

### **Guide to Attachment of Earnings in the County Court**

- This is a method your creditors use in order to retrieve the money directly from your earnings.
- They can only do this if they have a judgment against you in the county court.
- The takings from your wages will be sent to the court that will in turn be forwarded to your creditors.
- Furthermore, your employer will have the right to take a further £1 from your wages as an admin fee.

#### **What circumstances allow this to happen?**

- In the case you have missed payments towards a county court judgment.
- You are fully employed and owe in excess of £50 toward the judgment.

#### **Is there a form to be filled in pending the order?**

- You will receive a N56 form.
- Included within will be name, address and number of dependants as well as your employer's details.
- Your financial situation including income and expenditure will need to be shown.
- Furthermore, other debts or court orders should be displayed.
- You will have a chance within the form to offer a payment plan you can afford.
- Any payments being made to other creditors should be shown as well alongside this payment plan.
- It is possible to ask the court to suspend the attachment of earnings but you must give a reason why.

#### **Are there consequences for not returning the form?**

- The form must be returned within 8 days.
- To not return it is an offence.
- Also including incorrect information is an offence.
- The court will summon you to court if they do not receive it.
- Failure to attend the summoning could result in a warrant being issued for your arrest.
- You can be imprisoned for up to 14 days for ignoring the courts requests regarding the form or hearing.
- The court may also, if applicable, go directly to your employer to request information on your earnings.

### **What happens after I have returned the form?**

- The court will look at your form and the information shown before granting an attachment of earnings order.
- The order will only occur if your income is above a particular amount, known as the 'protected rate'.
- The court will strongly look into and calculate what you can afford to pay before issuing the attachment, as it is a method of enforcement.
- The order if granted will be sent to you in writing.
- If the order is to be suspended this will also be included in the order.

### **Can I dispute the order decided by the court?**

- There is a 14-day window for you and the creditors to dispute anything with the court.
- A written letter should be sent to the court and you should keep a duplicate copy of the letter for yourself.
- If you think the payment plan is too high, you can have a hearing with the district judge to show them your budget sheets and debts.
- You can also tell the judge how the attachment of earnings will affect your work if not suspended.

### **What is a consolidated attachment of earnings orders?**

- This can be applied for if you have an attachment of earnings order as well as various other County Court Judgments.
- With this order, your employer takes one monthly payment.
- This payment will cover all the County Court Judgments.
- The court will receive this payment and further send it your creditors.

### **Application for consolidated attachment of earnings order:**

- Application form N244.
- Must include all attachment of earnings orders and County Court Judgments that are to be consolidated.
- A deduction is made by the court on every pound paid as a form of admin costs.
- Your creditors will have a 14-day window in which to submit any rejections to the order.

### **Can the terms of the attachment of earnings order be altered?**

- Application through N244 form.
- This form asks for the terms to be varied.
- Only can occur if circumstances have changed meaning you cannot afford the deduction rate set by the initial order.
- A personal budget will need to be shown as well as reasons why this has changed.

### **What is the costing of the order?**

- There is an initial cost of £75 that should accompany your application.
- Potentially if your income stream is significantly low you may be exempt from the initial cost.

### **Is there a consequence of ending my employment?**

- The attachment of earnings will be halted but not terminated completely.
- Once you are employed again the order can continue.
- It is essential you communicate with the court and give details of your new employer to stop you being fined or in extreme cases sent to prison.

### **Does a county court application require payment?**

- In most cases a payment will be required.
- Under certain circumstances you may request not to pay the fee.
- The form EX160 is called the Application for a fee remission.
- If the court grants the application, you will be exempt from the fee.
- In the case you have already paid the fee and have had the remission permitted, you have a six month window in which to request a refund from the court.

### **What situations allow remissions?**

- Income Support
- Income-based jobseeker's allowance.
- The guarantee credit element of Pension Credit.
- Working tax credit if you are not getting Child Tax Credit as well.
- Low income before tax and national insurance is below a certain amount.
- Number of children and your partner's income is also taken into account.
- For any of the above you must provide the court with evidence.



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**Will the payment need to be paid in full?**

- A reduction in certain cases is applicable.
- This will take place by showing the court how much money is left over after essential bills have been taken care of.
- The court for your living expenses decides a disposable monthly income.
- If this figure worked out is below the required amount you will be permitted a reduction.

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