

DEBT ARRANGEMENT AND ATTACHMENT (SCOTLAND) ACT 2002

EXPLANATORY NOTES

THE ACT

Part 1 – the Debt Arrangement Scheme

Section 7 – Debt payment programmes: power to make further provision

23. **Section 7** gives the Scottish Ministers further powers to regulate the content, operation and effect of debt payment programmes approved under the scheme. This will enable the detail to reflect views expressed in the consultation.
24. **Section 7(1)** gives the Scottish Ministers a general power to make further provision in this respect by way of regulations. It enables regulations to be made concerning applications for the approval, or variation, of debt payment programmes, the manner in which they are to operate, the conditions to be complied with and the effects which they will have.
25. **Section 7(2)** sets out particular matters in respect of which the general power in section 7(1) may be exercised. It lists many of the arrangements for which it will be necessary to make provision in order to enable the scheme to operate and which have been anticipated in the consultation. For example, section 7(2)(n) provides for regulation of the period over which a debt payment programme may run. This is intended to enable settlement of the debts within a reasonable period (to be determined from the outcome of the consultation).
26. **Section 7(3)** allows the regulations to make different provisions and Section 7(4) allows legislation, which may have to be modified as a consequence of the scheme in order to make it operate effectively, to be modified by the regulations. For example, it may be necessary to modify existing legislation concerning diligence and sequestration to ensure that their operation is suspended during participation in the scheme in accordance with provisions of the Act in section 4 and the regulations which can be made under section 7(1)(c) and (2).