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COVID-19: New Temporary Insolvency Practice Direction

In our previous Insolvency update we indicated that there were proposed changes to the Insolvency Regime to help individuals and businesses in the current climate as a result of the Covid-19 pandemic.

However, there has been less guidance to assist professionals with respect to their existing insolvency matters – until now.

The Lord Chancellor, the Right Honourable Robert Buckland MP, Secretary of State for Justice, has approved and signed a temporary Insolvency Practice Direction (IPD) which came into force at the beginning of this week; **Monday, 6 April 2020** and shall expire on 1 October 2020 (unless amended or revoked).

The IPD has been produced to assist court users by avoiding the need for parties to attend court in person, and to deal with some of the emergency issues which invariably arise from the need for the courts to operate with limited staff and resources.

It supplements the Practice Direction – Insolvency Proceedings July 2018 and applies to all insolvency proceedings in the Business and Property Courts. However, it should be noted that it is subject to variations outside London such as within the County Courts where an alternative direction maybe given by the relevant supervising judge.

The new Practice Direction can be found here:

If you require any advice or assistance or general insolvency advice please contact Niten Chauhan or Ms Catherine Burgess by email nchauhan@jpclaw.co.uk or cburgess@jpclaw.co.uk or by telephone on 020 7644 7263 or contact them on LinkedIn [insert hyperlinks to profiles]