Dear **[name of MP}**

I am writing to you to ask your support for our campaign for a ‘better breathing space’ for people in debt, and for you to take the opportunity of the Commons Report Stage of the Financial Services Bill to urge Government to amend its current scheme.

As you may be aware, the Government’s Debt Respite Scheme is due to come into force on 4th May this year. It provides for a 60-day ‘breathing space’ for people in debt, which needs to be initiated by a debt adviser. During this time, all interest and enforcement of debts is frozen. The intention is to provide the time and space for people to get back on their feet, or for other ‘debt solutions’ to be considered.

As a [**debt adviser (or insert job title) working in [insert name of organisation], who is [responsible for the delivery of debt advice to your constituents] or [as one of your constituents]** I welcome the principle of the scheme but, together with over 160 other front-line debt advisers from throughout England and Wales and who are organised in the ‘better breathing space’ campaign, I have to warn you that the scheme as it currently stands is inadequate to meet Government’s policy aims.

We have sent an Open Letter to Economic Secretary setting out our concerns, which is available at [Open letter to Treasury — Let's create a better 'breathing space' (wearedebtadvisers.uk)](https://wearedebtadvisers.uk/news/sign-our-open-letter-to-the-economic-secretary)

As you can see that letter calls for Government to amend its scheme in the following ways:

1. Debt advisers should be provided with the discretion to extend the 60-day breathing space where individual circumstances warrant this.  For example, where benefit claims have recently been made and are still subject to a determination or where appeals are made. Similarly, many newly unemployed people will need much longer than 60-days to find new work and be in a position to make offers of repayment to their creditors.
2. For the abolition of the ‘mid-way review’ requirements, which are not considered useful and will waste valuable time and resources.
3. For debtors to be able to access the ‘breathing space’ on more than one occasion in a 12-month period, where individual circumstances warrant this.

The letter also calls for a full review of debt solutions in England and Wales. Any ‘breathing space’ can only be successful if there are effective and accessible debt solutions available at the end of it. But this is not currently the case.

The high fee for bankruptcy applications excludes those in the deepest poverty, and restrictive eligibility criteria for Debt Relief Orders limits access for those with higher debts. Low spending guidelines for debtors, which also form the basis of Debt Relief Order eligibility, force too many people onto lengthy debt repayment plans. This is despite many debts having already been written off from the balance sheets of original lenders and sold for a fraction of their value to debt collection agencies.

The current proposals for the Debt Respite Scheme were drawn up before the Covid Pandemic. But the world has changed since then, with millions more households in financial difficulty.

We therefore ask that you take the opportunity of the Financial Service’s Bill’s Report Stage to raise our concerns with the Economic Secretary.

I also ask you to confirm that you will work with our campaign moving forwards to deliver a real chance of a better future for people in debt and look forward to your reply.

Yours sincerely