



Insolvency Act 1986

1986 CHAPTER 45

PART VIII

INDIVIDUAL VOLUNTARY ARRANGEMENTS

[^{F1}Creditors' ^{F2}decisions]]

Textual Amendments

- F1** Cross-heading preceding s. 256A, s. 256A and cross-heading before s. 257 inserted (1.1.2003) by 2000 c. 39, s. 3, **Sch. 3 para. 7**; S.I. 2002/2711, **art. 2** (subject to transitional provisions in arts. 3-5)
- F2** Word in s. 257 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), s. 164(1), **Sch. 9 para. 63**; 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)

257 [^{F3}Consideration of debtor's proposal by creditors]

- [^{F4}(1) This section applies where it has been reported to the court under section 256 or to the debtor's creditors under section 256A that the debtor's creditors should consider the debtor's proposal.
- (2) The nominee (or the nominee's replacement under section 256(3) or 256A(4)) must seek a decision from the debtor's creditors as to whether they approve the proposed voluntary arrangement (unless, in the case of a report to which section 256 applies, the court otherwise directs).
- (2A) The decision is to be made by a creditors' decision procedure.
- (2B) Notice of the creditors' decision procedure must be given to every creditor of the debtor of whose claim and address the nominee (or the nominee's replacement) is aware.]
- (3) For this purpose the creditors of a debtor who is an undischarged bankrupt include—

Status: Point in time view as at 19/12/2018.

Changes to legislation: Insolvency Act 1986, Cross Heading: Creditors' decisions is up to date with all changes known to be in force on or before 03 August 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)

- (a) every person who is a creditor of the bankrupt in respect of a bankruptcy debt, and
- (b) every person who would be such a creditor if the bankruptcy had commenced on the date on which notice of the [F5creditors' decision procedure] is given.

Textual Amendments

- F3** S. 257 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 \(c. 26\), s. 164\(1\), Sch. 9 para. 64\(4\)](#); 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)
- F4** S. 257(1)-(2B) substituted for s. 257(1)(2) (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 \(c. 26\), s. 164\(1\), Sch. 9 para. 64\(2\)](#); 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)
- F5** Words in s. 257(3)(b) 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 \(c. 26\), s. 164\(1\), Sch. 9 para. 64\(3\)](#); 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)

Modifications etc. (not altering text)

- C1** Ss. 256–263 applied with modifications by [S.I. 1986/1999, art. 3, Sch. I Pt. III](#)
- C2** S. 257 amended (1.12.2001) by [2000 c. 8, s. 357\(1\)](#); S.I. 2001/3538, [art. 2\(1\)](#)

Status:

Point in time view as at 19/12/2018.

Changes to legislation:

Insolvency Act 1986, Cross Heading: Creditors' decisions is up to date with all changes known to be in force on or before 03 August 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.