



**An Roinn Coimirce Sóisialaí
Department of Social Protection**

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**Over €542 million available under Mortgage Interest
and Rent Supplement Schemes**

Ms Joan Burton T.D., Minister for Social Protection today (28th August 2011) outlined supports of €542m available under the Department's Mortgage Interest and Rent Supplement Schemes in 2011.

The Mortgage Interest Supplement Scheme aims to provide short term support to help people repay interest on their mortgage on their home. The number of families receiving help under the scheme has increased by almost 340% in the last three years.

There are currently 18,679 households benefiting from the Mortgage Interest Scheme and the Department has provided €77.2m for 2011 an increase of almost €12m from 2010.

Minister Burton said "The premise behind the mortgage interest supplement is to support families who have suffered a loss of income and may be unable to meet the mortgage repayment on their family home. Mortgage arrears are a growing problem and while the lending institutions have a responsibility to engage with borrowers, a safety net is available and my Department is helping an increasing number of families in a very meaningful way"



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In addition provision has also been made for some €465m in Rent Supplement payable to over 96,000 people in 2011. Rent Supplement is paid to people living in private rented accommodation who cannot provide for the cost of their accommodation from their own resources.

Further details in relation to either the Mortgage Interest or Rent Supplements are available on www.welfare.ie

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Notes for Editors:

Background

- The purpose of mortgage interest supplement scheme is to provide short term support to eligible people who are unable to meet their mortgage interest repayments in respect of a house which is their sole place of residence. The supplement assists with the interest portion of the mortgage repayments only. See Appendix II for the qualifying conditions for the scheme.
- The supplementary welfare allowance (SWA) scheme, which includes rent and mortgage interest supplements, is administered on behalf of the Department of Social Protection by the Community Welfare Services division of the Health Service Executive.
- At the end of December 2010 there were 17,974 people in receipt of mortgage interest supplement, an increase of almost 340% in the last three years. As of 19th August 2011, there are 18,679 households benefiting from the scheme and the Department has provided €77.2m for 2011 (2010: €65.6m).



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Table 1

Mortgage Interest Supplement:

Recipient Numbers & Expenditure: 1999 to 2010

Year	Recipients	% Change	Cost €000	% Change
1999	5,108		8,187	
2000	4,233	-17%	5,878	-28.2%
2001	4,064	-4%	6,343	7.9%
2002	4,359	7%	7,658	20.7%
2003	3,933	-10%	7,663	0.1%
2004	3,318	-16%	6,333	-17.4%
2005	3,220	-3%	6,339	0.1%
2006	3,424	6%	7,873	24.2%
2007	4,111	20%	12,198	54.9%
2008	8,091	97%	27,675	126.9%
2009	15,101	87%	60,695	119.3%
2010	17,974	19%	65,657	8.1%
2011 (Est)	19,720	10%	77,546	18%



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Table 2

Mortgage Interest Supplement

Primary Payment at Year End 2010

Payment Type	% Total	No Claims
Long-Term Jobseekers Allowance	21%	3,723
One-Parent Family Payment	5%	825
Short-Term Jobseekers Allowance	14%	2,591
Supplementary Welfare Allowance	13%	2,381
Disability Allowance	3%	538
Jobseekers Benefit	23%	4,157
Other	6%	1,042
Employment Support Services (1)	4%	692
Illness Benefit	9%	1,648
State Pensions	0%	30
Invalidity Pension	1%	257
Widows and Widower's Pensions	0%	81
DSS (UK)	0%	4
Pre-Retirement Allowance	0%	5
Total	100%	17,974



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Table 3

Rent Supplement:

Recipient Numbers & Expenditure: 1999 to Present

Year	Recipients	% Change	Cost €000	% Change
1999	41,873		128,240	
2000	42,683	1.9%	150,590	17.4%
2001	45,028	5.5%	179,438	19.2%
2002	54,213	20.4%	252,203	40.6%
2003	59,976	10.6%	331,471	31.4%
2004	57,874	-3.5%	353,762	6.7%
2005	60,176	4.0%	368,705	4.2%
2006	59,861	-0.5%	388,339	5.3%
2007	59,726	-0.2%	391,466	0.8%
2008	69,729	16.7%	440,548	12.5%
2009	93,030	33.4%	510,677	15.9%
2010	97,260	4.5%	516,860	1.2%
19th August 2011	96,209		* * 465,000	

**** Provided for in Budget 2011**



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Table 4	Number of Recipients of Rent Supplement, Mortgage Interest Supplement and Local Authority Mortgage Interest Supplement by County, End 2010		
	County	Rent Supplement	Mortgage Interest Supplement
Carlow	1,484	411	3
Cavan	1,029	470	-
Clare	1,937	355	4
Cork	10,988	1,737	18
Donegal	3,194	367	1
Dublin	33,818	4,174	158
Galway	4,829	661	22
Kerry	2,339	244	1
Kildare	4,409	1,346	19
Kilkenny	1,577	433	17
Laois	1,151	241	12
Leitrim	530	53	-
Limerick	3,896	643	4
Longford	715	115	2
Louth	2,563	418	1
Mayo	3,012	684	16
Meath	2,552	1,333	-
Monaghan	598	176	6
Offaly	1,273	241	-
Roscommon	1,276	303	3
Sligo	787	49	1
Tipperary	2,680	604	1
Waterford	2,332	486	12
Westmeath	1,623	224	3



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Wexford	4,055	1,251	20
Wicklow	2,613	629	2
Total	97,260	17,648	326

Conditions for Entitlement to Mortgage Interest Supplement

- The supplement may be payable provided that:
 - The loan agreement was entered into at a time when, in the opinion of the Health Service Executive, the person was in a position to meet the repayments.
 - The residence in respect of which the loan is payable, is not offered for sale
 - He or she is habitually resident in the State
- The Health Service Executive must also be satisfied in all cases that:
 - The amount of the mortgage interest payable by the claimant does not exceed such amount as the Health Service Executive considers reasonable to meet his or her residential and other needs.
 - It is reasonable to award a supplement having regard to the amount of any arrears outstanding on the loan.
- In exceptional circumstances, the Health Service Executive may award a supplement where the amount of mortgage interest payable by a person exceeds such amount as the Health Service Executive considers reasonable to meet his or her residential and other needs. Such supplement is payable for a maximum of 12 months from the date of the claim.



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Disqualification from Mortgage Interest Supplement

- Certain categories of people are excluded from receipt of Mortgage Interest Supplement. These include:
 - A claimant or their spouse/partner who is engaged in full time employment, defined as more than 29 hours a week.
 - People involved in a trade dispute. However, the dependant spouse and dependant children of a person involved in trade dispute are not excluded from SWA for the period of the strike
 - People engaged in full time education
 - People unlawfully in the State
 - People who have made an application for asylum under the Refugee Act, 1996 and such application is awaiting final decision by the Minister for Justice, Equality and Law Reform.

ENDS