

## Annex

### QUESTIONS

1. Do you agree that the Standard Financial Statement (SFS) should be adopted in Scotland as the new Common Financial Tool?

Yes  No  Don't know

If you answered 'No' to Q1 - please go to Q3

2. If introduced, should the SFS be used in the review of existing contributions which were not originally determined using the SFS?

Yes  No

If you answered 'No' to Q2, what would be the appropriate method for reviewing the contribution amount?

Answer: IRISH REASONABLE LIVING EXPENSES

Please now go to Q5

3. For what reason(s) do you believe the SFS is not the appropriate tool for all Scottish statutory debt management and debt relief solutions?

Please provide information and any evidence that supports your reason(s).

Answer: ~~#~~ PLEASE SEE ATTACHED SHEET

4. What do you consider an appropriate method for determining a debtor's contribution for a Scottish statutory debt management and debt relief solution?

Please provide information and any evidence that supports this and detail who you consider should manage and fund this process.

Answer: PLEASE SEE ATTACHED SHEET.

5. If the SFS is to be introduced from 1 April 2018, will you be able to make any required changes to your IT and other operating systems, in time to use the SFS from this date?

Yes  No

If you answered 'No' to Q5, how long after 1 April 2018 do you believe you will be ready to use the SFS?

Up to 3 months  3 to 6 months  a longer period (Please specify) \_\_\_\_\_

## Attached sheet for response to AIB consultation on the future of the CFT

3 & 4 The method of calculation used in both the CFT and SFS have led to less people seeking debt remedies, as evidenced by the AIB's own statistics on the number of sequestrations, DPPs and trust deeds since the introduction of the BADAS in 2014. This is despite figures released in June by the Bank of England showing the total outstanding consumer credit is at its highest level since December 2008 at £198.4bn (<http://thirdforcenews.org.uk/blogs/how-fit-are-our-personal-finances>). The current system is based on by the group with spending in the lowest 20%, many of whom are dependent on means tested benefits. Spending is therefore based on their low level of income rather than their needs. Therefore if there are less people seeking debt remedies but consumer credit has increased then it seems that more people are living with debt that they are unable to manage and the stress and pressure which it undeniably causes.

We have an opportunity to change the way in which we deal with debt and models such as the Reasonable Living Expenses model created by the Insolvency Service of Ireland which is based on the Vincentian partnership for Social Justice's model or the Joseph Rowntree Foundation's budgeting tool provide an open and transparent method based on a minimum standard of living rather than a maximum spending limit.

## RESPONDENT INFORMATION FORM

Please note that this form must be returned with your response to ensure that we handle your response appropriately.

### 1. Name/Organisation

Organisation Name

[Redacted]

Title Mr  Ms  Mrs  Miss  Dr  *Please tick as appropriate*

Surname

[Redacted]

Forename

[Redacted]

### 2. Postal Address

[Redacted]

Postcode

[Redacted]

Phone

[Redacted]

Email

[Redacted]

### 3. Sector

Advice Sector

*Please tick as appropriate*

Creditor

Local Authority

Solicitors/Advocates

Insolvency Practitioners

Debtor

Sheriff Officer & Messenger at Arms

Judiciary

Other

If other please specify \_\_\_\_\_

4. Permissions - I am responding as...

Individual

/  Group/Organisation

Please tick as appropriate

(a) Do you agree to your response being made available to the public (in Scottish Government library

(b) Where confidentiality is not requested, we will make your responses available to the public on the following basis

**Please tick ONE of the following boxes**

Yes, make my response, name and address all available

Yes, make my response available, but not my name and address

Yes, make my response and name available, but not my address

(c) The name and address of your organisation **will be** made available to the public (in the Scottish Government library

Are you content for your **response** to be made available?

**Please tick as appropriate**

Yes  No

(d) We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

**Please tick as appropriate**

Yes

Please return your response to [OPC@aib.gsi.gov.uk](mailto:OPC@aib.gsi.gov.uk) or to: Graeme Perry, AiB, 1 Pennyburn Road, Kilwinning, Ayrshire, KA13 6SA by 27 October 2017.