

Dear DPLR Committee,

Thank you for an opportunity to provide information to the Committee regarding the Bankruptcy (Scotland) Bill.

StepChange Debt Charity provides free and impartial advice to clients throughout Scotland who are struggling with problem debt. We helped over 16000 clients last year and Scottish insolvency options were the only and most appropriate solution for approximately 1000 of these clients.

We are very pleased that the Scottish government is consolidating this piece of legislation. The bill is much easier to follow and clearer for all users. Simplifying the language of the act will also make it more accessible and understandable by a wider section of society.

As much as we are happy about this we would seek the assurance of the Scottish Government and Parliament that the consolidation does not prohibit future changes to Scottish bankruptcy legislation. In fact, Scotland has been leading the way in being proactive and reactive to economic and other issues which effect clients with problem debt. For example the changes introduced in 2007 allowed those clients to seek their own bankruptcy where they had low income and assets. Changes in 2010 protect those clients who had property during the credit crash.

Recent changes introduced by the Bankruptcy and Debt Advice (Scotland) Act (BaDAS) 2014 only recently commenced in April this year and are yet to fully settle as policy officials expected. As a charity supporting people in difficulty we know that trends change and legislators have to be responsive. We understand that Fergus Ewing has committed to a review of BaDAS in 2016 and we look forward to contributing to that process.

Thank you for this opportunity and we look forward to working with this legislation in the New Year.