



# Insolvency Act 1986

## 1986 CHAPTER 45

### PART X

#### INDIVIDUAL INSOLVENCY: GENERAL PROVISIONS

##### Modifications etc. (not altering text)

- C1** Second Group of Parts (Pts. 8-11) modified (31.12.1996) by 1991 c. 57, **Sch. 10** (as substituted by 1995 c. 25, s. 120(1), **Sch. 22 para. 183** (with ss. 7(6), 115, 117); S.I. 1996/2909, **art. 3**)  
Second Group of Parts (Pts. 8-11) modified (11.11.1999 for specified purposes and 6.4.2002 otherwise) by 1999 c. 30, s. **12(1)**; S.I. 2002/153, **art. 2(b)**

#### **372 Supplies of gas, water, electricity, etc.**

- (1) This section applies where on any day (“the relevant day”)—
- (a) a bankruptcy order is made against an individual or an interim receiver of an individual’s property is appointed, or
  - (b) a voluntary arrangement proposed by an individual is approved under Part VIII,<sup>F1</sup>...
  - <sup>F1</sup>(c) .....

and in this section “the office-holder” means the official receiver, the trustee in bankruptcy, the interim receiver [<sup>F2</sup>or the supervisor of the voluntary arrangement], as the case may be.

- (2) If a request falling within the next subsection is made for the giving after the relevant day of any of the supplies mentioned in subsection (4), the supplier—
- (a) may make it a condition of the giving of the supply that the office-holder personally guarantees the payment of any charges in respect of the supply, but
  - (b) shall not make it a condition of the giving of the supply, or do anything which has the effect of making it a condition of the giving of the supply, that any outstanding charges in respect of a supply given to the individual before the relevant day are paid.

*Status: Point in time view as at 01/04/2016.*

*Changes to legislation: Insolvency Act 1986, Part X is up to date with all changes known to be in force on or before 21 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- (3) A request falls within this subsection if it is made—
- (a) by or with the concurrence of the office-holder, and
  - (b) for the purposes of any business which is or has been carried on by the individual, by a firm or partnership of which the individual is or was a member, or by an agent or manager for the individual or for such a firm or partnership.
- (4) The supplies referred to in subsection (2) are—
- [<sup>F3</sup>(a) a supply of gas by a gas supplier within the meaning of Part I of the Gas Act 1986;]
  - [<sup>F4</sup>(aa) a supply of gas by a person within paragraph 1 of Schedule 2A to the Gas Act 1986 (supply by landlords etc.);]
  - [<sup>F5</sup>(b) a supply of electricity by an electricity supplier within the meaning of Part I of the Electricity Act 1989;]
  - [<sup>F6</sup>(ba) a supply of electricity by a class of person within Class A (small suppliers) or Class B (resale) of Schedule 4 to the Electricity (Class Exemptions from the Requirement for a Licence) Order 2001 (S.I. 2001/3270);]
  - (c) a supply of water by [<sup>F7</sup>a water undertaker],
  - [<sup>F8</sup>(ca) a supply of water by a water supply licensee within the meaning of the Water Industry Act 1991;
  - (cb) a supply of water by a person who has an interest in the premises to which the supply is given;]
  - [<sup>F9</sup>(d) a supply of communications services by a provider of a public electronic communications service.]
  - [<sup>F10</sup>(e) a supply of communications services by a person who carries on a business which includes giving such supplies;
  - (f) a supply of goods or services mentioned in subsection (4A) by a person who carries on a business which includes giving such supplies, where the supply is for the purpose of enabling or facilitating anything to be done by electronic means.]
- [<sup>F11</sup>(4A) The goods and services referred to in subsection (4)(f) are—
- (a) point of sale terminals;
  - (b) computer hardware and software;
  - (c) information, advice and technical assistance in connection with the use of information technology;
  - (d) data storage and processing;
  - (e) website hosting.]

(5) The following applies to expressions used in subsection (4)—

    - [<sup>F12</sup>(a) .....
    - [<sup>F13</sup>(b) .....
    - [<sup>F14</sup>(c) “communications services” do not include electronic communications services to the extent that they are used to broadcast or otherwise transmit programme services (within the meaning of the Communications Act 2003).]

#### Textual Amendments

- F1** S. 372(1)(c) and word omitted (1.10.2015) by virtue of [Deregulation Act 2015 \(c. 20\)](#), s. 115(7), [Sch. 6 para. 2\(11\)\(d\)\(i\)](#) (with [Sch. 6 para. 3](#)); [S.I. 2015/1732](#), art. 2(e)(i)

*Status: Point in time view as at 01/04/2016.*

*Changes to legislation: Insolvency Act 1986, Part X is up to date with all changes known to be in force on or before 21 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- F2** Words in s. 372(1) substituted (1.10.2015) by Deregulation Act 2015 (c. 20), s. 115(7), **Sch. 6 para. 2(11)(d)(ii)** (with Sch. 6 para. 3); S.I. 2015/1732, art. 2(e)(i)
- F3** S. 372(4)(a) substituted (1.3.1996) by 1995 c. 45, s. 16(1), **Sch. 4 para. 14(3)**; S.I. 1996/218, **art. 2**
- F4** S. 372(4)(aa) inserted (1.10.2015) by The Insolvency (Protection of Essential Supplies) Order 2015 (S.I. 2015/989), arts. 1(1), **3(2)(a)**
- F5** S. 372(4)(b) substituted (1.10.2001) by 2000 c. 27, s. 108, **Sch. 6 para. 47(3)(a)**; S.I. 2001/3266, art. 2, **Sch.** (subject to transitional provisions in arts. 3-20)
- F6** S. 372(4)(ba) inserted (1.10.2015) by The Insolvency (Protection of Essential Supplies) Order 2015 (S.I. 2015/989), arts. 1(1), **3(2)(b)**
- F7** Words substituted by Water Act 1989 (c. 15, SIF 130), s. 190, **Sch. 25 para. 78(1)** (with ss. 58(7), 101(1), 141(6), 160(1)(2)(4), 163, 189(4)–(10), 193(1), Sch. 26 paras. 3(1)(2), 17, 40(4), 57(6), 58)
- F8** S. 372(4)(ca)(cb) inserted (1.10.2015) by The Insolvency (Protection of Essential Supplies) Order 2015 (S.I. 2015/989), arts. 1(1), **3(2)(c)** (with art. 3(4))
- F9** S. 372(4)(d) substituted (25.7.2003 for specified purposes, 29.12.2003 for specified purposes) by Communications Act 2003 (c. 21), ss. 406, 408, 411, **Sch. 17 para. 82(3)(a)** (with Sch. 18); S.I. 2003/1900, arts. 1(2), **2(1)**, 3(1) (with art. 3(2) (as amended (8.12.2003) by 2003/3142, art. 1(3))); S.I. 2003/3142, **art. 3(2)** (with art. 11)
- F10** S. 372(4)(e)(f) inserted (1.10.2015) by The Insolvency (Protection of Essential Supplies) Order 2015 (S.I. 2015/989), arts. 1(1), **3(2)(d)**
- F11** S. 372(4A) inserted (1.10.2015) by The Insolvency (Protection of Essential Supplies) Order 2015 (S.I. 2015/989), arts. 1(1), **3(3)**
- F12** S. 372(5)(a) repealed (1.3.1996) by 1995 c. 45, ss. 16(1), 17(5), Sch. 4 para. 14(4), **Sch. 6**; S.I. 1996/218, **art. 2**
- F13** S. 372(5)(b) repealed (1.10.2001) by 2000 c. 27, s. 108, Sch. 6 para. 47(3)(b), **Sch. 8**; S.I. 2001/3266, art. 2, **Sch.** (subject to transitional provisions in arts. 3 to 20)
- F14** S. 372(5)(c) substituted (25.7.2003 for specified purposes, 29.12.2003 for specified purposes) by Communications Act 2003 (c. 21), ss. 406, 408, 411, **Sch. 17 para. 82(3)(b)** (with Sch. 18); S.I. 2003/1900, arts. 1(2), **2(1)**, 3(1) (with art. 3(2) (as amended (8.12.2003) by 2003/3142, art. 1(3))); S.I. 2003/3142, **art. 3(2)** (with art. 11)

#### Modifications etc. (not altering text)

- C2** S. 372, applied with modifications by S.I. 1986/1999, art. 3, **Sch. 1 Pt. II**
- C3** S. 372: power to amend conferred (25.4.2013) by Enterprise and Regulatory Reform Act 2013 (c. 24), **ss. 92(2)**, 103(1)(g)

### [<sup>F15</sup>372A Further protection of essential supplies

- (1) An insolvency-related term of a contract for the supply of essential goods or services to an individual ceases to have effect if—
- a voluntary arrangement proposed by the individual is approved under Part 8, and
  - the supply is for the purpose of a business which is or has been carried on by the individual, by a firm or partnership of which the individual is or was a member, or by an agent or manager for the individual or for such a firm or partnership.
- (2) An insolvency-related term of a contract does not cease to have effect by virtue of subsection (1) to the extent that—
- it provides for the contract or the supply to terminate, or any other thing to take place, because the individual becomes subject to an insolvency procedure other than a voluntary arrangement;

*Status: Point in time view as at 01/04/2016.*

*Changes to legislation: Insolvency Act 1986, Part X is up to date with all changes known to be in force on or before 21 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- (b) it entitles a supplier to terminate the contract or the supply, or do any other thing, because the individual becomes subject to an insolvency procedure other than a voluntary arrangement; or
  - (c) it entitles a supplier to terminate the contract or the supply because of an event that occurs, or may occur, after the voluntary arrangement proposed by the individual is approved.
- (3) Where an insolvency-related term of a contract ceases to have effect under this section the supplier may—
- (a) terminate the contract, if the condition in subsection (4) is met;
  - (b) terminate the supply, if the condition in subsection (5) is met.
- (4) The condition in this subsection is that—
- (a) the supervisor of the voluntary arrangement consents to the termination of the contract,
  - (b) the court grants permission for the termination of the contract, or
  - (c) any charges in respect of the supply that are incurred after the voluntary arrangement is approved are not paid within the period of 28 days beginning with the day on which payment is due.
- The court may grant permission under paragraph (b) only if satisfied that the continuation of the contract would cause the supplier hardship.
- (5) The condition in this subsection is that—
- (a) the supplier gives written notice to the supervisor of the voluntary arrangement that the supply will be terminated unless the supervisor personally guarantees the payment of any charges in respect of the continuation of the supply after the arrangement was approved, and
  - (b) the supervisor does not give that guarantee within the period of 14 days beginning with the day the notice is received.
- (6) For the purposes of securing that the interests of suppliers are protected, where—
- (a) an insolvency-related term of a contract (the “original term”) ceases to have effect by virtue of subsection (1), and
  - (b) a subsequent voluntary arrangement proposed by the individual is approved, the contract is treated for the purposes of subsections (1) to (5) as if, immediately before the subsequent voluntary arrangement proposed by the individual is approved, it included an insolvency-related term identical to the original term.
- (7) A contract for the supply of essential goods or services is a contract for a supply mentioned in section 372(4).
- (8) An insolvency-related term of a contract for the supply of essential goods or services to an individual is a provision of the contract under which—
- (a) the contract or the supply would terminate, or any other thing would take place, because the voluntary arrangement proposed by the individual is approved,
  - (b) the supplier would be entitled to terminate the contract or the supply, or to do any other thing, because the voluntary arrangement proposed by the individual is approved, or
  - (c) the supplier would be entitled to terminate the contract or the supply because of an event that occurred before the voluntary arrangement proposed by the individual is approved.

*Status: Point in time view as at 01/04/2016.*

*Changes to legislation: Insolvency Act 1986, Part X is up to date with all changes known to be in force on or before 21 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- (9) Subsection (1) does not have effect in relation to a contract entered into before 1st October 2015.]

#### Textual Amendments

- F15** S. 372A inserted (1.10.2015) by [The Insolvency \(Protection of Essential Supplies\) Order 2015 \(S.I. 2015/989\)](#), arts. 1(1), 5

### 373 Jurisdiction in relation to insolvent individuals.

- (1) The High Court and the [<sup>F16</sup>county court] have jurisdiction throughout England and Wales for the purposes of the Parts in this Group.
- (2) For the purposes of those Parts, [<sup>F17</sup>the county court] has, in addition to its ordinary jurisdiction, all the powers and jurisdiction of the High Court; and the orders of the court may be enforced accordingly in the prescribed manner.
- (3) Jurisdiction for the purposes of those Parts is exercised—
- by the High Court [<sup>F18</sup>or the [<sup>F19</sup>county court]] in relation to the proceedings, which, in accordance with the rules, are allocated to the London insolvency district, and
  - by [<sup>F20</sup>the] county court in relation to the proceedings which are so allocated to [<sup>F21</sup>any other insolvency district].
- (4) Subsection (3) is without prejudice to the transfer of proceedings from one court to another in the manner prescribed by the rules; and nothing in that subsection invalidates any proceedings on the grounds that they were initiated or continued in the wrong court.

#### Textual Amendments

- F16** Words in s. 373(1) substituted (22.4.2014) by [Crime and Courts Act 2013 \(c. 22\)](#), s. 61(3), [Sch. 9 para. 93\(d\)](#); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F17** Words in s. 373(2) substituted (22.4.2014) by [Crime and Courts Act 2013 \(c. 22\)](#), s. 61(3), [Sch. 9 para. 52](#); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F18** Words in s. 373(3)(a) inserted (6.4.2011) by [The London Insolvency District \(Central London County Court\) Order 2011 \(S.I. 2011/761\)](#), art. 5 (with art. 9)
- F19** Words in s. 373(3)(a) substituted (22.4.2014) by [Crime and Courts Act 2013 \(c. 22\)](#), s. 61(3), [Sch. 9 para. 93\(e\)](#); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F20** Word in s. 373(3)(b) substituted (22.4.2014) by [Crime and Courts Act 2013 \(c. 22\)](#), s. 61(3), [Sch. 9 para. 93\(f\)\(i\)](#); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F21** Words in s. 373(3)(b) substituted (22.4.2014) by [Crime and Courts Act 2013 \(c. 22\)](#), s. 61(3), [Sch. 9 para. 93\(f\)\(ii\)](#); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)

#### Modifications etc. (not altering text)

- C4** s.373 applied with modifications by [S.I. 1986/1999](#), art. 3, [Sch. 1 Pt. II](#)

*Status: Point in time view as at 01/04/2016.*

*Changes to legislation: Insolvency Act 1986, Part X is up to date with all changes known to be in force on or before 21 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

### 374 Insolvency districts.

- (1) The Lord Chancellor may [<sup>F22</sup>, with the concurrence of the Lord Chief Justice,] by order designate the areas which are for the time being to be comprised, for the purposes of the Parts in this Group, in the London insolvency district and the insolvency district [<sup>F23</sup>, or districts, of the county court.]
- (2) An order under this section may contain such incidental, supplemental and transitional provisions as may appear to the Lord Chancellor [<sup>F24</sup>and the Lord Chief Justice] necessary or expedient.
- (3) An order under this section shall be made by statutory instrument and, after being made, shall be laid before each House of Parliament.
- (4) Subject to any order under this section—
  - (a) the district which, immediately before the appointed day, is the London bankruptcy district becomes, on that day, the London insolvency district;
  - (b) any district which immediately before that day is the bankruptcy district of a county court becomes, on that day, the insolvency district of that court, and
  - (c) any county court which immediately before that day is excluded from having jurisdiction in bankruptcy is excluded, on and after that day, from having jurisdiction for the purposes of the Parts in this Group.
- [<sup>F25</sup>(5) The Lord Chief Justice may nominate a judicial office holder (as defined in section 109(4) of the Constitutional Reform Act 2005) to exercise his functions under this section.]

#### Textual Amendments

- F22** Words in s. 374(1) inserted (3.4.2006) by [Constitutional Reform Act 2005 \(c. 4\)](#), ss. 15(1), 148, [Sch. 4 para. 187\(2\)](#); [S.I. 2006/1014](#), [art. 2\(a\)](#), [Sch. 1](#)
- F23** Words in s. 374(1) substituted (22.4.2014) by [Crime and Courts Act 2013 \(c. 22\)](#), s. 61(3), [Sch. 9 para. 93\(g\)](#); [S.I. 2014/954](#), [art. 2\(c\)](#) (with [art. 3](#)) (with transitional provisions and savings in [S.I. 2014/956](#), arts. 3-11)
- F24** Words in s. 374(2) inserted (3.4.2006) by [Constitutional Reform Act 2005 \(c. 4\)](#), ss. 15(1), 148, [Sch. 4 para. 187\(3\)](#); [S.I. 2006/1014](#), [art. 2\(a\)](#), [Sch. 1](#)
- F25** S. 374(5) inserted (3.4.2006) by [Constitutional Reform Act 2005 \(c. 4\)](#), ss. 15(1), 148, [Sch. 4 para. 187\(4\)](#); [S.I. 2006/1014](#), [art. 2\(a\)](#), [Sch. 1](#)

#### Modifications etc. (not altering text)

- C5** S. 374 applied (with modifications) by [S.I. 1986/1999](#), [art. 3](#), [Sch. 1 Pt. II](#)

### 375 Appeals etc. from courts exercising insolvency jurisdiction.

- (1) Every court having jurisdiction for the purposes of the Parts in this Group may review, rescind or vary any order made by it in the exercise of that jurisdiction.
- (2) An appeal from a decision made in the exercise of jurisdiction for the purposes of those Parts by [<sup>F26</sup>the county court] or by a registrar in bankruptcy of the High Court lies to a single judge of the High Court; and an appeal from a decision of that judge on such an appeal lies <sup>F27</sup>. . . to the Court of Appeal.

*Status: Point in time view as at 01/04/2016.*

*Changes to legislation: Insolvency Act 1986, Part X is up to date with all changes known to be in force on or before 21 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- (3) [<sup>F26</sup>The county court] is not, in the exercise of its jurisdiction for the purposes of those Parts, to be subject to be restrained by the order of any other court, and no appeal lies from its decision in the exercise of that jurisdiction except as provided by this section.

#### Textual Amendments

- F26** Words in s. 375 substituted (22.4.2014) by [Crime and Courts Act 2013 \(c. 22\)](#), s. 61(3), [Sch. 9 para. 52](#); [S.I. 2014/954](#), [art. 2\(c\)](#) (with [art. 3](#)) (with transitional provisions and savings in [S.I. 2014/956](#), arts. 3-11)
- F27** Words in s. 375(2) repealed (27.9.1999) by [1999 c. 22](#), ss. 106, 108(3), [Sch. 15 Pt. III](#) (with s. 107, [Sch. 14 paras. 7\(2\), 36\(9\)](#))

#### Modifications etc. (not altering text)

- C6** S. 375 applied with modifications by [S.I. 1986/1999](#), [art. 3](#), [Sch. 1 Pt. II](#)

### 376 Time-limits.

Where by any provision in this Group of Parts or by the rules the time for doing anything is limited, the court may extend the time, either before or after it has expired, on such terms, if any, as it thinks fit.

#### Modifications etc. (not altering text)

- C7** S. 376 applied with modifications by [S.I. 1986/1999](#), [art. 3](#), [Sch. 1 Pt. II](#)

### 377 Formal defects.

The acts of a person as the trustee of a bankrupt's estate or as a special manager, and the acts of the creditors' committee established for any bankruptcy, are valid notwithstanding any defect in the appointment, election or qualifications of the trustee or manager or, as the case may be, of any member of the committee.

#### Modifications etc. (not altering text)

- C8** S. 377 applied with modifications by [S.I. 1986/1999](#), [art. 3](#), [Sch. 1 Pt. II](#)

### 378 Exemption from stamp duty.

Stamp duty shall not be charged on—

- (a) any document, being a deed, conveyance, assignment, surrender, admission or other assurance relating solely to property which is comprised in a bankrupt's estate and which, after the execution of that document, is or remains at law or in equity the property of the bankrupt or of the trustee of that estate,
- (b) any writ, order, certificate or other instrument relating solely to the property of a bankrupt or to any bankruptcy proceedings.

*Status: Point in time view as at 01/04/2016.*

*Changes to legislation: Insolvency Act 1986, Part X is up to date with all changes known to be in force on or before 21 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

**Modifications etc. (not altering text)**

**C9** S. 378 applied with modifications by S.I. 1986/1999, art. 3, **Sch. 1 Pt. II**

**379 Annual report.**

As soon as practicable after the end of 1986 and each subsequent calendar year, the Secretary of State shall prepare and lay before each House of Parliament a report about the operation during that year of so much of this Act as is comprised in this Group of Parts<sup>F28</sup> ....

**Textual Amendments**

**F28** Words in s. 379 omitted (1.10.2015) by virtue of **Deregulation Act 2015 (c. 20)**, s. 115(7), **Sch. 6 para. 2(11)(e)** (with **Sch. 6 para. 3**); S.I. 2015/1732, art. 2(e)(i)

**Modifications etc. (not altering text)**

**C10** S. 379 applied with modifications by S.I. 1986/1999, art. 3, **Sch. 1 Pt. II**

*[<sup>F29</sup>Creditors' decisions*

**Textual Amendments**

**F29** Ss. 379ZA-379ZC and cross-heading inserted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by **Small Business, Enterprise and Employment Act 2015 (c. 26)**, **ss. 123(2), 164(1)**; S.I. 2015/1329, reg. 3(d); S.I. 2016/1020, reg. 4(b) (with reg. 5) (as amended by S.I. 2017/363, reg. 3)

**379ZA Creditors' decisions: general**

- (1) This section applies where, for the purposes of this Group of Parts, a person (“P”) seeks a decision from an individual's creditors about any matter.
- (2) The decision may be made by any creditors' decision procedure P thinks fit, except that it may not be made by a creditors' meeting unless subsection (3) applies.
- (3) This subsection applies if at least the minimum number of creditors request in writing that the decision be made by a creditors' meeting.
- (4) If subsection (3) applies, P must summon a creditors' meeting.
- (5) Subsection (2) is subject to any provision of this Act, the rules or any other legislation, or any order of the court—
  - (a) requiring a decision to be made, or prohibiting a decision from being made, by a particular creditors' decision procedure (other than a creditors' meeting);
  - (b) permitting or requiring a decision to be made by a creditors' meeting.
- (6) Section 379ZB provides that in certain cases the deemed consent procedure may be used instead of a creditors' decision procedure.



*Status: Point in time view as at 01/04/2016.*

*Changes to legislation: Insolvency Act 1986, Part X is up to date with all changes known to be in force on or before 21 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- (7) For the purposes of subsection (3) the “minimum number” of creditors is any of the following—
  - (a) 10% in value of the creditors;
  - (b) 10% in number of the creditors;
  - (c) 10 creditors.
- (8) The references in subsection (7) to creditors are to creditors of any class, even where a decision is sought only from creditors of a particular class.
- (9) In this section references to a meeting are to a meeting where the creditors are invited to be present together at the same place (whether or not it is possible to attend the meeting without being present at that place).
- (10) Except as provided by subsection (8), references in this section to creditors include creditors of a particular class.
- (11) In this Group of Parts “creditors' decision procedure” means a procedure prescribed or authorised under paragraph 11A of Schedule 9.

### **379ZB Deemed consent procedure**

- (1) The deemed consent procedure may be used instead of a creditors' decision procedure where an individual's creditors are to make a decision about any matter, unless—
  - (a) a decision about the matter is required by virtue of this Act, the rules or any other legislation to be made by a creditors' decision procedure, or
  - (b) the court orders that a decision about the matter is to be made by a creditors' decision procedure.
- (2) If the rules provide for an individual's creditors to make a decision about the remuneration of any person, they must provide that the decision is to be made by a creditors' decision procedure.
- (3) The deemed consent procedure is that the relevant creditors (other than opted-out creditors) are given notice of—
  - (a) the matter about which the creditors are to make a decision,
  - (b) the decision the person giving the notice proposes should be made (the “proposed decision”),
  - (c) the effect of subsections (4) and (5), and
  - (d) the procedure for objecting to the proposed decision.
- (4) If less than the appropriate number of relevant creditors object to the proposed decision in accordance with the procedure set out in the notice, the creditors are to be treated as having made the proposed decision.
- (5) Otherwise—
  - (a) the creditors are to be treated as not having made a decision about the matter in question, and
  - (b) if a decision about that matter is again sought from the creditors, it must be sought using a creditors' decision procedure.
- (6) For the purposes of subsection (4) the “appropriate number” of relevant creditors is 10% in value of those creditors.

*Status: Point in time view as at 01/04/2016.*

*Changes to legislation: Insolvency Act 1986, Part X is up to date with all changes known to be in force on or before 21 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- (7) “Relevant creditors” means the creditors who, if the decision were to be made by a creditors' decision procedure, would be entitled to vote in the procedure.
- (8) In this section references to creditors include creditors of a particular class.
- (9) The rules may make further provision about the deemed consent procedure.

### **379ZC Power to amend sections 379ZA and 379ZB**

- (1) The Secretary of State may by regulations amend section 379ZA so as to change the definition of the minimum number of creditors.
- (2) The Secretary of State may by regulations amend section 379ZB so as to change the definition of the appropriate number of relevant creditors.
- (3) Regulations under this section may define the minimum number or the appropriate number by reference to any one or more of—
  - (a) a proportion in value,
  - (b) a proportion in number,
  - (c) an absolute number,
 and the definition may include alternative, cumulative or relative requirements.
- (4) Regulations under subsection (1) may define the minimum number of creditors by reference to all creditors, or by reference to creditors of a particular description.
- (5) Regulations under this section may make provision that will result in section 379ZA or 379ZB having different definitions for different cases, including for different kinds of decisions.
- (6) Regulations under this section may make transitional provision.
- (7) The power of the Secretary of State to make regulations under this section is exercisable by statutory instrument.
- (8) A statutory instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before, and approved by a resolution of, each House of Parliament.]

### *[<sup>F30</sup>REMOTE ATTENDANCE AT MEETINGS*

#### **Textual Amendments**

**F30** Ss. 379A 379B and cross-headings inserted (6.4.2010) by [The Legislative Reform \(Insolvency\) \(Miscellaneous Provisions\) Order 2010 \(S.I. 2010/18\)](#), **art. 3(2)**

### **379A [<sup>F31</sup>Remote attendance at meetings]**

<sup>F31</sup>(1) Where—

- (a) a bankruptcy order is made against an individual or an interim receiver of an individual's property is appointed, or
- (b) a voluntary arrangement in relation to an individual is proposed or is approved under Part 8,

---

*Status: Point in time view as at 01/04/2016.*

*Changes to legislation: Insolvency Act 1986, Part X is up to date with all changes known to be in force on or before 21 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

---

this section applies to any meeting of the individual's creditors summoned under this Act or the rules.

- (2) Where the person summoning a meeting (“the convener”) considers it appropriate, the meeting may be conducted and held in such a way that persons who are not present together at the same place may attend it.
- (3) Where a meeting is conducted and held in the manner referred to in subsection (2), a person attends the meeting if that person is able to exercise any rights which that person may have to speak and vote at the meeting.
- (4) For the purposes of this section—
  - (a) a person exercises the right to speak at a meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting; and
  - (b) a person exercises the right to vote at a meeting when—
    - (i) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
    - (ii) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- (5) The convener of a meeting which is to be conducted and held in the manner referred to in subsection (2) may make whatever arrangements the convener considers appropriate to—
  - (a) enable those attending the meeting to exercise their rights to speak or vote, and
  - (b) ensure the identification of those attending the meeting and the security of any electronic means used to enable attendance.
- (6) Where in the reasonable opinion of the convener—
  - (a) a meeting will be attended by persons who will not be present together at the same place, and
  - (b) it is unnecessary or inexpedient to specify a place for the meeting,any requirement under this Act or the rules to specify a place for the meeting may be satisfied by specifying the arrangements the convener proposes to enable persons to exercise their rights to speak or vote.
- (7) In making the arrangements referred to in subsection (5) and in forming the opinion referred to in subsection (6)(b), the convener must have regard to the legitimate interests of the creditors and others attending the meeting in the efficient despatch of the business of the meeting.
- (8) If—
  - (a) the notice of a meeting does not specify a place for the meeting,
  - (b) the convener is requested in accordance with the rules to specify a place for the meeting, and
  - (c) that request is made by not less than ten percent in value of the creditors,it shall be the duty of the convener to specify a place for the meeting.]

*Status: Point in time view as at 01/04/2016.*

*Changes to legislation: Insolvency Act 1986, Part X is up to date with all changes known to be in force on or before 21 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

#### Textual Amendments

- F31** S. 379A and cross-heading omitted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by virtue of [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), [Sch. 9 para. 88](#); S.I. 2015/1329, reg. 3(d); S.I. 2016/1020, reg. 4(e) (with reg. 5) (as amended by S.I. 2017/363, reg. 3)

[<sup>F32</sup>USE OF WEBSITES][<sup>F32</sup>GIVING OF NOTICES ETC BY OFFICE-HOLDERS]

#### Textual Amendments

- F32** S. 379B cross-heading substituted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), [ss. 125\(2\)](#), 164(1); S.I. 2015/1329, reg. 3(d); S.I. 2016/1020, reg. 4(d)

### 379B Use of websites

- (1) This section applies where—
- (a) a bankruptcy order is made against an individual or an interim receiver of an individual's property is appointed, or
  - (b) a voluntary arrangement in relation to an individual is proposed or is approved under Part 8,
- and “the office-holder” means the official receiver, the trustee in bankruptcy, the interim receiver, the nominee or the supervisor of the voluntary arrangement, as the case may be.
- (2) Where any provision of this Act or the rules requires the office-holder to give, deliver, furnish or send a notice or other document or information to any person, that requirement is satisfied by making the notice, document or information available on a website—
- (a) in accordance with the rules, and
  - (b) in such circumstances as may be prescribed.]

### [<sup>F33</sup>379CCreditors' ability to opt out of receiving certain notices

- (1) Any provision of the rules which requires an office-holder to give a notice to creditors of an individual does not apply, in circumstances prescribed by the rules, in relation to opted-out creditors.
- (2) Subsection (1)—
  - (a) does not apply in relation to a notice of a distribution or proposed distribution to creditors;
  - (b) is subject to any order of the court requiring a notice to be given to all creditors (or all creditors of a particular category).
- (3) Except as provided by the rules, a creditor may participate and vote in a creditors' decision procedure or a deemed consent procedure even though, by virtue of being an opted-out creditor, the creditor does not receive notice of it.
- (4) In this section—

---

*Status: Point in time view as at 01/04/2016.*

*Changes to legislation: Insolvency Act 1986, Part X is up to date with all changes known to be in force on or before 21 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

---

- “give” includes deliver, furnish or send;  
“notice” includes any document or information in any other form;  
“office-holder”, in relation to an individual, means—
- (a) where a bankruptcy order is made against the individual, the official receiver or the trustee in bankruptcy;
  - (b) where an interim receiver of the individual's property is appointed, the interim receiver;
  - (c) the supervisor of a voluntary arrangement approved under Part 8 in relation to the individual.]

---

**Textual Amendments**

**F33** S. 379C inserted (26.5.2015 for specified purposes, 6.4.2017 for E.W. in so far as not already in force) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), [ss. 125\(3\), 164\(1\)](#); [S.I. 2015/1329](#), [reg. 3\(d\)](#); [S.I. 2016/1020](#), [reg. 4\(d\)](#)

**Status:**

Point in time view as at 01/04/2016.

**Changes to legislation:**

Insolvency Act 1986, Part X is up to date with all changes known to be in force on or before 21 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.