Introduction
1. The Scottish Parliament’s Economy, Energy and Tourism Committee is seeking views on the Bankruptcy and Debt Advice (Scotland) Bill which was introduced to the Scottish Parliament by the Scottish Government on 11 June 2013.

2. The Bill seeks to ‘ensure that appropriate, proportionate, debt management and debt relief mechanisms are available’ and contains provisions to support the Accountant in Bankruptcy in improving its service.

3. The Bill, and its accompanying documents, can be found at: www.scottish.parliament.uk/parliamentarybusiness/Bills/64534.aspx

Key issues
4. Stage 1 consideration involves a report by the Committee to the Parliament on the Bill’s general principles (on the principal purposes rather than the fine detail). To assist the Committee in its ‘general principles’ scrutiny it is asking for views from organisations and individuals with an interest in the Bill’s proposals. There is no requirement to provide comments on every part of the Bill - you can restrict your response to the parts most relevant to your area of interest.

- What is your general view on the Bill and broadly, are you supportive of it?
- Did you take part in the Scottish Government’s consultation on the Bill and have your views been reflected?
- What is your view on the following proposals within the Bill—
  - advice and education: provision of compulsory money advice from an approved money adviser for anyone considering accessing a statutory debt relief or debt management product; mandatory requirement for individuals to participate in financial education [Policy Memorandum paras. 18-33]
  - payments by debtor following bankruptcy: development of a common financial tool to be used to calculate the amount of any contribution to be made by an individual from any surplus income they have; allowing the Accountant in Bankruptcy to make an order fixing the debtor’s contribution towards their bankruptcy; requiring debtors, assessed as being able to make contribution towards their bankruptcy, to make such payments throughout payment period (48 months); allowing an assessed contribution to be deducted from the debtor’s wages; provision of a payment break up to six months [Policy Memorandum paras. 34-73]
  - bankruptcy where debtor has few assets: introduction of ‘minimum assets process’ to replace the ‘Low Income Low Asset’ route [Policy Memorandum paras. 74-88]
  - moratorium on diligence: introduction of six week single moratorium on diligence [Policy Memorandum paras. 89-95]
  - application for bankruptcy: requirement to sign a ‘Statement of Undertaking’ relating to the debtor’s duties and obligations during the bankruptcy process; removal of provisions from the Bankruptcy (Scotland) Act 1985 relating to incomplete and inappropriate debtor applications;
application for bankruptcy from executors of the estate of insolvent deceased individuals; recall of award of bankruptcy [Policy Memorandum paras. 96-116]

- administration of estate: introduction of a time frame (120 days) for creditor claims; variation in length of first accounting period to no less than 6 months; extending ‘aquirenda’ (any property or right acquired or received by a debtor after the date of bankruptcy, and at present, before date of discharge) period to 4 years [Policy Memorandum paras. 117-137]
- discharge following bankruptcy: process for debtor’s discharge from bankruptcy (application, review, appeal, repeal, deferral, unclaimed dividends, discovery of assets) [Policy Memorandum paras. 138-200]
- records: removal of power to prescribe the form of the Register of Insolvencies; modernisation of the sederunt book process; removal of requirement to publish in the Edinburgh Gazette [Policy Memorandum paras. 201-223]
- functions of sheriff and Accountant in Bankruptcy in bankruptcy: transferring further bankruptcy processes from the courts to AiB; introduction of e-application process; recall of bankruptcy provisions; appointment, replacement, removal of trustee [Policy Memorandum paras. 224-291]
- review of decisions made by Accountant in Bankruptcy: requiring appellant to seek AiB review of certain decisions prior to appeal to sheriff [Policy Memorandum paras. 292-303]
- miscellaneous amendments: as recommended by Scottish Law Commission bankruptcy consolidation review [Policy Memorandum paras. 304-306]

5. The Committee intends to hear oral evidence in October and November 2013 and then report on its Stage 1 consideration in December.

Below is the Committee’s Stage 1 timetable:

- **24 June 2013**  Call for evidence issued
- **23 August 2013**  Call for evidence closing date
- **2 October 2013**  Stage 1 oral evidence session
- **9 October 2013**  Stage 1 oral evidence session
- **12-27 October 2013**  Parliamentary Recess
- **30 October 2013**  Stage 1 oral evidence session
- **6 November 2013**  Stage 1 oral evidence session
Submitting written evidence

6. The following points will assist you:
   • you may wish to respond to any or all of the points above (please indicate the point(s) to which you are responding)
   • submissions should be brief and typewritten in Word format (ideally, no more than 4 sides of A4)
   • the Committee prefers to receive written submissions electronically (ideally in Word format, not PDF). These should be e-mailed (no confirmatory hard copy is required) to: eet@scottish.parliament.uk
   • for hard copy submissions only, these should be sent to: The Economy, Energy and Tourism Committee, T2.60, The Scottish Parliament, Edinburgh, EH99 1SP
   • we welcome written evidence in any language
   • submissions should be set out in numbered paragraphs. Where the submission refers to existing published material, it is preferable to provide hyperlinks or full citations (rather than extensive extracts).
   • the deadline for receipt of written submissions is 23 August 2013. Owing to the timescale normally required for the processing and analysis of evidence, late submissions will only be accepted with the advance agreement of the Committee clerk.

Policy for handling written evidence

7. Before you submit your written evidence, please ensure you read our policy on treatment of written evidence received by subject and mandatory committees (pdf 15kb). Written submissions will be handled in accordance with this policy.

8. Anyone wishing their evidence to be treated confidentially should contact the Committee’s clerking team at the email address number below before submitting their evidence. It will be for the Committee to decide whether or not to accept the submission on the basis that it will not be published (though it will be seen in full by the Committee). However, the Parliament is required to consider requests for information under freedom of information legislation and is therefore unable to guarantee that the evidence will never be released.

Contact:

9. For details about the Committee’s work on this Bill, please contact Fergus Cochrane: eet@scottish.parliament.uk