



Insolvency Act 1986

1986 CHAPTER 45

PART XIII

INSOLVENCY PRACTITIONERS AND THEIR QUALIFICATION

f¹ Regulatory objectives

Textual Amendments

- F1** Ss. 391B, 391C and cross-heading inserted (1.10.2015 immediately after 2015 c. 20, s. 17 comes into force) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), **ss. 138(1)**, 164(1); S.I. 2015/1689, reg. 3(a)

391B Application of regulatory objectives

- (1) In discharging regulatory functions, a recognised professional body must, so far as is reasonably practicable, act in a way—
- (a) which is compatible with the regulatory objectives, and
 - (b) which the body considers most appropriate for the purpose of meeting those objectives.
- (2) In discharging functions under this Part, the Secretary of State must have regard to the regulatory objectives.

Modifications etc. (not altering text)

- C1** **Pt. 13** applied (with modifications) (7.4.2017) by [Building Societies Act 1986 \(1986 c. 53\)](#), **Sch. 15A** (as amended by S.I. 2017/400, regs. 1(2), 2(4))
- C2** **Pt. 13** applied (with modifications) (7.4.2017) by [Friendly Societies Act 1992 \(1992 c. 40\)](#), **Sch. 10** (as amended by S.I. 2017/400, regs. 1(2), 3)
- C3** **Pt. 13** applied (with modifications) (7.4.2017) by [Building Societies Act 1986 \(1986 c. 53\)](#), **Sch. 15** (as amended by S.I. 2017/400, regs. 1(2), 2(3))

Status: Point in time view as at 04/01/2024.

Changes to legislation: Insolvency Act 1986, Cross Heading: Regulatory objectives is up to date with all changes known to be in force on or before 10 June 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)

- C4** Ss. 391A-391T applied (with modifications) (7.4.2017) by [Banking Act 2009 \(2009 c. 1\)](#), s. 145 Table 2 (as amended by [S.I. 2017/400](#), regs. 1(2), **5(10)**)
- C5** Ss. 391A-391T applied (with modifications) (7.4.2017) by [Banking Act 2009 \(2009 c. 1\)](#), s. 103 (as amended by [S.I. 2017/400](#), regs. 1(2), **5(4)**)
- C6** Ss. 390-391T applied (with modifications) (E.W.S.) (8.7.2021) by [The Payment and Electronic Money Institution Insolvency Regulations 2021 \(S.I. 2021/716\)](#), regs. 2, **37** (with reg. 5) (as amended (4.1.2024) by [S.I. 2023/1399](#), regs. 1(2), **4**, 11)

391C Meaning of “regulatory functions” and “regulatory objectives”

- (1) This section has effect for the purposes of this Part.
- (2) “Regulatory functions”, in relation to a recognised professional body, means any functions the body has—
 - (a) under or in relation to its arrangements for or in connection with—
 - (i) authorising persons to act as insolvency practitioners, or
 - (ii) regulating persons acting as insolvency practitioners, or
 - (b) in connection with the making or alteration of those arrangements.
- (3) “Regulatory objectives” means the objectives of—
 - (a) having a system of regulating persons acting as insolvency practitioners that—
 - (i) secures fair treatment for persons affected by their acts and omissions,
 - (ii) reflects the regulatory principles, and
 - (iii) ensures consistent outcomes,
 - (b) encouraging an independent and competitive insolvency-practitioner profession whose members—
 - (i) provide high quality services at a cost to the recipient which is fair and reasonable,
 - (ii) act transparently and with integrity, and
 - (iii) consider the interests of all creditors in any particular case,
 - (c) promoting the maximisation of the value of returns to creditors and promptness in making those returns, and
 - (d) protecting and promoting the public interest.
- (4) In subsection (3)(a), “regulatory principles” means—
 - (a) the principles that regulatory activities should be transparent, accountable, proportionate, consistent and targeted only at cases in which action is needed, and
 - (b) any other principle appearing to the body concerned (in the case of the duty under section 391B(1)), or to the Secretary of State (in the case of the duty under section 391B(2)), to lead to best regulatory practice.]

Modifications etc. (not altering text)

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