



# A GUIDE TO **The Mortgage Assistance Loan Scheme**

HOMEOWNERS:  
IN DANGER OF  
LOSING YOUR HOME?



# Introduction

If you are an owner occupier and you are in difficulty with your mortgage, there is help available from Wakefield Metropolitan District Council.

The Mortgage Assistance Loan is an interest free secured loan that provides help to pay your mortgage. You will have to repay the loan at the end of three years.

## Whose loans do we offer?

Wakefield Metropolitan District Council will only offer its own loans.

## Who is the loan for?

You may have got into difficulties with your mortgage because of a drop in income due to losing your job or ill health or some other change in your circumstances. The loan offers only short-term help, so you should have an expectation that you will be able to afford your mortgage payments in future.

## What is the loan for?

The loan can pay your mortgage arrears and/or your continuing mortgage instalments for up to 12 months, depending on your circumstances. It can also help with secured loan arrears and instalments.

## Before you apply

Before applying you must obtain advice about your mortgage difficulties, as there may be other options available to you that are more suitable than taking a loan. Details of sources of free advice can be found at the end of this leaflet.

***Please do not delay - seek advice straightaway***, even if your lender is not yet threatening repossession.

## How to apply to the Mortgage Assistance Loan Scheme

You may be referred to us by the agency you have contacted for advice or you can contact us directly:

Irene Carey  
The Mortgage Assistance Loan Scheme  
Room D34  
Upper Building  
Newton Bar  
Wakefield WF1 2TX  
Telephone: 01924 306618

### What assistance will we provide you with?

We will help you all the way, from your initial enquiry.

We will tell you about the loan product we have available and whether it is suitable for you, based on your needs and circumstances.

You will then need to make your own choice about how to proceed.

You will be given further information to read about the terms and conditions of the loan together with an application form to fill in.

### What happens after you apply to the scheme?

We will carry out a detailed assessment of your application including:

- An assessment of your financial circumstances
- A credit reference search
- A property valuation

We will contact your mortgage lender and any other lenders that have loans secured on your home to seek their agreement.

If we are able to offer you a loan, we will also require that you get independent financial advice so you can decide whether the Mortgage Assistance Loan is right for you. The Council will cover any fees up to £300 for this.

### How does the loan work?

The Mortgage Assistance Loan is an interest free secured loan for a fixed term of 3 years. The loan is repayable in full at the end of the 3 year term.

The amount you may be offered is calculated on the amount of your arrears and up to 12 months instalments from the date of your loan application, dependant on your financial circumstances.

The amount you borrow can be between £2000 and £15000. The amount you are offered will be decided by the Council.

Your total secured borrowing including this loan must not exceed 85% of the value of your home.

The loan is secured as a legal charge on your home.

### What fees will you have to pay?

No fee.

### How do you repay the loan?

There are no regular repayments to make. You must repay the loan in full by the end of the 3 year term of the loan.

You can repay the loan in full at any time during the 3 year period, for instance if you remortgage or sell the property.

Although you are not required to repay by instalments during the 3 year period, you may choose to make repayments during this time.

**You will need to repay this loan in full by the end of the 3 year term. Think carefully about how you will be able to do this. If you do not repay the loan in full by the end of the loan period the Council may take court action to recover the loan and/or take possession of the property.**

### Conditions attached to the loan

A financial assessment will be undertaken to determine that you do not have the resources to pay your mortgage arrears and/or instalments.

You must agree to receive debt counselling to address any other problem debts.

You must agree to 3 monthly review meetings.

You must occupy the property as your only residence throughout the loan period.

All owners of the property must be party to the application for it to be considered.

All occupiers aged over 17 will need to sign a consent form.

You must maintain adequate building insurance for the property throughout the loan period and provide a copy to the Council if required.

There are further conditions. Full details are supplied with the application form.

**More information about the loan**

The loan will be paid directly to your mortgage lender.

Interest is not charged on the loan. However, once repayment becomes due to the Council, interest will be charged at the Bank of England base rate.

**What if you still cannot pay your mortgage after the period of assistance provided by the loan?**

If you think you will be unable to meet your mortgage payments in the longer term, you will need to consider your housing options, such as selling up and moving into rented accommodation. The agencies listed at the end of this leaflet may be able to give you advice on this.

You can also contact Wakefield Council's Homelessness Prevention Team for housing options advice. In some cases the Council may have a duty to accommodate you if you lose your home and become homeless through no fault of your own, and you are considered to be in priority need.

You can contact the Homeless Prevention Team at:

The Open Door Project

Queens House

Queens Row

Market Street

Wakefield WF1 1DF

Telephone:

01924 304362 or 304360

Email:

homelessunit@wakefield.gov.uk

**What to do if you have a complaint**

If you wish to make a complaint in relation to the Mortgage Assistance Loan Scheme, please contact:

Wakefield Metropolitan

District Council

The Complaints Team

Town Hall

Wakefield WF1 2HQ

Telephone:

01924 305757

If we cannot settle your complaint with us, you may be entitled to refer it to the Local Government Ombudsman.

**THINK CAREFULLY BEFORE  
SECURING OTHER DEBTS  
AGAINST YOUR HOME.**

**YOUR HOME MAY BE  
REPOSSESSED IF YOU DO  
NOT KEEP UP PAYMENTS ON  
A MORTGAGE OR ANY OTHER  
DEBT SECURED ON IT.**

# Where to get Advice

The Mortgage Assistance scheme will not be the best option for everyone. To find out about other options for tackling your mortgage difficulties, you should seek advice. You can get free advice from the following:

## **The Springs Advice Centre**

4 The Springs  
Wakefield WF1 1PU  
Telephone:  
01924 302085  
Email:  
thespringsadvicecentre@wakefield.gov.uk

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## **Citizens Advice**

27 King Street  
Wakefield WF1 2SR  
Telephone:  
0870 121 2044

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## **Citizens Advice**

Horsefair House  
Horsefair  
Pontefract WF8 1NX  
Telephone:  
0870 121 2044

## **Citizens Advice**

Westfield Resource &  
Enterprise Centre  
Westfield Lane  
South Elmsall WF9 2PU  
Telephone:  
0870 121 2044

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## **National Debtline**

Telephone:  
0808 808 4000 (freephone)  
Website:  
[www.nationaldebtline.co.uk](http://www.nationaldebtline.co.uk)

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## **Consumer Credit Counselling Service (CCCS)**

Telephone:  
0800 138 1111 (freephone)  
Website:  
[www.cccs.co.uk](http://www.cccs.co.uk)

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## **Shelter Helpline**

Telephone:  
0808 800 4444  
Website:  
[www.shelter.org.uk](http://www.shelter.org.uk)