

# Companies Act 2006

## **2006 CHAPTER 46**

#### **PART 42**

STATUTORY AUDITORS

#### **CHAPTER 6**

SUPPLEMENTARY AND GENERAL

Delegation of Secretary of State's functions

# 1252 Delegation of the Secretary of State's functions

- (1) The Secretary of State may make an order under this section (a "delegation order") for the purpose of enabling functions of the Secretary of State under this Part to be exercised by a body designated by the order.
- (2) The body designated by a delegation order may be either—
  - (a) a body corporate which is established by the order, or
  - (b) subject to section 1253, a body (whether a body corporate or an unincorporated association) which is already in existence ("an existing body").
- (3) A delegation order has the effect of making the body designated by the order designated under section 5 of the Freedom of Information Act 2000 (c. 36) (further powers to designate public authorities).
- (4) A delegation order has the effect of transferring to the body designated by it all functions of the Secretary of State under this Part—
  - (a) subject to such exceptions and reservations as may be specified in the order, and
  - (b) except—
    - (i) his functions in relation to the body itself, and

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- (ii) his functions under section 1228 (appointment of Independent Supervisor).
- (5) A delegation order may confer on the body designated by it such other functions supplementary or incidental to those transferred as appear to the Secretary of State to be appropriate.
- (6) Any transfer of functions under the following provisions must be subject to the reservation that the functions remain exercisable concurrently by the Secretary of State—
  - (a) section 1224 (power to call for information from recognised bodies etc);
  - (b) section 1244 (power to call for information from registered third country auditors);
  - (c) section 1254 (directions to comply with international obligations).
- (7) Any transfer of—
  - (a) the function of refusing to make a declaration under section 1221(1) (approval of overseas qualifications) on the grounds referred to in section 1221(4) (lack of comparable treatment), or
  - (b) the function of withdrawing such a declaration under section 1221(7) on those grounds,

must be subject to the reservation that the function is exercisable only with the consent of the Secretary of State.

- (8) A delegation order may be amended or, if it appears to the Secretary of State that it is no longer in the public interest that the order should remain in force, revoked by a further order under this section.
- (9) Where functions are transferred or resumed, the Secretary of State may by order confer or, as the case may be, take away such other functions supplementary or incidental to those transferred or resumed as appear to him to be appropriate.
- (10) Where a delegation order is made, Schedule 13 has effect with respect to—
  - (a) the status of the body designated by the order in exercising functions of the Secretary of State under this Part,
  - (b) the constitution and proceedings of the body where it is established by the order,
  - (c) the exercise by the body of certain functions transferred to it, and
  - (d) other supplementary matters.
- (11) An order under this section which has the effect of transferring or resuming any functions is subject to affirmative resolution procedure.
- (12) Any other order under this section is subject to negative resolution procedure.

#### **Commencement Information**

I1 S. 1252 partly in force; s. 1252 not in force at Royal Assent, see s. 1300; s. 1252 in force for specified purposes at 20.1.2007 by S.I. 2006/3428, art. 3(3) (subject to art. 5, Sch. 1 and with arts. 6, 8, Sch. 5)

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### 1253 Delegation of functions to an existing body

- (1) The Secretary of State's power to make a delegation order under section 1252 which designates an existing body is exercisable in accordance with this section.
- (2) The Secretary of State may make such a delegation order if it appears to him that—
  - (a) the body is able and willing to exercise the functions that would be transferred by the order, and
  - (b) the body has arrangements in place relating to the exercise of those functions which are such as to be likely to ensure that the conditions in subsection (3) are met.
- (3) The conditions are—
  - (a) that the functions in question will be exercised effectively, and
  - (b) where the delegation order is to contain any requirements or other provisions specified under subsection (4), that those functions will be exercised in accordance with any such requirements or provisions.
- (4) The delegation order may contain such requirements or other provision relating to the exercise of the functions by the designated body as appear to the Secretary of State to be appropriate.
- (5) An existing body—
  - (a) may be designated by a delegation order under section 1252, and
  - (b) may accordingly exercise functions of the Secretary of State in pursuance of the order,

despite any involvement of the body in the exercise of any functions under arrangements within paragraph 21, 22, 23(1) or 24(1) of Schedule 10 or paragraph 1 or 2 of Schedule 12.

#### **Commencement Information**

I2 S. 1253 partly in force; s. 1253 not in force at Royal Assent, see s. 1300; s. 1253 in force for specified purposes at 20.1.2007 by S.I. 2006/3428, art. 3(3) (subject to art. 5, Sch. 1 and with arts. 6, 8, Sch. 5)

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# **Changes to legislation:**

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