

Article 350N of the Insolvency (Northern Ireland) Order 1989

(Revocation of recognition at the request of a body)

Notice in accordance with Article 350N(3) of the Insolvency (Northern Ireland) Order 1989

The Law Society

On 1st June 2016 the Law Society asked the Department for the Economy (“the Department”) to consider a request made by Solicitors Regulatory Authority under Article 350(4) of the Insolvency (Northern Ireland) Order 1989 that the Law Society should cease to be a recognised professional body (“RPB”) for the purposes of Article 350 of the Insolvency (Northern Ireland) Order 1989.

This followed the making of a Statutory Instrument in GB, the Insolvency Practitioners (Recognised Professional Bodies) (Revocation of Recognition) Order 2016, (S.I. 2016 No. 403) which provided for the Law Society’s recognition as a professional body for the purposes of section 391 of the Insolvency Act 1986 to cease on 15 April 2016.

Article 350 of the Insolvency (Northern Ireland) Order 1989 as it originally stood has been replaced by a new Article under section 14(4) of the Insolvency (Amendment) Act (Northern Ireland) 2016. Paragraph (6) of the substitute Article provides that an order made under it can be revoked by an order under Article 350L or 350N. The request made by the Solicitor’s Regulatory Authority that the Law Society should cease to be a RPB is being treated as a request under Article 350N of the Insolvency (Northern Ireland) Order 1989. Solicitors Regulation Authority is an independent operating division of the Law Society with responsibility for regulatory functions.

No-one has ever been authorised by the Law Society to act as an insolvency practitioner pursuant to its recognition for the purposes of Article 350 of the Insolvency (Northern Ireland) Order 1989.

The Department has considered this request and is satisfied that it is appropriate in all the circumstances of this case to revoke this recognition in accordance with the procedure in Article 350N of the Insolvency (Northern Ireland) Order 1989.

Accordingly the Department is making the Insolvency Practitioners (Recognised Professional Bodies) (Amendment) Order (Northern Ireland) 2017. This Order takes effect from the 10th January 2017.

The reasons for making the order in relation to the Law Society are—

- The public interest will be better served if solicitor insolvency practitioners are regulated by RPBs with specialist expertise in this area.
- A reduction in the number of RPBs regulating in this area is consistent with recent reviews of the insolvency market. It will promote consistency and efficiency and could reduce the overall cost of regulation which would ultimately benefit creditors
- The decision fits with their approach towards ensuring that their regulation is proportionate and targeted and that dual regulation of solicitors is appropriate in areas outside of mainstream solicitor services.

A print version of the notice is available from The Insolvency Service, Department for the Economy, Fermanagh House, Ormeau Avenue, Belfast BT2 8NJ; or phone: 028 9054 8583