



SUPPLEMENT TO THE VOTES AND PROCEEDINGS

Wednesday 3 June 2020

**COMMITTEE OF THE WHOLE HOUSE
PROCEEDINGS**

CORPORATE INSOLVENCY AND GOVERNANCE BILL

GLOSSARY

This document shows the fate of each clause, schedule, amendment and new clause.

The following terms are used:

Agreed to: agreed without a vote.

Agreed to on division: agreed following a vote.

Negatived: rejected without a vote.

Negatived on division: rejected following a vote.

Not called: debated in a group of amendments, but not put to a decision.

Not moved: not debated or put to a decision.

Question proposed: debate underway but not concluded.

Withdrawn after debate: moved and debated but then withdrawn, so not put to a decision.

Not selected: not chosen for debate by the Chair.

Keir Starmer
Ed Miliband
Lucy Powell
Mr Nicholas Brown

Withdrawn after debate 1

★ Clause 1, page 3, line 24, after “debts,” insert—

“(da) a statement on behalf of any trade union made on behalf of employees affected by the proposed rescue of the company as a going concern,”

Corporate Insolvency and Governance Bill, *continued*

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown

Not called 2

★ Clause 1, page 4, line 38, at end insert—

“(3A) For small businesses, in this Chapter, the initial period, in relation to a moratorium, means the period of 30 business days beginning with the business day after the day on which the moratorium comes into force.”

Clause agreed to.

Clauses 2 to 9 agreed to.

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown

Not called 3

★ Clause 10, page 63, line 21, leave out “June” and insert “September”

Clause agreed to.

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown

Not called 4

★ Clause 11, page 64, line 46, leave out “June” and insert “September”

Clause agreed to.

Clause 12 agreed to.

Corporate Insolvency and Governance Bill, *continued*

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown

- ★ Clause 13, page 69, line 12, leave out “June” and insert “September” *Not called* 5

Clause agreed to.

Clauses 14 to 16 agreed to.

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown

- ★ Clause 17, page 76, line 1, leave out “June” and insert “September” *Not called* 6

Clause agreed to.

Clauses 18 to 22 agreed to.

Sarah Olney
Ed Davey
Alistair Carmichael
Tim Farron
Jamie Stone
Christine Jardine

Layla Moran
Daisy Cooper

Wera Hobhouse
Munira Wilson

Wendy Chamberlain

- ★ Clause 23, page 79, line 20, leave out “section 18” and insert “sections *(Moratoriums in Great Britain: time-limited effect and renewal), (Moratoriums in Northern Ireland: time-limited effect and renewal), (Arrangements and reconstructions for companies in financial difficulty: time-limited effect and renewal), (Protection of supplies of goods and services: time-limited effect and renewal)* and 18” *Not called* 13

Clause agreed to.

Clauses 24 to 47 agreed to.

Corporate Insolvency and Governance Bill, *continued*

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown

Not called NC1

★ To move the following Clause—

“Ring-fence for unsecured creditors

- (1) Section 176A of the Insolvency Act 1986 is amended as follows.
- (2) After subsection (2), insert—
 - “(2A) The prescribed part of the company’s net property available for the satisfaction of unsecured debts shall not be less than 30 per cent.”

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown

Not selected NC2

★ To move the following Clause—

“Powers for the Small Business Commissioner

- (1) The Secretary of State must make regulations by statutory instrument to enhance the effectiveness of the Small Business Commissioner in chasing late payment from larger companies.
- (2) Regulations under this section must include a definition of “larger companies”
- (3) Regulations under this section must include a Prompt Payment Code setting out requirements on larger companies to—
 - (a) pay suppliers on time—
 - (i) within the terms agreed at the outset of the contract
 - (ii) without attempting to change payment terms retrospectively, and
 - (iii) without changing practice on length of payment for smaller companies on unreasonable grounds;
 - (b) give clear guidance to suppliers—
 - (i) providing suppliers with clear and easily accessible guidance on payment procedures,
 - (ii) ensuring there is a system for dealing with complaints and disputes which is communicated to suppliers, and
 - (iii) advising them promptly if there is any reason why an invoice will not be paid to the agreed terms; and
 - (c) encourage good practice by requesting that lead suppliers encourage adoption of the code throughout their own supply chains.
- (4) Regulations under this section may include conferring on the Small Business Commissioner a power to levy fines on larger companies up to an amount to be defined in regulations for failure to comply with the Prompt Payment Code.

Corporate Insolvency and Governance Bill, *continued*

- (5) Except as provided in subsection (6), a statutory instrument containing regulations under this section is subject to annulment in pursuance of a resolution of either House of Parliament.
- (6) Regulations under subsection (4) may not be made unless a draft of the statutory instrument containing them has been laid before, and approved by a resolution of, each House of Parliament.”

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown

Not called NC3

- ★ To move the following Clause—

“Corporate governance: reforms

- (1) Before 31 December 2020, the Secretary of State must—
 - (a) carry out a review of corporate governance;
 - (b) set out the conclusions of the review in a report;
 - (c) publish the report; and
 - (d) arrange for copies of the report to be laid before both Houses of Parliament.
 - (2) The report under subsection (1) must in particular set out the Government’s proposals for—
 - (a) ensuring greater accountability of directors in group companies which sell failing subsidiaries;
 - (b) legislating to enhance powers for insolvency practitioners in relation to value extraction schemes (removal of value from a firm at the expense of its creditors when in financial distress);
 - (c) further raising standards by ensuring that directors of a company publish regular explanations to their shareholders as to what extent the company can afford to pay dividends alongside its financial commitments such as capital investments, workers’ rewards and pension schemes.”
-

Corporate Insolvency and Governance Bill, *continued*

Keir Starmer
Ed Miliband
Lucy Powell
Mr Nicholas Brown

Not called NC4

- ★ To move the following Clause—

“Preference for pension scheme deficits in case of insolvency

- (1) The Secretary of State, after consulting the Pensions Regulator, may make regulations amending this Act to ensure that contributions owed to pension schemes by a company are treated in the categories of preferential debts under the Insolvency Act 1986 as a priority secured creditor.
- (2) Regulations under this section may not be made unless a draft of the statutory instrument containing them has been laid before, and approved by a resolution of, each House of Parliament.”

Keir Starmer
Ed Miliband
Lucy Powell
Mr Nicholas Brown

Not called NC5

- ★ To move the following Clause—

“Trade union representation in restructuring process

- (1) Before 31 December 2020, the Secretary of State must—
 - (a) carry out a review of the role of trade unions in company restructuring arrangements;
 - (b) set out the conclusions of the review in a report;
 - (c) publish the report; and
 - (d) arrange for copies of the report to be laid before both Houses of Parliament.
 - (2) The report under subsection (1) must in particular set out the Government’s proposals for ensuring that trade unions representing employees affected by any proposed restructuring are—
 - (a) provided with all the information made available to the court,
 - (b) fully consulted by the directors of a company before any application for restructuring is made, and
 - (c) given the opportunity to contribute to decisions made by the court affecting their members.”
-

Corporate Insolvency and Governance Bill, *continued*

Sarah Olney
Ed Davey
Alistair Carmichael
Tim Farron
Jamie Stone
Christine Jardine

Layla Moran
Daisy Cooper

Wera Hobhouse
Munira Wilson

Wendy Chamberlain

Not called NC6

★ To move the following Clause—

“Moratoriums in Great Britain: time-limited effect and renewal

- (1) Part A1 of the Insolvency Act 1986 (inserted by section 1 of this Act) ceases to have effect on 30 September 2020, subject to the condition in subsection (2).
 - (2) The condition in this subsection is that the Secretary of State has made regulations by statutory instrument providing that Part A1 of the Insolvency Act 1986 should continue to have effect for a specified further period of no more than one year.
 - (3) Regulations under this section may not be made unless a draft of the statutory instrument containing them has been laid before, and approved by a resolution of, each House of Parliament.
 - (4) The Secretary of State must keep under review the operation of Part 1A of the Insolvency Act 1986 during the period for which it has effect.
 - (5) The Secretary of State must arrange for a report of a review under subsection (4) to be laid before both Houses of Parliament no later than 15 September 2020.”
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Corporate Insolvency and Governance Bill, *continued*

Sarah Olney
Ed Davey
Alistair Carmichael
Tim Farron
Jamie Stone
Christine Jardine

Layla Moran
Daisy Cooper

Wera Hobhouse
Munira Wilson

Wendy Chamberlain

Not called NC7

★ To move the following Clause—

“Moratoriums in Northern Ireland: time-limited effect and renewal

- (1) Part 1A of the Insolvency (Northern Ireland) Order 1989 (S.I. 1989/2405 (N.I. 19)) (inserted by section 4 of this Act) ceases to have effect on 30 September 2020, subject to the condition in subsection (2).
 - (2) The condition in this subsection is that the Secretary of State has made regulations by statutory instrument providing that Part 1A of the Insolvency (Northern Ireland) Order 1989 should continue to have effect for a specified further period of no more than one year.
 - (3) Regulations under this section may not be made unless a draft of the statutory instrument containing them has been laid before, and approved by a resolution of, each House of Parliament.
 - (4) The Secretary of State must keep under review the operation of Part 1A of the Insolvency (Northern Ireland) Order 1989 during the period for which it has effect.
 - (5) The Secretary of State must arrange for a report of a review under subsection (4) to be laid before both Houses of Parliament and the Northern Ireland Assembly no later than 15 September 2020.”
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Corporate Insolvency and Governance Bill, *continued*

Sarah Olney
Ed Davey
Alistair Carmichael
Tim Farron
Jamie Stone
Christine Jardine

Layla Moran
Daisy Cooper

Wera Hobhouse
Munira Wilson

Wendy Chamberlain

Not called **NC8**

★ To move the following Clause—

**“Arrangements and reconstructions for companies in financial difficulty:
time-limited effect and renewal**

- (1) Part 26A of the Companies Act 2006 (inserted by section 7 of this Act and Schedule 9 to this Act) ceases to have effect on 30 September 2020, subject to the condition in subsection (2).
 - (2) The condition in this subsection is that the Secretary of State has made regulations by statutory instrument providing that Part 26A of the Companies Act 2006 should continue to have effect for a specified further period of no more than one year.
 - (3) Regulations under this section may not be made unless a draft of the statutory instrument containing them has been laid before, and approved by a resolution of, each House of Parliament.
 - (4) The Secretary of State must keep under review the operation of Part 26A of the Companies Act 2006 during the period for which it has effect.
 - (5) The Secretary of State must arrange for a report of a review under subsection (4) to be laid before both Houses of Parliament no later than 15 September 2020.”
-

Corporate Insolvency and Governance Bill, *continued*

Sarah Olney
Ed Davey
Alistair Carmichael
Tim Farron
Jamie Stone
Christine Jardine

Layla Moran
Daisy Cooper

Wera Hobhouse
Munira Wilson

Wendy Chamberlain

Not called NC9

★ To move the following Clause—

“Protection of supplies of goods and services: time-limited effect and renewal

- (1) Sections 233B and 233C of the Insolvency Act 1986 (inserted by section 12 of this Act) cease to have effect on 30 September 2020, subject to the condition in subsection (2).
- (2) The condition in this subsection is that the Secretary of State has made regulations by statutory instrument providing that sections 233B and 233C of the Insolvency Act 1986 should continue to have effect for a specified further period of no more than one year.
- (3) Regulations under this section may not be made unless a draft of the statutory instrument containing them has been laid before, and approved by a resolution of, each House of Parliament.
- (4) The Secretary of State must keep under review the operation of sections 233B and 233C of the Insolvency Act 1986 during the period for which they have effect.
- (5) The Secretary of State must arrange for a report of a review under subsection (4) to be laid before both Houses of Parliament no later than 15 September 2020.”

Schedules 1 to 3 agreed to.

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown

Not called 7

★ Schedule 4, page 122, line 38, leave out “June” and insert “September”

Corporate Insolvency and Governance Bill, *continued*

Secretary Alok Sharma

Agreed to 15

★ Schedule 4, page 144, line 14, at end insert—

“PART 5

ENTITIES OTHER THAN COMPANIES

91 Regulations under section 14(1) of the Limited Liability Partnership Act 2000 may make provision applying or incorporating provision made by or under this Schedule, with such modifications as appear appropriate, in relation to a limited liability partnership registered in Great Britain.

92 An order under section 118(1)(a), (3B) or (3C) of the Co-operative and Community Benefit Societies Act 2014 may provide for provision made by or under this Schedule to apply (with or without modifications) in relation to registered societies (or to registered societies of the kind mentioned there).”

*Schedule, as amended, agreed to.**Schedules 5 and 6 agreed to.*

Secretary Alok Sharma*Agreed to* 16

★ Schedule 7, page 165, line 4, leave out “2 to 8” and insert “2 to 5, 7 and 8

Schedule, as amended, agreed to.

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown*Not called* 8

★ Schedule 8, page 165, line 28, leave out “June” and insert “September”

Corporate Insolvency and Governance Bill, *continued*

Secretary Alok Sharma

Agreed to 17

- ★ Schedule 8, page 178, line 14, at end insert—

“PART 5

ENTITIES OTHER THAN COMPANIES

- 55 Regulations under section 14(1) of the Limited Liability Partnership Act 2000 may make provision applying or incorporating provision made by or under this Schedule, with such modifications as appear appropriate, in relation to a limited liability partnership registered in Northern Ireland.
- 56 An order under Article 10(2) of the Insolvency (Northern Ireland) Order 2005 may provide for provision made by or under this Schedule to apply (with or without modification) in relation to—
- (a) a registered society within the meaning of the Co-operative and Community Benefit Societies Act (Northern Ireland) 1969, or
 - (b) a credit union within the meaning of the Credit Unions (Northern Ireland) Order 1985.”

Schedule, as amended, agreed to.

Secretary Alok Sharma

Agreed to 18

- ★ Schedule 9, page 180, line 17, leave out “and 901I (special cases)” and insert “(moratorium debts, etc)”

Secretary Alok Sharma

Agreed to 19

- ★ Schedule 9, page 181, line 44, leave out from “etc),” to end of line 1 on page 182

Secretary Alok Sharma

Agreed to 20

- ★ Schedule 9, page 183, line 34, after “as” insert “including”

Secretary Alok Sharma

Agreed to 21

- ★ Schedule 9, page 184, leave out lines 7 to 30

Secretary Alok Sharma

Agreed to 22

- ★ Schedule 9, page 194, line 40, leave out “and 899B (special cases)” and insert “(moratorium debts, etc)”

Secretary Alok Sharma

Agreed to 23

- ★ Schedule 9, page 194, line 44, leave out from “etc),” to end of line 45

Corporate Insolvency and Governance Bill, *continued*

Secretary Alok Sharma

- ★ Schedule 9, page 195, line 24, after “as” insert “including” *Agreed to* 24

Secretary Alok Sharma

- ★ Schedule 9, page 195, leave out from end of line 42 to beginning of line 21 on page 196 *Agreed to* 25

Schedule, as amended, agreed to.

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown

- ★ Schedule 10, page 203, line 15, leave out “June” and insert “September” *Not called* 9

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown

- ★ Schedule 10, page 209, line 36, leave out “June” and insert “September” *Not called* 10

Schedule agreed to.

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown

- ★ Schedule 11, page 211, line 2, leave out “June” and insert “September” *Not called* 11

Corporate Insolvency and Governance Bill, *continued*

Keir Starmer
Edward Miliband
Lucy Powell
Mr Nicholas Brown

- ★ Schedule 11, page 216, line 25, leave out “June” and insert “September” *Not called* 12

Schedule agreed to.

Schedules 12 to 14 agreed to.

Sarah Olney
Ed Davey
Alistair Carmichael
Tim Farron
Jamie Stone
Christine Jardine

Layla Moran
Daisy Cooper

Wera Hobhouse
Munira Wilson

Wendy Chamberlain

- ★ Title, line 3, after “make” insert “temporary” *Not called* 14

Bill, as amended, to be reported.
