

SIP 3.3 CONSULTATION QUESTIONNAIRE

[Please use the TAB key to move from one answer to the next, and the drop down menu to select responses where appropriate.]

Name of individual making the response: **Ben Luxford**
Firm name : **R3, Association of Business Recovery Professionals**
RPB: **N/A**

1 Do you agree that the changes made to SIP 3.3 are appropriate? Y

Please explain the reason for your answer below.

Comments

Whilst we note that SIP 3.3 did not require a fundamental review and was only to be amended to reflect the changes made to SIP 3.1 (Individual Voluntary Arrangements), members of R3's Scottish Technical Committee are of the opinion that the review of the SIP had been a lost opportunity to have put the SIP in a more logical order in terms of the different aspects that are dealt with.

Members of STC would like to thank ICAS for the opportunity to review and provide comments on a draft version of SIP 3.3. before it was published for consultation. We note that some of the comments made at the meeting on 7 March 2023 have been actioned.

2 Do you agree the key features of the [PTD Protocol](#) should be incorporated within SIP 3.3? Y

If not, please explain why not below.

Comments

No comments.

3 Should any other changes be made to SIP 3.3? Y

Please explain the reasons for your answer below and set out the changes you wish to be made to the SIP.

[Paragraph 10](#)

As the duties of an insolvency practitioner differ at different stages of the process, the paragraph needs to be further clarified. For example, at the advice stage the debtor needs to be aware of the fair balance aspect but once appointed, the insolvency practitioner's duty is to the creditors first.

Standards of general application and paragraph 14

'Standards of general application' does not reflect the contents of paragraph 14, which relates to ethics/conflict. We suggest removing the sub-heading and moving paragraph 14 to the section titled 'Principles'.

Paragraph 17

We suggest adding 'where possible' before the sentence '*any interest in heritable property in which the debtor has is identified and quantified at the earliest opportunity*' as it is not always possible to identify an interest in a heritable property at the start of the process. For example, where the debtor finds out they have a previously unknown interest in a heritable property or had inherited a property at a later stage.

Paragraph 22

The use of the term '*proper*' is vague and we would recommend using the word 'appropriate' instead.

Paragraph 25 (f)

The phrase '*where appropriate*' is ambiguous. We suggest removing '*where appropriate*' as disclosure of third party income without consent may result in data protection issues.

Paragraphs 51 and 52

The paragraphs suggest that the fee would not be fixed, however, all trust deeds have fixed fees and we therefore recommend that the wording be revisited.

General

The use of 'PTD' and 'UTD' for unprotected. Unprotected Trust Deeds are referred to in the profession as non-protected trust deeds. It may be better to refer to 'NTD' for unprotected.

It may be useful to contact you to discuss your comments so please give your:

- telephone number **020 7566 4218** and
- email address **ben.luxford@r3.org.uk**

Please email your completed comments to the secretary of the Joint Insolvency Committee SIP 3.3 Working Group (dmenzies@icas.com):