



## **CIVIL JUSTICE COUNCIL LAUNCHES A NEW CONSULTATION ON A MORTGAGE ARREARS PROTOCOL**

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The Civil Justice Council has today issued a consultation paper on a Mortgage Arrears Protocol. The consultation asks for comments on a new proposal to bring into force a pre-action protocol relating to proceedings in which a claim is made by a mortgage lender against a homeowner for possession on the basis of mortgage arrears.

The consultation paper proposes a new mortgage arrears pre-action protocol to ensure that before proceedings are commenced all reasonable steps have been taken to avoid the necessity for litigation and particularly

- to encourage the exchange of early and full information about the prospective legal claim;
- to enable parties to avoid litigation by agreeing a settlement of the claim before the commencement of proceedings; and
- to support the efficient management of proceedings where litigation cannot be avoided.

The Chairman of the Civil Justice Council, Sir Anthony Clarke, Master of the Rolls said: "In today's banking climate, these important proposals come at a very timely juncture. The proposed protocol aims to encourage mortgage lenders and borrowers to resolve problems arising from mortgage arrears without recourse to the courts. Where recourse to litigation cannot be avoided, it aims to ensure that the court system is used effectively and efficiently. I hope this protocol that will be responsive to the interests of all those concerned in what is too often a time of great stress and uncertainty".

Responses to the consultation are sought by 23 May 2008.

### **Notes to Editors:**

1. Chaired by the Master of the Rolls, Sir Anthony Clarke, the Civil Justice Council is an advisory non-departmental public body established under the Civil Procedure Act 1997 to:
  - keep the civil justice system under review;

- consider how to make the civil justice system more accessible, fair and efficient;
  - advise the Lord Chancellor and the judiciary on the development of the civil justice system; and
  - refer proposals for changes in the civil justice system to the Lord Chancellor and the Civil Procedure Committee and make proposals for research.
2. The consultation paper is available on the Civil Justice Council website [www.civiljusticecouncil.gov.uk](http://www.civiljusticecouncil.gov.uk). Paper copies of the consultation paper may be obtained from Graham Hutchens telephone: 020 7947 7870 email: [Graham.Hutchens@hmcourts-service.gsi.gov.uk](mailto:Graham.Hutchens@hmcourts-service.gsi.gov.uk)
  3. Responses to the consultation paper should be sent by 23 May 2008 to Graham Hutchens by post at Civil Justice Council, Room E218, Royal Courts of Justice, Strand, London WC2A 2LL or by email [Graham.Hutchens@hmcourts-service.gsi.gov.uk](mailto:Graham.Hutchens@hmcourts-service.gsi.gov.uk)