

# 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, or
- (c) a deed of arrangement is made for the benefit of an individual's creditors;

and in this section "the office-holder" means the official receiver, the trustee in bankruptcy, the interim receiver, the supervisor of the voluntary arrangement or the trustee under the deed of 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.

- (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>F1</sup>(a) a supply of gas by a gas supplier within the meaning of Part I of the Gas Act 1986;]
  - [<sup>F2</sup>(b) a supply of electricity by an electricity supplier within the meaning of Part I of the Electricity Act 1989;]
    - (c) a supply of water by [<sup>F3</sup>a water undertaker],
  - [<sup>F4</sup>(d) a supply of communications services by a provider of a public electronic communications service.]

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

- <sup>F5</sup>(a) .....
- <sup>F6</sup>(b) .....
- [<sup>F7</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(4)(a) substituted (1.3.1996) by 1995 c. 45, s. 16(1), Sch. 4 para. 14(3); S.I. 1996/218, art. 2
- F2 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)
- **F3** 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)
- F4 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)
- F5 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
- **F6** 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)
- F7 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

### **373** Jurisdiction in relation to insolvent individuals.

(1) The High Court and the county courts have jurisdiction throughout England and Wales for the purposes of the Parts in this Group.

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- (2) For the purposes of those Parts, a 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—
  - (a) by the High Court in relation to the proceedings, which, in accordance with the rules, are allocated to the London insolvency district, and
  - (b) by each county court in relation to the proceedings which are so allocated to the insolvency district of that court.
- (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.

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

C3 s.373 applied with modifications by S.I. 1986/1999, art. 3, Sch. 1 Pt. II

# 374 Insolvency districts.

- (1) The Lord Chancellor may [<sup>F8</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 of each county court; and an order under this section may—
  - (a) exclude any county court from having jurisdiction for the purposes of those Parts, or
  - (b) confer jurisdiction for those purposes on any county court which has not previously had that jurisdiction.
- (2) An order under this section may contain such incidental, supplemental and transitional provisions as may appear to the Lord Chancellor [<sup>F9</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>F10</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.]

Status: Point in time view as at 01/11/2007.

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#### **Textual Amendments**

- F8 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
- F9 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
- F10 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)

C4 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 a 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>F11</sup>... to the Court of Appeal.
- (3) A 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**

**F11** 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)**

C5 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)

C6 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. Status: Point in time view as at 01/11/2007.

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

C7 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.

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

C8 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, and about proceedings in the course of that year under the <sup>M1</sup>Deeds of Arrangement Act 1914.

Modifications etc. (not altering text)C9 S. 379 applied with modifications by S.I. 1986/1999, art. 3, Sch. 1 Pt. II

#### Marginal Citations M1 1914 c. 47.

# Status:

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