Insolvency Service

Delivering economic confidence

Live Investigations

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Department for Business, Energy
and Industrial Strategy

Insolvency Service

Redundancy Payments
Service
IP Regulation
Policy...and More

Official Receivers

Investigation and Enforcement
Services

Live

Insolvent

Criminal

Two teams – Manchester and London





What do we do?

- Investigations into active Limited Companies and Limited Liability Partnerships trading in the UK – including Scotland and Northern Ireland
- Powers provided by Companies Act 1985
- Authorised by the Secretary of State



Our investigations are:

Civil, confidential, fact finding enquiries with the aim of establishing whether or not the company is trading within the “public interest”



Why do we investigate?

The Live teams help to deliver economic confidence by:

- Tackling corporate abuse
- Protecting the public



A return of **£19**
further harm prevented
for every **£1** spent on Live
investigations

IES Evaluation 2013-2014



When do we investigate?

We receive complaints and referrals from:

- Members of the public
- Other regulators
- Consumers
- Competitors
- Employees
- Etc.



When do we investigate?

- Are there grounds for believing corporate abuse has taken place?
- Is another body better placed to investigate or already doing so?
- Is it suitable for our powers?
- Is there a reasonable prospect of a positive outcome?



Frequent Flyers

- Investments (carbon credits, wine, art, land, property)
- Pensions
- Sales of the 'latest thing'
- Advance fee fraud
- Debt recovery
- Ambulance chasers/ claims management
- Support publishing
- Franchises
- Short term fraud
- Identity theft/ false identity



How do we investigate?

- s447 (CA85) – Power to require information and documents from company, directors and any third party who may have them
- s453A (CA85) – Right to enter and to remain on premises used for the purposes of the company's business



Problems we encounter

- Non cooperation

The investigator can certify non-cooperation and the Court can deal with it as if it were Contempt of Court

- Judicial Review

As the decision to investigate is an Administrative function it is open to challenge through Judicial Review



Outcomes

- Petition for company to be wound up in public interest
- Seek disqualification of directors under section 8 CDDA 86
- Disclose our findings to others
- Take no action



Disclosure

Information and documents obtained under s447 can only be disclosed in accordance with s449 and schedules 15C and 15D of Companies Act 1985

We can disclose to (amongst others):

- Companies House
- The Pensions Regulator
- The Police
- The SFO
- Local Authorities/ Trading Standards



Recent examples

- Fraudulent art investment
- Online business directory
- Timeshare claims management
- Support publisher
- Pension administrator/ trustee



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