

Housing Debt

|housing rights service|



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INTRODUCTION TO HOUSING DEBT TOOLKIT

updated 3/December 2007

This Toolkit has been devised to assist those working in advice agencies who are dealing with clients experiencing problems with their rent or mortgage repayments. This is a problem common across all tenure types; owner-occupiers, private rented tenants and Housing Executive/Housing Association tenants. Those who find themselves in this situation are at risk of eviction or repossession unless immediate action is taken.

In many cases of housing debt, your client may have numerous debts which have accrued over a significant period of time and not realised how serious the matter has become. They may find themselves unable to meet everyday costs and need assistance from someone who is honest and trustworthy. It is important that advisers who are dealing with housing debt establish a good relationship with the client, in order to help negotiate long – term realistic financial agreements with the creditors involved.

This Toolkit can be used to:

- Assess your client's financial situation;
- Identify priority and non – priority debts;
- Construct suitable repayment plans.

The Toolkit contains:

- Checklist sample letters and forms (which can be copied from the CD);
- Useful Housing Rights Service Case Studies.

Further information on all of these issues can be found in the **Housing Rights Manual** and references will be made to the appropriate sections.

Advisers are welcome to seek further support when required from Housing Rights Service:

If you need further assistance please contact Housing Rights Service, Middleton Buildings, Fourth Floor, 10 – 12 High Street, Belfast, BT1 2BA, telephone 028 9024 5640, fax 028 9031 2200 or email hrs@housingrights.org.uk.

This Toolkit is intended as a guide for advisers only and its contents should not be taken as a definitive statement of the law.

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ADVISER'S CHECKLIST FOR HOUSING DEBT

Updated 1/December 2007

When a client requires advice in relation to housing debt, the adviser should take a copy of the checklist below, available under the filename on the floppy disk. These guidelines should assist an adviser in deciding which section of this Toolkit he/she should consult in order to take any further action if appropriate.

ACTION	YES	NO	
• Client has consented to the adviser acting on their behalf by signed authorisation.	<input type="checkbox"/>	<input type="checkbox"/>	<i>Ensure that the Authorisation Form has been completed (see Appendix 1).</i>
• Client has completed the Income Sheet.	<input type="checkbox"/>	<input type="checkbox"/>	<i>Ensure that the income sheet returned as soon as possible (see page 5 of this Toolkit).</i>
• Client has completed the Expenditure sheet.	<input type="checkbox"/>	<input type="checkbox"/>	<i>Ensure that the completed Expenditure Sheet is returned as soon as possible (see page 5 of this Toolkit).</i>
• Client has completed the Creditors' List.	<input type="checkbox"/>	<input type="checkbox"/>	<i>Ensure that the completed Creditors' List is returned as soon as possible (see page 6 & 7 of this Toolkit).</i>
• All information has been requested from relevant creditors.	<input type="checkbox"/>	<input type="checkbox"/>	<i>Contact creditors for any outstanding information.</i>
• All holding letters have been sent to the relevant bodies.	<input type="checkbox"/>	<input type="checkbox"/>	<i>Ensure that all creditors have been contacted (see page 13 & 14 of this Toolkit).</i>
• Suitable repayment plan has been calculated.	<input type="checkbox"/>	<input type="checkbox"/>	<i>Calculate suitable repayment (see page 9 of this Toolkit).</i>
• Proposals have been made to and accepted by the creditors (see page 15).	<input type="checkbox"/>	<input type="checkbox"/>	<i>Ensure that all outstanding proposals have been agreed and reviewed.</i>

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CHART 1 – HOUSING DEBT

In any case of housing debt, it is important to establish that the client wishes to remain in the property, particularly after explaining the consequences of failing to negotiate repayments. If the answer is 'no' consider all other housing options (*refer to Toolkits 1, 2 & 3*).

