



# THE UK INSOLVENCY HELPLINE

## ATTACHMENT OF EARNINGS IN THE COUNTY COURT

# F A C T S H E E T N O 22

### WHAT IS AN ATTACHMENT OF EARNINGS ORDER?

If a creditor has a judgment against you in the county court which 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 applies 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. Your employer can also deduct £1.00 every time they take money out of your wages towards the cost of administering the Attachment of Earnings Order.

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

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

### 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 these details:

- name, address and number of dependants;
- your employer's details;
- your income and outgoings;
- any other credit 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 reasons 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.

### WHAT HAPPENS IF I DON'T SEND THE FORM BACK?

You must send the form back to the court within **8 days**. **It is an offence not to send back the form or to give false information.** If you don't send back the N56 form the 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. *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: 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 - WHAT HAPPENS NOW?**

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 Order to be suspended the court staff will decide if they agree with you and include this in the order.

### **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 have 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 personal budget and details of your other debts. At the hearing you

Attachment of Earnings in the County Court

should explain to the district judge why the level of the Attachment of Earnings Order 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 then you can apply to the court 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 your county court judgments and sent to the court. The court then divides the money up and sends the payments to all your creditors for you.

**Warning: 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 county court judgment 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 payments to those creditors in your personal budget.**

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 the court to consolidate. You do not have to pay a fee upfront to make this application. Instead, 10 pence is deducted by the court for every £1.00 paid in whilst the consolidated order is in force.

Make sure you include a personal 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 Order payments and want this to be divided up between all the creditors then you should say so.

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.

### **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 personal 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. There will be a fee to pay to make this application (*see the section on fees below*).

### **FEEES**

There will usually be a fee of £65 to pay with your application. If you are on a low income or certain benefits you may not have to pay the fee. **See the section on fees at the end of this factsheet.**

### **WHAT HAPPENS IF I LEAVE MY JOB?**

If you leave your job the Attachment of Earnings Order 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 a court hearing. 📞 **Phone us for advice.**

#### **Sample Attached**

**Form 1** N55 sample application  
**Form 2** N56 sample reply form

#### **Remember:**

**You can always contact us for advice about any difficulty you have in dealing with your debts.**

**Freephone: 0800 074 6918**

**Website: [www.insolvencyhelpline.org](http://www.insolvencyhelpline.org)**

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Whilst we endeavour to keep our factsheets as up to date as possible, The UK Insolvency Helpline cannot be held responsible for changes in legislation or for developments in case law since this edition of the factsheet was issued.

## COUNTY COURT FEES

### DO I HAVE TO PAY A FEE FOR AN APPLICATION IN THE COUNTY COURT?

There will usually be a fee to pay with your application. You can ask the court not to pay the fee in some circumstances. The form you will need to fill in is called an **EX160 "Application for a fee exemption or remission."** This form needs to go to the court with your main application. If the court agrees your application you will not have to pay the fee. If you pay a fee when you should have been exempt or would have qualified for a remission, then you have six months to apply to the court for a refund.

### EXEMPTIONS

If you are on income support or income-based jobseeker's allowance (JSA) you can ask the court for exemption from the fee. You need to give the court proof that you are getting the benefit. You will be exempt if you or your partner are on the guarantee credit element of pension credit.

If you are on working tax credit you will be exempt from the court fee in these circumstances:

**if** you are also on child tax credit,

**or**

you receive the disability or severe disability element in your working tax credit,

**and in either case**

your gross annual income taken into account for working tax credit is £15,460 or less (from 6 April 2006).

You will need to show the court your tax credit award notice to qualify.

If you do not qualify under these rules for an exemption then you can ask for the fee to be remitted or waived by the court. **See below.**

### REMISSIONS

Ask the court for the fee to be remitted (or waived) if it will cause you what the court calls "*undue financial hardship*". You can use the same **EX160** application form. You may be on a low income or a benefit that does not automatically exempt you from paying the fee. Give as much information about your circumstances as you can. Explain your financial situation on the application form and any exceptional circumstances that apply in your case. The court can remit all or part of the fee depending on what they decide you can afford.

Figure 17 - N55/ N56 Notice of Application for Attachment of Earnings Order and Reply Form

### Notice of Application for Attachment of Earnings Order

<p><b>Plaintiff</b></p> <div style="border: 1px solid black; padding: 5px; text-align: center;">MEB</div> <p><b>Defendant</b></p> <div style="border: 1px solid black; padding: 5px;">                 THOMAS TELFORD                  10 Ironbridge Road                  Dawlish                  West Midlands             </div>	<p>In the</p> <div style="border: 1px solid black; padding: 5px; text-align: center;">                 STOURBRIDGE                   County Court             </div> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Case No.</td> <td style="width: 10%; text-align: center;"><small>Always quote this</small></td> <td style="width: 60%;">97/103105</td> </tr> <tr> <td>Application No.</td> <td></td> <td>17643</td> </tr> <tr> <td>Plaintiff's Ref.</td> <td></td> <td></td> </tr> </table>	Case No.	<small>Always quote this</small>	97/103105	Application No.		17643	Plaintiff's Ref.		
Case No.	<small>Always quote this</small>	97/103105								
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To the defendant



The plaintiff obtained a judgment (or order) against you in this court

( or as the case may be for £ 347 )<sup>(1)</sup>

And as you have failed to pay as ordered, the plaintiff has applied for an attachment of earnings order requiring your employer to make deductions from your earnings to pay the judgment (or order)

Unless you pay the plaintiff the amount now due (shown below), you must complete the enclosed form of reply, including the statement of means, and send it to reach the court office within 8 days after you receive this notice

Failure to return the reply form and statement of means is a punishable offence. It will result in your employer being contacted and you may also be sent to prison for up to 14 days

<sup>(1)</sup> where judgment entered for more than £5,000 on or after 1 July 1993

Balance of debt due at date of this notice (and any interest <sup>(2)</sup> )	£ 347	00
Attachment issue fee	£ 50	00
<b>AMOUNT NOW DUE</b>	<b>£ 397</b>	<b>00</b>

Dated 25.11.97

**Instructions - please read these carefully**

- If the plaintiff's claim includes interest<sup>(2)</sup> and you pay the amount now due within 8 days after you receive this notice, the plaintiff will not be entitled to further interest. If you wish to pay the amount due, see **How to Pay** below.
- If you complete and return the form of reply, including the statement of means, within 8 days and the court is satisfied with the information you give, the court will make an order and send you a copy. You will not have to attend court.
- If you are unemployed or self employed, you should say so on the form of reply and answer as many questions as you can.
- If you want an opportunity to pay voluntarily without your employer being ordered to make deductions from your pay, you should ask for a suspended order on the form of reply. You should also enclose a copy of your most recent pay slip.
- Read the notes on the form of reply before giving the details asked for.
- You can obtain help in completing the enclosed form of reply at any county court office or citizens' advice bureau

— Address for Payment —

— How to Pay —

- PAYMENT(S) MUST BE MADE to the person named at the address for payment quoting their reference and the court case number.
- DO NOT bring or send payments to the court. THEY WILL NOT BE ACCEPTED.
- You should allow at least 4 days for your payment to reach the plaintiff or his representative.
- Make sure that you keep records and can account for all payments made. Proof may be required if there is any disagreement. It is not safe to send cash unless you use registered post.
- A leaflet giving further advice about payment can be obtained from the court.
- If you need more information you should contact the plaintiff or his representative.

The court office at

is open between 10 am and 4 pm Monday to Friday. When corresponding with the court, please address forms or letters to the Chief Clerk and quote the case number.

N55 Notice of application for attachment of earnings order (Order 27, rule 2(1))

MCB 02/99/4716/25210/000 2/91 DTP



**Form for Replying to an Attachment of Earnings Application**

- Read the notes on the notice of application before completing this form.
- Tick the correct boxes and give as much information as you can. The court will make an order based on the information you give on this form. You must give full details of your employment and your income and outgoings. Enclose a copy of your most recent pay slip if you can.
- *Make your offer of payment in box 10. You will get some idea of how much to offer by adding up your expenses in boxes 6, 7, 8 and 9 and taking them from your total income (box 5).*
- Send or take this completed and signed form immediately to the court office shown on the notice of application.
- You should keep your copy of the notice of application unless you are making full payment. (This does not apply to maintenance applications).
- For details of where and how to pay see notice of application.

**1 Personal details**

Surname

Forename

Mr     Mrs     Miss     Ms

Married     Single     Other (specify)

Age

Address

Postcode

**2 Dependants (people you look after financially)**

Children (under 19)                      Others (give details)  
Age                      Date of Birth

(If more continue on a separate sheet)

In the  
Claim Number  
Application No.

County Court

Claimant (including rel.)

Defendant

**3 Employment**

- I am  employed as a  
 self employed as a  
 unemployed  
 a pensioner

**a. employment**

My employer is .....  
Employer's address .....  
Address of employer's head office (if different from above)

My works number and/or pay reference is

Jobs other than main job (give details)

**b. self employment**

Length of time self employed                      years                      months

**c. unemployment**

Length of time unemployed                      years                      months

Give details of any outstanding interviews

**4 Bank account and savings**

- I have a bank account  
 The account is in credit by ... £ .....  
 The account is overdrawn by ... £ .....  
 I have a savings account or building society account  
The amount in the account is ... £

## 5 Income

My usual take home pay (including overtime, commission, bonuses etc.)	£	per
My husband's or wife's usual take home pay	£	per
Income support	£	per
Child benefit(s)	£	per
Other state benefit(s)	£	per
My pension(s)	£	per
Others living in my home give me	£	per
Other income (give details below)	£	per
.....	£	per
.....	£	per
.....	£	per
<b>Total income</b>	£	per

## 7 Priority debts

(This section is for arrears only. Do not include regular expenses listed in box 6)

Rent arrears	£	per
Mortgage arrears	£	per
Council Tax/Community charge arrears	£	per
Water charges arrears	£	per
Fuel debts: Gas	£	per
Electricity	£	per
Other	£	per
Maintenance arrears	£	per
Others (give details below)	£	per
.....	£	per
.....	£	per
<b>Total priority debts</b>	£	per

## 6 Expenses

(Do not include any payments made by other members of the household out of their own income)

I have regular expenses as follows:

Mortgage (including second mortgage)	£	per
Rent	£	per
Council Tax	£	per
Gas	£	per
Electricity	£	per
Water charges	£	per
.....		
TV rental and licence	£	per
HP repayments	£	per
Mail order	£	per
.....		
Housekeeping, food, school meals	£	per
Travelling expenses	£	per
Children's clothing	£	per
Maintenance payments	£	per
Others (not court orders or credit debts listed in boxes 8 and 9)	£	per
.....	£	per
.....	£	per
.....	£	per
<b>Total expenses</b>	£	per

## 8 Court orders

Court	Claim No.	£	per
.....	.....		
<b>Total court order instalments</b>		£	per

Of the payments above, I am behind with payments to  
(please list)

## 9 Credit debts

Loans and credit card debts (please list)

.....	£	per
.....	£	per
.....	£	per

Of the payments above, I am behind with payments to  
(please list)

## 10 Offer of Payment

I offer to have £ ..... week/month deducted from my pay

● If you want an opportunity to pay voluntarily without your employer being ordered to make deductions from your pay you should ask for a suspended order. Tick the box below and give your reasons.

I would like a suspended order because

## 12 Declaration

I declare that the details I have given above are true to the best of my knowledge

Signed

Date