
STATUTORY INSTRUMENTS

2008 No. 672

INSOLVENCY

FEEES

INSOLVENCY PRACTITIONERS

The Insolvency Practitioners and Insolvency Services
Account (Fees) (Amendment) (No. 2) Order 2008

<i>Made</i>	- - - -	<i>9th March 2008</i>
<i>Laid before Parliament</i>		<i>12th March 2008</i>
<i>Coming into force</i>	- -	<i>6th April 2008</i>

The Secretary of State, in exercise of the powers conferred upon him by section 415A of the Insolvency Act 1986(1), makes the following Order:—

Citation and commencement

1. This Order may be cited as the Insolvency Practitioners and Insolvency Services Account (Fees) (Amendment) (No. 2) Order 2008 and shall come into force on 6th April 2008.

Amendment to the Insolvency Practitioners and Insolvency Services Account (Fees) Order 2003

2. The Insolvency Practitioners and Insolvency Services Account (Fees) Order 2003(2) (“the principal Order”) is amended as set out below.

3. In paragraphs (3), (4) and (5) of article 3 of the principal Order, for “£2,500” in each place where it occurs, substitute “£2,550”.

4. In the Table of fees in paragraph 2 of the Schedule to the principal Order—

- (a) in the first column, between the reference to fee No. 2 and the reference to fee No. 3, insert a reference to fee No 2A and beneath it, to fee No. 2B;
- (b) for the description of fee No. 2A in the second column and the circumstances in which it is payable, insert—

(1) 1986 c.45.
(2) S.I. 2003/3363.

“Payment of unclaimed dividends or other money – administration

Where any money is paid into the Insolvency Services Account pursuant to regulation 3B, that payment shall be accompanied by a fee in respect of each company to which it relates of:—”;

- (c) for the description of fee No. 2B in the second column and the circumstances in which it is payable, insert—

“Payment of unclaimed dividends or other money – administrative receivership

Where any money is paid into the Insolvency Services Account pursuant to regulation 3C, that payment shall be accompanied by a fee in respect of each company to which it relates of:—”;

- (d) for the amount of fee No. 2A in the third column, insert “£25.00”; and
(e) for the amount of fee No. 2B in the third column, insert “£25.00”.

Pat McFadden
Minister of State for Employment Relations and
Postal Affairs,
Department for Business, Enterprise and
Regulatory Reform

9th March 2008

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends the Insolvency Practitioners and Insolvency Services Account (Fees) Order 2003 (S.I. 2003/3363) (“the principal Order”) by increasing the fee to be paid in connection with authorisations by the Secretary of State and by inserting a new fee where unclaimed or undistributed dividends or other monies are paid into the Insolvency Services Account. Section 415A, under which this Order and the principal Order are made, was inserted into the [Insolvency Act 1986\(c.45\)](#) by section 270 of the Enterprise Act 2002 (c.40).

Article 3 of the principal Order makes provision for the payment of a fee in respect of an application pursuant to section 393 of the Insolvency Act 1986 for an authorisation to act as insolvency practitioner. It also makes provision for the payment of fees in respect of the maintenance of authorisations granted pursuant to section 393. The fee to accompany an application for authorisation to act as an insolvency practitioner and for the maintenance of such an authorisation prior to the coming into force of this Order was £2,500. This fee no longer covers the costs associated with the processing of applications and monitoring of authorisations. Accordingly article 3 of this Order increases the fees to £2,550 to cover the costs associated with deciding applications for authorisation and to recover the costs associated with the monitoring of insolvency practitioners authorised by the Secretary of State including the making of monitoring visits and the handling of complaints. Article 3(5) of the principal Order makes provision for reduction of the same fee in respect of the maintenance of the authorisation in cases where the authorisation has less than a year to run.

Article 5 and the Schedule to the principal Order make provision for the payment of fees in relation to the operation of the Insolvency Services Account. Regulation 18 of the Insolvency Regulations 1994 (S.I. 1994/2507) requires, in the case of a company wound up by the court, and permits, in the case of a voluntarily winding up, a liquidator of a company which has been dissolved to pay into the Insolvency Services Account any unclaimed or undistributed dividends held by him (“unclaimed funds”). Two new provisions inserted into those regulations (regulation 3B and 3C) makes corresponding provision with respect to monies held by an administrator or administrative receiver save that the provisions are not mandatory but permissive. Article 4 of this Order inserts two new fees, Fee 2A and Fee 2B, into the Schedule to the principal Order payable upon the making of any payments into the Insolvency Services Account under the new regulations. The fee is £25 in respect of the any one payment in of any unclaimed funds, in respect of each company to which those funds relate.

A regulatory impact assessment was prepared for the Enterprise Act 2002. This deals with the restructuring of the system of insolvency fees. Copies of this assessment are available from the Policy Unit, The Insolvency Service, 21 Bloomsbury Street, London, WC1B 3SS. No regulatory impact assessment has been prepared for this Order.