

das

Digest

AiB stakeholder events

Thank you for your contribution

AiB's recent stakeholder events in Aberdeen, Dundee, Glasgow and Edinburgh were a great success with nearly 200 stakeholders attending over the four dates.

The DAS sessions were all well attended with two thirds of attendees going to one of the sessions.

These generated some good discussion on the proposed new regulations as well as allowed AiB to showcase the new eDEN system with feedback on the new system being positive.



Building a Better DAS consultation response

Report and summary of responses published

AiB has published its [response](#) to the Building a Better Debt Arrangement Scheme consultation which launched in October 2018 and ran until 24 January 2019.

The report provides a summary of responses to the questions asked in the consultation and AiB's proposed legislation changes to introduce to the Debt Arrangement Scheme later this year.

The proposed changes include allowing continuing money advisers to also take on the role of payments distribution as well as AiB being able to do this role.

Automatic approvals of debt payment programmes will be allowed in certain cases along with deemed creditor consent for

variations and automatic approval of variations where they will reduce the duration of a debtor's programme.

Also, the introduction of emergency short term crisis breaks has been recommended.

The legislation for these changes will now be laid in Parliament for parliamentary approval later this year.

[Read the full consultation response report here.](#)



DAS consultation - returning funds to the free advice sector

AiB's proposals to act as payments distributor have prompted a further stakeholder consultation around the issue of returning funds incurred to the free advice sector.

AiB if acting as payments distributor proposes to charge the statutory administration fee for the function but will only seek to recover its costs. Any excess funds will be re-invested in the free money advice sector.

Opinion is sought on which of the options detailed in the consultation would work best and why.

The consultation paper can be accessed on the [Scottish Government Consultation Hub](#) and will close on 16 August 2019.

DAS statistics update

The latest Debt Arrangement Scheme statistics were released on 24 April 2019 covering the period between January to March 2019 (2018-19 quarter 4).

In 2018-19 quarter 4, there were 597 approved debt payment programmes under DAS compared with the 489 approved in 2017-18 quarter 4.

Completed DAS debt payment programmes

There were 413 completed DAS debt payment programmes in 2018-19 quarter 4, a 2.2% increase when compared with 2017-18 quarter 4.

Amount repaid under DAS

In 2018-19 quarter 4, £9.4 million was repaid from debtors under DAS, similar to the £9.3 million repaid in 2017-18 quarter 4.

DAS applications and rejections

In the fourth quarter of 2018-19, 651 applications for a DAS debt payment programme were received by AiB. In the same quarter, 28 applications were rejected.

Variations to a DAS

In the fourth quarter of 2018-19, 657 applications to vary a debt payment programme under DAS were

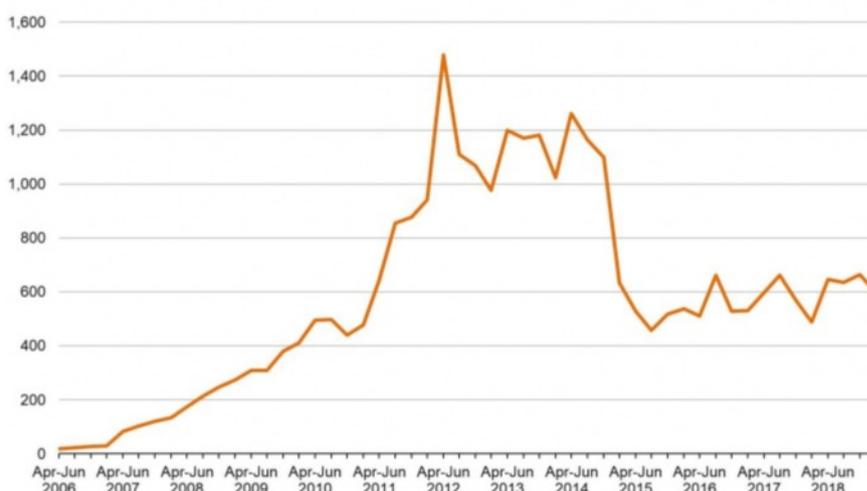
approved while 35 were rejected. The number of approved variations was 5.4% of live DAS cases.

Revocations to a DAS debt payment programme

A total of 313 applications to revoke a DAS debt payment programme were approved in the fourth quarter of 2018-19 and 141 were rejected. Overall, 325 or 2.7% of live DAS cases were revoked during 2018-19 quarter 4.

The latest figures also contain provisional estimates for 2018-19 which show an increase of 9.7% approved debt payment programmes with 2,544 approved, 226 more than a year earlier.

In 2018-19, £37.1 million was repaid to creditors under DAS compared with £37.6 million in 2017-18.





eDEN

Accountant in Bankruptcy

Replacement system for DASH nearing completion

eDEN will launch 1 July 2019

The development of eDEN is nearing completion and the latest version is being tested with data migration and system launch on schedule for 1 July 2019.

Payment schedule information is being taken from the existing DASH system and payments distributors are working through their caseloads to ensure their records match with the case details in DASH.

AiB has issued emails to all organisations requesting confirmation of users who should be added to eDEN. Organisations which don't respond will not have their users migrated into eDEN and will have to go through the registration process for each user when the system goes live.

eDEN training site

The eDEN training site is now accessible through the [AiB website](#) along with training guides and video walk-throughs of tasks.

If you've not already had a look at the training site please access the site here <https://edentraining.aib.gov.uk/eden> and register as a user. AiB will then approve the request and you can have a look at the system.

eDEN training sessions

AiB will host a series of training sessions across Scotland and the north of England in June. The sessions will last one hour and offer one to one training in eDEN where AiB staff will give users a detailed tour of the system for their specific role.

PLEASE NOTE: both the booking form and the calendar request will specify the general times for the whole day and the specific hour slot you have booked. Please take note and ensure your calendar is booked for your specific hour slot and not the whole day.

Aberdeen	10 June 2019 1 hour slots between 12:00 - 16:00	BOOK YOUR PLACE
Manchester	11 June 2019 1 hour slots between 10:00 - 16:00	BOOK YOUR PLACE
Inverness	14 June 2019 1 hour slots between 09:00 - 15:45	BOOK YOUR PLACE
Edinburgh	17 June 2019 1 hour slots between 09:30 - 16:30	BOOK YOUR PLACE
Glasgow	19 June 2019 1 hour slots between 09:30 - 16:30	BOOK YOUR PLACE
Kilwinning	26 June 2019 1 hour slots between 09:30 - 16:30	BOOK YOUR PLACE

Application Programming Interface

The specification for the interface is now available. If any organisation is interested in this and would like to receive a copy of the specification please contact **Brian Kennedy**.

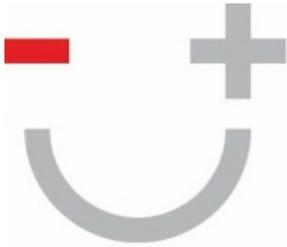
If you'd like to discuss the project or request a visit, please contact the **Project Manager Brian Kennedy**.

DAS case reviews and decisions

Some examples of real cases to illustrate the DAS Administrator's decision making process.

Revocations

Case A



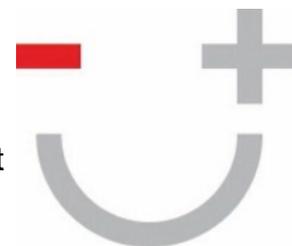
- Revocation action was started by a creditor in a debt payment programme as the debtor had failed to pay their continuing liability.
- The debtor did not respond to the proposal to revoke the programme.
- This was the third revocation action which had been started.
- The DAS administrator revoked the debt payment programme.
- The debtor submitted a request for the decision to be reviewed citing they had already paid monies towards the liability and intended to pay the remainder by the end of the month.
- The reviewing officer considered the debtor's comments.
- However as this was the third time the debtor had failed to adhere to paying their ongoing liability and they had breached the standard conditions of the programme the officer agreed with the DAS Administrator's decision to revoke the debt payment programme.
- The review request was not upheld.

Case B



- Revocation action was started by the DAS Administrator due to missing the last nine fortnightly payments.
- The debtor did not respond to the proposal letter to revoke the debt payment programme.
- The DAS administrator revoked the programme
- The continuing money adviser submitted a request for review on behalf of the debtor.
- The debtor believed the payment period was only for a three year period rather than four years and cancelled payments after three years. The debtor contacted their continuing money adviser who confirmed the position. The debtor then contacted the payments distributor to restart payments but didn't contact the DAS Administrator.
- The reviewing officer considered the information provided and while they agreed with the DAS Administrator's original decision based on the information available at the time, they upheld the review as the debtor had now recommenced payments.

Fair and reasonable



Case A

- Total debt was £37,749.60 and the term of the proposed debt payment programme was 10 years and three months.
- The non-consenting creditor was owed 46.11% of the debt and objected to the proposal as the level of debt had been under declared, legal action had been initiated against the debtor to recover the debt, there was poor compliance history and the period being too long.
- Four other creditors had responded stating their balances were incorrect or the debt had been sold on and one stated there is a further debt owed which should be included in the debt payment programme.
- The DAS Administrator rejected the programme as the application was not a true reflection of the debtor's financial circumstances, along with the term being too long and it was therefore not deemed to be fair and reasonable.
- The debtor requested a review of the decision citing personal circumstances and ill health for his situation.
- The review request was not upheld as the debtor had not provided any evidence to show that an incorrect decision was made by the DAS Administrator. The reviewing officer also reiterated all debt levels must be confirmed prior to the case going live which hadn't happened

Case B

- Total debt was £64,144.06 and the term of the proposed debt payment programme was 10 years and 11 months.
- The money adviser had proposed a discretionary condition that the debtor would make a lump sum payment within six months from a bridging loan secured over his dwelling house.
- The DAS Administrator was unable to accept this as a discretionary condition as at the point the DAS went live regulations did not allow the debtor's family home to be included as an asset.
- The non-consenting creditor was owed 46.91% of the debt and objected to the proposal as they hold a decree against the debtor for a significant sum following the debtor's failure to fulfil settlement terms. Also the debtor had made no payments to the debt since November 2015. Sequestration proceedings had been started and the length of time for completion of the debt payment programme was deemed too long.
- While taking into account the creditor's comments, the DAS Administrator considered the continuing money adviser had provided credible reasons for the failure of the debtor to make payments so far.
- It was also noted the majority of creditors had not rejected the proposal.
- The DAS Administrator considered the debtor should be afforded the opportunity to repay his debt through the programme.
- The creditor requested a review of this decision on essentially the same grounds as their original objection. They also noted the debtor should not be allowed to incur additional credit (in the form of a bridging loan) and therefore an additional lump sum payment could not be made.

Continued over

- The review request was upheld as it was considered the debt payment programme was not fair and reasonable for creditors as the programme was unlikely to operate for the planned period. The debtor would be in breach of legislation should he take out the proposed loan.
- It was also considered given the debtor's previous non-compliance record it is unlikely that the debtor will pay his debts in full.



Variation

Case A

- Just over one year into a joint five year debt payment programme, the continuing money adviser applied for a six month payment break due to one of the debtors being made redundant and entering into full time education. This resulted in a reduction of more than 50% of their disposable income.
- The adviser stated debtor one had now finished studying and had gained full time employment but would need to relocate. It was the intention for debtor one to commence employment and relocate while debtor two would stay and sell the property prior to relocating. When debtor two relocated they would be unemployed and living off debtor one's wage. The six month payment break was to allow the debtors to relocate and for debtor two to find work and sell the current property.
- Due to the unusual circumstances in the application it was subject to several continuing money adviser and DAS discussions.
- After consideration by the DAS administrator it was decided the application did not meet the criteria for a payment break and the application was rejected. The DAS Administrator did note in their decision that the debtors may wish to consider applying for a variation to reduce payments for a limited period of time and should discuss this with the continuing money adviser.
- One month after this decision, the money adviser applied for a six month payment break again. It was stated both clients had now relocated and are still in the process of trying to sell the original mortgaged property which they are still covering the cost of as well as a new property. However, the rent on the property they now live in is covered as part of the job. Debtor two has a zero hours contract and travels back to the original location for this job but is looking for work at the new location. Debtor one's income has also reduced from their previous job as well as debtor two's resulting in a reduction of over 50% disposable income.
- The DAS administrator considered the application however it was again rejected as it did not meet the criteria for a payment break.
- The debtors submitted a review request and provided evidence of the decrease in earnings along with confirmation of the dates of change in employment and commencement of education.
- The reviewing officer considered the comments made by the debtor and noted the debtor now intends to keep the original property. However, they did not agree if a payment break was granted the programme had a reasonable prospect of being completed or they would be able to make payments when the break ended. This would not be fair and reasonable to the creditors in the debt payment programme.
- The review was not upheld.

DASH MESSAGES

A round-up of the system messages since the last issue.

Reminder for Continuing Money Advisers

Please note that following the commencement of the Debt Arrangement Scheme (Scotland) Amendment Regulations 2018 on 29 October 2018, CMAs are now required to disclose their fee at the outset of a DPP, on DASH and the DAS Form 1 (Regulation 7). Also, CMAs are required to issue the outcome notification letters for variations and notify the employer where a debtor is paying their DPP via an employee payment instruction (Regulation 13)

Issue affecting completed DPPs with TSB debts

We have been made aware that a number of individuals who have completed their DAS debt payment programmes, continue to be pursued by TSB for outstanding balances. TSB are aware of this issue and are working to resolve this. They advise that the affected accounts have been actioned but until this issue has been resolved, they will still show the outstanding balance.

Message to all MAs/CMAs

Please be aware that if submitting a case in which the debtor is not paying their full surplus income a note should be added both in Section 8 of the case page and in the 'other information' box under the DPP Repayment Details. The note should specify the amount the debtor wishes to pay and the number of instalments that it will take to clear the DPP.

When submitting a variation to change the debtor's instalments and the debtor does not want to pay their full surplus income a note should be entered clearly into the supporting information of Section 3 of the Variation Application. Again, the note should specify the amount the debtor wishes to pay and the number of instalments it will take to clear the DPP.

Moorcroft letters

We are currently aware of a high volume of letters being received by debtors in regards to Home Retail (Argos) passing accounts to Moorcroft for collection. We have contacted the

creditors concerned and we are in discussions regarding the affected accounts. In the meantime, please do not change the accounts on DASH and please hold on to any documentation that is received until we have the outcome of the discussions.

New balance adjustment guidance

Payment Distributor Only - The new balance adjustment guidance which was issued in December is now live. We will no longer be checking the DAS inbox for Balance Adjustment requests instead these should be sent to a specialist inbox specifically for Balance Adjustments

(dasbalanceadjustments@aib.gov.uk). The guidance can be found in the help section of DASH or on the DAS website.

****Important - For the Attention of MAs and CMAs****

*****DPP applications where debtor is not paying full surplus income*****

We have become aware of a number of cases where DPP applications of this type have not been completed properly by the MA/CMA. This means that the proposal sent to creditors did not contain full and correct information about the debtor's financial circumstances. We are addressing this issue on a case by case basis, trying to minimise the impact on debtors where possible. To avoid this happening in future cases, we have updated Section 8 – Calculate Repayments in the Step by Step guides for new cases. The updated guidance includes a form of words which MUST be added to Section 8 of the case page and to the Notes tab on DASH. For CMA cases, it must also be added to the DPP proposal letters sent to minor creditors. This guidance takes effect from 21 February 2019 and can be found in the Help tab on DASH and at <https://www.aib.gov.uk/guidance/debt-arrangement-scheme#guidance>.

After this date any new cases which have not been completed correctly may be rejected, as our ability to amend them is limited.

DAS Mandate of Authority

We have updated the DAS Mandate of Authority following the commencement of GDPR. The template can be downloaded from the Help section of DASH or from the Letters tab on individual cases.

Important message regarding variation applications

We have recently had a rise in variation applications being submitted on 'Agreed' applications. When submitting new applications, please do not resubmit if the variation application is already set to 'Agreed'. If you are submitting a new application then a new application should be generated using the 'Add new' button or if an application has been returned to you then the same application can be amended and re-submitted.

Important - For the attention of creditors

An urgent creditor communication about the forthcoming change from the current DASH system to the new eDEN system has been published on the AiB website (www.aib.gov.uk) in the 'AiB News' section at the bottom of the Home page. Please ensure that you read this message, and take any necessary action, as soon as possible.

<https://www.aib.gov.uk/news/releases/1919/1919/0303/urgent-information-creditors-regarding-dash>

Continuing Money Adviser Fees

Regulation 20(2)(aa) stipulates that the application for approval of a DPP should include details of any fee charged by a continuing money adviser for the adviser's services. Please note that all fees should be recorded on the application form, including any set up fees.

The CMA fee should be recorded in the free text field at 'Section 1 Case Details' on the Case page on DASH

DASH user migration to eDEN

Please note that we are commencing an exercise to contact all Money Adviser, Creditor and Payment Distributor organisations that are currently registered on DASH, to ask them to confirm users that are to be migrated to eDEN. If we do not receive a reply users will not be migrated and will need to register for eDEN once it is live.

eDEN training guidance

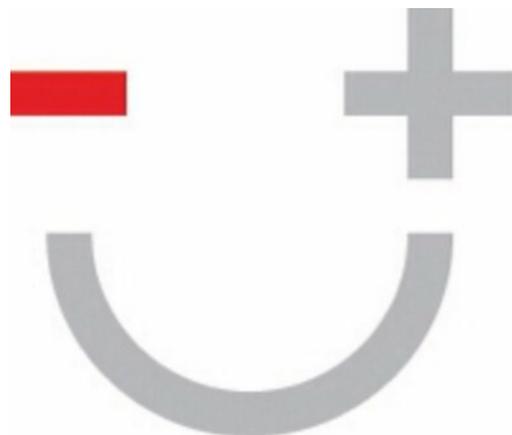
Training guidance has been added to the AiB website. Further guidance will be added as it is completed. The guidance can be found at the following website address:

<https://www.aib.gov.uk/dash-replacement-project-and-edden-training-site>

New DAS consultation published

Further to the 2018 'Building a better Debt Arrangement Scheme' consultation, AiB are consulting on options for returning funds to the free advice sector. This consultation has been published on the Scottish Government consultation hub and we encourage responses from our stakeholders, particularly those most affected by the proposals, by 16 August 2019:

<https://consult.gov.scot/accountant-in-bankruptcy/debt-arrangement-scheme/>



DAS Top Tips

Creditor reference

Complete creditor reference numbers should be provided on both money adviser and continuing money adviser cases – entering erroneous information such as ‘***’ is not acceptable.

Quick search

If users enter the case reference number in the ‘Quick Search’ box and then click the ‘Quick Search’ link, the case will automatically open in ‘Edit’ mode.



Creditor search

To find a creditor registered on DASH and add them to a case:

- Select ‘Creditors’ from the red bar along the top of the case
- Select ‘Add New’ within the Minor Creditor Section
- Enter the name, or part of the name of the creditor you are looking for (for example entering ‘Royal’ will find all entries for Royal Bank of Scotland)
- Click the ‘Search’ button
- Click on ‘Select’ next to the correct creditor entry. This will automatically add the creditor to the list of creditors in the case

If the search doesn’t produce any results then the creditor details should be added using the minor creditor form (in the same screen), remembering to tick the ‘Requires Written Communication’ box and then ‘Save’

Full details are in Section 3 of the ‘New Cases’ guidance for money advisers:

- **Public money advisers - new cases guidance**
- **Continuing money advisers - new cases guidance**

Mandate of authority

Standard statements on the mandate of authority template should not be amended or edited.

Continuing money adviser fees in debt payment programme application

Regulation 20(2)(aa) stipulates that the application for approval of a debt payment programme should include details of any fee charged by a continuing money adviser for the adviser’s services.

Please note that all fees should be recorded on the application form, including any set up fees.

A screenshot of a web-based application form titled 'Application Form'. The section shown is 'Section 1 Case Details'. On the left, there is a list of fields: Debtor Details, Case Status *, Money Adviser *, Payment Distributor, Case Reference, Money Adviser Case Reference, Continuing Money Adviser Fee, Date Case Became Live, DPP Approval Date, and Original Decision Letters Issued Date. On the right, there are input fields for these items. The 'Continuing Money Adviser Fee' field is highlighted with a red rectangular border. The 'Draft' dropdown menu is visible. The 'Date Case Became Live' and 'DPP Approval Date' fields contain the text 'N/A.'. The 'Original Decision Letters Issued Date' field has a small calendar icon.

Changes to AiB email addresses

AiB has removed the '.gsi' portion from all email addresses due to the Government Secure Intranet (**GSI (link is external)**) network is being phased out across **government (link is external)**.

What you need to do

From now if you use any existing AiB email addresses, you need to change these from:

- @aib.gsi.gov.uk

to

- @aib.gov.uk

Please make sure you update all records you may have such as directories, web applications or forms that you use with the new email addresses.

If you have any questions about this change or need more information please **contact us**.

Please provide any feedback on this newsletter to the **DAS team**.

Tel: 0300 200 2770

DAS Administrator

Accountant in Bankruptcy

1 Pennyburn Road

Kilwinning

KA13 6SA



Scottish Government
Riaghaltas na h-Alba
gov.scot