



Insolvency Act 1986

1986 CHAPTER 45

PART VIII

INDIVIDUAL VOLUNTARY ARRANGEMENTS

[^{F1}Procedure where no interim order made]

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}256A Debtor's proposal and nominee's report.

- (1) This section applies where a debtor (being an individual)—
- (a) intends to make a proposal under this Part (but an interim order has not been made in relation to the proposal and no application for such an order is pending), and
 - (b) if he is an undischarged bankrupt, has given notice of the proposal to the official receiver and, if there is one, the trustee of his estate,
- ^{F3} ...
- (2) For the purpose of enabling the nominee to prepare a report [^{F4}under subsection (3)], the debtor shall submit to the nominee—
- (a) a document setting out the terms of the voluntary arrangement which the debtor is proposing, and
 - (b) a statement of his affairs containing—
 - (i) such particulars of his creditors and of his debts and other liabilities and of his assets as may be prescribed, and
 - (ii) such other information as may be prescribed.

Changes to legislation: Insolvency Act 1986, Cross Heading: Procedure where no interim order made is up to date with all changes known to be in force on or before 27 April 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) View outstanding changes

- (3) If the nominee is of the opinion that the debtor is an undischarged bankrupt, or is able to [^{F5}make a bankruptcy application], the nominee shall, within 14 days (or such longer period as the court may allow) after receiving the document and statement mentioned in subsection (2), submit a [^{F6}report to the debtor's creditors] stating—
- (a) whether, in his opinion, the voluntary arrangement which the debtor is proposing has a reasonable prospect of being approved and implemented, [^{F7}and]
 - (b) whether, in his opinion, [^{F8}the debtor's creditors should] consider the debtor's proposal ^{F9} ...
 - ^{F10}(c)
- (4) The court may—
- (a) on an application made by the debtor in a case where the nominee has failed to submit the report required by this section or has died, or
 - (b) on an application made by the debtor or the nominee in a case where it is impracticable or inappropriate for the nominee to continue to act as such,
- direct that the nominee shall be replaced as such by another person qualified to act as an insolvency practitioner, or authorised to act as nominee, in relation to the voluntary arrangement.
- (5) The court may, on an application made by the nominee, extend the period within which the nominee is to submit his report.]

Textual Amendments

- F2** 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)
- F3** Words in s. 256A(1) omitted (6.4.2016) by virtue of **Enterprise and Regulatory Reform Act 2013 (c. 24)**, s. 103(3), **Sch. 19 para. 4(2)**; S.I. 2016/191, **art. 2** (with **art. 3**)
- F4** Words in s. 256A(2) substituted (6.4.2010) by **The Legislative Reform (Insolvency) (Miscellaneous Provisions) Order 2010 (S.I. 2010/18)**, **art. 8(1)(a)**
- F5** Words in s. 256A(3) substituted (6.4.2016) by **Enterprise and Regulatory Reform Act 2013 (c. 24)**, s. 103(3), **Sch. 19 para. 4(3)**; S.I. 2016/191, **art. 2** (with **art. 3**)
- F6** Words in s. 256A(3) substituted (6.4.2010) by **The Legislative Reform (Insolvency) (Miscellaneous Provisions) Order 2010 (S.I. 2010/18)**, **art. 8(1)(b)**
- F7** Word in s. 256A(3)(a) 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)**, s. 164(1), **Sch. 9 para. 62(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**)
- F8** Words in s. 256A(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. 62(3)(a)**; 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**)
- F9** Word in s. 256A(3)(b) 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. 62(3)(b)**; 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**)
- F10** S. 256A(3)(c) 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. 62(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**)

Changes to legislation: *Insolvency Act 1986, Cross Heading: Procedure where no interim order made is up to date with all changes known to be in force on or before 27 April 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) View outstanding changes*

Modifications etc. (not altering text)

C1 S. 256A restricted (24.3.2022) by [Commercial Rent \(Coronavirus\) Act 2022 \(c. 12\)](#), **ss. 25(2)(b)**, 31(4) (with s. 30)

Changes to legislation:

Insolvency Act 1986, Cross Heading: Procedure where no interim order made is up to date with all changes known to be in force on or before 27 April 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.

[View outstanding changes](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act amendment to earlier affecting provision S.I. 1986/1999, art. 3, Sch. 1 Pt. 2 by [S.I. 2017/1119 Sch. 3 para. 1](#)
- Act savings and transitional provisions for amendments by S.I. 2022/1166 by [S.I. 2022/1172 Regulations](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 41HB(2) words substituted by [2018 c. 14 s. 1\(3\)\(b\)](#)