Department for Business Innovation & Skills

Insolvency Proceedings: Debt relief orders and the bankruptcy petition limit – Call for evidence

Analysis of responses

JANUARY 2015

Contents

Background

Debt Relief Orders (DROs) were introduced on 6 April 2009 and apply in England and Wales. The aim was to provide debt relief to those excluded from existing procedures. DROs also support the financial rehabilitation of debtors as this low cost option provides debtors with an incentive to address their debt issues earlier.

Since their introduction DROs have provided relief from debt for over 140,000 people. To review the effect that DROs have had and to help us to consider whether any changes could be made to improve access and how they work, we issued a call for evidence on 6 August 2014 which closed on 9 October 2014. We also asked whether we should change the level of debt above which someone owed money can ask the Court to make a debtor bankrupt. The current £750 level was set in 1986 and we asked whether this is still an appropriate figure.

The call for evidence has been an important process in which this Department has engaged with those who have used DROs. We have also engaged with debt advisors, debt advice charities and other professionals and organisations from across the country to understand their views and experiences of debt relief orders and bankruptcy petition limits.

We also undertook a Debt Relief Order survey and received responses both from people who had used DROs and those who had not. We had over 400 responses. The majority of responses were from those who had been through the DRO process and had their debts discharged.

Executive summary

We received 50 responses to the call for evidence and have analysed all of the information submitted. We received responses from a variety of respondents including debtors, debt advisors, debt charities, large business, micro business, academics and the judiciary. The distribution of respondents is set out in Annex 1.

The evidence suggests that the DRO competent authority and intermediary model is working well and that DROs have a very significant impact on the wellbeing of debtors. We received many useful suggestions on how the DRO process could be improved.

We received some moving examples of the impact that DROs have had on the most vulnerable people in our society. DROs have provided a lifeline for many, resulting in improvements in mental and physical health and wellbeing.

There was overwhelming support for an increase in the maximum amount of debts and assets that a debtor can have to apply for a DRO but for the amount of surplus income to remain at £50 per month.

The evidence also confirmed that the creditor bankruptcy limit should be increased.

We are grateful to those who took the time to respond.

Responses to the call for evidence

This section discusses the written responses to each area of questions within the call for evidence.

Access to the DRO procedure

Questions 2 to 5 focused on the appropriateness of entry parameters set when the DRO procedure was introduced in April 2009. The call for evidence set out how the entry amounts would be impacted taking into account inflation and looked at what effect changing the entry parameters might have on the number of people using bankruptcy if they were to access the DRO process instead. It also described Scotland's Minimal Assets Process (MAP) which is due to come into effect on 1 April 2015 to illustrate the entry levels proposed for a similar process.

As the law stands in England and Wales, to access the DRO procedure, debtors must pay a £90 entry fee and have;

- Maximum debts of £15,000
- Maximum assets of £300[1]
- Maximum surplus income of £50 per month

<u>Analysis of responses</u>

Level of debts

The response from Professor Iain Ramsay (Kent Law school) and Dr Joseph Spooner London School of Economics provided some interesting discussion around the debt ceiling, concluding that 'pushing debtors into bankruptcy rather than the DRO procedure appears appropriate and/or desirable only when the debtor has assets and income available for distribution to creditors such as to trigger the debt collection function of bankruptcy. The merits of any debt threshold for guarding entry to the DRO procedure should therefore be seriously questioned.'

With the exception of one respondent from the consumer credit industry, all other respondents who answered this question proposed an increase in the maximum debt amount. Where an amount was suggested, figures ranged from £15,000 to £30,000. The majority suggested an increase to either £20,000 or £30,000. R3 the body which represents 97% of UK Insolvency Practitioners proposed an increase to £30,000 in order to enable debtors to access debt relief at a more feasible cost, highlighting that there are debtors who cannot access either bankruptcy or DROs under current entry parameters.

In response to question 3, the overwhelming majority of respondents stated that there should be no minimum limit of debts.

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[1] Excludes certain items such as a car (up to £1,000), approved pensions and basic belongings such as clothes, bedding and furniture

A summary of the entry parameters suggested by the competent authorities who responded are shown in Annex 2.

Case study 1[2]
Widow with 3 dependent children. She works 16 hours per week and receives working tax credit and child tax credit and gets some help towards her housing costs. She cannot work extra hours due to childcare issues. She has multiple debts including rent arrears, electricity and tax credit arrears and numerous credit cards and loans. She has had issues since her partner died and is struggling to cope. She applied for a DRO. During the process 2 new debts came to light putting debts in excess of £15,000. Client was very upset and could not afford bankruptcy fee as she was struggling top make ends meet. She was advised to apply to charities for possible assistance with bankruptcy fee but may not be successful which means her situation will only become more and more desperate.

Maximum asset amount

The majority of respondents suggested an increase in the maximum asset amount. Amounts suggested ranged from inflationary increases to amounts ranging from £500 to £3000 with the majority opting for £2,000, reflecting Scotland's MAP.

Respondents said that they would also welcome a review of policy/additional guidance in relation to vehicles, smart phones, tablets and other assets.

Case study 2[3]
Client is single and working full time. On low income and struggling to make ends meet. She has £13,000 debt with multiple creditors and no surplus income. She applied for a DRO but she had shares worth approx. £500 which she could not do anything with for 4 years. Her DRO application was cancelled as she exceeded the £300 asset limit. The client is going to see if she can get any help from family and friends for the bankruptcy fee.

Maximum surplus income level

The overwhelming majority of respondents suggested that the maximum surplus income level should be maintained at £50. The Citizens Advice Bureau[4] suggested an inflationary increase. The Money Advice Trust supported development of a common budgeting tool across the individual debt relief sector.

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[2] Money Advice Trust
[3] Money Advice Trust
[4] CAB main response. We also received responses from individual CAB branches.

Cost of DROs

The DRO application fee is currently £90 of which £80 funds the costs of the Insolvency Service administering the DRO scheme and £10 paid to the competent authority[5]. We acknowledged that on introduction, this payment was not meant to cover all of the competent authorities' costs. £90 is the same fee proposed in Scotland's MAP Process. Question 6 focused on whether additional costs of competent authorities should be covered by the DRO application fee.

Analysis of responses

In response to question 6, despite emphasising that the current £10 payment does not cover current costs, the majority of respondents did not consider that additional costs of competent authorities should be covered by the application fee. The comments made indicated that debtors can often struggle to meet the current fee. There were calls for increased funding for debt advice services, particularly if DRO changes result in a significant increase in the number of DROs.

Payment system

Debtors pay the £90 DRO fee at the Post Office, via Payzone[6] or using a charity cheque at Post Offices. The fee can also be paid weekly in £5 instalments. Question 7 asked whether existing payment systems provide sufficient coverage to enable debtors to pay the fee.

Analysis of responses

Respondents suggested various means of extending payment options including;

- Options for online/telephone inc BACS
- Paypoint[7]
- Credit/debit card payment

Two respondents, including StepChange stated that it would be helpful if there was a facility for intermediaries to check whether the DRO entry fee has been paid due to instances where the debtor claims to have paid the fee but has not done so, resulting in returned applications.

Restriction on re-entering the DRO process

The call for evidence illustrated that Scotland's MAP will restrict access to once every 10 years and New Zealand's No Assets procedure is a once only entry scheme. In the current DRO process, debtors can only obtain a DRO once every 6 years. This reflects the period that DRO entries remain on credit reference agency registers. The call for evidence referred to support at the time of the original DRO consultation for a limit on the number of times debtors could access DROs but highlighted the additional monitoring costs.

Question 8 asked whether the 6 year restriction is appropriate.

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[5] Competent authorities are appointed by the Secretary of State for Business, Innovation and Skills to
[6] A payments acceptance network available in many local shops
[7] Available at 27,200 retail outlets nationally

Analysis of responses

The overwhelming majority of respondents considered that a 6 year restriction on re-entry into the DRO process was appropriate. Several respondents suggested that the process should be aligned with the bankruptcy process or that the re-entry restriction should not apply where a DRO is revoked for reasons beyond a debtor's control.

Design and Integrity of the DRO system

The Competent Authority/Intermediary model

The call for evidence outlined the reasons why the current DRO model was chosen, including;

- Intermediaries being experienced debt advisors/interrogation of information provides creditor safeguards
- Ensuring access for those with low numeracy and literacy skills
- Reduction in wasted applications by unsuitable candidates/strong filtering role
- Low cost electronic submission via intermediary
- Wider debt advisors network and some telephone service access

Question 9 asked respondents to consider whether the competent authority/intermediary model is working well.

Analysis of responses

The overwhelming majority of respondents stated that the competent authority/intermediary model is working well and there was praise for our DRO unit. We received a mixture of additional comments and suggestions around;

- Awareness of providers/sources of free debt advice
- Funding
- Competent authority - auditing/consistency
- Application process – form/flexibility/website/permit completion by different intermediaries
- Guidance

Debtor experience

Although most DRO providers provide a telephone service, there is still dependence on face to face access to debt advice e.g. via the Citizens Advice Bureau network. There are also potentially issues with the availability of intermediaries. Speed of access facilitates earlier relief from debt. Post application, the Insolvency Service's DRO team were able to make a DRO within 48 hours in 99% of cases.

Questions 10 to 14 focused on debtor's access to DROs in terms of awareness, geographical coverage, speed of applications and availability of intermediaries.

<u>Analysis of responses</u>

In response to question 10 the Citizens Advice Bureau said that 64% of the intermediaries they surveyed stated that some or most of their clients knew about DROs before they had been advised by the bureau.

In contrast, the majority of other call for evidence respondents stated that debtors who are suitable for DROs were not aware of their existence. Some respondents suggested that more should be done to increase awareness of DROs.

Question 11 asked whether debtors know to contact a competent authority to pursue a DRO. The majority of respondents stated that debtors were not aware with some pointing to growing awareness and the need to increase awareness of DROs.

Question 12 asked whether there was any issue with the geographical coverage of the competent authority networks. The majority of respondents indicated that they were not aware of any issue. Comments were made about the need for, and availability of, face to face debt advice. The Citizens Advice Bureau commented that '*it is vital to retain the current mixed model of advice provision, in order to maximise access to DROs*.' The Citizens Advice Bureau has secured funding to increase consistency of access by establishing a centralised DRO telephone service.

Question 13 asked whether there was any issue with the speed of DRO applications. Respondents reported no issue with Insolvency Service turnaround times although applications can take considerably longer in Northern Ireland. Issues reported were associated with the period prior to the application, with delays in accessing intermediaries, debt amounts shifting, time taken to gather information/paperwork/credit reports/fee. Some process functionality issues were reported and DRO2, the forthcoming web-based application and monitoring system was welcomed.

Question 14 asked whether there was any issue with the number of intermediaries and if so, whether this was a funding issue. There was a mixed response from those answering this question, dependant on their own position or experience of the DRO process. Concerns were expressed about stretched funding threatening the DRO process, particularly if entry parameters change. The Citizens Advice Bureau stated that their debt services are in extremely high demand. The Institute of Money Advisors called for longer term sector funding to enable investment in staff development and service provision and increase the number of intermediaries.

Revocations

A DRO can be revoked due to an objection by a creditor, a material omission of information, or because an improvement in the debtor's financial information means that they can now deal with their debts. Question 15 asked whether respondents considered that the revocation system is working effectively.

Analysis of responses

The majority who replied to this question said either that the system was working effectively or that they had limited experience of DROs that had been revoked. Suggestions were made proposing changes to DRO revocation policy including;

- Treatment of windfalls/increases in income/honest omissions
- Ability to view/challenge DRO applications
- DRO team – flexibility/engagement/transparency re decisions
- Restrictions – length when revoked
- Revocation to apply retrospectively where false information supplied
- Revocation date backdated to date false information supplied

Question 16 asked whether the current treatment of increases in income and asset windfalls is appropriate.

Analysis of responses

The majority of respondents stated that the current treatment was appropriate. There were many suggestions made as to how treatment of income and windfalls could be revised including;

- Transparent process/audit trail/monthly declaration
- Retain flexibility/sensitivity/discretion
- Align windfall exclusions with bankruptcy fees or with total DRO debts
- Ignore backdated benefits awards
- Distribute to creditors/leave DRO in place
- Debtor notification via intermediaries
- Creditor contribution/move to bankruptcy as alternative to revocation

Enforcement Regime

Debt relief restrictions orders (DRROs) or debt relief restriction undertakings (DRRUs) can be sought where the Official Receiver considers that there has been reckless or dishonest behaviour. This extends the original DRO restrictions around obtaining credit and acting as a company director[8] for between 2-15 years depending on the seriousness of the behaviour.

DRROs/DRRUs do not automatically lead to DRO revocation. If for example, the restriction was due to gambling or other culpable behaviour, the DRO would remain in place. If it transpires that the DRO entry parameters are breached then the DRO would be revoked.

[8] Without leave of Court

Question 17 asked whether the DRO restriction system is working well to deter reckless behaviour.

Analysis of responses

Many who responded to this question believe that the current system is working well. Some respondents have limited knowledge of the DRO restrictions system. Others stated that the existence of DRROs is not a deterrent but they could be considered a punishment. Other respondents suggested increased controls at the application stage e.g. more information submitted/investigation of issues flagged by intermediaries.

Christians Against Poverty suggested that debts issued before the DRO application is submitted should be included if DRO entry parameters are (still) met.

R3 suggested that it is inequitable that revocations and DRROs can apply simultaneously, DRROs should be based on prior behaviour and should only apply to those still subject to DROs.

Financial rehabilitation

The call for evidence focused on three elements where the DRO process can influence the debtor's financial rehabilitation: DRO entry, DRO process and the post DRO policies of lenders and credit reference agencies.

DRO entry

Provision of a low cost debt relief may lead to earlier financial rehabilitation. Question 18 asked whether the DRO regime has encouraged debtors to seek debt relief at an earlier stage.

Analysis of responses

The majority of respondents who answered this question did not consider that the DRO regime has encouraged debtors to seek debt relief at an earlier stage with some highlighting lack of awareness and the importance of quality debt advice. The Money Advice Trust commented that debtors are most likely to be seeking advice generally and that it is a great challenge to persuade people to seek debt advice at an earlier stage before their financial position has deteriorated. They added that this is not a specific problem for DROs but a wider issue.

Christians Against Poverty stated '*It is clear that because most debtors are not aware of DROs, they are not a prominent motivator for seeking debt advice While it is beneficial for those with problem debt to know there is an appropriate solution for everyone, debt advice plays an important role in directing debtors to the most appropriate solution for them.*'

Debt discharge

In the current DRO process debts are discharged after 12 months[9] Scotland's MAP process debt discharge period is 6 months although restrictions are imposed for 12 months.

Question 19 asked what the appropriate length of time was for discharge and question 20 asked whether the length of discharge and the length of DRO restrictions should be the same or different.

Analysis of responses

The overwhelming majority of respondents stated that 12 months was an appropriate length of time for discharge from DRO debts, mirroring the bankruptcy discharge period. StepChange proposed 6 months, to reflect Scotland's MAP.

There was a mixed response to question 20, with a small majority of respondents suggesting that discharge from DRO debts and DRO restrictions should be the same. We received other suggestions including increasing flexibility, applying discretion, mirroring bankruptcy.

R3 referred to their Personal Insolvency Landscape[10] paper which sets out proposals for how the bankruptcy process could be more sensitive to the reasons why debtors accrue debts and enter bankruptcy. In relation to question 20, R3 suggested that there is no benefit to increasing the DRO debt discharge period in line with DRO restrictions imposed under a DRRO as there is no estate in a DRO and therefore no scope to realise assets for the benefit of creditors.

Impact of DRO restrictions on employment and self employment

Increases in income during the period of the DRO need to be reported to the OR. Question 21 asked whether DROs impose any barriers on employment or self employment, and if so, how this could be mitigated.

Analysis of responses

We received a variety of comments in response to this question with comments/suggestions including;

- Impact on self-employed – accessing DRO/assessing earnings
- Post DRO access to (affordable) credit
- Considering DRO payments

[9] In line with the bankruptcy discharge period

[10] https://www.r3.org.uk/media/documents/policy/policy_papers/personal_insolvency/R3_Personal_Insolvency_Landscape_Jan_2014.pdf

Post DRO Lender policies

Question 22 was aimed solely at lenders and credit reference agencies to ascertain what credit policies they have for someone who has gone through the DRO process.

Analysis of responses

Lenders who responded indicated that lenders categorise DROs in the same way as other insolvency options and that customers with live or recent DROs are unable to access (banking) credit. One creditor stated that finance providers undertake credit checks and also look at current income and expenditure and how the customer is currently managing their finances.

Impacts of financial rehabilitation

The call for evidence sought to gather evidence on the impact of DROs on financial rehabilitation. We highlighted studies on the relationship between control of household finances and tacking child poverty[11] and impact on mental health[12].

Question 23 asked what impact DROs have had on the wellbeing of debtors.

Analysis of responses

Respondents overwhelmingly agreed that DROs have a very significant positive impact on debtors. Of the intermediaries that Citizens Advice Bureau surveyed;

- 99% said that DROs have had a positive impact on the wellbeing of debtors.
- 95% said that DROs have improved their client's mental health

A large number of comments and were received and some examples are included in Annex 3.

Case study 3[13]
A CAB in the South East saw a woman who had depression and was very stressed by her debts. The CAB was able to help her successfully apply for a DRO. After the moratorium period the woman felt well for the first time in many years. She was able to come off benefits, move back into work at a local supermarket, where she now still works and has been promoted to supervisor.

[11] The Save the Children Fund, 2009. The impact of debt on the UK's lowest earning families http://www.savethe children.org.uk/en/docs/Debt brief.pdf

[12] Health and Safety Executive. Labour Force Survey 2008/9 http://www.hse.gov.uk/statistics/causdis/stress/scale.htm

[13] CAB

Bankruptcy creditor petition limit

Currently the minimal amount a creditor needs to be owed to petition for bankruptcy is £750. This amount was set in 1986. The call for evidence outlined some potential issues resulting from the current level. These included:

- Costs and fees - expensive way of recovering low level debt
- Proportionality – high impact on personal estate in respect of low level debt, cases highlighted.
- Legal rulings/human rights implications - appropriateness of bankruptcy to recover low debt levels

We illustrated what the creditor petition limit would be allowing for inflation and what the limit is in other countries. We also looked at the potential impact that any change would have on the number of bankruptcy petitions.

Question 24 asked what respondents would consider an appropriate creditor petition level and requested evidence and any case study examples.

Analysis of responses

The overwhelming majority of respondents suggested an increase in the creditor petition limit. A variety of amounts were suggested ranging from £1,500 to £10,000 but with the majority suggesting an amount of either £3,000 (reflecting Scotland) or £5,000. Other comments were made illustrating that the current level can lead to cases where the use of bankruptcy is not proportionate.

Christians Against Poverty suggested that it should be mandatory to signpost debtors to free debt advice before commencing bankruptcy proceedings. A debt recovery company commented that, as they have access to consumers' credit account information sharing data, they are able to make a more informed decision before taking insolvency proceedings. They are also bound by the FCA Code of Conduct and the Lending Code so only proceed with bankruptcy as a last resort.

A response from two (bankruptcy) District Judges said that there is an overwhelming case for a substantial increase in the petition limit. In addition to the issues around proportionality highlighted in the call for evidence, they also provided examples of petitioning creditors purchasing a number of small debts acquired at a discount and using them as a basis for bankruptcy proceedings. They also stated that despite the Coalition's commitment[14] to provide '*more protection against aggressive bailiffs and unreasonable charging orders, and ensure that courts have the power to insist that repossession is the last resort.'* the bankruptcy of an owner occupier frequently results in the eventual loss of the bankrupt's home. They argue that the social costs to which this gives rise and the hardship caused should not be triggered by a debt as small as £750.

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14 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/78977/coalition_programme_for_government.pdf

R3, who advocate an increase in the creditor petition level to £3,000, point to Professor Elaine Kempson's recommendation[15] that the petition threshold should be increased to a level that '*at the very least covers the creditor and court fees'*.

Case study 4[16]
A statutory demand was issued by a debt collection agency twice for the same bank loan. The collection agency then issued a bankruptcy petition despite the client having a low available income and negative equity. The debt stood at £2,700 including costs that had been added in by the company before the hearing took place. Client attempted to negotiate with company by explaining that they had no assets and trying to raise money from family. We advised client to make a complaint.

General comments on DROs or the creditor petition limit

Question 25 was an open question inviting comments on any other aspect of DROs or the creditor petition limit.

Analysis of responses

We received a variety of comments and suggestions primarily around DROs. These included comments around;

- DRO guidance to intermediaries and debtors
- Repayment – options in DRO process
- Debt advice - signposting
- Length of industry standard 'breathing space'
- Policy review – preferences/omitted debts/hire purchase/rent/pensions
- Application functionality
- Praise for Insolvency Service DRO team – helpful/polite/efficient
- Common Financial Statement – use across debt procedures
- Measuring and monitoring competent authority performance
- Piecemeal approach to reform could result in ineligibility
- Single portal for all debtor petitions – directed to most appropriate method
- Wider review of personal insolvency
- Statutory referrals for advice for creditors petition bankrupts
- Excluding (relatives) funeral costs

[15] Review of Insolvency Practitioner Fees – a report to the Insolvency Service, March 2014.
[16] Money Advice Trust

DRO survey

We received over 600 responses to The Insolvency Service DRO survey. The overwhelming theme was around rehabilitation.

72% of those who responded to the survey had been through the DRO process with 69% of respondents having been through the process in 2012 or 2013. 344 responded regarding the amount of debt discharged under the DRO process. Of those, 40% had debts between £5001 and £10,000 and 42% had debts between £10,001 and £15,000

96% of those who answered the question stated that without DROs, they would have been unable to deal with their debts.

64% had been having difficulties with their debts for 1 – 5 years.

The survey asked what impact going through the DRO process had on employment status/prospects. 66% of respondents stated that there was no impact and 16% that it had a positive impact. We do not, however, have the details of what employment they were in at the time and therefore cannot comment fully on the impact.

With regard to rehabilitation over 50% of respondents stated that going through the DRO process had a positive impact on their relationship with their partner/family. 79% of respondents who answered the question said that the DRO process had a positive impact on their health.

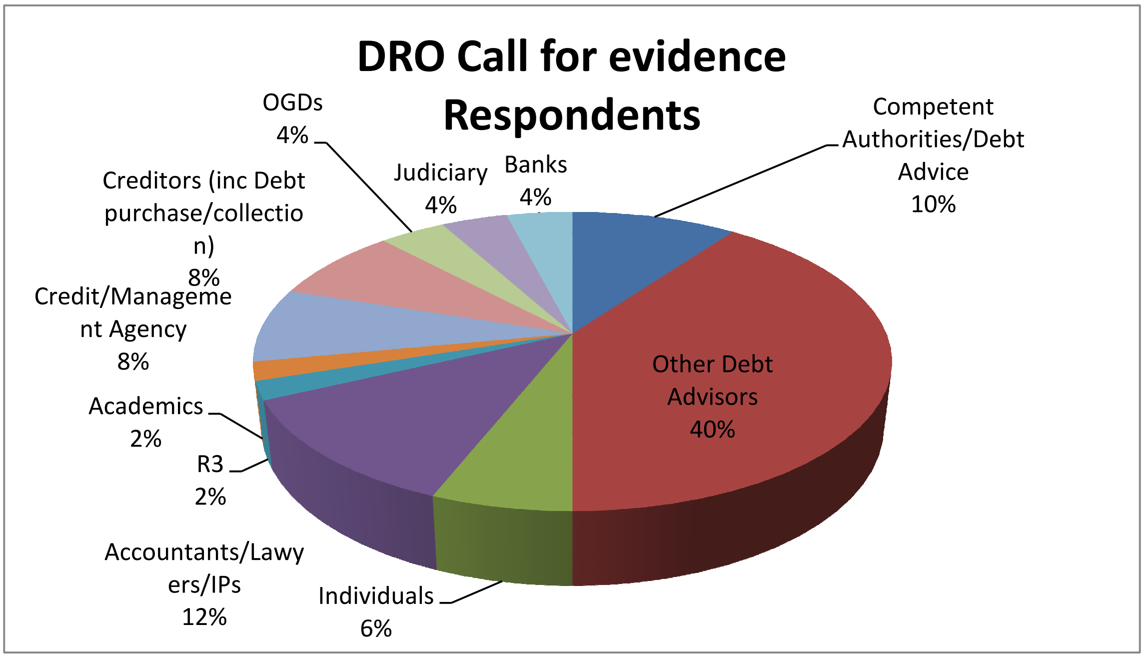
71% of those who answered the question regarding their current levels of debt stated that they had no debt and 20% had debt of under £5,000. Just 3 of the respondents who answered the question had more than £15,000. And 70% described their debts as very manageable.

Looking at the credit available to people having completed the DRO process, 24% stated that they could not access credit in comparison to 31% who said they couldn’t access credit prior to the DRO process. 61% stated that they had not wanted to access credit since their DRO.

We asked whether respondents expected to use a debt management or insolvency procedure in future. 77% of those who answered this question stated that they did not intend to. 16% said they did not know if they would require the use of such a procedure again.

We ended the survey with an open question inviting any other comments about the DRO process or experience. Many of these responses were extremely positive and expanded on the above information regarding the positive impact that going through the DRO process had had on their health, relationships and well being.

Annex 1 – Call for evidence respondents – breakdown



Annex 2 – Competent authority responses to DRO parameters

Table 1 – Competent Authorities responses to DRO entry parameters

Name	% of total DRO applications 2013/14	Max debt threshold (£)	Asset limit (£)	Surplus income (£)	Fee (£)	Creditor petition level (£)
Christians Against Poverty	4	30,000	No change	50	90	Consider proportionality
CAB	53	20,000	1,850	63-inflation	90 (efficiencies throughDRO2)	At least 5,000 but consider higher
Inst Money Advisors	14	Inflation	2,000	50	90	1600 –GDP inflator
Money Advice Trust (National debtline)	4	30,000 (per R3)	2,000 (per R3) but consider Scottish MAP – no single asset>£1k. Vehicle £2k	50	90	5,000
StepChange	18	20,000	400	50	90	
Total % represented	93					

Annex 3 – Impact of DROs on the wellbeing of debtors

Question 23. Examples provided by respondents demonstrating the impact of DROs on the wellbeing of debtors.

Respondent	Comment
Advice NI	I was suicidal when I came to see Debt Action NI and could see no way out. Now I have my life back.
Christians Against Poverty	Debt not only significantly affects standards of living through material consequences, such as sacrificing basic necessities and skipping meals, but also has substantial impacts on mental health. 67% of CAP clients have visited their GP due to the negative effects of debt and 36% have attempted or seriously considered suicide. DROs offer the only viable solution to 30% of our clients, who would otherwise have had a repayment term exceeding 100 years in many cases.
Citizens Advice Bureau	Of the AIs we surveyed, 99% said that DROs have had a positive impact on the wellbeing of debtors. Clients are generally relieved and delighted when their DRO has been approved. 95% of our AIs said that DROs have improved their client's mental health
Citizens Advice Bureau – Nottingham Agreed to publication – wants notification when published	Clients with mental heath problems have shown improved health following DROs.
Citizens Advice Bureau – Reading	From survey of clients: • Not taking anti-depressants anymore • A great deal less stress • Better at managing money • A lot happier – not so fearful when letters arrive • No more worry over money
Citizens Advice Bureau – Mid Suffolk	The relief that these people experience has to be seen to be believed
Citizens Advice Bureau – Tadley	..the impact is almost palpable

Citizens Advice Bureau - Crowborough	Clients mental health improved and no longer need to take medication Wellbeing improved as no longer harassed by text messages or phone calls from creditors. They describe it as being a weight lifted
Citizens Advice Bureau – York	Great success for clients. The only way forward for many clients.
IHAG Money Advisors	Relieve a lot of stress and ill health. Free up cash for daily living costs and to repay debts. Clients say they can now sleep at night.
Institute of Money Advisors	Anecdotally, AIs confirm that debt relief through a less stigmatised solution than bankruptcy reduces stress and anxiety, with a positive impact on mental health and general wellbeing.
Money Advice Trust	Conducted a telephone survey of 30 clients. All said that a DROP had a huge impact on their wellbeing and had improved their lives for the better, and had relieved their stress levels. 'Changed clients' lives, complete relief (that) the debts have been cleared and also feels regret about getting into debt and has taught them a lesson about borrowing in the future.'
Portsmouth City Council	DRO can provide release from financial problems to tackle other issues (e.g. ill health)
Sherwood Forest Money Advice Service	Relieves stress, anxiety, depression
StepChange	Client wanted top say how much of a relief it was to have her DRO submitted today. She said that calling StepChange was the best thing that she's ever done. The staff have been understanding and reassuring and she is looking forward to being able to out the heating on.

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