

Financial Guidance and Claims Bill [HL]

AMENDMENT
TO BE MOVED
ON THIRD READING

After Clause 2

LORD STEVENSON OF BALMACARA

Insert the following new Clause—

“Debt respite scheme

- (1) As part of its debt advice function, the single financial guidance body must design a debt respite scheme (“the scheme”) in consultation with the Secretary of State, Department for Work and Pensions and interested parties, under which authorised debt advice providers requiring further advice or guidance in relation to a specific case may receive statutory protections for their clients in respect of the relevant debts for the period during which advice or guidance is being sought from the single financial guidance body or an SFGB delivery partner.
- (2) The Secretary of State must make regulations by statutory instrument detailing the operation of the scheme designed by the single financial guidance body under subsection (1).
- (3) The regulations must limit access to the scheme to persons who have received debt advice from a debt advice provider who has been authorised by the FCA.
- (4) The regulations must make provision about the length of a period or periods where the protections under the scheme will apply.
- (5) The regulations must set out the terms of the scheme, including but not limited to—
 - (a) the nature of relevant debts for the purpose of the scheme;
 - (b) the process and conditions of eligibility under which FCA authorised debt advice providers are able to apply for statutory protections for their clients under the scheme;
 - (c) the criteria under which FCA authorised debt advice providers will be authorised to advise persons on the scheme, support applications to the scheme, and operate designated debt management plans for persons while under the statutory protections of the scheme;
 - (d) the limitations to be placed on actions that may be taken by creditors against persons in receipt of statutory protection under the scheme;

After Clause 2 - continued

- (e) the method for determining the level and timing of debt repayments by a person while under the statutory protections of the scheme;
 - (f) safeguards to protect the integrity of the scheme;
 - (g) the arrangements to be made to create a central register of persons admitted to the scheme; and
 - (h) the arrangements to be made to ensure that creditors of persons on the scheme are kept informed.
- (6) A statutory instrument containing regulations under subsection (2) may not be made unless a draft instrument has been laid before, and approved by a resolution of, each House of Parliament.
- (7) The Secretary of State must make regulations under subsection (2) within 12 months of the commencement of this section, subject to subsection (6).
- (8) This section commences on the day on which this Act is passed.”

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8 November 2017
