



Moderator's Assignment Feedback – Statutory Debt Solutions

After each series, we ask our moderators to provide a report on each assignment-based unit to identify

- any questions which were usually answered particularly well, including main points and qualities that characterised good answers.
- any questions which were usually answered badly and main weaknesses in candidates' answers.
- common errors or misconceptions made by candidates.

We hope that this will be of assistance when completing your County Court Procedures & enforcement assignment.

General feedback to candidates

Candidates generally have a sound knowledge of the statutory debt solutions available for clients, and are able to demonstrate their practical experience of advising clients in this area. Strongest answers were those in which the candidates had carefully considered both the question and the mark scheme. Candidates should also ensure that their knowledge is up to date and incorporates recent legislative changes affecting Bankruptcy.

The strongest answers were therefore those in which the candidates had highlighted the features and principles in details, and had clearly spent time considering the most suitable solutions/impact on the individual clients as well as appropriate external referrals.

Feedback for each assignment question

Section A Principles

Q1 Explain the following statutory debt solutions. Include in your answer the key features and principles of each, including the application and court processes where appropriate. Write your response so that it could be used as reference material by your colleagues when they advise clients

a) Bankruptcy

Q1a - Generally good, well researched answers, with candidates giving a confident response. Stronger answers were able to mention to BRU/BROS, and to discuss IPA/IPOs. Several candidates misunderstood the different types of bankruptcy (creditor/ debtor's petition), and confused the debt limit (some of these candidates were also unaware of the new debt limit for the creditor's petition).

Most answers were clear on the new online application process.

b) Individual Voluntary Arrangement (IVA)

Q1b - Slightly less confident answers than 1a, but generally some good detail on the process, with some context provided. Some answers gave no indication of how the return to creditors was calculated – and so how a client might meet the criteria. A few candidates tried to explain this by

fixed criteria for debt/surplus/return to creditors required. Stronger answers noted that this is guidance only, which varies between institutions, and the relevance of the IVA fee.

c) Debt relief order (DRO)

Q1c – Some answers were a little brief. Most answers clearly listed the DRO criteria and process. Overall the answers were a good standard for this solution, showing a clear understanding.

d) Administration order

Q1d – Some answers were too brief to gain higher marks. As in previous series, the most marks could be awarded when candidates understood the context of AOs i.e. that they unusual, but have advantages for some candidates.

Q2 Using the philosophy of 'best advice', analyse the attached case studies (A-C) and suggest the most suitable statutory debt solution(s) available to the client. Include reasons to support your response and explain the impact that your suggestion(s) may have for the client. Briefly show why you have decided the unsuitable solutions do not meet the client's needs. If you would ask the client further questions about their situation in order to give them the best advice, include an outline of these in your responses also

- a) Case A, Mr Burrows
- b) Case B, Miss Cartwright
- c) Case C, Mr Pinder

Q2a-c Most candidates were able to provide relevant reasoning behind their recommendations, and there were some good suggestions for suitable solutions and questions to ask the clients.

- a) Many candidates mistook the client's CCJ for a fine (on a budget), which lead them to discuss the implications in their answer, for which the examiner was unable to award marks.

Some candidates also missed off the possibility of an IPA/IPO, which would be a crucial part of the advice for this client. The stronger answers considered the age of the client.

- b) Some candidates did not consider an Admin Order. The stronger answers discussed how a budget may be scrutinised under insolvency.
- c) Some candidates did not consider the antique painting.

Q3 Discuss at least 5 cases where you have delivered advice on Statutory Debt Solutions (in each case, explain your general approach, outline the content of your calls and/or correspondence with the client and summarise the outcomes).

Q3 – Lots of variety given by most candidates, including some very strong answers with good reasoning. Candidates achieved lower marks when they did not justify why they advised on a particular solution.

Unfortunately several candidates did not ensure that they had provided the minimum of x5 cases. The strongest answers clearly outlined the suitability of the solution for each client, and then clearly explained where/how they would refer the client for further advice.

Q4 Evaluate your own performance in relation to the cases that you discussed in the previous question. Show how the nature of your approaches brought about the giving of appropriate advice to these clients and how you have developed as a consequence of these experiences

Q4 - Similarly to previous series, most answers were brief, so did not focus adequately on methods, actions and results, or evolution of approach. Candidates should consider the mark scheme.