

KNOWSLEY HOMEOWNERS FOCUS OF DEBT ADVICE CAMPAIGN

It's Your Home – Let's Keep it That Way

Knowsley will this week become the focus of an intensive drive to help to local residents struggling to pay their mortgages so they can get a grip on their finances and save their homes.

As one of 22 'hotspots' across Britain, homeowners in Knowsley face a higher risk of repossessions due to high levels of unemployment and numbers of court orders for repossession.

Between April and June this year, there were 140 claims for repossession by lenders against homeowners in Knowsley. 95 of these (68%) lead to possession orders.

So from this week, advertisements highlighting the range of Government support available to homeowners will appear in local newspapers, online and billboards. It is the second stage of the national Mortgage Help campaign that John Healey launched last month.

Concerned homeowners can go to www.direct.gov.uk/mortgagehelp or call the National Debtline free on 0808 808 4000, where they can get impartial advice, find out the steps they can take to keep their home and prepare an action plan to tackle their own finances.

Launching this drive, Housing Minister John Healey said:

“The worst thing any struggling homeowner can do is bury their head in the sand. A comprehensive range of Government support is available to them, from free debt advice and representation in court to help with mortgage interest payments and, for the most vulnerable households, the Mortgage Rescue Scheme.

“These measures have meant we've seen recent falls in the numbers of repossessions, but people are still under pressure and the risk of repossession will remain high throughout this and next year.

“I want anyone in Knowsley concerned about paying their mortgage to know that practical and impartial advice is available online and over the phone. Our message today is clear: it's your home – let's keep it that way.”

Local MP, George Howarth said “I know how important it is to protect your home in times of financial difficulty . I'm pleased that the Government has chosen to target local Knowsley residents with this information as it should help as many people as possible to stay in their own homes.”

The latest figures from the Council of Mortgage Lenders show there were 11,400 repossessions between April and June this year – 10 per cent lower than the previous quarter.

However, a quarter of these repossessions were voluntary – homeowners who have fallen into mortgage arrears but rather than seek help available from Government or their lender have instead handed in the keys or abandoned their home.

Notes to Editors:

1. Steps have been taken to ensure help is available at every stage of the repossession process. This includes:

- **Action on advice:** The Government is investing £130m in providing free face-to-face debt advice services between 2006 and 2011, and over the past year more than 100,000 families have received information and advice about their mortgages from councils and Citizens Advice Bureaux
- **Action on lenders:** We have taken action so homeowners are treated fairly with tolerance and understanding from lenders for those in mortgage arrears - 116,000 struggling households are now benefiting from special arrangements agreed with their lender
- **Action in the courts:** Lenders must prove they have exhausted every possible option before applying for a repossession order. Government has continued to put funding into Court Desks offering free, on-the-day legal advice and representation for those threatened with repossession. CLG recently doubled the extra funding to support this service. There is now universal access to this service for people attending repossession hearings at county courts in England. Even on the day of a repossession hearing, around four in five repossessions can still be stopped if the households attend court and access free advice
- **Action to provide direct support:** Through special Government schemes like Support for Mortgage Interest and Homeowners Mortgage Support over 200,000 families are now getting help with their mortgage interest payments - with another 88,000 expected to benefit over the next two years. And for the most vulnerable households facing the immediate threat of repossession, there is the safety net of the Mortgage Rescue Scheme.

2. The advertisements will appear in the national and local newspapers, online and on local billboards – a copy can be found at:

http://www.georgehowarthmp.org.uk/speeches_and_media/mortgage_advice_advert.jpg