



# All-Party Parliamentary Loan Charge Group

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Rt Hon Sajid Javid, MP  
Chancellor of the Exchequer  
HM Treasury  
1 Horse Guards Road  
London  
SW1A 2HQ

5<sup>th</sup> November 2019

Dear Chancellor,

## **URGENT - Loan Charge Review timing**

We have just been informed in a letter from the Financial Secretary to the Treasury, on the very last day of this Parliament, that the Loan Charge Review will not report back until mid-December, when the new Government has been formed.

It is extraordinary that the Government didn't realise immediately that the calling of the General Election made it untenable for the review to report during the suspension of parliament, for the reasons we laid out in our letter dated 30<sup>th</sup> October. It is regrettable that the Government have only made this announcement on the last day of Parliament when there is scarcely time for MPs and for the APPG to respond.

We clearly stated in our previous letter that since the General Election was called, the 31<sup>st</sup> January 2020 date – which is the deadline for paying the Loan Charge – became entirely illegitimate. There is simply not enough time for proper consideration of the Loan Charge Review's report and recommendations by the incoming Parliament and the new Government before the Loan Charge payment deadline is reached.

This is even more the case now that we know that the review will not report back until there is a new Government in place. This will not take place until 13<sup>th</sup> December at the earliest. If there is a hung parliament it could take several days more and go into the week commencing Monday 16<sup>th</sup> December before the new Government is in place – this being the final full week of Parliament before the Christmas recess.

**The advertised date for Parliament resuming after the Christmas recess is 13<sup>th</sup> January. When you factor in the time required for a new Queen's Speech, the Queen's speech debates and Ministerial appointments, a Government will not be able to properly consider this matter until the second half of January.**

Chair: Sir Edward Davey MP Vice-Chairs: Ruth Cadbury MP, Ross Thomson MP, Baroness Kramer, Liz Twist MP

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The reality is that **a new Government will not be a position to implement any of the review's recommendations until the end of January.** The new Parliament will also want to be able to scrutinise, consider and discuss any recommendations from the review. This will take more time.

**It is deeply worrying, considering the mental state that many thousands of people are in, and with the impact on their families, that we now have a wholly unreasonable situation where people now cannot know whether or not they will face life-changing bills in January 2020.**

**It is now imperative that there is an immediate announcement that the Loan Charge will not fall due for payment by 31<sup>st</sup> January 2020 and that the Loan Charge will be suspended for at least six months.**

We urge you to announce this suspension immediately. This must happen so as not to prejudice the review by making any recommendations redundant because either they cannot be implemented in time or because people will have already made life changing decisions based on the existing situation. The suspension could be either indefinite (subject to further consideration) or for a period of one year. It would need to be for a minimum of 6 months.

This announcement is clearly necessary and morally essential. A suspension would lift the guillotine of the Loan Charge faced by so many people. Without this announcement, this latest delay will exacerbate the mental health concerns and the suicide risk. Also with regards to the review and any recommendations it may make, the additional time may actually be essential to allow the recommendations to be implemented.

With the 31<sup>st</sup> January date so close and with people otherwise forced to make life-changing decisions because of it, it would be grossly irresponsible and palpably unjust not to announce a suspension of the Loan Charge reporting and payment date. With this issue being, in some cases, literally a matter of life and death, we urge you to announce this immediately.

Yours sincerely,



Sir Ed Davey  
Chair



Ruth Cadbury  
Vice Chair



Baroness Kramer  
Vice Chair

On behalf of the Loan Charge APPG

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