



County court – attachment of earnings orders

Fact sheet no. 22

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What is an attachment of earnings order?

If a creditor has a judgment against you in the County Court that you do not pay then they can try to enforce the judgment against you. One of the ways this can be done is the creditor applying to the County Court for an attachment of earnings order to be made. This order tells your employer to make deductions straight from your earnings in order to pay the debt. Your employer then sends the money to the court.

The court can order deductions to be made directly from your earnings if:

- you are behind with the payments on your county court judgment (CCJ);
- you are an employee (not self-employed or on benefits); **and**
- you owe more than **£50** on the judgment.

Information:

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fees and costs

The creditor has to pay a fee when they apply for an attachment of earnings order. They can add this fee to your debt. Your employer can also deduct **£1** every time they take money out of your wages towards the cost of administering the attachment of earnings order.

Filling in the court forms

If the creditor makes an application for an attachment of earnings order, the court will send you a form to fill in called an **N56**. This asks you to fill in:

- your name, address and number of dependants;
- your employer's details;
- your income and outgoings; **and**
- any other debts and court orders that you have.

There is a section asking you to make an offer of payment that you can afford. You should fill this in and make sure you have included details of all your other debts and how much you are paying to other creditors. You can also ask the court to agree to make a suspended attachment of earnings order by ticking the box and filling in the reason why you want a suspended order. This could be that you may lose your job or promotion prospects if your employer finds out you are in debt.



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What happens if I don't send the form back?

You must send the form back to the court so that the court gets it within **eight days of you receiving the N56**. **It is an offence not to send back the form or to give false information**. If you don't send back the **N56** form then county court bailiffs will serve you with an order to fill it in. If you still don't contact the court then you will be sent a notice to go to a court hearing to explain why you have not given the court the information requested.

Extra advice:



send post securely

It is a good idea to send the form recorded delivery and keep a copy.

Warning:



go to the hearing

You must go to this hearing. If you don't attend then the court can issue a warrant for you to be arrested and brought to court or even send you straight to prison.

You can be sent to prison for up to **14 days** or fined simply for not following the court's instructions to fill in the form and go to the hearing.

Warning:



court contacting your employer

If the creditor knows your employer's address the court can go directly to the employer and ask them to provide details of your earnings if you do not return the **N56** form to the court.

I have sent back the form – now what happens?

A court officer will use the information on the **N56** form to make an attachment of earnings order.

The court cannot make an attachment of earnings order if your take-home pay is below a certain level. This is called the 'protected rate'. Although the County Court generally looks at your ability to repay the debt they use a much stricter system for calculating attachment of earnings repayments. They do this because it is a method of enforcement. The 'protected rate' is calculated by the court staff and uses set figures for essential expenditure such as housekeeping.

The court will then send you the order in writing. If you have asked for the attachment of earnings to be suspended the court staff will decide if they agree with you and include this in the order.



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What if I disagree with the order made by the court?

You or your creditor have **14 days** to tell the court you disagree with the terms of the order. You should write to the court and keep a copy of your letter. You may have asked for the order to be suspended and need to give the court more details about why your employment may be affected. You may find the court has set the instalments too high. A hearing will be arranged in your local county court with a District Judge in their private rooms. Make sure you go to the hearing and take with you your budget sheet and details of your other debts. At the hearing you should explain to the district judge why the level of the attachment of earnings will cause problems or how the order will affect your job if it is not suspended.

Consolidated attachment of earnings orders

If you have an attachment of earnings order and have other county court judgments (CCJs) then you can apply to have a consolidated attachment of earnings order made. This makes it easier for you if you have to make your own payments to several different creditors. A consolidated attachment of earnings order means one monthly payment is deducted by your employer to cover all the CCJs and sent to the court. The court then divides the money up and sends the payments to all your creditors for you.

To apply for a consolidated attachment of earnings order you must make an application to the court on a form called an **N244**, giving details of all the attachment of earnings orders and county court judgments that you want to consolidate.

You do not have to pay a fee up-front to make this application. Instead, **ten pence** is deducted by the court for every **pound** paid in whilst the consolidated order is in force.

To apply for a consolidated attachment of earnings order you must make an application to the court on a form called an **N244**, giving details of all the attachment of earnings orders and county court judgments that you want to consolidate. There is no hearing. The creditors have **14 days** to object to the order being made. It is unusual for the court to refuse to make a consolidated attachment of earnings order and you will be sent details of the new order by the court.

Extra advice:



think before applying

This is only a good idea if you do not mind having the attachment of earnings order being deducted from your wages. It will only cover other debts if those creditors have a CCJ against you. If you have other credit debts that have not been to court, they cannot be included in the consolidated order. You will need to build in the payments to those creditors in your **budget**.

Extra advice:



include a budget

Make sure you include a **budget** and make it clear how much you can afford to pay in total on the new order. If you can afford no more than the current attachment of earnings payments and want this to be divided up between all the creditors then you should say so.



What if I want to change the terms of the attachment of earnings order in the future?

You can apply to the court on an **N244** to 'vary' or change the order if you find that you cannot afford the deduction rate on the attachment of earnings order because your circumstances have changed. You will have to give full details of your budget and why you cannot afford the deductions set by the court. You can also use this form if your circumstances at work change and you want the court to look at suspending the attachment of earnings order.

Information:

INFO

court fees

You will have to pay a fee to the court when you make your application. If you are on a low income or certain benefits, you may not have to pay the fee. See the information on court fees at the end of this fact sheet.

What happens if I leave my job?

If you leave your job the attachment of earnings stops but is not cancelled by the court. If you get another job the attachment of earnings order can be used again by the creditor. You must give the court details of your new employer or the court can decide you have committed an offence and you can be fined by the court or sent to prison. If your creditor stops getting payments and thinks you have a new job they can ask the court to order you to file a statement of means at the court or explain why you have not done so at the court hearing. **Contact us for advice.**

Information:

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court forms

You can find most court forms using the court form finder on the HM Courts and Tribunals Service website www.justice.gov.uk/about/hmcts. You can fill in application forms online and print them off to sign and send to the court.

Do I have to pay a court fee?

How does the court decide whether I should pay a fee?

When you apply for help to pay a court fee, the court will decide on your application by using two tests. These are the 'disposable capital test' and the 'gross monthly income test'.

Information:

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rules for help with fees

For more information see www.justice.gov.uk and click on the link 'court and tribunal fees'. Alternatively, **contact us for advice.**



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Disposable capital test

The court will look at how much disposable capital you have. Disposable capital includes savings, stocks and shares, redundancy payments and the 'value' in second homes. 'Value' means the money you would have left if you sold the second home after any mortgages, secured loans and an allowance for sale expenses have been taken off. The value in your own home will not be counted.

If you are aged under **61**:

- For court fees of **£1,000** or less, if you have less than **£3,000** disposable capital, you will pass the disposable capital test.
- For court fees of more than **£1,000**, the rules about disposable capital are different. **Contact us for advice.**

If you are aged **61** or over:

- If you have less than **£16,000** disposable capital, you will pass the disposable capital test.

If you do not pass the disposable capital test, you will have to pay the court fee in full.

Gross monthly income test

If you pass the disposable capital test, the court will look at your monthly income before any deductions. The court will then decide how much of the court fee you should pay.

- If you receive certain benefits, you will not have to pay anything towards the fee.
- If you do not receive benefits but are on a low income, you may not have to pay the fee. Alternatively, you may only have to pay part of it.

Under the gross monthly income test, you have to provide proof of your income. This can include bank statements, wage slips and letters confirming that you get certain benefits.

Can I appeal?

If the court refuses your application, you can appeal. Do this in writing within the time limit the court sets when they write to tell you they have refused your application. This will usually be **14 days** from when you receive the letter.

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