



Financial Guidance and Claims Act 2018

2018 CHAPTER 10

PART 1

FINANCIAL GUIDANCE ETC

Objectives and functions of the single financial guidance body

7 Debt respite scheme: regulations

- (1) As soon as reasonably practicable after receiving advice from the single financial guidance body under section 6, the Secretary of State must consider whether to make regulations under this section.
- (2) After receiving advice from the single financial guidance body under section 6, the Secretary of State may make regulations establishing a debt respite scheme.
- (3) The regulations must take the advice into account.
- (4) The regulations may provide for the scheme to apply—
 - (a) in England only,
 - (b) in England and Wales,
 - (c) in England and Northern Ireland, or
 - (d) in England, Wales and Northern Ireland.

[^{F1}(4A) The regulations may include the following as part of the scheme so far as it applies in England and Wales—

- (a) provision about the involvement of creditors in the process of devising a plan for the repayment of some or all of an individual's debts;
- (b) provision to protect an individual, during the period of a repayment plan, from being required to repay a debt to which the plan applies otherwise than in accordance with the plan;
- (c) provision for an amount payable in respect of a debt in accordance with a repayment plan—

Changes to legislation: There are currently no known outstanding effects for the Financial Guidance and Claims Act 2018, Section 7. (See end of Document for details)

- (i) to be payable instead towards the costs of operating the repayment plan, other repayment plans or the debt respite scheme, and
 - (ii) to be treated, so far as paid towards those costs, as permanently reducing a debt to which the plan applies.]
- (5) Regulations under this section may—
- (a) make different provision for different purposes,
 - (b) make different provision for different areas,
 - [^{F2}(ba) make provision binding the Crown,]
 - (c) make incidental, supplemental, consequential, transitional or saving provision, and
 - (d) apply to obligations entered into, or debts due to be repaid, before the regulations come into force.
- (6) Provision under subsection (5)(c) may amend any provision made by or under—
- (a) an Act of Parliament,
 - (b) in the case where the regulations provide for the scheme to apply in Wales, a Measure or Act of the National Assembly for Wales, and
 - (c) in the case where the regulations provide for the scheme to apply in Northern Ireland, Northern Ireland legislation.
- (7) Regulations under this section are to be made by statutory instrument.
- (8) An instrument containing regulations under this section may not be made unless a draft of the instrument has been laid before and approved by a resolution of—
- (a) each House of Parliament,
 - (b) in the case where the regulations provide for the scheme to apply in Wales, the National Assembly for Wales, and
 - (c) in the case where the regulations provide for the scheme to apply in Northern Ireland, the Northern Ireland Assembly.

Textual Amendments

- F1** S. 7(4A) inserted (E.W) (29.6.2021) by [Financial Services Act 2021 \(c. 22\)](#), ss. **35(2)**, 49(2)(c)
- F2** S. 7(5)(ba) inserted (29.6.2021) by [Financial Services Act 2021 \(c. 22\)](#), ss. **35(3)**, 49(2)(c)
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Commencement Information

- I1** S. 7 in force at 1.10.2018 by [S.I. 2018/1029](#), reg. **2(e)**

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