



The Scottish Parliament
Pàrlamaid na h-Alba

Economy and Fair Work Committee

Ivan McKee MSP
Minister for Public Finance

The Scottish Parliament
Edinburgh
EH99 1SP

Sent by email only

Economyandfairwork.committee@parliament.scot

31 May 2024

Dear Ivan

The Debt Recovery (Mental Health Moratorium) (Scotland) Regulations 2024

Thank you for your letter of 17 May with sight of preliminary draft regulations, in advance of full public consultation leading to refined draft regulations. The Committee considered these, and a letter from Advice Talks, at its meeting this week.

The Committee noted that the preliminary draft regulations implement some of our key asks, including in relation to widening mental health access criteria and not developing a public register.

However, there are three key recommendations that have not been taken forward yet. The first of these is protection from eviction for those in a Mental Health Moratorium. Your letter of 1 February, responding to the Committee's Stage 1 report, advised that further views were being sought before a finalised position was taken on evictions and joint and several liability. The Committee is disappointed that the Scottish Government's policy position on this is still unclear.

Secondly, the Committee called for a process to enable access to a Mental Health Moratorium for those who lack capacity and do not have a legal representative to act for them. Your response to our report stated again that further views were being sought, before finalising your position. The preliminary draft regulations do not address this point and I would reiterate that the Committee urges the Scottish Government to develop and implement an appropriate process to enable those who lack capacity to be able to access a Mental Health Moratorium.

Thirdly, the Committee would highlight again its recommendation that the offer of a Mental Health Moratorium should be automatically signposted to those who enter compulsory treatment, to raise awareness of the scheme and support those experiencing debt. It is not clear to the Committee whether such a process would require legislation to underpin it or whether it could be developed administratively.

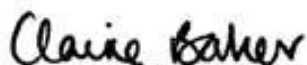
The Committee requests an update from Scottish Government on how it will take this forward.

The Committee's Stage 1 report made several other recommendations which can be implemented administratively and is keen that these are not lost sight of. The Committee therefore requests updates on the following:

- incorporating the Debt and Mental Health Evidence Form into moratorium processes
- ensuring those utilising a mental health moratorium have access to face to face advice, if that is their preference
- developing guidance, training and publicity materials targeted at mental health professionals, money advisers and creditors.

Finally, I would draw your attention to the letter of 23 May from Alan McIntosh, Advice Talks and in particular his view that what is being proposed does not offer sufficient protection in relation to arrears of ongoing liabilities. Mr McIntosh notes that the proposed Mental Health Moratorium contains less protection than a currently provided by a statutory moratorium. It seems likely to the Committee that people in mental health crisis will struggle more than other people in debt, in relation to maintaining ongoing payments towards liabilities such as rent, fuel or Council Tax. The Scottish Government's approach therefore seems contrary to the policy intentions and principles for a Mental Health Moratorium, agreed by the Parliament. The Committee asks the Scottish Government to reflect further and would be grateful to be notified of the launch of the public consultation on the draft regulations in due course.

Kind regards



Claire Baker MSP
Convener