

How can I keep a roof over my head if I'm made redundant?

Despite improvements in the economy, the risk of redundancy still remains a fear for many people. "How can I pay the mortgage?" is often the first thought in this situation. Therefore, it is reassuring to learn that measures to help people who lose their jobs hang on to their homes have been introduced.

The rules about help with housing costs for owner-occupiers on benefits have changed. You can get help towards paying the interest on your mortgage – known as Support for Mortgage Interest (SMI) - if you are on Income Support, income-based Jobseeker's Allowance, or income-related Employment and Support Allowance. Payment now starts 13 weeks after you make your claim and in most cases SMI can be paid for up to two years on loans up to £200,000.

There have also been a number of announcements with the aim of helping homeowners who are at risk of being evicted because of mortgage arrears. Some mortgage lenders have agreed they will not start court action to repossess homeowners for at least three months and at least two have said they will not begin repossession action until borrowers are six months or more in arrears. This is so that borrowers and lenders can have time to explore other alternatives.

The government has also announced a new Homeowner Mortgage Support Scheme. It will allow borrowers who experience a significant and temporary loss of income as a result of the current economic climate to delay paying a proportion of the interest payments on their mortgage for up to two years.

Eight major lenders have agreed to support this new scheme. For more information go to the Directgov website at: www.direct.gov.uk.

There is also a new mortgage rescue scheme to help vulnerable homeowners to stay in their home. The scheme will not help you if you have taken out a second charge on your mortgage or if you are in negative equity, and there will be other eligibility conditions too. You can get more information from the Department for Communities and Local Government website at: www.communities.org.uk. If you are interested in the scheme, contact your local Citizens Advice Bureau for more information about whether you qualify.

In the meantime, a leaflet has been published about mortgage arrears. It's called 'Are you worried about your mortgage?' To see a copy, go to: www.nhas.org.uk.

For more information about mortgage arrears and contact details of your nearest CAB go to the Citizens Advice website www.adviceguide.org.uk