

The Preventing Possession Initiative

Preventing homelessness as a consequence of debt related possession in Northern Ireland



Background

Established in 1964, Housing Rights Service is the leading provider of independent specialist housing advice services in Northern Ireland. We believe everyone has the right to a decent safe affordable home. Our services include:

- Providing a housing advice line
- Undertaking advocacy and legal representation on behalf of people with housing problems
- Providing online advice through www.housingadviceNI.org
- Providing a specialist housing advice service within the prisons
- Providing a dedicated Mortgage Debt Advice Service
- Delivering a skills and knowledge based training programme
- Producing legal information resources
- Supporting (in partnership with AdviceNI and Citizens Advice) generalist advice agencies to deliver high quality housing in their local communities
- Influencing the development of housing policy and legislation.

The Preventing Possession Initiative

Through the experience of clients, Housing Rights Service is aware that financial crisis and debt is an important trigger to homelessness. We therefore provide a specialist housing debt service to people with mortgage or rent arrears. In 2008/09 we experienced a 300% increase in demand for this service. The profile of our clients is changing and we are increasingly seeing two income households facing possession. In the current financial climate, with rising unemployment, we fear the worst is yet to come.

In 2008 there were 3628 mortgage possession actions taken in the Chancery Division of the NI High Court. This reflects a 64% increase in the number received during 2007. In 2009 there were 3905 mortgage possession actions taken reflecting an 8% increase in the number received during 2008.

In February 2009 Housing Rights Service launched the **Preventing Possession Initiative**. The aim of this new three year project is to tackle the growing issue of homelessness as a consequence of debt in Northern Ireland. The initiative will adopt a twin track approach.

1) **Extended court representation service for people facing the imminent threat of repossession.**

This element of the project seeks to ensure that homeowners and tenants who are threatened with debt related possession have access to free, independent advice, support and representation on the day of their hearing.

This will be achieved by:

- providing an in situ service at the High Court and County Court (including holistic debt counselling and negotiation with all creditors) and
- working in partnership with other advice providers to develop their capacity to undertake court representation.

2) Engaging in preventative policy work with social housing providers and lenders to avoid possession action

Policy staff will engage with government, lenders and social landlords to reduce the likelihood of possession actions being initiated in the first instance. They will work to secure positive changes in the following areas:

Influencing policy and practice of social housing providers

Housing Rights Service will contribute to the development of good practice guidance on rent arrears management and recovery and seek to have it promoted by DSD as standard for all social housing providers in NI.

Additional work will be undertaken with twelve social housing providers during the project. Services will include:

- reviewing rent arrears management and recovery policies/procedures and identify areas for improvement
- providing free training on dealing with housing debt to relevant staff
- advising on the development of a financial inclusion plan
- providing, at a cost, an independent debt advice service to assist tenants to make a realistic and sustainable arrangement for repayment of arrears.

Promoting responsible lending and access to affordable credit

This aspect of our work focuses on promoting financial inclusion, by promoting responsible lending and affordable credit options. It includes:

- developing and implementing pilot affordable credit service in partnership with housing providers and credit unions;
- identifying potential areas where positive change can be effected in lenders policies and practices in relation to responsible lending and debt recovery;
- highlighting the need for an overarching Government Financial Inclusion Strategy.

Advisory Group

To assist our work in these areas, Housing Rights Service has set up an advisory group. The remit of the **Preventing Possession Partnership** is to harness knowledge and expertise in the areas of housing and financial services to enable the project to achieve maximum impact within allocated resources. The Group will work collectively to help fulfil the project's objectives by:

- identifying problems and potential policy and practice solutions
- identifying potential areas where positive change can be affected
- influencing policy and promoting good practice within relevant networks
- assisting in disseminating good practice and lessons learned.

The Group is chaired by Sid McDowell CBE and includes representatives from Advice NI, Chartered

Institute of Housing, Citizens Advice, Consumer Council, Council for Mortgage Lenders NI, Ulster Bank, DETI Consumer Affairs Branch, DSD Housing Division, Irish League of Credit Unions, Money Advice Trust, NI Federation of Housing Associations, NI Housing Executive, Ulster Federation of Credit Unions, Mindwise and Alyson Kilpatrick, Barrister.

A number of sub groups have also been established to progress work in particular areas.

For further information contact:

Fiona Douglas – Policy Officer, (Housing)

Tel: 028 9026 7926 (direct), email fionad@housingrights.org.uk

Ruth Barry – Policy Officer, (Financial Inclusion)

Tel: 028 9026 7920 (direct), email ruthb@housingrights.org.uk