

These notes refer to the Small Business, Enterprise and Employment Act 2015 (c.26) which received Royal Assent on 26 March 2015

SMALL BUSINESS, ENTERPRISE AND EMPLOYMENT ACT 2015

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 10: INSOLVENCY

Regulation of insolvency practitioners: amendments to existing regime

Section 140: Recognised professional bodies: revocation of recognition

792. This section introduces new sections 391L, 391M and 391N to the Insolvency Act 1986. It relates to removal of an RPB's recognition and subsequently, its ability to regulate and approve a person to act as an insolvency practitioner. The revocation of the recognition to authorise insolvency practitioners can be at the instigation of the Secretary of State (section 391L) or at the instigation of the RPB itself (section 391N). At present, revocation of recognition is the only sanction available to the Secretary of State.
793. Currently, the Secretary of State is not required to follow a statutory procedure before revoking an RPB'S recognition. The new sections inserted by this section introduce the conditions to be met before a revocation order is made, the procedure to be followed and the date from which a revocation order comes into effect. This section allows for two types of revocation order: a revocation order and a partial revocation order. Partial revocation of a body's recognition will mean that the RPB is no longer recognised as capable of providing IPs with both full and partial authorisation, only as capable of providing partial authorisations of the kind specified. Full authorisation enables individuals to act in relation to both company and personal insolvency, whilst partial authorisation enables individuals to act only in relation to either company or personal insolvency.