
DRAFT STATUTORY INSTRUMENTS

2020 No.

The Debt Respite Scheme (Breathing Space
Moratorium and Mental Health Crisis Moratorium)
(England and Wales) Regulations 2020

PART 1

General provisions

Court application by creditor for cancellation of a moratorium

19.—(1) If a debt advice provider has carried out a review of a moratorium following a request made by a creditor under regulation 17 and the moratorium has not been cancelled under regulation 18 in respect of some or all of the moratorium debts as a result, then the creditor may make an application to the county court on one or both of the grounds in regulation 17(1).

(2) An application under this regulation must be made before the end of the period of 50 days beginning with—

- (a) the day on which the moratorium started, or
- (b) in respect of an additional debt, the day on which the moratorium took effect in relation to the additional debt under regulation 15(7).

(3) Where on an application under this regulation the court is satisfied as to either of the grounds in regulation 17(1), it may do either or both of the following, namely—

- (a) cancel the moratorium in relation to a moratorium debt owed to the creditor who made the application to the court,
- (b) cancel the moratorium in respect of any other moratorium debt.

(4) Where a court has cancelled a moratorium in relation to a moratorium debt under paragraph (3), the court can require the debtor to pay any interest, fees or charges that accrued during the moratorium period in respect of the debt.

(5) In any case where a court cancels a moratorium in relation to a moratorium debt under paragraph (3) or requires a debtor to pay interest, fees or charges under paragraph (4), the court—

- (a) may give such supplemental directions as it thinks fit, and
- (b) must notify the creditor, the debtor and the Secretary of State that the moratorium has been cancelled in relation to the moratorium debt.

(6) Where the Secretary of State receives a notification under paragraph (5)(b), the Secretary of State must, by the end of the following business day—

- (a) cause an entry to be made on the register, and
- (b) send a notification of the cancellation of the moratorium to each creditor and agent in respect of whom the cancellation takes effect.

Draft Legislation: This is a draft item of legislation. This draft has since been made as
a UK Statutory Instrument: *The Debt Respite Scheme (Breathing Space Moratorium
and Mental Health Crisis Moratorium) (England and Wales) Regulations 2020 No. 1311*

(7) Where a court cancels a moratorium under paragraph (3) the cancellation takes effect on the day following the day on which the Secretary of State causes an entry to be made on the register in accordance with paragraph (6)(a).