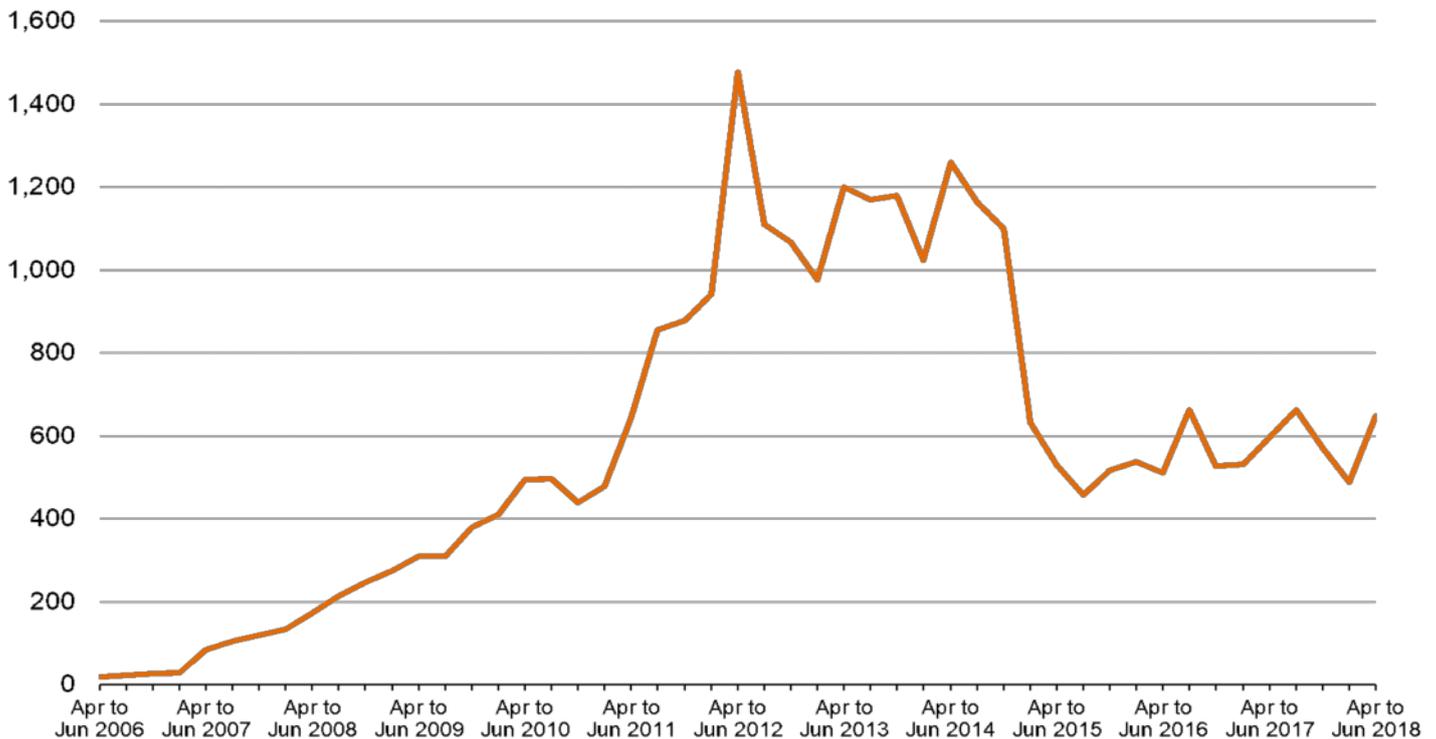




DAS on the rise

Approved DPP under DAS



Latest Accountant in Bankruptcy figures for the first quarter of 2018-19 showed a rise in the number of DAS programmes approved of 8.5% compared to the same quarter a year ago.

There were 648 debt payment programmes approved under DAS in the first quarter of 2018-19, compared with 597 in the same quarter for 2017-18.

A total of £9.5 million was repaid through the scheme in the quarter, similar to the £9.4 million the previous year.

Commenting on the latest figures, Accountant in Bankruptcy Chief Executive Richard Dennis said: "With consumer borrowing now surpassing the levels seen before the 2008 crash, we are leading an ambitious programme of reform to make sure the debt solutions offered by the Scottish Government remain relevant in today's society.

"In particular, changes expected to come into force this October will make the Debt Arrangement Scheme a much more accessible and flexible option for some people who otherwise may see no alternative other than insolvency."

The full quarter 1 statistics can be viewed on the [AiB website](#).

New Cabinet Secretary and Business Minister for AiB

The recent re-shuffle of the Scottish Government cabinet by First Minister Nicola Sturgeon has led to a change in Cabinet Secretary and Minister for AiB.

Derek Mackay now has responsibility for Finance, Economy and Fair Work which AiB sits within the portfolio of, while Jamie Hepburn is the new Minister for Business, Fair Work and Skills, with responsibility for AiB.

Mr Hepburn takes over from Paul Wheelhouse, who moves to take over as Minister for Energy, Connectivity and the Islands.

You can find out more about Mr Hepburn, his role and responsibilities [here](#).



First composition case completes

The first debt payment programme valid for composition after 12 years became due in June 2018.

Composition allows the DAS Administrator or a continuing money adviser to make an offer to each creditor after a period of 12 years where 70% of the total amount of debt has been paid.

The Offer of Composition for DAS cases was introduced in the Debt Arrangement Scheme 2013 regulations.

In this case, proposal letters were issued and as no creditors responded, it was therefore deemed as accepted and the case has now completed.

This case would not otherwise have been due to complete until 2025.



AiB stakeholder events round-up



In May 2018, AiB hosted its annual series of free one-day events across Scotland to seek stakeholder views on sector issues, source opinions on matters that are important to stakeholders and obtain an understanding on areas they believe AiB should be working on in 2018 and beyond.

Over 180 people booked to attend the sessions, which were held in Edinburgh, Glasgow, Dundee and Aberdeen. Professionals from the financial, legal, credit and advice services, sector regulators, debt help charities, local authorities, local government recovery specialists, and other social policy sectors all attended the events. Creditors were also invited, although attendance from this sector remains limited.

The DAS sessions featured an update on the new DAS regulations drawn up following the DAS review and a demonstration of new DASH replacement system eDEN, which is currently being developed.

Feedback from the sessions was very positive, with attendees finding the sessions useful, informative and well facilitated. AiB would like to thank all those who attended and helped make the events such a success.

DAS regulations laid in parliament

DRAFT SCOTTISH STATUTORY INSTRUMENTS

2018 No.

DEBT

**The Debt Arrangement Scheme (Scotland) Amendment
Regulations 2018**

The draft legislation for the introduction of **The Debt Arrangement Scheme (Scotland) Amendment Regulations 2018** has now been laid in parliament. The new regulations are expected to come into force on 29 October 2018, subject to parliamentary approval.

If approved, these regulations will allow for a more sustainable and flexible scheme making it more accessible for those struggling with debt.

The full set of proposed amendments can be read in the [Debt Arrangement Scheme \(DAS\) The Way Forward](#) report on the AiB website.

A copy of the legislation can be viewed on the [legislation.gov.uk website](http://legislation.gov.uk).

DAS 2018: Regulatory Review Working Group

AiB published [Debt Arrangement Scheme \(DAS\): The Way Forward](#) back in March. This document pulled together responses to the DAS consultations undertaken in 2016 and 2017 and set out proposals for regulatory changes to improve procedure and accessibility of DAS.

After satisfying the Parliamentary process, the regulatory changes will be implemented from this October.

The proposed changes were discussed at the recent AiB annual stakeholder events, allowing AiB to seek further feedback on areas which some could still be improved.

AiB believes further consultation and discussion is necessary before considering any further DAS regulatory changes and has set up a working group to identify and discuss areas of concern.

The group is chaired by Depute Accountant and Executive Director of Case Operations John Cook and will feature key stakeholders engaged at a strategic level in the DAS process.



DASH training

The DAS team is considering holding a number of short DASH training workshops.

These workshops will be bite-sized sessions which will focus on carrying out specific DAS processes on DASH.



If you think this would be helpful and would be interested in attending such an event, please let the team know by emailing the DAS mailbox, with suggestions for topics to be covered and preferred venues.

This will allow the team to gauge interest and plan events.

Money Advice Conference 2018

Head of DAS and Trust Deeds at AiB Kelly Donohoe facilitated two workshops at the recent MAS conference where she provided an update of the proposed changes to the DAS regulations.

The team would like to thank Money Advice Scotland for the invitation to take part in the conference and also those who attended the workshops for their valuable feedback on the proposed regulatory changes.

moneyadvicescotland
Scotland's Money Charity

DAS case reviews and decisions

Fair and reasonable

Case A

- 
- Total debt £25,929.15 and term of proposed debt payment programme was 17 years and six months
 - No discretionary condition was noted on the application. However, the money adviser noted this was a joint debt with another individual, although they did not meet the requirements for a joint debt payment programme
 - The debt was already included in an approved debt payment programme, which would have the effect of reducing the term of the programme. However, the instalment being paid to the already-approved programme would be reduced by the instalment amount to be paid by this debtor
 - This proposal was for a single debt payment programme and the creditor objected. The creditor also questioned the fact it appeared that the debtor owns a number of properties
 - The DAS Administrator rejected this debt payment programme as it was not considered fair and reasonable
 - The money adviser requested a review of this decision on behalf of the debtor, advising and providing evidence to show that the debtor did not own numerous properties
 - The review request was not upheld and the decision not to approve this debt payment programme stood as the DAS Administrator did not base the decision to reject on whether or not the debtor owned additional property, but on the creditor objection and the effect that this would have on the already approved programme for the other individual, who is jointly and severally liable for the debt
 - An appeal has been lodged and the final outcome is not yet known

Case B

- 
- Total debt £210,627.17 and term of proposed debt payment programme was nine years and six months
 - No discretionary condition was noted on the application
 - One creditor, owed 81.81% of the total debt, rejected the proposal as the amount of debt declared was incorrect, the debt had been outstanding for a considerable time and bankruptcy proceedings had commenced
 - The debtor also had a previous debt payment programme, which was revoked as the debtor failed to make any payments
 - The DAS Administrator rejected this debt payment programme as it was not considered fair and reasonable
 - The debtor requested a review of the decision but did not state on which grounds
 - While the debtor's application for review was under consideration, the sheriff awarded sequestration, which supersedes the DAS debt payment programme

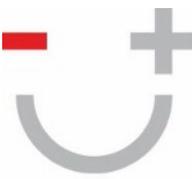
Fair and reasonable

Case C

- 
- Total debt £3,046.61 and term of proposed debt payment programme was five years and nine months
 - No discretionary condition was noted on the application
 - One creditor, owed 73.23% of the total debt, rejected the proposal
 - The DAS Administrator rejected this programme as it was not considered fair and reasonable
 - The debtor's money adviser requested a review of the proposal, stating that the wages arrestment in place for the debt due to the objecting creditor meant the debtor was unable to pay their ongoing liabilities to that creditor, while a DAS debt payment programme would allow them to repay their debt and their continuing liabilities
 - The review request was upheld and the decision to reject this debt payment programme proposal was overturned

Case A

Variations

- 
- One month into a six year and two month debt payment programme, a creditor applied for a variation to increase the debt due to them
 - This variation was approved by the DAS Administrator as the creditor had provided evidence of the debt
 - The debtor applied for a review of the decision to approve this variation, advising that they disputed the amount owed to the creditor
 - The review request was not upheld as the creditor that applied for the variation provided evidence of the debt due to them
 - The debtor was advised that if the debtor is successful in settling their dispute with the creditor about the amount owed and the debt is subsequently reduced, they would be required to apply for a variation to reduce this debt and provide supporting evidence

Revocations

Case A

- 
- Two years and four months into a six year and seven month debt payment programme
 - Revocation action commenced by DAS Administrator as debtor failed to make all payments as they fell due
 - The debtor was in arrears of a total of 30 weekly instalments
 - There were three previous revocation applications, from both the DAS Administrator and a creditor, due to payments not being made as they fell due. The previous revocation applications were rejected as the debtor had given assurances that future payments would be made. However, the debtor's failure to make payments continued
 - The debtor responded to advise that they would resume their DAS payments
 - The DAS Administrator revoked the debt payment programme
 - The debtor applied for a review of the decision, advising that the frequency of their wages had changed and they had spent some time in hospital
 - The review request was not upheld as the debtor had provided similar reassurances in response to previous applications to revoke the debt payment programme

Case B

- 
- Four years and 10 months into a 10 year debt payment programme
 - Revocation action commenced by DAS Administrator as debtor failed to make all payments as they fell due
 - There were three previous revocation applications which were rejected by the DAS Administrator and the debtor was given opportunities to complete their DAS debt payment programme
 - Following the rejection of the latest revocation action, the debtor missed a further three payments
 - The DAS Administrator revoked the debt payment programme
 - The debtor applied for a review of the decision, advising of issues with the payment of their wages and reported difficulties contacting the payments distributor
 - The payments distributor confirmed the debtor's claim that they had attempted to make payments
 - The review request was upheld and the decision to revoke the debt payment programme was overturned with the debtor being given a further opportunity to complete the programme, on the proviso that payments are maintained

DASH MESSAGES

A round up of the messages on DASH since the last issue of the DAS Digest:

DAS DPPs approved in error (31/05/2018)

Please note, a number of DAS DPPs have been automatically approved in error. We are working to resolve this as a matter of urgency and apologise for any inconvenience.

These DAS DPPs were approved in error as a result of background changes to DASH to satisfy the new GDPR regulations. We believe we have identified all of the affected cases and rectified the issue, however, if you think this may apply to any of your cases, please let us know.

Major creditor - Sainsbury's Bank Plc (15/06/2018)

Sainsbury's Bank have been added to the major creditor list on DASH, in respect of their unsecured debts. Users should no longer select Lloyds Bank Banking Group (HBOS) for Sainsbury's Bank unsecured debts included in a DPP.

Sainsbury's Bank Plc have since clarified that they have taken responsibility for Sainsbury's Bank credit cards and brand new loans

(beginning 126055). The DASH Major Creditor List has been updated accordingly.

Creditor details (15/06/2018)

Can money advisers and continuing money advisers please ensure that the creditor details on all new applications are those of the principal creditor and not those of a sheriff officer or collection agent? For example, sheriff officers' details should not be included where they are collecting council tax on behalf of a local authority. The details of the local authority should be included.

Reminder: Deletion of cases at 'Draft' status

DASH cases with a case status of 'Draft' will be deleted 4 months after the date the case was created, if the status has not been changed to 'Live'. This also applies to cases which have been returned to 'Draft' as a result of missing information or errors made in the application.

AiB hits the road

AiB recently visited payments distributor Carrington Dean to discuss automatic updates of payments to eDEN and establish the main issues they would like to see resolved by the new system.

Other payments distributors will also be visited to discuss these issues.

Project manager Brian Kennedy will visit Aberdeen City Council on 28 August to discuss the development with stakeholders from the area.

AiB is also planning visits to creditors and will include visits south of the border to engage with major creditors there.

CARRINGTON
— DEAN —

Top
Tips

Top tips for DASH

Top
Tips

For the purpose of DASH training, we have pulled together some common reasons why new public money adviser cases are returned for re-work. We thought it may be helpful to include this list in the DAS Digest for all public and continuing money advisers.

Case page – application form

- Figures entered at section 4b (Total debt to be included in the programme) and section 5b (Total payment offer of..) don't match
- The number of instalments entered at section 5b does not match the number of instalments entered in the repayment details section of the debt payment programme screen

Balances and creditor details

- Debts confirmed over four weeks prior to submission
- Information regarding the actions taken to confirm the debt has not been entered on 'Debt' screen
- Creditor reference numbers not provided or entered in the wrong field
- Balances or creditor reference numbers not updated following updated information being received in creditor comments
- Creditors on creditor list are not owed a debt in the debt payment programme
- The 'Requires letters' box has not been ticked for minor creditors
- Major creditors have been added as minor creditors

Mandates

- Signed mandate has not been attached to the case
- Debtor details on mandate don't match those entered on DASH
- Money advice organisation details not presented on mandate
- Payment distributor details not presented on mandate

Debt payment programme

- The instalment frequency entered on the debt payment programme page differs from the frequency entered at section 5b and or the frequency stated on the CFT
- The debt payment programme has not been calculated using the DASH calculation buttons



DAS goes digital - eDEN development update

The AiB 2020 Business Strategy document outlines with Agency's commitment to the SG IT and digital strategies. In promoting best value, improving efficiencies and to comply with GDPR requirements, AiB's vision is for DAS to be a completely digital process (with limited exceptions) in line with the introduction of the eDEN case management system in July 2019.

This approach will have a large impact on the hundreds of creditors who insist on engaging with DAS by paper correspondence only. It will be subject to informal consultation with updates featured in future editions of the DAS Digest. However, thoughts and comments are encouraged and welcome from all stakeholder groups.

The second release of the new eDEN system is due for release to AiB on 3 August 2018, with the next release pencilled in for the end of September.

This will be tested during October with the intention of releasing a training site to external parties once complete.



2020 BUSINESS STRATEGY
DOCUMENT



eDEN logo unveiled

The logo to represent the DASH replacement case management system eDEN (enhanced DAS Electronic Network) has been chosen.

The logo was designed by Lisa Ledingham-Park in the DAS team and won a vote for the favourite logo held amongst project members within AiB. Members specifically likes the use of the saltire in the logo highlighting AiB's Scottish identity.



If you'd like to discuss the project or request a visit, please contact the project manager [Brian Kennedy](#).

Lets talk

Confirmation of debt was the topic for the external working group meeting in June.

The outcome of the discussion was that creditors would be given 21 days to respond when confirming debt and, if no response is received, money advisers can submit the debt using the applicant's debt figure.

If the figure is required to be changed at a later date, it will be done through the variation process. This should enable applicants to get protection quickly and ensure the DAS application is not held up.

A further workshop was held covering the subjects of notifications, conversation and home page task lists, which featured the full range of user groups. Notifications of work items will appear on the eDEN home page, as happens now, and users will also have the option to receive email notifications to alert the user to new work items and include the case reference number.

This should help users who don't regularly use the system and encourage more users to use it. The conversation facility will allow any user involved in a case to send a message to any other user within that case to request or provide information. It will also allow the facility to retain a record of the conversation.

The next set of workshops will look at payment screens and record of payments.

The system will require payments distributors to update the system when payment is received to ensure there is an accurate record of what has been paid and what remains outstanding.

Making the link

AiB recently met with StepChange and Citizens Advice Scotland to discuss the interface application being developed. This will allow external users to link to it and supply and receive information without logging on to eDEN.

A complete set of documents to support the interface is being developed, but won't be ready until the system is complete.

However, AiB can provide examples of the document to allow developers time to analyse what will be required to connect to the interface.



Scottish Government
Riaghaltas na h-Alba
gov.scot

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

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