

News story: Those suffering from problem debt to get vital 'Breathing Space'

The government is [seeking views](#) as it develops a way to provide individuals in debt with up to six weeks free from further interest, charges and enforcement action. This period would give those affected time to take action by seeking financial advice about how to manage and relieve their debt burden.

Debt advice is key in helping people access a range of solutions, including informal repayment plans and debt write-off options, in order to help people get back on their feet.

The Economic Secretary to the Treasury, Stephen Barclay, said:

For many people in the UK problem debt seems impossible to escape. Its effects can be far-reaching, impacting all aspects of a person's life and leaving them feeling helpless.

That is why we are working to give people who are overwhelmed by debt more time to seek advice, find a workable solution, and help get their lives back on track.

Although many people can and do use credit successfully to manage their personal finances, for the minority who get into difficulties this government wants to offer more support.

The new scheme could include legal protections that would shield individuals from further creditor action once a plan to repay their debts is in place.

Problem debt, where people are falling behind on their financial repayments or see their debt as a heavy burden, affects millions of people in the UK. Causes can range from the sudden loss of employment to a more gradual dependence on debt to make ends meet, with many people waiting 12 months or more before seeking help.

A six weeks' grace period, where those suffering are safe from enforcement action and interest charges, could help give people the time and opportunity to seek debt advice.

The government is committed to getting this right and over the next twelve weeks will be meeting with key industry representatives from charities, debt advice organisations, lenders and creditors. Members of the wider public who wish to contribute, particularly those affected by this issue, are encouraged to [share their views](#).