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# County Courts Act 1984

## **1984 CHAPTER 28**

#### PART VI

#### **ADMINISTRATION ORDERS**

## 112 Power to make administration order.

- (1) Where a debtor—
  - (a) is unable to pay forthwith the amount of a judgment obtained against him; and
  - (b) alleges that his whole indebtedness amounts to a sum not exceeding the county court limit, inclusive of the debt for which the judgment was obtained;

[F1 the county court] may make an order providing for the adminstration of his estate.

- (2) In this Part of this Act—
  - "administration order" means an order under this section; and  $_{\rm F2}$
- (3) Before an administration order is made, the [F3 county court] shall, in accordance with [F4 rules of court], send to every person whose name the debtor has notified to the [F3 county court] as being a creditor of his, a notice that that person's name has been so notified.
- (4) So long as an administration order is in force, a creditor whose name is included in the schedule to the order shall not, without the leave of the [F3 county court], be entitled to present, or join in, a bankruptcy petition against the debtor unless—
  - (a) his name was so notified; and
  - (b) the debt by virtue of which he presents, or joins in, the petition, exceeds [F5£1500]; and
  - (c) the notice given under subsection (3) was received by the creditor within 28 days immediately preceding the day on which the petition is presented.
- (5) 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 county court limit, but in that case the court may, if it thinks fit, set aside the order.

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- (6) An administration order may provide for the payment of the debts of the debtor by instalments or otherwise, and either in full or to such extent as appears practicable to the court under the circumstances of the case, and subject to any conditions as to his future earnings or income which the court may think just.
- (7) The Secretary of State may by regulations increase or reduce the sum for the time being specified in subsection (4)(b); but no such increase in the sum so specified shall affect any case in which the bankruptcy petition was presented before the coming into force of the increase.
- (8) The power to make regulations under subsection (7) shall be exercisable by statutory instrument; and no such regulations shall be made unless a draft of them has been approved by resolution of each House of Parliament.

#### **Textual Amendments**

- F1 Words in ss. 36-147 substituted (22.4.2014) by Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(1)(b); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F2 Words in s. 112(2) omitted (22.4.2014) by virtue of Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(51)(a); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F3 Words in Pt. 6 substituted (22.4.2014) by Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(51)(b); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- **F4** Words in s. 112 substituted (27.4.1997) by 1997 c. 12, s. 10, **Sch. 2 para. 2(2)**; S.I. 1997/841, **art. 3(b)**, 4(c)
- F5 Amount substituted by Insolvency Act 1985 (c. 65, SIF 66), s. 220(2)

## 113 Notice of order and proof of debts.

Where an administration order has been made—

- (a) notice of the order—

  - (ii) shall be posted [F7 on an appropriate website], and
  - (iii) shall be sent to every person whose name the debtor has notified to the [F3county court] as being a creditor of his or who has proved;
- (b) any creditor of the debtor, on proof of his debt before the [\*\*scounty court], shall be entitled to be scheduled as a creditor of the debtor for the amount of his proof;
- (c) any creditor may object in the prescribed manner to any debt scheduled, or to the manner in which payment is directed to be made by instalments;
- (d) any person who, after the date of the order, becomes a creditor of the debtor shall, on proof of his debt before the [F9 county court], be scheduled as a creditor of the debtor for the amount of his proof, but shall not be entitled to any dividend under the order until the creditors who are scheduled as having been creditors before the date of the order have been paid to the extent provided by the order.

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#### **Textual Amendments**

- F3 Words in Pt. 6 substituted (22.4.2014) by Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(51)(b); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F6 S. 113(a)(i) repealed by Administration of Justice Act 1985 (c. 61, SIF 34), s. 67(2), Sch. 8 Pt. II
- F7 Words in s. 113(a)(ii) substituted (22.4.2014) by Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(51)(c); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F8 Words in s. 113(b) substituted (22.4.2014) by Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(51)(d); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F9 Words in s. 113(d) substituted (22.4.2014) by Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(51)(d); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)

#### 114 Effect of administration order.

- (1) Subject to sections 115 and 116, when an administration order is made, no creditor shall have any remedy against the person or property of the debtor in respect of any debt—
  - (a) of which the debtor notified the [F3county court] before the administration order was made; or
  - (b) which has been scheduled to the order, except with the leave of the  $[^{F3}$ county court], and on such terms as that court may impose.
- (2) Subject to subsection (3), [F10] when an administration order is made, the county court is to stay any proceedings in the county court which] are pending against the debtor in respect of any debt so notified or scheduled, F11..., but may allow costs already incurred by the creditor, and such costs may, on application, be added to the debt.
- (3) The requirement to stay proceedings shall not operate [F12 as a requirement to stay any proceedings in bankruptcy which are pending against the debtor.]

#### **Textual Amendments**

- F3 Words in Pt. 6 substituted (22.4.2014) by Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(51)(b); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F10 Words in s. 114(2) substituted (22.4.2014) by Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(51)(e)(i); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F11 Words in s. 114(2) omitted (22.4.2014) by virtue of Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(51)(e)(ii); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F12 Words in s. 114(3) substituted (22.4.2014) by Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(51)(f); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)

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## 115 Execution by registrar.

- (1) Where it appears to <sup>F13</sup>... the [<sup>F3</sup>county court] at any time while an administration order is in force that property of the debtor exceeds in value [<sup>F14</sup>the minimum amount], [<sup>F15</sup>the court] shall, at the request of any creditor, and without fee, issue execution against the debtor's goods.
- [F16(1A) In subsection (1) above "the minimum amount" means £50 or such other amount as the Lord Chancellor may by order specify instead of that amount or the amount for the time being specified in such an order; and an order under this subsection shall be made by statutory instrument subject to annulment in pursuance of a resolution of either House of Parliament.]
  - (2) Section 89 applies on an execution under this section as it applies on an execution under Part V.

#### **Textual Amendments**

- F3 Words in Pt. 6 substituted (22.4.2014) by Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(51)(b); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F13 Words in s. 115(1) omitted (22.4.2014) by virtue of Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(51)(g)(i); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- F14 Words substituted by Insolvency Act 1985 (c. 65, SIF 66), s. 220(3)
- F15 Words in s. 115(1) substituted (22.4.2014) by Crime and Courts Act 2013 (c. 22), s. 61(3), Sch. 9 para. 10(51)(g)(ii); S.I. 2014/954, art. 2(c) (with art. 3) (with transitional provisions and savings in S.I. 2014/956, arts. 3-11)
- **F16** S. 115(1A) inserted by Insolvency Act 1985 (c. 65, SIF 66),s. 220(4)

F17116 Right of landlord to distrain notwithstandin	g order.
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## **Textual Amendments**

**F17** S. 116 repealed (6.4.2014) by Tribunals, Courts and Enforcement Act 2007 (c. 15), s. 148, Sch. 14 para. 39, **Sch. 23 Pt. 4** (with s. 89); S.I. 2014/768, art. 2(1)(b)

## 117 Appropriation of money paid under order and discharge of order.

- (1) Money paid into court under an administration order shall be appropriated—
  - (a) first in satisfaction of the costs of administration (which shall not exceed 10 pence in the pound on the total amount of the debts); and
  - (b) then in liquidation of debts in accordance with the order.
- (2) Where the amount received is sufficient to pay—
  - (a) each creditor scheduled to the order to the extent provided by the order;
  - (b) the costs of the plaintiff in the action in respect of which the order was made; and
  - (c) the cost of the administration,

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the order shall be superseded, and the debtor shall be discharged from his debts to the scheduled creditors.

## **Status:**

Point in time view as at 22/04/2014.

## **Changes to legislation:**

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