

Poll questions IMA conference 2021 DRO workshop

1. From 29 June 2021 the debt limit is:

- a. £20,000
- b. £25,000
- c. £30,000

Answer c. £30,000

2. From 29 June 2021 the property limit is:

- a. £1,000
- b. £2,000
- c. £3,000

Answer b. £2,000

3. From 29 June 2021 the monthly surplus income limit is:

- a. £50
- b. £75
- c. £100

Answer b. £75

4. From 29 June 2021 the disregard value for a single domestic vehicle is less than:

- a. £1,000
- b. £1,500
- c. £2,000

Answer c. £2,000

5. Which of the following was the most common reason for DROs being refused during 2020-2021

- a. A preference was made
- b. Debts were above the limit
- c. Assets were above the limit
- d. Surplus Income was above the limit
- e. Previous DRO within past 6 years
- f. Undischarged Bankruptcy
- g. IVA or FTVA
- h. Residential Qualification Failed

Answer e. Previous DRO within past 6 years

6. Which of the following was the most common reason for DROs being revoked during 2020-2021:

- a. The person who had the DRO died
- b. Failing to comply with a statutory duty
- c. Preference was made
- d. Surplus Income was above the limit
- e. Assets were above the asset limited
- f. Debts above the debt limit

Answer f. Debts above the limit

7. Amy's DRO was made on 1 June 2021. On 1 August 2021 she tells the DRO team that she's received an unexpected tax rebate of £1,500.

Q. Amy's DRO could be revoked on the grounds that the property limit at the time her DRO was made was only £1,000 is this true or false?:

- a) True
- b) False

Answer False

9. On 1 September Amy is told that HMRC have discovered £4,000 of old tax credit overpayments from 2011 that had been 'parked in their system'. This will take Amy's total qualifying debt to £23,000. **Q. Amy's DRO can't be revoked because the debt limit is now £30,000?**

- a) True
- b) False

Answer False

10. True or false? Payments that a client is making towards a controlled goods agreement can never be included as an expense when calculating surplus income.

- a. True
- b. False

Answer False

11. Zack is a single parent living in a rural area. His 2 children go to different schools and his GP is 5 miles away. He has a car on HP which is worth £5,000. The repayments are £110/mth. **Q. Can Zack include the HP payments as an allowable expense?**

- a. Yes he can
- b. No he can't
- c. He may be able to

Answer c. he may be able to

12. True or false? Magistrates court costs are excluded debts

- a. True
- b. False

Answer True

13. Social Fund loans are excluded debts and can't be included in a DRO. **Q.True or False - the DWP won't take deductions from the client's benefit to repay a SF loan during the moratorium?**

- a. True
- b. False

Answer True

14. Alan has accepted an administrative penalty in relation to his housing benefit overpayment. Alan is no longer claiming housing benefit but has been making voluntary payments towards the overpayment by standing order. **Q The payments Alan has made in the last 2 years must be reported as a preference. True or False?:**

- a. True
- b. False

Answer True

15. True or false? Lump sums of ESA disability premiums are ignored as property

- a. True
- b. Fales

Answer True

16. A Fixed Penalty Notice FPN issued under Health Protection (Coronavirus restrictions) Regs is a penalty for a criminal offence and must be included in the DRO; these are treated in the same way as other criminal penalties eg for littering. **Q. Including a FPN in a DRO will prevent further enforcement action being taken. True or False?**

- a. True
- b. False

Answer False

17. True or false? If a client is at risk of violence and they want to obtain a Person at Risk of Violence Order (PARV Order) from the court, they can get their DRO and their address will be held off the Insolvency Register for 8 weeks, to give them time to get their PARV Order.

- a. True
- b. False

Answer False

18. If your client is self-employed they may be asked to make twice yearly 'payments on account' towards their income tax liability. **Q. True or False payments on account are 'due and payable' and so are qualifying debts?**

- a. True
- b. False

Answer b. False

19 True or false? If a client receives an increase in income or a lump sum of income during a moratorium, because of Coronavirus, this will not lead to revocation of their DRO.

- a. True
- b. False

Answer True