



Northern Ireland
Assembly

**COMMITTEE FOR
ENTERPRISE, TRADE AND
INVESTMENT**

**OFFICIAL REPORT
(Hansard)**

Debt Relief Bill

20 May 2010

NORTHERN IRELAND ASSEMBLY

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ENTERPRISE, TRADE AND
INVESTMENT**

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Members present for all or part of the proceedings:

Mr Alban Maginness (Chairperson)
Mr Paul Butler (Deputy Chairperson)
Mr Gregory Campbell
Mr Leslie Cree
Ms Jennifer McCann
Dr Alasdair McDonnell
Mr Gerry McHugh
Mr David Simpson

Witnesses:

Mr Reg Nesbitt) Department of Enterprise, Trade and Investment
Mr Jack Reid)

The Chairperson (Mr A Maginness):

We move to the Committee's consideration of the Debt Relief Bill. Part of the meeting will be recorded by Hansard. Members have copies of the relevant papers.

This is the initial consideration of the Bill. The purpose of the briefing is to give members the opportunity to raise any issues or concerns, or record any matters arising from the consultation process. I advise members that departmental officials are on standby if you have any questions or

concerns about the Bill. I emphasise that this is not the formal clause-by-clause consideration. If there are no unresolved issues or concerns following today's consideration, the Committee can undertake formal clause-by-clause consideration at the next meeting on 3 June.

I advise members that their packs contain an issues table summarising issues arising during the consultation under each clause of the Bill and the Department's response to the issues raised. I remind you that the only organisation to provide a substantive response to the consultation was Advice Northern Ireland, and officials from Advice Northern Ireland provided oral evidence to the Committee at the meeting last week.

I now invite the Committee Clerk to take the Committee through the clauses of the Bill and the issues raised. For each clause, when the Clerk has outlined the provisions, issues raised during consultation and the Department's response, I will ask members whether they have any issues, any points that they would like to explore or any questions for the departmental officials, or whether they are content that there are no further issues to be addressed in relation to the particular clause.

The Committee Clerk:

It is my intention to summarise the contents of the issues table. The first issue relates to clause 1, which establishes a new individual insolvency procedure based on the Official Receiver being able to provide eligible individuals with relief from debt through the making of a debt relief order. Advice NI was concerned that no timelines are given for carrying out an investigation. In their oral evidence, Advice NI officials stated that they were looking for a precautionary approach.

The Department responded in its written briefing to the Committee, confirming that the Bill places no limit on the time frame within which an investigation must be completed. The Department believes that no timelines should apply for the following reasons. Debt relief is intended to be automated, streamlined and low cost. Investigations are to be the exception, and will only affect a small minority of debtors. It is not the purpose of the scheme that debtors should be treated differently or more leniently than they would if they were bankrupt. The Insolvency (Northern Ireland) Order 1989 places no limits on when an investigation can be carried out in a bankruptcy.

It is expected that investigations will be carried out as a result of a creditor having made an objection to the debt relief order, and objections will have to be made within strict time limits. Creditors and the public must have confidence in the debt relief scheme. Setting a time limit would dilute the value of the deterrent, and could critically undermine confidence in the scheme.

The Chairperson:

Are there any comments? I take it that members are content with the clause. We will move on.

The Committee Clerk:

Clause 2 sets out the conditions for making a debt relief order. Part 1 of clause 2 sets out the conditions that a debtor must meet in order to obtain a debt relief order and part 2 of clause 2 sets out specific additional conditions that the debtor must meet in order to obtain a debt relief order.

During consultation on part 1, which falls under clause 2, Advice NI requested that an exceptional circumstances clause be added to take into account unforeseen changes to an individual's situation. It informed the Committee that legislation in England does not contain such a clause, and that as a result there have been examples of people being unable to cope with their financial situation, due, for example, to illness or the death of a partner.

In its written response to the Committee, the Department stated that the debt relief scheme is intended to be simple, uncomplicated and low cost. Irrespective of the reasons for the indebtedness, it would be neither fair nor equitable to those trying to make a living in business if customers were able to make repeated use of the debt relief scheme to run up debt and not repay it.

To qualify for a debt relief order, an individual's assets must not be worth more than £300, and they must not have more than £50 left in the month after meeting essential living expenses. Anyone who obtains a debt relief order should know that if they accept further credit, they will not be able to meet their obligation to repay it. The possibility of escaping any consequences arising from such conduct by applying for a further debt relief order within six years should not be open to them, irrespective of the circumstances giving rise to the further indebtedness.

A further consideration is that the operation of the debt relief scheme will depend on assessment of applicant's circumstances by debt advisers acting as intermediaries. It would not

be possible to draw up a comprehensive list of adverse circumstances that could befall an individual. To attempt to do so would be contrary to the intention of keeping the scheme simple and operating costs low.

Ms J McCann:

I am not sure whether this is the right time to bring this up, but I cannot see any other information in the clauses. In last week's evidence session, we discussed particular benefits being taken into consideration, and Advice NI urged caution. A person's particular circumstances should be taken into consideration. For example, it was mentioned that a family of five would have more outgoings than a family of two. Therefore, something should be included about particular circumstances. Income, expenditure and the balance should be taken into consideration.

Mr Butler:

I am not sure whether this falls under this section, but is the £50 limit —

The Chairperson:

Is that not part of secondary legislation?

Mr Butler:

That is what I want to know. Will that be done by subordinate legislation?

The Chairperson:

I invite Mr Nesbitt to give us some assistance. We are discussing an exceptional circumstances clause, as requested by Advice NI. Jennifer, do you want to repeat your point?

Ms J McCann:

I am not sure whether what we are talking about relates to this clause. However, my point is about certain benefits being taken into consideration that Advice NI feels should not be taken into consideration. For instance, if someone is sick, would the disability living allowance (DLA) be taken into account? Also, not everyone has the same income and expenditure, particularly because of family size, and because of that Advice NI said that some leeway should be given.

Mr Reg Nesbitt (Department of Enterprise, Trade and Investment):

I think that DLA is mentioned later in our reply. Essentially, although there is a credit for it, there

is also a debit, which effectively means that it is ignored. Regarding your point about a family of five, the common financial statement, which is the method that will be used to determine income and expenditure, will take the total number of family members into account. The £50 limit will only be established after all those matters are taken into account. The common financial statement will take into account the number of children in a family and allocate an expense level against them.

Ms J McCann:

I take your point. However, if there were a sick child in a family, the family would need more money to spend on that child. Those particular circumstances would need to be taken into account. That is what Advice NI said. I do not see that that has happened.

Mr Nesbitt:

I am not sure whether the common financial statement would deal with that.

Mr Jack Reid (Department of Enterprise, Trade and Investment):

In practice, the common financial expenditure limits are not adhered to rigidly in the scheme in England and Wales, and we are trying to set up a similar scheme in Northern Ireland. If an applicant can justify a higher level of expenditure — for example, if their expenditure on rent was higher than allowed for by the statement because of the region in which they live — they would be allowed to add information to their application form to justify the higher than normal level of expenditure. I expect that the same would apply to what you are talking about, if a child had special dietary needs.

Mr Butler:

Where is the £50 limit in the legislation? I appreciate that it is difficult to set some sort of limit.

Mr Nesbitt:

It will be in the subordinate legislation.

The Chairperson:

It does not affect the clauses that we are discussing; it will be part of the subordinate legislation, which will follow this legislation.

Mr Cree:

Mr Reid mentioned that there will be some flexibility on the £50 limit, but DETI's response clearly says that applicants must have no more than £50. In contrast, the same response later talks about applying for a further debt order within six years. The words "should not" are used, which suggests a measure of doubt.

Mr Reid:

There is absolutely no doubt that the legislation would prevent a person who had obtained a debt relief order from obtaining a further debt relief order within the ensuing six years. That is absolute.

Mr Cree:

Then it should say "would". The Department's response says that it "should not" be open to them. What you are saying now is that it will not be open to them; it is definite.

Mr Reid:

Yes, it is definite.

Mr Cree:

Is it just loose phraseology?

Mr Reid:

It is about the period for obtaining a debt relief order if someone has had one in the previous six years. It is in proposed new schedule 2ZA(5), on page 18 of the Bill. Under conditions for making the debt relief order, it states that:

"A debt relief order has not been made in relation to the debtor in the period of 6 years ending with the determination date."

Mr Cree:

The word "should" is, perhaps, a little weak.

Mr Reid:

May I check a copy of our response?

The Chairperson:

Take your time. There is no hurry.

Mr Reid:

Where is the sentence being queried? Is it in paragraph 3 of the response?

Mr Cree:

I cannot tell, because we only have the response listed in a column, along with the relevant clauses, the explanation, the issues and the evidence.

The Chairperson:

It might be helpful if you refer to that section of DETI's response and read it out.

Mr Cree:

Yes, certainly. It is in page 3 in our pack.

Mr Campbell:

Chairperson, do the officials have the master document that Committee members have?

Mr Cree:

No, and members do not have a copy of the letter.

Mr Campbell:

That may be the problem.

The Committee Clerk:

Chairperson, I can cross-refer if you want me to.

The Chairperson:

Yes, cross-refer then.

Mr Cree:

We need certainty in these matters. Mr Reid made the point that although it said in the Department's response "must not have", there might be flexibility, which is quite the opposite.

Later, in reference to the six-year period, it says “should not”, which suggests choice.

Mr Nesbitt:

Are you taking that from the Department’s explanation for each of the clauses?

Mr Cree:

Yes. It is the old familiar issue of “shall” and “should” and all that stuff.

Mr Reid:

Those are two different issues. One relates to eligibility for a debt relief order —

Mr Cree:

I understand that. It is the wording that I am challenging. If you say that it is definite that the individual must not have more than £50, and then that it will be considered in the round and will depend on the circumstances, that suggests flexibility. The other wording suggests flexibility, but you said that there will certainly be no flexibility and that it will be six years full stop.

Mr Reid:

That is correct.

The Chairperson:

This is in paragraph 2 on page 3 of the Department’s response.

Mr Reid:

I think that I have located the offending sentence now, which reads:

“The possibility of escaping any consequences arising from such conduct by applying for a further Debt Order within six years should not be open to them irrespective of the circumstances giving rise to the further indebtedness.”

The Department was defending the decision to have a six-year limit. That is why the word “should” was used; we were saying that the period should not be shorter than six years.

Mr Cree:

Surely “will” is a better word to use; it will not be open to them. “Should” suggests an uncertainty or flexibility.

Mr McHugh:

That would not cover you in law.

Mr Reid:

I was not trying to quote the Department's intention of what the law should be. I was trying to say why something should be what the Department has set it to be, and used the word "should" in that context.

Mr Cree:

Do you take my point? We need to be definite about these matters and know exactly where flexibility can come in and where it cannot. Am I right in thinking that a debt relief order will not be open to someone within that six-year period?

Mr Reid:

To give an example, it should not be legal for a person to commit an act of murder. It is a moral judgement, and it would be wrong for the law to allow a person to commit murder. I used "should" in the document in the sense that it would be wrong for the period to be less than six years.

Mr Cree:

The criminal law is a little more definite than that.

Mr Reid:

Yes, common law states that a person is not allowed to commit an act of murder. However, if you wanted to defend why criminal law prevents murder, you would say that it should not allow murder.

Mr Campbell:

There is no doubt about what is in the Bill. Proposed new schedule 2ZA states:

"A debt relief order has not been made in relation to the debtor in the period of 6 years ending with the determination date."

There is no room for manoeuvre there. There may be some flexibility in the Department's explanatory note, but the Bill is clear.

Mr Nesbitt:

It must be considered in the context of the answer.

Mr Reid:

I was simply stating why that should be.

Mr Nesbitt:

The Department is saying that it should not be open.

The Chairperson:

Therefore, you are giving an opinion in relation to that, but the draft legislation is quite definite.

Ms J McCann:

I do not want to make a big issue out of it, but I would like to come back to my previous point, which was on the issue of benefits being considered as assets. There are certain benefits that should not be considered as part of a person's assets, such as DLA paid to a family to care for a sick child. That child may require more heat in the house or may have special dietary needs. Does the Bill take that into consideration?

Mr Nesbitt:

No, and I am not even sure that that will be taken into consideration in the subordinate legislation. You must look at the common financial statement to see what leeway the people who operate the system will provide to the situation.

The Chairperson:

May we continue? I do not wish to rush members. If they are unhappy about an aspect they should just say so, because this is a legislative process.

The Committee Clerk:

Clause 3 deals with debt relief restrictions and undertakings. It creates a regime of debt relief restrictions, orders and undertakings. Such orders may last from two to 15 years and will serve to protect the public from the culpable debtor. Advice NI expressed concerns regarding the upper time limits on debt relief restriction orders and sought clarification on the application of the 15-year restriction and information on how decisions will be made to enforce the two- to 15-year

restriction.

The Department stated in its written response that the provisions are exactly as stipulated in relation to bankruptcy restrictions and undertakings. Details of bankruptcy restrictions and undertakings, which are maintained by the Insolvency Service in England and Wales, are used as a guide when accepting bankruptcy restrictions or undertakings in Northern Ireland to determine the bracket into which the bankrupt's conduct would appropriately fall. It is initially intended to use the same information in setting time limits for debt relief restrictions and undertakings.

Mr Butler:

It is the same as the English legislation.

The Committee Clerk:

Clause 4 deals with advice on relief of debt and related matters. It empowers the Department to provide advice and information to the public about relief of debt and related matters or to make arrangements with others to do so. The Department is given the right to make grants or loans in connection with the provision of such advice and information. There were no issues or concerns raised during consultation in relation to Clause 4.

The Chairperson:

OK. We will move on.

The Committee Clerk:

Clause 5 deals with the power to make consequential amendments, etc. It allows the Department to make such supplementary, incidental, transitional, transitory or consequential provisions by order as it considers appropriate in connection with the Bill.

The Chairperson:

I notice that some members are searching for written material about that, but where there is no contention, nothing is included. That is just for members' advice. The Committee Clerk is going through the clauses.

Mr Campbell:

That is a relief. Some of us were going to go to Specsavers. *[Laughter.]*

The Chairperson:

I should have advised the Committee about that before the Clerk started.

The Committee Clerk:

Apologies, members.

There were no issues or concerns raised during consultation in relation to Clause 5.

Clause 6 gives effect to the schedule that contains minor and consequential amendments. There were no issues or concerns raised during consultation in relation to Clause 6.

Clause 7 deals with commencement. It contains provision for the commencement of the Bill. There were no issues or concerns raised during consultation in relation to Clause 7.

Clause 8 deals with interpretation. It contains definitions of words and phrases used in the Bill.

Mr Campbell:

I wish to ask you about the schedule that provides for minor and consequential amendments. It is fairly clear that the Department has no intention or plans to charge a fee. However, towards the end of the departmental response, it says:

“should it ever be decided that it would be desirable to do so.”

There is no intention at present to introduce a fee, but in what circumstances would a fee be introduced and how might that happen?

Mr Nesbitt:

It is a question of who will be charging the fee. The clause is —

Mr Campbell:

It is a catch-all.

Mr Nesbitt:

It is a catch-all. It may or may not be used in the future. It is certainly not used in GB and the

Department has no intention of bringing in such a charge here. I cannot even think of the circumstances in which it would.

Mr Campbell:

I cannot either.

The Committee Clerk:

No issues or concerns were raised during the consultation in relation to clause 8. Clause 9 gives the short title of the Bill, which, when enacted, will be known as the Debt Relief Act (Northern Ireland) 2010. No issues or concerns were raised during the consultation in relation to clause 9.

There is one schedule to the Bill, which provides for minor and consequential amendments to other legislation. Advice NI recommended that any registration fee, as identified in paragraph 11(a) and 11(b) of new article 248A of the Insolvency (Northern Ireland) Order 1989 be proportional to the status of the organisation seeking to become a designated body. The new article provides the Department with the power to introduce a fee by order, subject to negative resolution, requiring those seeking to become a designated body to pay a fee. The Department responded that it has no plans to charge a fee. Advice NI was satisfied with the Department's response and agreed that its request no longer applied.

The Chairperson:

That completes our discussion. Do members have any further comments to make? Are members content with the legislation as it stands?

Ms J McCann:

I am still not convinced that particular circumstances should not be a provision of the Bill.

Mr Reid:

To which part of the Bill are you referring?

Ms J McCann:

Clause 2.

Mr Reid:

I just want to clarify whether we have a common understanding of the provision that you are referring to. Is it conditions for making a debt relief order in proposed new schedule 2ZA?

Ms J McCann:

Yes. Advice NI clearly told us that because special circumstances clauses were not in the debt relief legislation in England, it caused difficulties.

Mr Reid:

Special circumstances?

Ms J McCann:

Exceptional circumstances.

Mr Reid:

Exceptional circumstances?

Ms J McCann:

Yes.

Mr Reid:

Do you think that there should be provision in the Bill to deal with exceptional circumstances?

Ms J McCann:

Advice NI gave evidence last week stating that the lack of such a provision caused problems for people in England who were seeking debt relief orders.

Mr Reid:

What particular type of circumstances do you have in mind?

Ms J McCann:

It would be, perhaps, when someone is ill or has suffered the death of a partner. I believe that provision for exceptional circumstances should be included in the Bill, rather than being open to interpretation.

Mr Nesbitt:

Is that to allow a person to claim a debt relief order?

Ms J McCann:

Yes.

Mr Reid:

Is that with reference to being eligible for a debt relief order once every six years, or is it to allow a person to obtain one more frequently?

Ms J McCann:

The special circumstances provision would allow people to be eligible within the six-year period, but it would also affect what is considered as a person's assets. The £300 figure is an issue. I do not believe that a person's benefits should be considered as an asset if that benefit is used, for instance, to help someone who is sick.

Mr Nesbitt:

Benefits can only be used as income; they cannot be considered as assets.

Ms J McCann:

Advice NI told us that they were considered as assets.

Mr Reid:

No. Benefits would never be considered as assets.

Ms J McCann:

Never?

Mr Reid:

Never. They are treated as income.

Ms J McCann:

That is the same thing. Even if it is treated as income, the person's income would be regarded as

being higher than it actually is, because that income goes out again. I would like to see more clarity in the Bill around that important issue.

The Chairperson:

There is a difference between income and assets.

Mr Reid:

The position is that if a person is solely reliant on state income, those state incomes are provided to meet the person's reasonable living needs. If that is a person's sole source of income, I cannot see the common financial statement ever leading to such a person being declared ineligible for a debt relief order. However, if a person has benefits plus other income, it might raise their income relative to their expenditure to above £50. If that person were to be made bankrupt, they would be expected to make a contribution to their creditors. Therefore, unfairness would be created, because a category of people would be made bankrupt and would have to pay out any excess over £50 for the benefit of their creditors, whereas people who had obtained a debt relief order would escape and would be able to keep that additional money for their own use.

Ms J McCann:

I hear what you say. However, last week Advice NI said that because there was no such provision in the English legislation, that created problems for families, particularly families receiving particular benefits because of illness or whatever. Those benefits are being taken into consideration when identifying whether they have surplus money, but those families need that surplus money for basic needs, which is why they are getting the benefit in the first place. Do you understand where I am coming from?

Mr Nesbitt:

I understand.

Mr Reid:

I think that the common financial statement should take care of that.

Ms J McCann:

It does not mention that, and that is my difficulty.

Mr Reid:

We can contact the Insolvency Service in England and ask whether it is aware of that problem. However, we contacted the Insolvency Service in England about the disability living allowance and it clarified that if a person is in receipt of disability living allowance — for example, if a person is getting £200 for disability living allowance — it must be entered as income, but the same amount must also be entered as expenditure, and it has instructed the intermediaries to that effect. Effectively, therefore, the allowance is disregarded. However, if a person has other income on top of the disability living allowance — for example, if he or she had an income of £300 from other sources as well as the disability living allowance —

Ms J McCann:

I accept that. You are asking my opinion on the Bill, and that is my opinion. People from the community sector who work with families in debt have indicated that they have that difficulty with the Bill.

Mr Reid:

I do not think that, on the whole, benefits are overgenerous, particularly jobseekers allowance and income support-type benefits, and I cannot see that a person would ever be excluded from a debt relief scheme if those benefits were measured against their family's expenditure, as assessed by the common financial statement. However, one hears anecdotal reports in the press of people on very high levels of benefit. If someone on a very high level of benefit were able to avail themselves of this scheme, questions might be raised in the public's mind as to why that person could not be expected to make a contribution or pay off some of his or her debts. This scheme will cancel a person's liability to pay their debts: their creditors will be left high and dry. If a person were on a very high level of benefits, questions might be asked as to why they should not make payments, or some degree of payment, towards past debts. Perhaps a debt management plan —

Ms J McCann:

I have to disagree with you. I do not think that there is anyone on that high a level of benefits. Most people get benefits because they need them.

Mr Reid:

I know that.

Ms J McCann:

You asked whether we had any issues, and I want to have that point recorded.

Mr Reid:

If a person is getting benefits because they need them, which, I accept, is true in the majority of cases, they should have no problem accessing the scheme because they would be able to justify their expenditure against their level of benefit.

Mr Nesbitt:

I do not want to see anyone who has any sort of benefit and who has no other income being refused a debt relief order, provided they meet the other requirements and criteria.

The Chairperson:

In any event, it might be difficult to define exceptional circumstances; I only raise that by way of speculation. I know what you mean, and I know what Advice NI means. However, it may be difficult to define that in legislative terms.

Ms J McCann:

It would be even more difficult if it is not in the Bill.

The Chairperson:

I am just wondering whether that can be included in any event. It might be difficult.

Mr Reid:

By including it, you may actually allow people to make a claim for another debt relief order within six years.

The Chairperson:

Within six years; that is the whole point. The first question is whether it is desirable to do that. The argument is that it is desirable to do that if there are exceptional circumstances, one of which might be the death of a partner, terrible ill health or something of that nature. I wonder whether that can be done under the legislation.

Mr Nesbitt:

A debt relief order cannot be seen to be a method by which people can obtain credit and then have those debts cancelled, although if you were to do that every two years, there would be uproar from creditors, particularly the credit card industry.

Mr Reid:

We considered that point with regard to the legislation. We envisaged that in any attempt to cater for difficult circumstances justifiably, earlier repeat applications to the debt relief scheme could be fraught with problems. It could create a hierarchy of suffering. If you legislate, for example, that the death of a spouse is grounds for eligibility for a debt relief order within a lesser period of time, someone might feel particularly aggrieved that the loss of their parents did not make them equally eligible for an early application. You could list hundreds of circumstances and still not capture every circumstance that could conceivably justify allowing a person to access the scheme at an earlier date.

Another option is to create discretion, whereby if a person has suffered particular misfortune, he or she should be eligible for the scheme at an earlier date. However, that would create formidable problems for the intermediaries assessing eligibility. It would be a subjective matter and could lead to people being treated differently under the scheme. One intermediary might feel that the person's misfortune justifies his or her earlier readmission to the scheme, while another intermediary would not.

The Chairperson:

The aim of the provision is to prevent a person from getting another debt relief order within six years. In other words, it aims to prevent repeat applications. The argument is that there might be exceptional circumstances. If you accept that argument, the problem is how to define exceptional circumstances. First, if you accept that it is desirable for someone to have a repeat order within six years, which is an argument in itself, what are the exceptional circumstances and how are they defined? There would be strong arguments about whether they include the death of a partner or parent, serious illness, what defines a serious illness, and so on. You would get into many difficulties with the definition of exceptional circumstances. That is what I envisage. Even if you wanted to bring that in, how would you define exceptional circumstances?

Mr Nesbitt:

It also complicates what is meant to be a simple and straightforward scheme and will increase costs.

The Chairperson:

It does. Ms McCann, I just want to say that the Bill's purpose is not to replace existing bankruptcy rules; it is simply to give a narrow section of the population that is vulnerable and in difficult circumstances an opportunity to get relief cheaply and quickly. It is not to change the bankruptcy rules or law as it stands. Therefore, we are not dealing with the wider situation. This particular piece of legislation falls within narrow confines. I am not trying to stop you coming in, but Mr McHugh wanted to come in. I suspect that his point is germane to what you were saying. If not, I will come back to you.

Mr McHugh:

Committees can be content with all sorts of legislation that comes through here from Europe. However, subsequently, such legislation can be detrimental to people who are trying to get on with business and so on. I am happy that we are taking time over it.

In relation to Jennifer's point, if it is a question of whether the time limit should be less than six years, I am not in favour of someone having an opportunity to get more credit cards to get into the same handlin again. However, if it is about parity, the legislation should improve the situation from the UK position. Jennifer is following a point that was made to us, that indicated that there may be a problem. It is for the Department to research that point and find out whether there is a problem. If there is a problem in the legislation for England, there is no point in our replicating it. That is the only point that I want to make. There is room now to accommodate the situation.

The Chairperson:

Advice NI said that there was no such provision for exceptional circumstances with the six-year period in the English legislation. It may be useful if the officials contact their colleagues in London to find out whether that has given rise to any particular difficulties, whether they considered including such a provision and whether it was omitted, so that we could have more information to satisfy the Committee. There is an issue that needs to be addressed.

Mr Campbell:

Further to that, could they find out whether anyone in England and Wales has challenged an attempt to get another debt relief order within a six-year period? If there has not been any attempt to do so, we would have an indication of a lack of concern. Either way, it would give us more information than we currently have.

The Chairperson:

Yes; OK.

Mr Butler:

I do not think that the legalisation has been in place in GB for terribly long.

Mr Nesbitt:

It has been in place for just over a year.

Mr Butler:

We asked Advice NI whether any assessment or analysis had been done about such problems arising.

Mr Nesbitt:

The Money Advice Trust issues a newsletter detailing matters of concern. That is sent out to competent authorities and those matters are raised with the Insolvency Service. To date, nothing has arisen on that particular matter.

Mr Butler:

Advice NI raised the issue of an exceptional circumstances clause, but it did not have any evidence. That may be because the legislation has only been in place for a year, but it is worth checking out.

Mr Nesbitt:

We will check it out.

The Chairperson:

Thank you, gentlemen, for your help.

