

Moratorium FAQ

Q. What does a moratorium do?
A. A moratorium stops creditors from taking enforcement action to recover money owed to them.
Q. How long does the protection last?
A. Normally 6 weeks, but due to emergency legislation introduced as a result of the COVID-19 pandemic, this has been extended to 6 months.
Q. How will my creditors find out I have a moratorium?
A. Moratorium information is displayed on the public Register of Insolvencies & DAS Register. Credit Reference Agencies pass this information to creditors.
Q. What is the point of a moratorium?
A. The moratorium provides a period of breathing space for those considering a statutory debt solution to seek advice and consider the options available to them.
Q. How do I apply for a moratorium?
A. Individuals can submit a simple application here ; entities (partnerships and certain types of business) here - or a money adviser may apply on your behalf. You should seek advice before applying.
Q. Will my credit score be affected?
A. It might be, this is one of the reasons why you should seek advice before applying for a moratorium.
Q. I have a moratorium but creditors still chase me for payment, what can I do?
A. You are still liable to pay your debts whilst in a moratorium. You should inform your creditors and seek money advice if you are struggling to make ends meet.
Q. I received a court summons but have a moratorium in place, what is going on?
A. If the moratorium was in place before the summons was issued, you should seek money advice and contact your creditors to advise you are protected by a moratorium.
Q. Will the moratorium stop my wages arrestment?
A. A moratorium does not stop a wages arrestment that came into force before the moratorium period commenced.
Q. My husband and I both need a moratorium. Can we submit a joint application?
A. Unfortunately not, two separate applications must be submitted.
Q. My moratorium was approved before 7 April 2020, will it stop after 6 weeks?
A. Yes. The changes are not retrospective. You may apply again once your moratorium expires and if approved, the protection will last for 6 months.
Q: Will I be charged for a moratorium application?
A: No, there is no fee or charge for a moratorium application
Q: I am a creditor, will I be notified if someone is in a moratorium?
A: No. This process has not changed. When applying for a moratorium the applicant is not required to list their creditors. If a creditor is planning to take enforcement action, they should check approved moratoria here before checking the DAS Register and Register of Insolvencies to establish whether their customer has a moratorium or is in a statutory debt product. There is no charge to search any of our registers.
Q: I run a business. Should I apply for a moratorium in my own name, or that of the business?

A: You should always try to take advice from a money adviser or your accountant as it depends who is liable. In many circumstances, an individual has a form of personal guarantee against business debts. Here, you should apply for a moratorium for the business, and for yourself as an individual.

Q: I have already had a moratorium this year. Can I apply for another one?

A: Yes. This limitation has been lifted with the new temporary legislation.

Q: I am in a moratorium, can my creditors still contact me?

A: Yes. Your creditor may continue to contact you, but they are not allowed to chase you for payment or take action to recover money.

Q: During my moratorium, will my creditors still add interest to my debt?

A: Yes. Interest will continue to be added to the debt you owed before the moratorium was granted.

