Together Against Debt
People's Manifesto

National Together Against Debt (TAD) group in London 2023

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Introduction

The UK is in the grip of a household debt emergency and the cost of living crisis has led to a rapid growth in over-indebtedness. Almost 13 million people are now struggling to pay bills or finding their debt repayments a heavy burden, that's a 60% increase since 2017.

At this year's general, mayoral and local elections, politicians at all levels need to prioritise tackling this debt crisis to have any hopes of leading a genuine economic recovery.

This manifesto presents the words, experiences and demands of people in debt. It contains three key demands together with policy recommendations to help meet them. These have been developed with people most affected by this crisis, through a co-production process.

> **"The government needs to know that debt is driving people to death."**
>
> **Angela, East London**

There is also a longer accompanying document that includes Debt Justice's analysis, polling insights and suggestions for implementing the recommendations.

People who have been heavily weighed down by debt have unique insight into the causes of and solutions to the UK household debt crisis, and it is crucial that their voices are heard.

Debt Justice are hugely thankful for the time that participants have put into this project as well as their openness and expertise.

WE BELIEVE:

- People in debt should receive the support they need to enable them to reset their finances and rebuild their lives.
- People in debt should be treated with respect, not stigmatised for the debts they have been burdened with because of an economy in crisis.
- No one should be pushed into debt to pay for the essentials.

WE DEMAND:

- Fair debt solutions so everyone can have a fresh start.
- To be treated with dignity and protected from exploitation and harassment by creditors, debt collectors and bailiffs.
- An end to people being pushed into debt just to pay for the food, energy and housing they need.

We demand fair debt solutions so everyone can have a fresh start

Once in debt and poverty, it is difficult to get out. Debt has a devastating impact on health and weighs people down. Poor mental health makes it harder to work and earn money, manage tight budgets and navigate life. Debt also increases the risk of poor physical health which can drag people further into debt through lost income and higher costs of living.

Some debt collection processes such as council tax collection can incur additional court and bailiff fees, leaving people deeper in debt.

Accessing clear information, support and debt advice can be challenging during a debt spiral, especially as demand for debt advice currently outstrips supply.

It is increasingly difficult to access many basic services including debt advice without broadband and a smartphone. However, not everyone is able to use these technologies and digital exclusion exacerbates the feeling of isolation people in debt can feel.

> **"I am on benefits and these decades old debts are never going to get paid. Repayments barely improves my credit score. What's the point?**
>
> **Nicole, East Sussex**

Even when people receive debt advice, they can still be faced with a lack of suitable options to reset their finances. Most people who are heavily in debt are expected to repay their debts in full, on top of the high interest and fees they may have already paid back.

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Member of South London Together Against Debt group holding Lambeth council to account

Recommendation 1

Everyone with unmanageable debt should have a suitable avenue available to them so enough of their **unpayable debt is written off** over a reasonable period of time.

Recommendation 2

All debt solutions should allow people in debt to maintain a decent income and standard of living. **No insolvency procedure or repayment plan should push anyone into poverty or destitution.**

Recommendation 3

Free, impartial, high quality debt advice must be accessible everywhere. Face-to-face debt advice, walk-in support hubs and community outreach efforts are vital to cut through the isolation and exclusion that often accompanies a debt crisis.

Recommendation 4

High-quality public health and social services must be readily available in every community. **Bespoke mental health support** is vital to ensuring many people in debt can rebuild their lives after crisis.

We demand to be treated with dignity and protected from exploitation and harassment by creditors, debt collectors and bailiffs

Being in debt makes people feel vulnerable and isolated, and feelings of shame exacerbate this isolation. People in debt are susceptible to exploitative lenders and others targeting them with phoney debt 'solutions'.

> **I've been classed as disabled and I've no way of paying any debt back and the debt companies constantly hound you to the point where I'm scared to open mail or answer the door or even go out at all.**
>
> **Tracey, Lancashire**

Interacting with creditors and debt collectors is often a painful experience. People in debt are often fearful of their creditors and feel harassed by them. They can be subject to threats, intimidation and unreasonable repayment demands.

> **It's horrible, frightening and demeaning to be living under debt.**
>
> **Debbie, Kent**

Recommendation 5

A legal duty of care should be introduced for all public sector creditors. This duty of care should guide how local authorities and government departments interact with people in debt and serve as a legal redress mechanism to hold them accountable for collection practices which cause foreseeable harm.

Recommendation 6

There should be enhanced legal protection against harassment from debt collectors. This would **include set limits to the number of times people in debt can be contacted by creditors.**

Members of the National Together Against Debt group sharing experiences of debt

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We demand an end to people being pushed into debt just to pay for the food, energy and housing they need

Alongside fair debt solutions and better protections, we need to deal with the root cause of the debt crisis: the gap between people's incomes and the cost of essentials like food, transport, energy, water and housing.

> **I am having to use credit cards to live on because the roughly £11 a day universal credit I receive is no way near what I can realistically live on.**
>
> **Ewan, Sheffield**

At the same time as a relentless upward pressure on the cost of living, there is downward pressure on pay, job security and benefits. Corporate profiteering, especially during the recent crisis, has put added pressure on household finances as costs for essentials like food and energy have soared.

Many disabled people, racialised communities, carers, people with chronic health problems, pensioners, single parents, larger families, people on low pay and benefits (including Universal Credit) are under intolerable pressure, and most at risk of becoming over-indebted.

> **A home, energy, food, water, are a basic human need. No one should be able to grow wealthy on the backs of those who cannot afford to live.**
>
> **Michael, Gloucestershire**

Household finances are so precarious for millions, that work absence due to sickness or bereavement, a parking notice, change in immigration status, boiler breakdown or dentistry bill can have a devastating effect. These events can lead to expensive and unmanageable borrowing and arrears, beginning a debt spiral which can take years to recover from.

Recommendation 7

The next government should eliminate low and insecure incomes. **A decent and stable level of wages and benefits, that guarantees that everyone can afford the essentials** such as housing, energy, water, food, and transport, is necessary for tackling the debt crisis.

Recommendation 8

The social safety net should be designed to support people through life changes. **Discretionary grants** are needed to prevent people being pulled into a debt spiral when they are impacted by a change of circumstances.

Recommendation 9

Essential services such as energy, water and public transport should be run for the good of the public, not shareholder profit.

Recommendation 10

Rent caps should be introduced to protect people in private rented accommodation from unfair increases in housing costs.

Recommendation 11

A social tariff for energy should be introduced that makes the minimum necessary amount of energy affordable for all.

Recommendation 12

Windfall taxes should be levied when there has been proven profiteering from suppliers of essential goods.

Elevate these demands by supporting this manifesto at **debtjustice.org.uk/manifesto**

Debt Justice (formerly Jubilee Debt Campaign) is a campaigning organisation dedicated to ending unjust debt and building a fair economy for all, here in the UK and across the world.

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