



An Roinn Gnóthaí Fostaíochta  
agus Coimirce Sóisialaí  
Department of Employment Affairs  
and Social Protection

**Ministers Flanagan and Doherty announce extension to Abhaile**  
**Scheme which helps those in mortgage arrears to run for another three years**  
**Total funding of €24.77m committed**  
**Plan to target those yet to engage**

Charlie Flanagan and Regina Doherty - the Ministers for Justice and Equality and Employment Affairs and Social Protection have today announced plans to extend the Abhaile scheme for a further three years.

The scheme was set up in 2016, to help those in home mortgage arrears and has so far provided financial advice and negotiation support to over 12,000 households at risk of losing their homes.

Making the point that it has been much in demand and has achieved major reach, Minister Flanagan said: **“This is a scheme which has helped many already and which we intend will continue, and help many more over the next three years. It is a scheme which is working. To date 82% of those advised are either on the road to getting a solution, or already have one in place. Accordingly, we were delighted to get the backing of our Cabinet colleagues today for this extension’.**

Minister Doherty added: **“Abhaile is often the first point of contact for distressed mortgage holders, and it provides successful solutions - helping to put in place personal insolvency arrangements, alternative repayment plans, or other arrangements such as Mortgage to Rent, that are tailored to the borrower’s individual situation, and are realistic, sustainable and fair, both to borrowers and to creditors. Of those who have engaged with us, the vast majority have managed to stay in their homes, so I would encourage anybody who is in difficulty to take the first step and call the Money Advice and Budgeting Service.”**

The two Departments expect that the cost of the demand led scheme over the next three years will amount to €17.27m, while a further €7.5 million will fund the extension of the connected Dedicated Mortgage Arrears service within MABS.

Abhaile, the State funded Mortgage Arrears Resolution Service was set up on foot of a Programme for Government commitment.

Over the last three years,

- Abhaile has provided financial advice and negotiation support to over 12,000 households at risk of losing their homes,
- its court mentors provided information and advice to nearly 11,000 unrepresented borrowers at repossession court sittings, and
- its duty solicitors provided legal advice and help at repossession court sittings to over 6,000 unrepresented borrowers.

The level of success is impressive too. The latest figures confirm that while these borrowers are often in very difficult personal and financial situations:

- over 30% of all borrowers who have been advised by Abhaile already have a solution in place or on trial,
- a further 52% of the borrowers advised are continuing to work with their Abhaile financial adviser to get a solution into place, for example by re-establishing regular mortgage repayment records,
- **accordingly, 82% in total of those advised have a solution in place, or are on the road to get a solution in place, with the help of their Abhaile advisers,**
- the vast majority of those solutions are keeping the borrowers in their homes,
- relatively few have disengaged from Abhaile help (some 13%, on the latest figures – MABS re-contacts these borrowers periodically, to encourage them to re-engage),
- very few (about 3%) have lost their homes.

Home mortgage arrears have fallen sharply and continue to fall, but the cohort in long term arrears remains significant - at just under 28,000 mortgage accounts, i.e. an estimated 22,000 mortgaged homes. It is hoped that extending Abhaile will enable it to reach the rest of the owners of those homes.

The range of solutions available to help borrowers advised under Abhaile is also growing. This follows recent personal insolvency court review judgments, and the expansion of the Government's Mortgage to Rent scheme.

Government today approved extension of Abhaile over the period 2020-2022 with a view to reaching remaining households at risk of losing their homes due to mortgage arrears. 2022 is expected to be on a 'wind-down' basis, focused on completing any

outstanding solutions for borrowers who have been advised under Abhaile: this is subject to Government review in 2021.

The MABS helpline is open Mon-Fri 9 am to 8 pm at 0761 07 2000: or visit the website at [www.mabs.ie](http://www.mabs.ie) . All Abhaile services are confidential, and are provided without charge to the borrower.

### **Notes for Editors:**

Abhaile is the national State funded Mortgage Arrears Resolution Service. It is provided free of charge to insolvent borrowers who are at risk of losing their homes due to mortgage arrears. The Scheme is focused on providing expert financial and legal advice and assistance to identify and put into place solutions to those arrears that will, wherever possible, enable the borrower to remain in their home.

Abhaile is jointly funded and coordinated by the Department of Justice and Equality and the Department of Employment Affairs and Social Protection.

It is implemented by the Money Advice and Budgeting Service (MABS), which acts as a single Government portal for advice and support to borrowers, working with the Insolvency Service of Ireland (ISI), the Legal Aid Board (LAB), and the Citizens' Information Board (CIB).

Abhaile provides a range of different services. These services are:

- The Personal Insolvency Practitioner Service
- The Accountant Service
- The Court Mentor Service
- The Consultation Solicitor Service
- The Duty Solicitor Service
- The Personal Insolvency Court Review Service.

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