



Department of Social and Family Affairs

MINISTER SAYS EASIER ACCESS TO CREDIT MAJOR FACTOR IN INCREASED NUMBERS SEEKING HELP FROM MONEY ADVICE SERVICE

BRENNAN OPENS NEW OFFICES FOR TWO DUBLIN MONEY ADVICE AND BUDGETING SERVICES

The Minister for Social Affairs, Séamus Brennan T.D., said today (Tuesday, 27th September) that the increase in the availability of credit to the public was a significant factor in the continuing rise in the numbers seeking help from the Money Advice and Budgeting Service (MABS).

Minister Brennan said that last year alone almost 30,000 people nationwide used the MABS service, compared with less than 18,000 four years earlier. In that period, 2000 to 2004, the number of new people availing of MABS has more than doubled. The most recent statistics show that, since 2000, more than 16,000 new customers have approached the independent and confidential advice service.

The Minister was speaking when he officially opened new offices of the Liffey South West and Dublin South East Money Advice and Budgeting Service. Both organisations are providing a free, independent and confidential service assisting hundreds of people to regain control of their finances and in time of need, to gain access to affordable credit, which is available in their local credit union.

The Department of Social Affairs has overall responsibility for the MABS which over the last decade has developed nationwide, with 52 services located in 65 offices throughout the country. The funding from the Department this year is more than €13.6 million.

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



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reaching out to people in debt, or in danger of sliding into debt, and removing many from of them permanently from the grip of and dependence on moneylenders. On a daily basis through out the country MABS is achieving its aim of helping people to regain control of their finances and budget for the future”.

The number of people using Liffey South West MABS has more than doubled since 2000, with nearly 300 people using the service last year. Funding for the service has also more than doubled since 2000, to nearly €280,000 this year. More than 150 people used the services of Dublin South East MABS last year, and this year’s funding is more than €235,000, more than twice the allocation in 2000.

Minister Brennan congratulated the staff, management committees and organisations involved in both services, and the MABS services nationwide, for the support they provide for people in dealing with debt.

He said the Government is keen to get more quality information on the nature and trends of the debt encountered as well as the categories of people using the MABS so as to better inform policy and also to allow the service to be even more responsive to its customers' needs. To this end Minister Brennan will later this year formally launch a new software application which has been developed for the specific use of the Money Advice and Budgeting Service - MABSIS (Money Advice and Budgeting Service Integrated System). The MABSIS system will provide detailed statistics on the nature of the debt incurred, indicating trends and the categories of people accessing the service.

Ends

NOTE FOR NEWS EDITORS

LIFFEY SOUTH WEST MABS - 32 Francis Street, Dublin 8

Liffey South West MABS evolved from a MABS that was set up in 1993 under the auspices of the National Social Services Board (now Comhairle). Volunteers in the local Citizens Information Centres (CICs) in Meath Street and Rialto were trained to



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provide a money advice service on a voluntary basis. In 1996 Liffey South West MABS was established with Headquarters in Meath Street and an outreach office in Rialto.

DUBLIN SOUTH EAST MABS - 26-28 Lombard Street, Dublin 2

Dublin South East MABS originated in the Ringsend Action Project which was established in 1990 with funding from the Department of Social and Family Affairs. Through its community development work it carried out a survey which showed a high percentage of local people using money lenders as a source of finance for once off expenses such as First Communion and medical expenses. In 1994 a comprehensive proposal to establish a Money Advice & Budgeting Service in Dublin South East to service the whole of the Dublin 2,4 & 6 postal areas, was submitted by the interim management committee of the Dublin South East MABS project. This proposed MABS project was to replace the Ringsend MABS which operated from the premises of the Ringsend Action Project (RAP). The new premises of the Dublin South East MABS at that time was to be located in Pearse Street.

MABS

Each local MABS project is run by a management committee drawn from local voluntary and statutory services and community groups.

Some of the key features of MABS are:

- an emphasis on practical, budget based measures that will succeed in removing people permanently from dependence on moneylenders and open up alternative sources of low cost credit through the credit unions;
- an approach which targets families identified as having problems with debt and money lending, in particular, those dependent on social welfare or on low income;
- a prominent role for local statutory agencies, such as the Social Welfare Regional Managers, Community Welfare Officers, local voluntary and community groups, credit unions, SVP etc;
- general money advice element for the local community, including publication of information on money management and debt counselling;
- a co-ordinated scheme allowing for the sharing of experiences and information on different approaches and progress in local communities in relation to combating money lending.