

**CONSULTATION QUESTIONNAIRE (Page One)**  
**Low Income, Low Assets - a new route into Bankruptcy**

The deadline for responses is **25 June 2007**

**Your details**

Name	Lynne Kerr
Job Title (if applicable)	Income Adviser
Organisation (If applicable)	Renfrewshire Council
Address	Advice Works 42 High Street Paisley
Postcode	PA1 2DQ
E-mail address	[REDACTED]

For the purpose of analysing responses, it would be helpful if you would also indicate the capacity in which you are completing this questionnaire, please tick as appropriate.

- |                         |                                     |                              |                          |
|-------------------------|-------------------------------------|------------------------------|--------------------------|
| Advice Sector           | <input checked="" type="checkbox"/> | Legal Body                   | <input type="checkbox"/> |
| Business                | <input type="checkbox"/>            | Professional Body            | <input type="checkbox"/> |
| Individual              | <input type="checkbox"/>            | Statutory Body               | <input type="checkbox"/> |
| Insolvency Practitioner | <input type="checkbox"/>            | Other (please specify) _____ | <input type="checkbox"/> |

**Questions for Consultation**

1a Do you agree with the proposal to treat someone in receipt of an income based Social Security benefit as having no income for the LILA scheme?

Yes  No

1b Do you think £100 (gross) is the appropriate level for the purposes of calculating low income?

Yes  No

1c If not, please state what you would consider to be the appropriate level e.g. £150, £200 and why?

*We believe that individual circumstances should be taken into account and that a route through an accredited Money Adviser would be appropriate to identify clients for the LILA scheme.*

1d How should the level determined be calculated, e.g. Gross income at date of application or gross weekly income averaged over 6 month or 12 month period?

See answer 1c above.

**CONSULTATION QUESTIONNAIRE (Page Two)**  
**Low Income, Low Assets - a new route into Bankruptcy**

1e Should Child Tax Credit be disregarded in the calculation of income?

Yes  No  See answer 1c above

1f Should any other benefits or tax credits be disregarded in the calculation of income?

Yes  No  See answer 1c above

1g If so which benefits or tax credits should be disregarded?

See answer 1c above

2a Do you think £1,000 is the appropriate level for the purposes of calculating assets?

Yes  No

2b If not, please state what you would consider to be the appropriate level, and why (for example, linking to other limits in use in diligence)

*£1,000 is too low. £1,500 to £2,000 is more appropriate at present.*

2c Should excluded assets only be those which would be excluded from bankruptcy?

Yes  No

2d If not, which other types of assets should be included or excluded?

2e Do you agree that anyone who owns their own house or other property should be excluded from the LILA scheme?

Yes  No

2f If not, why?

*Clients which have zero or minimal equity should be included in the scheme.*

**CONSULTATION QUESTIONNAIRE (Page Three)**  
**Low Income, Low Assets - a new route into Bankruptcy**

3a Should there be a different debt threshold for LILA applications?

Yes  No

3b If so, at what level should it be set?

4a Do you agree that a simple on-line process should be the usual means of applying for bankruptcy through the LILA scheme?

Yes  No

*An approved Money Adviser route would be the preferred method of applying for bankruptcy through the LILA scheme, however an on-line process for Money Advisers only would be welcomed.*

4b If not, what forms of applications should be allowed and why?

*See answer to 4a.*

4c Do you think that the proposed £50 fee is reasonable?

Yes  No

4d If not, what kind of fee structure would be appropriate? (please consider issues such as deterrence, consistency with other applications, waivers for specific groups of debtors, higher costs of administering hard copy applications)

*We feel that no fees should be charged.*

4e Do you agree that a Statutory Declaration by a debtor should be sufficient for a debtor's application?

Yes  No

4f If not, what else should be required and why?

*A statutory declaration by a Money Adviser.*

4g Do you have any other suggestions for the LILA process which you would like us to consider?

**CONSULTATION QUESTIONNAIRE (Page Four)**  
**Low Income, Low Assets - a new route into Bankruptcy**

5a Do you agree that there should be a delay between the date of application and an award of bankruptcy?

Yes  No

5b If no, why not?

5c If yes, is 5 weeks a reasonable period of delay?

Yes  No

5d If you do not agree that 5 weeks is a reasonable period, what alternative would you suggest and why?

5e Should the debtor be able to withdraw their application during this period?

Yes  No

5f Should the creditor be entitled to object to an application during this period?

Yes  No

5g If so, should grounds for objection be restricted to the accuracy/honesty of the debtor's averment of low income and low assets?

Yes  No

5h If not, what other grounds for objection be considered?

6 Do you have any other comments?