
STATUTORY INSTRUMENTS

1981 No. 226

Judgments Enforcement (Northern Ireland) Order 1981

PART VI

MULTIPLE DEBT, INSOLVENCY AND WINDING-UP

Administration orders

Power to make administration order on application of debtor

80.—(1) Where a debtor who is an individual—

- (a) is unable to pay forthwith the amount recoverable on foot of a money judgment for an unsecured debt; and
- (b) alleges that all his unsecured debts amount in the aggregate to a sum not exceeding^{F1} £5,000] or such other amount as may be prescribed, by rules (inclusive of the debt for which the judgment was obtained, but, subject to that, regardless of whether any of the debts has been the subject of a judgment or not); and
- (c) furnishes to the Office a list of all his debts and the persons to whom they are owed respectively;

the Office may, on his application, make an order (an “administration order”) providing for the administration of his estate.

(2) An administration order shall not be invalid by reason only that the total amount of the debts is found at any time to exceed the amount mentioned in or prescribed under paragraph (1)(b), but this paragraph does not prejudice the power of the Office to set aside the order.

(3) In this Article and Articles 81 and 83 “unsecured debt” means a debt which is not secured by mortgage, charge or lien on the debtor's property; and in this Article and Articles 81 and 83 to 87 “debt” means, in the case of a debt for which judgment has been obtained, the amount recoverable on foot of the judgment.

F1 SR 1982/121

Provisions for recovery of debts which may be made in, or in connection with, administration order

81.—(1) An administration order may provide for the payment of the unsecured debts of the debtor by instalments or otherwise, and either in full or to such extent as to the Office in the circumstances of the case appears practicable, and subject to any conditions as to his future earnings, income or assets which the Office may think just.

(2) Where the Office makes an administration order in respect of a debtor's estate, it may also make an attachment of earnings order to secure the payments required by the administration order.

(3) At any time when an administration order is in force the Office may (on the application of any person scheduled to the order under Article 83 or without an application) make an attachment of earnings order to secure the payments required by the administration order, if it appears to the Office that the debtor has failed to make any such payment.

(4) The power of the Office under this Article to make an attachment of earnings order to secure the payments required by an administration order shall, where the debtor is already subject to an attachment of earnings order to secure the payment of the amount recoverable on foot of a judgment, include power to direct that the last-mentioned order shall take effect (with or without variation) as an order to secure the payments required by the administration order.

(5) A provision in an administration order for the payment of any sums by the debtor shall be a provision for their payment to the Office.

Notice of order

82. The Office—

- (a) before making an administration order, shall send to every person whose name the debtor has notified to the Office, as being a person to whom he is indebted, notice that that person's name has been so notified; and
- (b) when an administration order is made, shall send notice of the order to every such person.

Schedule of debts

83.—(1) There shall be scheduled to every administration order a list of the persons whose names the debtor has notified to the Office as being persons to whom he owes unsecured debts and whose debts have been proved in accordance with rules, with the respective amounts of their debts.

(2) Any other person to whom the debtor owes an unsecured debt, on proof of his debt to the Office, shall be entitled to be scheduled to the order for the amount of his proof.

(3) Any person scheduled to the order may, in the manner prescribed by rules, object to any debt scheduled, or to the manner in which payment is directed to be made.

(4) Any person to whom, after the date of the order, a debt becomes due from the debtor shall, on proof of his debt to the Office, be scheduled to the order for the amount of his proof, but shall not be entitled to any dividend under the order until those who are scheduled as having had debts due to them before the date of the order have been paid to the extent provided by the order.

Restriction of other remedies, where administration order made

84.—(1) So long as an administration order is in force, a person who is scheduled to the order shall not, without the leave of the Office, be entitled to present, or join in, a bankruptcy petition against the debtor unless—

- (a) his name was, before the date of the order, notified to the Office by the debtor for the purposes of the order; and
- (b) the debt by virtue of which he presents, or joins in, the petition exceeds^[F2] £1,500] or such other amount as may be prescribed by rules; and
- (c) the notice given to him by the Office in accordance with Article 82(a) was received by him within 28 days immediately preceding the day on which the petition is presented.

(2) Subject to paragraph (3), when an administration order is made, no person to whom a debt scheduled to the order is owed by the debtor shall have any remedy against the person or property of the debtor in respect of that debt, except with the leave of the Office and on such terms as it may impose.

(3) Paragraph (2) shall not prevent the Office making any enforcement order when satisfied that such an order will not prevent or hinder the debtor from carrying out the terms of the administration order.

(4) Where a court in which proceedings, other than bankruptcy proceedings, are pending against the debtor in respect of any debt scheduled to an administration order receives notice of the administration order—

- (a) if it is the High Court, it may; and
- (b) if it is a county court or a court of summary jurisdiction, it shall, Bstay the proceedings, but may allow costs already incurred by the person to whom the debt is owed, and costs so allowed shall, on application to the Office, be added to the debt.

F2 SR 1985/164

Appropriation of money paid under administration order

85. Money paid to the Office under an administration order shall be appropriated—

- (a) first in satisfaction of the expenses of the Office incurred in administering the order (but not in excess of 10p in the pound on the total amount of the scheduled debts); and
- (b) then (without prejudice to Article 90 (bankruptcy supervening)) in liquidation of the debts in accordance with the order and Article 83(4).

[^{F3}Default of debtor

86.—(1) If the debtor fails to make any payment which he is required to make by virtue of an administration order the Office, if it considers it proper to revoke the administration order, may upon doing so make an order directing that this Article and [^{F4} Article 16 of the Companies Directors Disqualification (Northern Ireland) Order 2002] shall apply to the person for such period, not exceeding 2 years, as may be specified in the order.

(2) A person to whom this Article so applies shall not—

- (a) either alone or jointly with another person, obtain credit to the extent of the amount prescribed for the purposes of Article 331(1)(a) of the Insolvency (Northern Ireland) Order 1989 or more, or
- (b) enter into any transaction in the course of or for the purposes of any business in which he is directly or indirectly engaged,

without disclosing to the person from whom he obtains the credit, or (as the case may be) with whom the transaction is entered into, the fact that this Article applies to him.

(3) The reference in paragraph (2) to a person obtaining credit includes—

- (a) a case where goods are bailed or hired to him under a hire#purchase agreement or agreed to be sold to him under a conditional sale agreement, and
- (b) a case where he is paid in advance (whether in money or otherwise) for the supply of goods or services.

(4) A person who contravenes this Article shall be guilty of an offence and shall be liable—

- (a) on conviction on indictment, to imprisonment for a term not exceeding 2 years or to a fine, or to both, or
- (b) on summary conviction, to imprisonment for a term not exceeding 6 months or to a fine not exceeding the statutory maximum, or to both.]

F3 1989 NI 19
F4 2002 NI 4

Discharge of administration order

87. When the amount received under an administration order is sufficient to pay each of the persons scheduled to the order to the extent thereby provided and the expenses of the Office, the order shall be superseded, and the debtor shall be discharged from his debts which are included in the schedule.

[^{F5} Effect of administration order on debt relief order

87A.—(1) This Article applies if—

- (a) an administration order is made, and
- (b) immediately before the order is made, a debt relief order is in force in respect of the debtor.

(2) The debt relief order ceases to be in force when the administration order is made.

(3) If the Office is aware of the debt relief order, the Office shall give the official receiver notice that the administration order has been made.

(4) In a case where the Office is aware of a debt relief order at the time it makes the administration order, it shall give the notice as soon as practicable after making the order.

(5) In a case where the Office becomes aware of a debt relief order after it makes the administration order, it shall give the notice as soon as practicable after becoming aware of it.

(6) In this Article “debt relief order” means a debt relief order within the meaning of Part 7A of the Order.

(7) For the purposes of this Article a debt relief order is “in force” if the moratorium applicable to the order under Article 208H of the Order has not yet ended.

F5 Arts. 87A, 87B inserted (30.6.2011) by [Debt Relief Act \(Northern Ireland\) 2010 \(c. 16\)](#), ss. 6, 7(1), [Sch. para. 3](#); S.R. 2011/13, [art. 2](#)

Notice of administration order ceasing to be in force

87B In a case where an administration order ceases to be in force in accordance with Article 208F of the Order the Office shall send notice of the fact to every person to whom a debt scheduled to the administration order is owed.]

F5 Arts. 87A, 87B inserted (30.6.2011) by [Debt Relief Act \(Northern Ireland\) 2010 \(c. 16\)](#), ss. 6, 7(1), [Sch. para. 3](#); S.R. 2011/13, [art. 2](#)

Changes to legislation:

There are currently no known outstanding effects for the Judgments Enforcement (Northern Ireland) Order 1981, Administration orders.