

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

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

Your details

Name	David Thomson
Job title (if applicable)	Trading Standards Manager
Organisation (if applicable)	Trading Standards South Ayrshire Council
Address	5-7 River Terrace AYR
Postcode	KA8 0BJ
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 type="checkbox"/>	Legal Body	<input type="checkbox"/>
Business	<input type="checkbox"/>	Professional Body	<input type="checkbox"/>
Individual	<input type="checkbox"/>	Statutory Body	<input checked="" 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?

Unsure what would be the correct amount however I feel consideration should be given to current statistical information and in particular the annual Households Below Average Income data.

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?

Annually

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

Yes No

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

Yes No

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

Child benefit and disability benefits

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).

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?

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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

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

Hard copies should be allowed as debtors may not have access to a computer and the relevant skills to submit an on-line application.

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)

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?

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

No

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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?

South Ayrshire Council Trading Standards Consultation Response

Subject: Low Income Low Assets- A New Route to Bankruptcy

Respondent: Trading Standards, South Ayrshire Council

Date of Response: 25 June 2007

This response is submitted on behalf of Trading Standards as part of Legal and Protective Services within the Development Safety & Regulation Department of South Ayrshire Council.

About South Ayrshire Council

South Ayrshire Council is a unitary local authority that was formed in April 1996 following the re-organisation of Scottish local government.

Situated in the South West of Scotland, South Ayrshire covers an area of 422 square miles (120,223 hectares) and has an approximate population of 114,000. The area is made up of a mixture of large towns (including Ayr, Prestwick, Troon, Maybole and Girvan) with many rural villages spread across a wide area. Containing a rich mix of agricultural land, woodlands and forests, South Ayrshire also has a long and spectacular coastline. Farming, tourism, and sport (particularly golf), form an integral part of the area's economy.

South Ayrshire Council was re-organised in 2006 and now consists of four Departments:

- Chief Executive
- Education, Culture & Lifelong Learning,
- Social Work, Housing & Health,
- Development, Safety & Regulation.

The Development Safety & Regulation Department consists of enforcement, legal and regulatory services, such as Planning, Building Standards, Licensing, Legal, Community Safety, Trading Standards and Environmental Health.

Trading Standards in South Ayrshire

Trading Standards is broadly responsible for ensuring that the markets for goods and services operate fairly for consumers and business alike. The bulk of our work comes from legislation that both empowers and imposes duties on our officers. We facilitate and police the commercial market by a combination of consumer complaints, routine visits, sampling and special projects. Advice is given where possible and enforcement action is taken where necessary.

Specifically, Trading Standards deals with areas as diverse as metrology, product safety, credit, animal health & welfare and fair trading - including prices, trade and property descriptions, counterfeit goods, trademark infringement and advertisement accuracy. High quality consumer and business advice as well as consumer debt counselling is also provided by Trading Standards.

Trading Standards in South Ayrshire has traditionally striven to be innovative in matters of service delivery and at the forefront of developments that affect the profession. In this regard we are grateful to be able to respond on the relevant matters within this consultation document and look forward to positive change as a result.