

BANKRUPTCY AND DEBT ADVICE (SCOTLAND) ACT 2014

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Advice and education

Section 2 – Financial education for debtor

7. This section inserts a new section 43B ('Financial education') into the 1985 Act which, implemented by regulations about the appropriate courses, provides for debtors whose financial history and circumstances identify them as particularly vulnerable to problems as a result of recurring debts (according to the criteria in section 43B(2) and (3)) to be required to receive a course of targeted financial education. The trustee must decide whether a debtor should undertake a course of targeted financial education within 6 months of the date of award of sequestration, or as soon as reasonably practicable in the case of a trustee making contact with a debtor whose previous whereabouts were unknown. The content, format and delivery of the targeted financial education will be set out in regulations. This power has been used in regulation 17 of the Bankruptcy (Scotland) Regulations 2014¹.

¹ S.S.I. 2014/225.