



Department of Social and Family Affairs

Minister Says Strengthening And Streamlining Of Money Advice Service Will Equip It To Best Respond To Increasing Debt Problems

Brennan Attends 10TH Anniversary Of North Mayo MABS & Launches Guide To Services For Older People In Co. Mayo

The Minister for Social Affairs, Séamus Brennan T.D., said today that he is advancing plans as a matter of urgency to strengthen and streamline the Money Advice and Budgeting Service (MABS) which provides a free, confidential and independent service countrywide through a network of offices for people in debt or in danger of debt.

Minister Brennan signalled that the proposed new structure, combining a continuation of valued local voluntary involvement and professional advice with national leadership set on a statutory basis, would be designed and shaped to best respond to the stresses of modern debt on, in particular, low income earners.

Minister Brennan also said that that a new integrated software computer system that is now being rolled out countrywide for specific use by the MABS network will gather valuable information that will give a more comprehensive insight and statistics into the nature of the growing problems of debt. In addition, the new system.- MABSIS (Money Advice & Budgeting Service Integrated System) – includes a central database with a facility for a central payments system that will significantly reduce the number of payments made to creditors on behalf of MABS clients and will also allow for many payments to be made by electronic fund transfer.

Minister Brennan was speaking in Co. Mayo where he performed a number of official duties, including attending the 10th anniversary celebrations in Ballina for the North Mayo MABS and, in Westport, launching the Family Resource Centre's guide to Services for Older People in the area.

The Minister also released new figures showing that almost 44,000 people in Co. Mayo benefit each week from social welfare supports and entitlements. These include 15,292 families who received Child Benefit for 31,695 children; State Age



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Pensions (7,569), Unemployment Payments (5,141), Retirement Pension (2,480), Pre-Retirement Pension (440), Disability Benefit/Allowance (4,712), Widow's & Widower's Pensions (4,165), One-Parent Family Payment (1,716), Carer's Benefit/Allowance (1,529) and Supplementary Welfare Allowance (788).

Speaking in Ballina, Minister Brennan said that over the past 13 years MABS had developed into a valuable nationwide advice and support service that had assisted thousands of people to regain control of their finances and, in time of need, to gain access to affordable credit.

Last year alone almost 27,000 people nationwide used the MABS service, compared with less than 18,000 four years earlier. The most recent statistics show that, since 2005, more than 16,000 new customers have approached the independent and confidential advice service. Funding of the service by the Department of Social Affairs has more than doubled in the past four years to over €16 million in 2006.

Minister Brennan said: "It has always been envisaged that MABS would be shaped by the needs of local communities and work in partnership with local voluntary and statutory organisations. Local knowledge is invaluable to the MABS service and I want to see this continued. But I also see the need for a more streamlined national structure with a central leadership. As it stands, MABS has a total staff countrywide of 230 and is based on the model of 53 individual companies limited by guarantee. In order to ensure the best value for the €16 million of taxpayers money invested each year, and to build a coordinated budgeting and advice service that has all the supports needed to meet the demands of modern debt problems, I intend to proceed with legislation that will deliver modernisation and innovation, solidly founded on a modern and streamlined structure, and geared to meet the rapidly changing face of debt problems in 21st century Ireland".

Minister Brennan said more and more people are recognising the value of the service MABS offers. As it is free, independent and confidential, it is very reassuring to an indebted person that they can reveal the most intimate details of their financial affairs to a money adviser in complete confidence.

Minister Brennan said: "Money Advisers encounter first hand the human face of



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serious debt situations. The impact on people and families can be horrendous with loss of dignity and indeed loss of self esteem. The nature of debt is varied and can range from small loans to difficulties with utilities bills such as electricity, gas and telephone bills, credit card debt, mortgage or rent arrears or indeed debt around life events such as First Communion, bereavements and weddings. The increase in the availability of credit to the public is emerging as another significant factor in the continuing rise in the numbers seeking help from MABS. The service is reaching out to people in debt, or in danger of sliding into debt, and helping them to regain control of their finances and budgets for the future".

North Mayo MABS

The North Mayo MABS was established in 1996 to provide a service for all of Co. Mayo and part of South West Sligo. In 2000 South Mayo MABS was set up and the service for the county was divided. Currently, North Mayo MABS covers the northern half of Co. Mayo and the southern part of Co. Sligo.

Funding for the North Mayo MABS from the Department of Social and Family Affairs under the MABS programme has increased from €90,000 in 2002 to over €173,000 in 2006. Last year the service had 92 new clients of which 58 were social welfare customers and 28 were employed. This year, up to the end of July, there have been 52 new clients (social welfare (34) and employed (18)). There are currently 144 active clients working with North Mayo MABS.

Westport Family Resource Centre

Speaking in Westport town at the launch of the Family Resource Centre's Guide to Services for Older People, Minister Brennan said that older people are a valued and valuable resource that deserve our full support and recognition.

Minister Brennan announced that the target set by the Government under the National Development Plan of funding 100 Family Resource Centres by the end of 2006 will be delivered. There are currently over 90 core-funded groups in the Family and Community Services Resource Centre Programme. Funding has now been approved for the additional centres that will make up the 100, including new centres in Castlebar and Claremorris. Funding for the Programme has increased substantially from €317,500 in 1994 to over €12.9 million in 2006.



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Minister Brennan said: "The Government recognises the critically important contribution that Resource Centres, such as this one here in Westport, make to combating disadvantage and reaching out to the vulnerable and marginalised. The services provided by community resource groups are often emotional and practical lifelines for those who may be going through particularly traumatic situations and experiencing a range of problems that combine to leave them feeling isolated and powerless. The services provided are a practical response to the real local needs of the communities serviced by the centres. All of the dedication and commitment shown at local level is, of course, inspired by a vision of change for the good of the community and society in general".

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