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STATUTORY INSTRUMENTS

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**2020 No. 1311**

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

**PART 2**

**Breathing space moratorium**

**Midway review and cancellation of breathing space moratorium**

**27.—(1)** A debt advice provider who initiated a moratorium or (as the case may be) the debt advice provider to whom a debtor has been referred since the start of the moratorium must review the moratorium to determine whether it should continue or be cancelled in accordance with this regulation (a “midway review”).

(2) Subject to paragraph (3), a debt advice provider must complete a midway review before the end of the period of 35 days beginning with the day on which the moratorium started.

(3) A midway review must not be carried out in the period of 25 days beginning with the day on which the moratorium started.

(4) Where a creditor has requested a review of a moratorium under regulation 17, the debt advice provider may conduct the review as part of a midway review.

(5) Subject to paragraphs (6) and (7), having carried out a midway review, a debt advice provider must cancel a moratorium in respect of some or all of the moratorium debts if the debt advice provider considers that—

- (a) the debtor has failed to comply with any of the debtor’s obligations under regulation 16,
- (b) a debt solution has been put in place in respect of all the moratorium debts, or
- (c) the debt advice provider is unable to consult the debtor as required under paragraph (8)(a), including for reasons of the unavailability of the debtor.

(6) A debt advice provider is not required to cancel a moratorium in respect of a moratorium debt if the debtor’s personal circumstances would make the cancellation unfair or unreasonable.

(7) Where a debtor has failed to comply with the obligation in regulation 16(2)(b) to pay an ongoing liability, a debt advice provider is not required to cancel a moratorium in respect of a moratorium debt if the debtor does not have the financial means to pay the ongoing liability.

(8) If the debt advice provider considers it necessary to cancel a moratorium in respect of some or all of the moratorium debts, the debt advice provider must—

- (a) consult the debtor prior to doing so to the extent that the debt advice provider is able to do so, and
- (b) notify the Secretary of State and the debtor of the cancellation.

(9) Where the Secretary of State receives a notification under paragraph (8)(b), the Secretary of State must, by the end of the following business day—

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- (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.
- (10) Paragraph (9) is subject to regulation 38.
- (11) 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 (9)(a).
- (12) A notification sent to a creditor or agent in accordance with paragraph (9)(b) must—
- (a) state the reason for the cancellation, and
  - (b) specify the date on which the cancellation takes effect.