

## **THE INSOLVENCY SERVICE – COMMUNITY INVOLVEMENT**

### **1. Who are our users?**

We are an Executive Agency of the Department of Trade and Industry. We operate under a statutory framework – mainly the Insolvency Acts 1986 and 2000, the Company Directors Disqualification Act 1986, the Employment Rights Act 1996 and the Companies Act 2005 – our community in the first instance is user-led, i.e. those who are directly impacted upon by the legislation and fall within our area of corporate responsibility.

In particular, we have a direct impact on the following groups:

- Bankrupts subject to insolvency proceedings;
- Directors of insolvent companies;
- Employees of insolvent businesses whose employers are unable to pay them;
- The public at large who may be affected by any financial misconduct on the part of a bankrupt or company director;
- Creditors who have lost money in an insolvency and who need to be confident that the failure will be investigated;
- Individuals in debt difficulty who look to The Service to provide them with information about the alternatives available to them;
- Members of the public who want information about insolvency or redundancy matters and who access our website, information leaflets and help lines;
- Partners who we work with in delivering our services, in particular the Courts and Citizens' Advice Bureau; and
- Members of the public who have made a complaint about the conduct of a company.

There are also others who, although not affected by the legislation, are impacted upon indirectly because of our responsibility for insolvency policy.

In particular,

- Ministers, other government departments and agencies that need advice on insolvency and redundancy issues;
- Academics;
- The global community who are looking to develop insolvency policies and systems; and
- Investors and business that need to be confident in the insolvency regime when making commercial decisions.

Furthermore, due to the location of our offices, we also have an impact on those local communities in which they are situated.

### **2. How do we deliver our services?**

The principal focus of our operations is the administration of insolvencies undertaken by Official Receivers and their staff in court districts throughout England and Wales. Official Receivers administer the affairs of bankrupts and companies and partnerships wound up by the court. They also establish why they

became insolvent. For the purposes of directors' disqualification, our community extends to Scotland where the disqualification legislation applies.

In delivering our services, we are committed to providing what our community wants in a way that is efficient and effective. In addition:

- a. Our Redundancy Payments directorate processes and pays claims by employees who have been made redundant by insolvent employers and;
- b. Our companies Investigations Branch investigates and where appropriate takes action in response to complaints by members of the public about the conduct of live companies.

We are committed to the continuous improvement of our service delivery and keep our customer feedback at the forefront of our minds when reviewing our services.

### **3. What is our role in the wider community?**

In addition to fulfilling our statutory function, we recognise that we have a role to play in the wider community, particularly in relation to those in financial difficulty. We:

- Provide leaflets free of charge about petitioning for bankruptcy;
- Provide posters to the local courts which give information about the contact details for the local Official Receiver;
- Provide information in our leaflets about agencies and other organisations that can help those in financial difficulty; and
- Put in place contingency plans to support local communities when a large business within that community becomes insolvent.

We have also contributed to the wider debate about debt issues including assisting the Department for Constitutional Affairs in developing proposals to provide debt relief for people in England and Wales who owe relatively little, have no income and no assets to repay what they owe but cannot afford to make themselves bankrupt.

### **4. What is our local community?**

As part of our delivery network, we have 38 Official Receiver offices on 33 sites across England and Wales which are open to the public from 9am to 5pm Monday to Friday, thereby providing a local presence. We also have 4 Redundancy Payment Offices. Each office has a local community – the area in which the office is physically located. Companies Investigation Branch has offices in London and Manchester.

### **5. What impact do we have on the local community?**

As stated above, each office has a local community. Whilst there are clear benefits to the direct customer in having access to a local office network, there are also other social and economic benefits. These are:

#### **Economic impacts:**

- **Employment opportunities:** we employ over 2500 staff across our network of offices, providing employment opportunities for people living within the local communities where our offices are based.

- **Support to the local business community:** our staff use local shops and business which provide them with a variety of services. Examples of these are cafes, gyms, caterers and couriers.
- **Research website:** we now maintain an additional website to be used by academics undertaking research on insolvency and redundancy matters.

#### **Social impacts:**

- **Local knowledge:** the local Official Receiver and his/her staff have a wealth of knowledge and experience on insolvency issues. Local organisations such as Citizens Advice, Chambers of Commerce and courts have access to this knowledge whenever they need to do so. Official Receivers also participate in local court open days attended by members of the public.
- **Work experience:** we offer local school children the opportunity to undertake work experience placements at our offices.
- **Support of local voluntary organisations and charities:** we give staff paid time off to undertake voluntary work. Many offices regularly raise money in support of local charities.
- **Support of other local organisations:** we give staff paid time off to act as justices of the peace, school governors and elected members of other bodies.
- **Access to electronic services:** we deliver some services electronically and these will develop further over the coming years. This means that there will be less need for individuals to travel to our offices and the courts, thereby reducing the affect on the environment.
- **National Charity:** The Service adopted a national charity, Cancer Research UK, from Autumn 2006 until March 2008.

#### **Physical impacts:**

In addition to the positive impacts listed above, we have also identified less positive impacts that relate mainly to the local environment. These are:

- **Road congestion and pollution:** a number of our staff travel to work by car. Offices also receive deliveries of goods and services which add to congestion and pollution.
- **Utilities:** our offices use considerable energy supplies to run computers, lighting, heating and air conditioning.
- **Generation of waste:** waste products, including paper, toner cartridges and obsolete IT are generated in all of our offices where economies of scale cannot be taken advantage of.
- **Local presence:** our managers are dispersed to a number of locations across England and Wales, thereby resulting in an increased amount of travel to attend meetings.

- **Empty buildings outside office hours:** our offices are only occupied between 7am and 7pm Monday to Friday.
- **Noise pollution:** where offices are located in residential areas, local residents are affected by noise pollution arising from staff and customers entering and leaving the building and from deliveries made during working hours.

**7. Do we have any under-used resources that can be used for the benefit of the community?**

We will identify any under-used resources that may be used for the benefit of the community. In particular, we will focus on the physical impact that we have on the local communities, many of which are negative.

**8. How will we do this?**

We will review our Community Involvement Strategy to make sure that we continue to contribute to our local communities. This strategy will continue to focus on the contribution that we can make which is outside our normal corporate responsibility.

We will

- Make public our Community Involvement Strategy;
- Regularly monitor work being undertaken under the strategy both locally and nationally; and
- Report performance against the strategy to our senior management on a regular basis.

A copy of our current Community Involvement Strategy is attached.

## **COMMUNITY INVOLVEMENT STRATEGY**

The Insolvency Service is committed to making a contribution to both the wider and local community. As part of this commitment, we will focus on the contribution that we can make outside those responsibilities that fall within our normal corporate business and activities.

We will:

1. Care for the environment in which we operate by providing a framework for setting and reviewing environmental objectives.
2. Continue to investigate, use where possible and improve on, best available environmental management technologies and practices.
3. Use natural resources with care and thought for the future.
4. Build effective relationships with our stakeholders in both the wider and local community.
5. Support local communities with the aim of contributing to their social and economic well-being.
6. Identify any under-used or surplus resources that may be used for the benefit of the local community.

To ensure the involvement of all our staff, we will embed this strategy across the organisation and it will be published on our intranet and on our website. We will monitor work undertaken against the strategy and publish activities undertaken on the intranet. Our findings will be reported to our senior management on an annual basis.

We will review and update this strategy annually in consultation with our staff and our stakeholders.

**1. Care for the environment in which we operate by providing a framework for setting and reviewing environmental objectives.**

We will:

- Review our Sustainable Development Plan and set further targets as appropriate.
- Regularly review and update our environmental policy.
- Develop the commitments set out in our transport policy, maximising the use of public transport and reducing the dependency upon motor vehicles.

**2. Continue to investigate, use where possible and improve on, best available environmental management technologies and practices.**

We will:

- Explore local, national and/or regional partnerships to facilitate greater recycling of waste and obsolete items.

**3. Use natural resources with care and thought for the future.**

We will:

- Generate savings via the photovoltaic roof installed at 21 Bloomsbury Street.
- Promote energy efficiency and recycling across The Service, in particular recycling cans, glass, plastic bottles, white and coloured paper, plastic cups, toner and ink cartridges, batteries, fluorescent tubes and lamps.
- Introduce an electronic records management system with a view to reducing the amount of paper used.

**4. Build effective relationships with our stakeholders in both the wider and local community.**

We will:

- Devise a media strategy to promote confidence in our enforcement regime.
- Consider making information regarding the alternatives to bankruptcy available to the public at large.
- Develop new and existing partnership arrangements to ensure the provision of information and training to charitable financial organisations and local Citizens Advice Bureaux that provide advice to those in financial difficulty.
- Build effective relationships with the courts by participating at local court open days attended by members of the public, attending local court user committee meetings and providing local court staff with the opportunity to visit Official Receiver offices to learn about the work we do.
- Develop and sustain effective relationships with our stakeholders by holding regular meetings.
- Make information available via our website.
- Establish a local network of stakeholders for regular consultation, thereby maintaining good working relationships.

## **5. Support local communities with the aim of contributing to their social and economic well-being of our local communities**

We will:

- Participate in discussions related to debt and financial issues.
- Offer employment opportunities by maintaining a network of offices throughout the country.
- Promote financial literacy and the responsible use of credit by contributing to projects run by other groups.
- Offer sandwich student and work experience placements in our offices.
- Offer mock job interviews to local school children.
- Give staff the opportunity to take paid special leave to:
  - Act as a Justice of the Peace, an elected member of a local authority or a school governor;
  - Attend meetings of National Health authorities, NHS trusts, Reserve Forces training, Cadet Forces training, Civil Defence courses, training courses in Youth Leadership, Duke of Edinburgh's Gold Award ceremony and to participate in sporting events where they are selected by their country;
  - Attend blood donor sessions;
  - Undertake informal voluntary work within their local community on annual basis.
- Encourage staff in our offices to support local community and charitable activities.
- Annually adopt a Charity of the Year which we will support, help raise funds and enhance their profile in all of our localities.
- Continue to maintain a research website to be used by academics and students.

## **6. Identify any under-used or surplus resources that may be used for the benefit of the local community.**

We will:

- Explore the possibilities of donating surplus furniture and/or technology to the community.