

I've heard about various government schemes to help people avoid repossession. I'm confused about what they are and how they work. Can you explain?

You're right, there are several government schemes to help make sure that facing mortgage problems needn't mean losing your home.

If you're struggling to pay your mortgage, you may be able to get help from Homeowners Mortgage Support (HMS). This is a government scheme which could allow you to put off paying some of your monthly mortgage payments for up to two years. It's aimed at people who've had a temporary loss of income such as a cut in working hours or wages, or who have lost their job.

If you're not working because you've lost your job, you're ill, disabled or retired, you may be able to get help towards paying the interest on your mortgage. This is known as Support for Mortgage Interest (SMI).

The government's mortgage rescue scheme is designed to help vulnerable homeowners at risk of repossession stay in their home. This may apply to you if you are at risk of being made homeless in the near future because of repossession by your mortgage lender, your household income is less than £60,000, and you have children living at home, or you are elderly or disabled.

In addition to these schemes, new rules (known as the Pre-Action Protocol) are in place to try and ensure that repossession is only ever a last resort. The rules say your mortgage lender must treat you fairly and give you a reasonable chance to make arrangements to pay off the arrears. They must consider any reasonable request from you to change when or how you pay. They should not start court action while you are trying to come to an agreement, and only ever start court action as a last resort, if all other attempts to collect the arrears have got nowhere.

If you do face a repossession court hearing, you should have access to support from a free court desk advisor providing confidential, expert and independent advice. In the vast majority of cases where people attend court and are helped by the Court Desk Advice scheme, immediate repossession is avoided and they are able to remain in their own home after the court hearing.

More information on all the schemes can be found at mortgagehelp.direct.gov.uk or go to www.adviceguide.org.uk for advice and contact details of your nearest CAB.