

SMALL BUSINESS, ENTERPRISE AND EMPLOYMENT ACT 2015

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 10: INSOLVENCY

Power to establish single regulator of insolvency practitioners

Section 144: Power to establish single regulator of insolvency practitioners

805. This section allows the Secretary of State, by regulations made by the affirmative resolution procedure, to designate a body for the purposes of authorising and regulating IPs. The body may be a new body set up by regulation, or it may be an existing body. The power to move to a single regulator will only be used if the changes proposed by sections 137 to 143 do not succeed in improving confidence in the regulatory regime for IPs.
806. The section sets out the functions that the regulations may confer on the designated body and include:
- i. setting out the criteria for assessing whether a person is fit and proper to act as an IP, including the requirements as to education, practical experience and training they must meet;
 - ii. setting out technical standards for IPs and enforcing compliance with those standards; and
 - iii. investigating complaints about IPs.
807. The section allows the regulations to require that the designated body, in discharging regulatory functions, acts in a way which is compatible with the regulatory objectives (as introduced by section 138 of this Act).
808. It introduces Schedule 11 which makes supplementary provisions in relation to the designation of a body by regulations. For example, how many members the body should have; appointing the chair of the body and the setting of fees.