Government to Improve Support for Affordable Debt Repayments

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People who owe money to government will receive clearer, more tailored support to repay in a way they can afford, under new plans launched during Debt Awareness Week.

- Better use of data will help create realistic repayment plans, ensuring payments remain manageable for those who need support.
- While supporting people in difficulty, the government will maintain a firm approach to fraud and deliberate non-payment, helping protect over £100 billion collected each year to fund vital public services.

Millions of people and businesses who owe money to government will benefit from more personalised and affordable repayment support, as the government sets out new plans to improve how debt owed to the public sector is managed.

The 2026–2030 Government Debt Management Strategy outlines how departments will better use data and earlier engagement to help people who fall behind on payments, ensuring repayment plans reflect individual circumstances and remain genuinely affordable. This means people who are struggling will have clearer routes to support and more consistent treatment across government.

Government is owed money for a wide range of reasons — from unpaid taxes and benefit overpayments, to fines, fees and loans. Recovering this money matters because every pound collected helps fund public services that people rely on every day, including the NHS, schools and policing.

The strategy commits government to three principles:

1. Preventing avoidable debt, using data and early contact to intervene before debts occur or grow.

2. Resolving existing debt fairly and consistently, with repayment plans that take account of people’s ability to pay.

3. Improving skills and technology across departments so debt can be managed more efficiently and compassionately.

While strengthening support for people in genuine financial difficulty, the plans also ensure a tough approach to those who intentionally avoid payment or have obtained money through fraud or criminal activity.

Lucy Rigby KC MP, Economic Secretary to the Treasury

> We want to make sure that those who owe money to government are treated fairly and given the chance to pay it back in a way that’s manageable.
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> But we’re also being clear: if you’re deliberately avoiding paying what you owe, or you’ve obtained money through fraud, we will seek to recover it. That money funds our NHS, schools and the services people depend on every day.

> This strategy is about doing both of those things properly — protecting taxpayers and supporting people who are struggling.

The strategy has been published during Debt Awareness Week which shines a light on how common debt is. The government recognises that debt is a reality for many households, particularly as the cost of living continues to affect family finances. The strategy commits to working alongside debt advice organisations and wider debt industry to make sure people know where to turn for help.

Chris Leslie, chief executive at the industry trade body Credit Services Association said:

> This strategy sets the government on the right course, striking an appropriate balance between standing up for the taxpayers' best interests, while also recognising that individuals who owe money sometimes require help and flexibility in managing their repayments. Early engagement is being advocated, which will make a real difference in how cases are managed and it is encouraging to see a clear commitment to embracing new technologies and providing specialist support. The Credit Services Association is pleased to see the government taking collections practices seriously and investing in the systems, processes and skills of those handling recoveries – all necessary to ultimately pay for our vital public services.

Vikki Brownridge, Chief Executive Officer at StepChange, said:

> We welcome the 2026 – 2030 Government Debt Management Strategy and the government's responsible creditor commitment – embedding fairness principles across government will help this goal, as well as a growing focus on preventing avoidable problem debt.
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> At StepChange, we see how problem debt is driven by cost-of-living pressures and financial shocks. So, it's positive to see the Strategy acknowledge the financial harm and social cost problem debt creates, and the importance of early intervention.
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> The principles laid out in this strategy are important steps forward, aligning government debt collection with good practice in other regulated sectors, namely financial services, energy, and social housing.

More information

- The 2026–2030 Government Debt Management Strategy is published by HM Treasury and the Government Debt Management Function.
- Link to strategy here.
- Debt Awareness Week runs from 16 to 20 March 2026 and is led by StepChange Debt Charity.

https://www.gov.uk/government/news/government-to-improve-support-for-affordable-debt-repayments