



Institute of Credit Management

Our ref. GB/PJK/NH

26 March 2014

The Insolvency Service
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Dear Sir/Madam,

RESPONSE OF THE INSTITUTE OF CREDIT MANAGEMENT TO: THE INSOLVENCY SERVICE: STRENGTHENING THE REGULATORY REGIME AND FEE STRUCTURE FOR INSOLVENCY PRACTITIONERS

The Institute of Credit Management is the largest professional credit management organisation in Europe. Its members hold important, credit-related appointments throughout industry and commerce, and we feel it appropriate to comment on this consultation.

Our responses to the questions we have chosen to answer from the consultation are as follows:

- Question 1: Yes. No.
Question 3: No.
Question 4: The majority of our responding members felt this was a good proposal that would motivate and focus the minds of RPBs.
Question 5: No.
Question 6: Yes.
Question 7: The majority of responding members felt this was a positive proposal, although a minority suggested that the procedure could undermine the power of the RPB.
Question 8: No.
Question 9: Yes, as a reserve power.
Question 10: No.
Question 12: Yes.
Question 13: Yes.
Question 14: No.
Question 15: We recognise this proposal to be contentious and acknowledge that, in some cases, the result may be a disproportionate level of remuneration (either negative or positive depending on the circumstances) for the IP. We believe the provision of an estimate of the likely costs at the start of the insolvency procedure would be of greater benefit than simply restricting the use of time and rate as a basis.
Question 16: See answer to question 15.
Question 17: Yes.
Question 18: Yes, subject to our response to question 15 above.

- Question 19: Insolvency Practitioners are better able to assess the viability of the current statutory scale and such a scale should reflect their practical experience and knowledge, and be based on analysis of a large sample of cases.
- Question 20: Short term appointments in cases where there are few assets, investigation and D report work, and legal matters.
- Question 27: Yes.
- Question 28: Yes.

If we can help in any further way please do not hesitate to contact us.

Yours faithfully

Glen Bullivant FICM
Chair of Technical Committee

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