

ENTERPRISE AND REGULATORY REFORM ACT 2013

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 5: Reduction of Legislative Burdens

Agricultural Wages Board

Section 73, Schedule 21: Unnecessary regulation: miscellaneous

Part 1, Schedule 21: Notification of TV sales etc.

501. The purpose of Part 1 of Schedule 21 is to repeal the requirement under the Wireless Telegraphy Act 1967 on retailers to notify TV Licensing of sales and rentals of television sets. TV Licensing is the BBC agency responsible for the collection of the television licence fee and the enforcement of the television licensing system. The definition of television sets for these purposes set out in regulation 11 of the [Communications \(Television Licensing\) Regulations 2004 \(S.I. 2004/692\)](#) covers analogue and digital TV sets, DVD and video recorders, digital boxes and computers (including laptops) with TV cards.
502. The aim of the current requirement is to assist TV Licensing in maximising television licence revenue. The information provided by retailers helps TV Licensing to identify those individuals, businesses and bodies which must hold a television licence. TV Licensing can then take steps to ensure that the individual, business or body purchases a TV Licence, which helps to maximise the television licence revenue provided to the BBC.
503. A Government review of the requirement concluded that it imposed an undue administrative burden on retailers. For example, many purchases are by people who already own a set.
504. [Paragraph 1](#) in Part 1 of Schedule 21 repeals the Wireless Telegraphy Act 1967, the remaining provisions of which impose requirements on television dealers in relation to the notification of the sale or hire of television sets, as defined in the Communications (Television Licensing) Regulations 2004.
505. [Paragraph 2](#) lists consequential repeals which will also have effect.
506. [Paragraph 3](#) is a saving provision in relation to the repeal of section 3 of the Post Office Act 1969.

Part 2, Schedule 21: Water undertakers: in-area ban

507. The removal of the in-area trading ban, included in standard licence conditions by virtue of section 2(3)(d)(iii) of the Water Industry Act 1991, will remove barriers to retail competition in the water sector. The removal of this provision was recommended in

Ofwat's review of the water supply licensing regime, which allows large users of water to change their water supplier.

508. The in-area trading ban prevents associate suppliers of water undertakers from trading in the area of their parent water company and therefore prevents them from competing for national multi-site contracts. This puts them at a competitive disadvantage with other water suppliers who have no restrictions on where they can supply water.
509. The repeal of section 2(3)(d)(iii) of the Water Industry Act 1991 will remove the requirement on the Secretary of State or Ofwat to impose a condition in the licence of a licensed water company associated with a water undertaker to prevent the licensed water company from trading in the area of that undertaker. This provision is implemented by a statutory licence condition determined by the Secretary of State under section 17H of the Water Industry Act 1991 and imposed on all companies. Once the requirement has been removed, Ofwat will need to follow the statutory mechanisms for amending licence conditions in sections 17I to 17R of the Water Industry Act 1991.
510. As a result, licensed water companies that are associated with undertakers will be able to compete for multi-site water supply contracts, once Ofwat amends the standard licence conditions.

Part 3, Schedule 21: Bankruptcy early discharge procedure

511. The EA 2002 introduced provisions into the Insolvency Act 1986 reducing the duration of bankruptcy to 12 months. It also introduced the early discharge provisions. The intention behind the early discharge provisions was to benefit those bankrupts who co-operated with the official receiver's inquiries and who posed no risk to the public or commercial community. These bankrupts would be allowed a 'fresh start' sooner than 1 year.
512. An evaluation of the provisions introduced was carried out in 2007 (as part of the "Enterprise Act 2002 - the Personal Insolvency Provisions: Final Evaluation Report"¹). This evaluation found that early discharge from bankruptcy did not have the desired impact of encouraging early rehabilitation.
513. Part 3 of Schedule 21 repeals section 279(2) of the Insolvency Act 1986 which allows a bankruptcy to end within a year in certain limited circumstances. Discharge from bankruptcy happens in most cases automatically one year from the date of the bankruptcy order (see section 279(1) of that Act). Under section 279(2), a bankrupt may be discharged earlier than the automatic one year by the official receiver filing a notice of early discharge at the court stating that inquiries into the conduct and affairs of the bankrupt under section 289 of that Act are unnecessary or concluded.
514. Before filing this notice the official receiver is required by Rule 6.214A of the [Insolvency Rules 1986 \(SI 1986/1925\)](#) to send notice of his or her intention to begin the early discharge process to all the bankrupt's creditors and to any trustee (if one has been appointed). The official receiver may only file the notice with the court if no objections have been received or if any objections which have been received have been finally determined.