

EXECUTIVE NOTE

THE BANKRUPTCY (CERTIFICATE FOR SEQUESTRATION) (SCOTLAND) REGULATIONS 2010 SSI 2010/397

The above instrument was made in exercise of the powers conferred by sections 5(2B)(c)(ib) and 5B(5)(a), (b) and (c) of the Bankruptcy (Scotland) Act 1985 (as amended) (“the 1985 Act”). The instrument is subject to affirmative resolution procedure. The instrument is subject to affirmative resolution procedure.

Policy Objective

Under the Bankruptcy (Scotland) Act 1985 (“the 1985 Act”) as originally enacted debtors could petition the court for their own bankruptcy only if they obtained the concurrence of one or more of their creditors. The Bankruptcy (Scotland) Act 1993 (“the 1993 Act”) amended the 1985 Act and allowed debtors to petition for their own bankruptcy on grounds of “apparent insolvency”. The most commonly used ground of apparent insolvency is an expired unpaid charge for payment. It is difficult for a debtor to establish apparent insolvency unless a creditor is willing to take debt recovery action in the courts. The Bankruptcy and Diligence etc. (Scotland) Act 2007 (“the 2007 Act”) amended the 1985 Act and allowed debtors to apply direct to the Accountant in Bankruptcy instead of petitioning the court and also introduced a new route into bankruptcy for debtors with low income and low assets (“LILA”).

Most debtors who are in need of debt relief are able apply for their own bankruptcy. However, it remains possible for someone to be unable to make themselves bankrupt. In particular a home owner with low equity, limited income and large debts may be unable to prove apparent insolvency if their creditors are unwilling to fund court action against them and would not be eligible to apply for bankruptcy through the LILA route.

The Home Owner and Debtor Protection (Scotland) Act 2010 amended the 1985 Act to introduce a new route into bankruptcy which does not depend on action by creditors. This is in the form of a certificate, signed by an authorised person, stating that the debtor is unable to pay their debts as they become due. The certificate will extend debt relief to anyone who is currently excluded from bankruptcy and allow access to bankruptcy as a last resort to anyone who is insolvent. The categories of “authorised person” are defined by this statutory instrument. The statutory instrument also prescribes the form of certificate.

No fee will be charged for the issue of a certificate, but that the authorised person may charge, if that is their normal practice, for advice given in connection with possible options available to the debtor in dealing with their debt issues.

Specific Provisions

Regulation 3 prescribes the people who are authorised to grant a certificate for sequestration. It includes insolvency practitioners and any member of their staff who has been given authority by the insolvency practitioner to act on their behalf. It also includes money advisers who work for Citizens Advice Scotland, councils or who work for organisations which have been awarded accreditation against the Scottish National Standards for Information and Advice Provision at Type 2 level or above. Money advisers who are approved for the purposes of the Debt Arrangement Scheme are also authorised to grant a certificate for sequestration.

Regulation 3 (2) prohibits any authorised person who may be an associate of the debtor from granting a certificate for sequestration.

Regulation 4 lists the actions the authorised person must take prior to issuing a debtor with a certificate. This includes providing the debtor with a copy of a Debt Advice and Information Package, providing advice and information on other debt management or relief options and the potential consequences of being made bankrupt.

Regulation 5 sets out the form and manner of the certificate for sequestration. It provides that the certificate must be printed on the headed notepaper of the organisation to which the authorised person belongs and that it must be signed and dated by the authorised person and the debtor.

Regulation 6 provides that no fee is chargeable for granting a certificate for sequestration.

Regulation 7 prescribes the period for which the certificate is valid. The certificate is valid for a period of 30 days, including the date it is signed by the authorised person.

Consultation

There has been no formal consultation on the reforms in this instrument. There has, however, been extensive engagement with the key stakeholders. This included the money advice sector including Money Advice Scotland, Citizens Advice Scotland, insolvency practitioners and their representative bodies, including the Institute of Chartered Accountants of Scotland, creditor representatives and other interested parties, such as The British Bankers Association and Local Government. This has included meetings, seminars, surveys and conferences. Their feedback has been used to ensure the certificated process will work, and that the appropriate trained people are authorised to sign the certificate.

Financial Implications

The introduction of the certificate for sequestration will allow a group of debtors who are not currently able to access bankruptcy to do so. The Accountant in Bankruptcy estimates that 500 new applications, where the Accountant in Bankruptcy is trustee, from debtors who are

currently excluded from bankruptcy, will be enabled by the new route per annum. The current fee of £100 for any bankruptcy application will cover the application costs for cases coming through the certificated route. Where there are assets or disposable income these will be realised in the same way as in any other bankruptcy, with Accountant in Bankruptcy fees being recovered from the debtor's estate.

The Accountant in Bankruptcy estimates an average net cost of £200 per case (£100,000), this being reduced by the £100 flat fee for each debtor's bankruptcy application. (£50,000), so total costs, per full year, for administration of the debtor's estates would be £50,000. In addition a small staffing cost of 1 X A3 and ½ X B1 have been identified as being necessary to carry out this extra work. This would be at a cost of £35036 per annum.

These anticipated costs have been built into the budget of the Accountant in Bankruptcy. Ongoing improvements to operational processes within the Accountant in Bankruptcy and other savings brought in by the Home Owner and Debtor Protection (Scotland) Act 2010 mean that the implementation of the Certificate for Sequestration Regulations will be cost neutral.

The Accountant in Bankruptcy also anticipates that there will be an increase in debtor's applications through the certificated route where an insolvency practitioner is nominated trustee. In these cases the £100 fee will cover the cost of the application process for the Accountant in Bankruptcy, and the trustee will recoup their fee for administering the bankruptcy from the debtor's estate.

Money Advisers are a category of persons authorised to grant a certificate for sequestration. The Scottish Government's Social Inclusion budget currently provides funding towards training for money advisers. The additional training required by Money Advisers to allow them to grant a certificate will be minimal and provided under the existing provision.

The Scottish Legal Aid Board do not anticipate a material increase in costs to the Scottish Legal Aid Fund based on its experience of the current arrangements whereby only a very small number of people (fewer than 50 for 2008/2009) obtain Advice and Assistance for sequestration and where the cost per case is low (around £65). If all 500 new cases anticipated by the Accountant in Bankruptcy were to be eligible for Advice and Assistance the additional cost to the fund would be £29,250, however it is very unlikely that either all 500 cases would be eligible for Advice and Assistance, or would access this, so the actual cost is likely to be significantly less.

Accountant in Bankruptcy
September 2010

BRIA - THE BANKRUPTCY (CERTIFICATE FOR SEQUESTRATION) (SCOTLAND) REGULATIONS 2010

BUSINESS AND REGULATORY IMPACT ASSESSMENT

Title of Proposal

The Bankruptcy (Certificate for Sequestration) (Scotland) Regulations 2010

Purpose and intended effect of proposals

- **Objectives**

The (Certificate for Sequestration) (Scotland) Regulations 2010 will:

for the purposes of the Bankruptcy (Scotland) Act 1985, (as amended), under section 9 of the Home Owner and Debtor Protection (Scotland) Act 2010, provide further detail in relation to the statutory requirements for the debtor to qualify for sequestration by Certificate for Sequestration and list the categories of persons authorised to grant a Certificate for Sequestration. The Regulations will also lay down the form of the Certificate. The Certificate for Sequestration is a new route into bankruptcy for people who are unable to establish apparent insolvency. This will ensure that the protection offered by bankruptcy is available as a last resort to anyone who is insolvent.

- **Background**

In January 2009, as part of the Scottish Government's ongoing commitment to help the people of Scotland address their debt problems, Scottish Ministers invited representatives of stakeholder groups to participate in a Debt Action Forum. The membership of the Forum consisted of representatives of lenders, advisers, insolvency practitioners, public authorities and expert groups. The Forum examined current information and initiatives on debt relief, debt advice, and repossession and considered a package of legislative and non-legislative measures to address debt problems. During the course of several months the Forum considered various solutions currently available to address debt problems; one of which being access to bankruptcy for those currently unable to access this debt relief option as they are unable to establish apparent insolvency or to access the Low Income Low Asset (LILA) route into bankruptcy.

Under the Bankruptcy (Scotland) Act 1985 ("the 1985 Act") as originally enacted debtors could petition the court for their own bankruptcy, (Sequestration is the Scottish technical term for bankruptcy), only if they obtained the concurrence of one or more of their creditors. The Bankruptcy (Scotland) Act 1993 ("the 1993 Act") amended the 1985 Act and allowed debtors to petition for their own bankruptcy on grounds of "apparent insolvency". The most commonly used ground of apparent insolvency is an expired unpaid charge for payment. It is difficult for a debtor to establish apparent insolvency unless a creditor is willing to take debt recovery action in the courts, which, because of the expense involved, they are unlikely to do unless there is a chance of recouping their money. The Bankruptcy and Diligence etc.(Scotland) Act 2007 ("the 2007 Act") amended the 1985 Act and allowed debtors to apply

directly to the Accountant in Bankruptcy instead of petitioning the court and also introduced a new route into bankruptcy for debtors with low income and low assets, the LILA route.

Most debtors who are in need of debt relief are able apply for their own bankruptcy. However, it remains possible for someone to be unable to make themselves bankrupt. In particular a home owner with low or no equity, limited income and large debts may be unable to prove apparent insolvency if their creditors are unwilling to fund court action against them and would not be eligible to apply for bankruptcy through the LILA route.

The Home Owner and Debtor Protection (Scotland) Act 2010, contains provisions to introduce a new route into bankruptcy which does not depend on action by creditors. This is in the form of a certificate, signed by an authorised person, stating that the debtor is unable to pay their debts as they become due. This will ensure that the protection offered by bankruptcy is available as a last resort to anyone who is insolvent.

- **Rationale for Government intervention**

The rationale for government intervention was in response to the economic downturn. The Scottish Government wished to widen the scope of debt relief for the population of Scotland. The Debt Action Forum proposed the amendment of the 1985 Act, to allow debtors to apply for their own bankruptcy on the basis of a certificate of insolvency signed by an insolvency practitioner, solicitor or approved money adviser.

The proposed legislation was subsequently taken forward in Part 2 of the Home Owner and Debtor Protection (Scotland) Act, and will enable the debtor to access debt relief by means of a Certificate for Sequestration granted by an authorised person, on demonstrating that they are unable to pay their debts as they become due.

Personal debt issues cut across society, effecting the employment, housing, family life, health and well-being of people in a range of income groups. It is therefore essential that the people of Scotland are provided with debt relief options in order that they may contribute to the economic recovery, creating a wealthier and fairer Scotland. The Scottish Government's purpose is to focus government and public services on creating a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth .

Consultation

- **Within Government**

Wide consultation and discussion with colleagues in the Scottish Court Services, Registers of Scotland, Her Majesty's Revenue and Customs and Convention of Scottish Local Authorities has taken place throughout the development of these regulations, seeking their comments on the regulations themselves, and also the regulatory impact of the new regulations on their area of business. Colleagues within the Accountant in Bankruptcy, in Case Operations Branch, Supervision and other areas were also consulted on these Regulations.

- **Public Consultation**

No public consultation was undertaken in relation to the Bankruptcy (Certificate for Sequestration) (Scotland) Regulations 2010 as these regulations relate to the Home Owner and Debtor Protection Act 2010 which has already passed through the Scottish Parliament and gained Royal Assent. Consultation was carried out for the Home Owner and Debtor Protection (Scotland) Act, and these regulations lay down the precise statutory requirements of the debtor, trustee and creditors with regard to Section 9 of this Act.

- **Business**

Subsequent to The Home Owner and Debtor Protection Scotland Act 2010 being passed through parliament, a joint seminar was held on 12 March 2010 where representatives from stakeholder groups, for both Parts 1 and 2 of the Act, were invited. The seminar offered the stakeholders the opportunity to comment on how the proposed legislation would work in practice. Those invited to attend included:

British Bankers Association
Council of Mortgage Lenders
Finance and Leasing Association
Insolvency Practitioners
Institute of Chartered Accountants Scotland
Money Advice Scotland
Citizens Advice Scotland
Consumer Credit Counselling Service
Royal Bank of Scotland
Insolvency Practitioners Association
Convention of Scottish Local Authorities
Scottish Court Services
Registers of Scotland

Following the seminar in March 2010 further consultation has taken place with stakeholders, relating to Part 2 of the Act, regarding the revised wording of the Scottish Statutory Instruments (SSIs); by email and through individual stakeholder group meetings. It was decided to adopt this approach as individual group meetings were more conducive to discussion and decision making. The groups consulted were:

Creditor Organisations

British Bankers Association
Council of Mortgage Lenders
Finance and Leasing Association
Royal Bank of Scotland
TDX
Max Recovery
Grant Thornton

Money Advice Sector

Money Advice Scotland
Citizens Advice Scotland

Insolvency Organisations

Insolvency Practitioners
Institute of Chartered Accountants Scotland
Insolvency Practitioners Association
R3 – Scottish Technical Committee (The Association of Business Recovery Professionals)

Throughout this comprehensive consultation draft SSIs have been circulated to stakeholders; seeking their comments on the proposed secondary legislation and its regulatory impact. Comments received from stakeholders have resulted in numerous redrafts of the SSIs in order to ensure they are fit for purpose.

Options

- **Option 1 – No Change**

The first option considered was to make no change to the current routes into bankruptcy.

- **Option 2 – Certificate for Sequestration**

The Debt Action Forum proposed the amendment of the Bankruptcy (Scotland) Act 1985, to allow debtors to apply for their own bankruptcy on the basis of a certificate of insolvency. This would assist those who may be unable to prove apparent insolvency and are unable to pay their debts as they become due.

Costs and Benefits

- **Sectors and groups affected**

The proposed change in legislation will impact on debtors, creditors, Money Advice Organisations and Insolvency Practitioners. It is envisaged that the introduction of the new legislation will have no greater impact on one particular stakeholder group irrespective of the size of the group.

- **Benefits**

Option 1 – No Change

To continue with the current routes into bankruptcy would require no changes in legislation allowing stakeholders to maintain the status quo. A further benefit of this option is that no costs would be incurred.

Option 2 - Certificate for Sequestration

The introduction of this amendment to the legislation will extend debt relief to anyone who is currently excluded from bankruptcy, particularly to home owners with limited equity, who cannot qualify through the LILA route and may be unable to establish apparent insolvency.

Bankruptcy provides a fresh start and allows debt cancellation for those who are unable to pay their debts. Through financial rehabilitation the debtor is then in a position to take responsibility for ongoing liabilities.

The new legislation provides a new route into bankruptcy for people who are unable to establish apparent insolvency. This will ensure that the protection offered by bankruptcy is available as a last resort to anyone who is insolvent.

The Debt Action Forum also considered extending access to bankruptcy by either abolishing apparent insolvency or extending the existing LILA route into bankruptcy to include home owners. However, these proposals were set aside as they did not receive support from the stakeholders within the group. Consequently no action was taken to establish the cost of these proposals.

- **Costs**

Option 1 – No Change

Research has shown that people struggling to repay their debts may suffer from stress, depression, anxiety, mental health problems, relationship breakdowns, homelessness and in extreme cases suicide.

People suffering from stress or stress related illnesses may take time off work resulting in reduced productivity. Reduced productivity is a contributing factor in an economic slowdown.

Over-indebtedness also attracts costs for the taxpayer; and example of this would be where someone is made homeless. Research has shown that in 2007 the cost of maintaining a household, made homeless, in temporary accommodation cost the taxpayer £5,300 per annum. Therefore any period of homelessness prevented is a potential saving to the public purse.

Option 2 – Certificate of Sequestration

The Accountant in Bankruptcy estimates that there will be in the region of 500 new applications per annum from debtors who are currently excluded from bankruptcy, as they are unable to establish apparent insolvency or use the LILA route into bankruptcy.

The Accountant in Bankruptcy estimates that, in addition to the 500 new applications estimated above, an additional 2,000 awards will be made each year on the basis of the Certificate for Sequestration which would previously have been made on the basis of an existing route into bankruptcy. The shift to a new route into bankruptcy will not increase the administration costs for these cases.

There will be no fee for the issue of the Certificate for Sequestration, although the authorised person may charge for advice given in connection with the application process if they would normally charge for that type of service.

Staffing Costs

The introduction of the certificate for sequestration will allow a group of debtors who are not currently able to access bankruptcy to do so. The Accountant in Bankruptcy estimates that 500 new applications, where the Accountant in Bankruptcy is trustee, from debtors who are currently excluded from bankruptcy, will be enabled by the new route per annum. The current fee of £100 for any bankruptcy application will cover the application costs for cases coming through the certificated route. Where there are assets or disposable income these will be realised in the same way as in any other bankruptcy, with Accountant in Bankruptcy fees being recovered from the debtor's estate.

The Accountant in Bankruptcy estimates an average net cost of £200 per case (£100,000), this being reduced by the £100 flat fee for each debtor's bankruptcy application. (£50,000), so total costs, per full year, for administration of the debtor's estates would be £50,000. In addition a small staffing cost of 1 X A3 and ½ X B1 have been identified as being necessary to carry out this extra work. This would be at a cost of £35036 per annum.

These anticipated costs have been built into the budget of the Accountant in Bankruptcy. Ongoing improvements to operational processes within the Accountant in Bankruptcy and other savings brought in by the Home Owner and Debtor Protection (Scotland) Act 2010 mean that the implementation of the Certificate for Sequestration Regulations will be cost neutral.

The Accountant in Bankruptcy also anticipates that there will be an increase in debtor's applications through the certificated route where an insolvency practitioner is nominated trustee. In these cases the £100 fee will cover the cost of the application process for the Accountant in Bankruptcy, and the trustee will recoup their fee for administering the bankruptcy from the debtor's estate.

IT Costs

There will be a cost for IT development of the Multifunction Insolvency Database & Administration System (MIDAS) to identify and record where bankruptcy has been accessed through the Certificate for Sequestration route. This will allow for monitoring of the legislation.

Training Costs

In order to familiarise themselves and their staff with the new regulations the advice sector and insolvency practitioners would normally incur a one off cost in staff training. The Scottish Government's Social Inclusion budget, however, currently provides funding towards training for money advisers. The additional training required by Money Advisers, in relation to the new regulations, will be minimal and provided under the existing provision. The training events will be open to all those interested, including insolvency practitioners should they wish to take this opportunity to obtain free training.

Extensive efforts have been made during the consultation period to take on board comments from stakeholders ensuring no unnecessary additional burdens are imposed. Other than a one off cost for staff training, which will be mitigated by the offer of free training, it is envisaged that there will be no additional costs incurred by the authorised persons for the issue of the certificate.

Scottish Firms Impact Test

Extensive consultation with stakeholder groups has taken place throughout the legislative process through face to face meetings, seminars, and by email. These regulations provide debtors with another route into bankruptcy, it is therefore envisaged that the implementation of the new regulations will have little effect on stakeholder businesses other than a one off familiarisation cost.

Competition Assessment

Following the completion of the competition filter assessment it was established there should be no competitive advantage to any particular individual or group, as a consequence of the introduction of the new route into bankruptcy. It will apply equally to all authorised persons to grant the Certificate for Sequestration.

Test Run of business forms

Throughout this comprehensive consultation draft copies of the new business form has been circulated to stakeholders; seeking their comments on the proposed new form and its regulatory impact. Comments received from stakeholders has resulted in amendments to the business form in order to ensure it is fit for purpose.

Legal Aid Impact Test

The Scottish Legal Aid Board (SLAB) does not anticipate a material increase in costs to the Scottish Legal Aid Fund based on its experience of the current arrangements whereby only a

very small number of people (fewer than 50 for 2008/09) obtain Advice and Assistance for sequestration and where the cost per case is very low (around £65). If all 500 new cases anticipated by the Accountant in Bankruptcy were to be eligible for Advice and Assistance and costs were to remain around the same, the maximum additional cost to the Fund would be £29,250, but it is unlikely that all 500 of the new cases will be financially eligible for Advice and Assistance, nor would apply for this, so the actual costs is likely to be significantly less.

Enforcement, sanctions and monitoring

The Accountant in Bankruptcy (AIB) an agency of the Scottish Government will carefully monitor how the new legislation and regulations are working in practice by carrying out reviews and seeking feedback from stakeholders. Through the development of the Multifunction Insolvency Database & Administration System the AiB will collate statistical data in order to monitor the impact of the new regulations. The introduction of the new regulations will provide debtors with another route into bankruptcy; therefore, as this is a voluntary process we do not consider that there is a requirement to raise provisions for enforcement or sanctions as a result of non compliance.

Implementation and delivery plan

The Accountant in Bankruptcy will prepare and publish guidance to support stakeholders when they are considering the Certificate for Sequestration as a suitable route into bankruptcy for their clients. Funding will be provided for training within the money advice sector through the Government's Social Inclusion budget. This training is being carried out through Money Advice Training Resources Information and Consultancy Service (MATRICS).

Post implementation review

To evaluate the impact of the new legislation the Scottish Government has given an undertaking that the Accountant in Bankruptcy will carry out a review. This will involve the analysis of statistical data collated by the Accountant in Bankruptcy. They will be looking at the number of debtor applications made through the Certificate for Sequestration route into bankruptcy and the effect of this route on the number of bankruptcies overall and any changes to the routes used to gain access to bankruptcy.

The Scottish Government will review the findings of this research and consider whether any changes are necessary to the legislation or associated guidance in light of its findings. Any changes identified will be brought to the attention of the Scottish Parliament and Parliamentary committees where necessary. A final report detailing the findings and conclusion of the review will be published.

To establish whether the implemented regulations are having the intended effect and whether they are implementing policy objectives efficiently, the Scottish Government has given a further commitment to carry out a formal review of the new legislation within 10 years of the regulations coming into force. This review will be carried out by the Accountant in Bankruptcy.

Summary and Recommendations

As part of the Economic Recovery Plan the Scottish Government is committed to widening access to debt relief for the people of Scotland; thus contributing to a wealthier and fairer Scotland.

The Scottish Government considers that the introduction of the Certificate for Sequestration commands the support of key stakeholders, and will provide a route into bankruptcy for individuals seeking debt relief where they currently cannot do so.

It is recognised that there will be costs incurred in implementing this new route into bankruptcy. However, over-indebtedness not only has a financial impact on the individual; but also on society in general.

It is therefore considered that the benefits of financial rehabilitation provided through the Home Owner and Debtor Protection Act and The Bankruptcy (Certificate for Sequestration) (Scotland) Regulations 2010 far outweigh the potential costs.

Option	Cost	Benefits
1	Has no direct financial implications. However, in failing to address over-indebtedness the state may incur social costs of maintaining a destitute family. Failure to provide financial rehabilitation through debt cancellation may prevent debtors from servicing ongoing liabilities.	To continue with the current debt relief options would require no changes in legislation allowing stakeholders to retain the status quo.
2	<p>The AiB estimates that 500 new applications, where the AiB is trustee, from debtors who are currently excluded from bankruptcy, will be enabled by the new route per annum. The current fee of £100 for any bankruptcy application will cover the application costs for cases coming through the certificated route. Where there are assets or disposable income these will be realised in the same way as in any other bankruptcy, with AiB fees being recovered from the debtor's estate.</p> <p>The AiB estimates an average net cost of £200 per case (£100,000), this being reduced by the £100 flat fee for each debtor's bankruptcy application. (£50,000), so total costs, per full year, for administration of the debtor's estates would be £50,000. In addition a small staffing cost of 1 X A3 and ½ X B1 have been identified as being necessary to carry out this extra work. This would be at a cost of £35036 per annum.</p>	<p>The introduction of this amendment to the legislation will extend debt relief to anyone who is currently excluded from bankruptcy, particularly to home owners with limited equity, who are unable to prove apparent insolvency.</p> <p>Bankruptcy provides a fresh start and allows debt cancellation for those who are unable to pay their debts. Through financial rehabilitation the debtor is then in a position to take responsibility for ongoing liabilities. The new legislation provides a new route into bankruptcy for people who are unable to establish apparent insolvency. This will ensure that the protection offered by bankruptcy is available as a last resort to anyone who is insolvent.</p>

These anticipated costs have been built into the budget of the AiB. Ongoing improvements to operational processes within the AiB and other savings brought in by the Home Owner and Debtor Protection (Scotland) Act 2010 mean that the implementation of the Certificate for Sequestration Regulations will be cost neutral.

The AiB also anticipates that there will be an increase in debtor's applications through the certificated route where an insolvency practitioner is nominated trustee. In these cases the £100 fee will cover the cost of the application process for the AiB, and the trustee will recoup their fee for administering the bankruptcy from the debtor's estate

The cost of developing IT to accommodate the changes introduced in Part 2 of the Home Owner and Debtor Protection (Scotland) Act 2010, to which these regulations pertain, is in the region of £60,000 in the first year with ongoing support estimated at £6,000 annually.

Staff familiarisation costs for insolvency practitioners; monetary value unknown as each business area will provide their own staff training, however likely to be minimal, and insolvency practitioners and money advisers will be able to access training through the Government's Social Inclusion budget. This training is being carried out through Money Advice Training Resources Information and Consultancy Service (MATRICS).

Declaration

I have read the Business and Regulatory Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) that the benefits justify the costs I am satisfied that business impact has been assessed with the support of businesses in Scotland.

Signed.....

Date.....

Fergus Ewing
Minister for Community Safety