

# BREATHING SPACE:

HOW HAS THIS HELPED OUR CLIENTS?

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Results from PayPlan's  
September 2021 client survey





# INTRODUCTION

In May 2021, Government launched the Breathing Space scheme, giving those people who are struggling with problem debt, some extra time to get their finances back on track. It offers people 60 days' protection from creditor contact, a freeze on interest and charges and protection from legal and enforcement action.

Since then, we've helped around 1,200 clients with Breathing Space, and we carried out a survey to find out how the scheme has worked for those who it has been recommended to – specifically whether they felt it had a positive impact on both their financial situation and their mental health.

If you'd like more information on our client survey findings, please email [online@payplan.com](mailto:online@payplan.com).

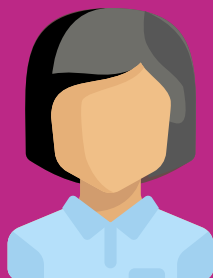
## KEY FINDINGS

- Reassuringly, the overwhelming majority of our clients felt that Breathing Space had positively impacted their mental health.
- Over half of our clients needed Breathing Space in place to freeze interest and charges on their debts – but others were worried about bailiffs and eviction too.
- Almost 60% said they'd been struggling with debt for up to two years, with 26% getting in touch with us within the first year. Many of them hoped Breathing Space would give them some time to get their income back to pre-Covid levels, whilst others hoped to find a job within the 60 days.
- Over 90% of clients were happy with the information and advice they received from PayPlan.

# 2021 BREATHING SPACE CLIENT SURVEY

## WHERE DID YOU HEAR ABOUT BREATHING SPACE?

**47%**  
of clients



told us that they first heard about **Breathing Space** from one of our advisers after chatting to them about their circumstances.

**13%** had heard about it from one of their creditors and  
**15%** from another advice agency prior to coming to PayPlan.

## WHY DID OUR CLIENTS NEED BREATHING SPACE?

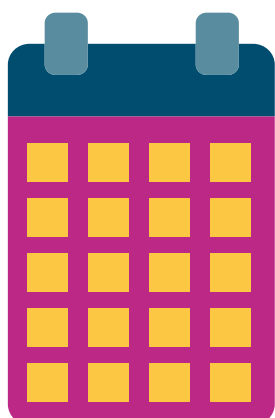
**Over 50%**  
of people



wanted **Breathing Space** in place to ensure interest and charges on their debts were frozen and to give them legal protection from their creditors.

Worryingly, **34%** were experiencing bailiff action and  
**20%** needed protection from eviction.

## HOW LONG HAVE YOU BEEN STRUGGLING WITH DEBT?



**26%** Up to 1 year

**32%** 1-2 years

**14%** 2-3 years

**9%** 3-4 years

**19%** 4+ years

## DO YOU FEEL BREATHING SPACE HAS POSITIVELY IMPACTED YOUR MENTAL HEALTH?



YES **82%**

**95%**

of people surveyed said that **Breathing Space** was fully explained to them

**Over 90% of clients**

were **happy with the information and the advice** they received from PayPlan

## HOW EASY DID YOU FIND THE PROCESS OF SETTING UP YOUR BREATHING SPACE?

**88% of people**

told us they found the **Breathing Space** process with PayPlan either '**Easy**' or '**Very easy**'



## CASE STUDY

**Client A is a Director of a Limited company that specialises in training and mentoring. He shared his thoughts on how Breathing Space improved his financial situation:**

**You mentioned that you wanted Breathing Space to give you some legal protection from creditors - do you feel this happened?**

Yes it did – however, several of my creditors weren't well-prepared for it. They seemed to be unaware of the legislation and I still got letters from them. Once they were aware, they did leave me alone. PayPlan has been very helpful and all the companies they approached have accepted the proposals. Unfortunately, the creditors for my business debts are still being fairly aggressive.

**How has Breathing Space helped you sort out your situation?**

The fact that Breathing Space exists is because it gives you time to think about your next steps when you have got creditors on your back. PayPlan seems to be the most switched on of the companies handling the Breathing Space scheme – I'm grateful to them for their help and support.

**What would you say to anyone else considering the Breathing Space scheme?**

I highly recommend it because it moves the power away from the creditors during the 60 day period and allows you to reach a sensible solution moving forward. I've now got my debts under control in a Debt Management Plan (DMP) and feel much better about the future. On a personal level, I found it very helpful and am very grateful to PayPlan for turning it around in 24 hours - I was really impressed with that.

**What do you feel was the most beneficial part of the Breathing Space scheme?**

The fact that PayPlan took control of it all and the sheer speed of the response. I was particularly impressed that PayPlan could turn it around in 24 hours and creditors were notified electronically within that time period. PayPlan's service has been incredibly switched on and very efficient.





## WHAT PAYPLAN SAYS:

**Alistair Chisholm, Head of Advice Sector Policy and Partnerships at PayPlan said:**

“This survey provides a fascinating insight into the experiences of clients who we’ve recommended Breathing Space to so far, and whether they feel it has benefitted their financial circumstances.”

Being in debt can be very stressful and affects every area of someone’s life – particularly if they have got to the point where they are facing enforcement action or eviction proceedings.

A key focus for PayPlan is supporting vulnerable clients and improving people’s wellbeing, so it’s reassuring to find out that Breathing Space has positively impacted nearly all our respondents’ mental health.

However, it’s also important to remember that Breathing Space isn’t a solution for debts - it’s a temporary option that provides clients with time and space to seek help regarding the next steps.

We delivered comprehensive training to all of our advice teams to make sure that Breathing Space is discussed with the right clients at the right time. Specialist staff then manage the process with clients who have decided to go ahead with it. If a client has options to deal with their debts straight away we recommend they consider that, and keep Breathing Space in reserve. Standard Breathing Space can be used once in a year.

We have recommended Breathing Space to around 1,200 clients since the scheme was introduced. It appears it has been invaluable for those who needed it. For some, it has literally been a lifesaver and has meant they have been able to prevent eviction proceedings and stop bailiffs knocking at their doors.”



## 2021 BREATHING SPACE CLIENT SURVEY

Breathing Space has positively impacted my mental health as I feel like I have time to reflect on my next choices.

Breathing Space gave me some time to get my income back up to pre-pandemic levels.

Breathing Space gave me a chance to regain what sanity I had left.

I was given the time to get a new job after being made redundant.

Breathing Space gave me time to be able to find work without any extra worry – I've managed to find a new job which I'm very happy in.

Breathing Space helped me as it stopped all the panic and anxiety that I'd been experiencing, giving me time to sort out my problems. I also found the 60 days a perfect period of time to get sorted, but appreciate jobs can be hard to find, so others may find they need more time.

From my point of view though, I've found it very helpful.

It lifted an enormous amount of worry from myself and my wife allowing us the time to set up a plan to satisfy my creditors.

I can now sleep well at night.

Breathing Space has helped to take the pressure off.

Breathing Space gave me time to deal with the debts and think about my options. I was been able to perfect my CV and focus on job hunting instead of contacting and pleading with debt collectors.

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