

# Mortgage Arrears in Co. Mayo:

## A Spatial Dimension to a National Problem?

### Preliminary findings & emerging themes...

Dr. Stuart Stamp,

Independent Social Researcher

&

Research Associate,

Department of Applied Social Studies,

Maynooth University

(On behalf of South Mayo Money Advice & Budgeting  
Service)

# Structure of presentation

- The study
- Background
- Policy context
- Spatial context
- Themes emerging
- The future...



South Mayo MABS, Unit 14, Nephin Halls, Hopkins Road, Castlebar, Mayo  
Tel: 0761 07 2670 Email: [castlebar@mabs.ie](mailto:castlebar@mabs.ie) Website: [www.mabs.ie](http://www.mabs.ie)

*funded & supported by*  
**Citizens Information Board**  
*information · advice · advocacy*



# The Study

- Case narratives: clients, households, properties, draw-downs, and arrears
- Random, representative sample of (n=50 South Mayo MABS “mortgaged” clients – out of 119 in total)
- Create database to collate information contained within MABS administrative, documentary and casework records
- Draw on experience, expertise of MABS and harness the “real time” data gathered by advisers in their day-to-day work
- Address a key MABS objective: “To highlight changes in policy and practice which need to be implemented at local and/or national level in order to eliminate poverty and indebtedness.”
- Supported by social policy grant from the Citizens Information Board



South Mayo MABS, Unit 14, Nephin Halls, Hopkins Road, Castlebar, Mayo  
Tel: 0761 07 2670 Email: [castlebar@mabs.ie](mailto:castlebar@mabs.ie) Website: [www.mabs.ie](http://www.mabs.ie)



# Background

- The credit boom (post EMU) – see e.g. Whelan (2013)
- The financialisation of family homes – see e.g. Aalbers (2008)
- The Global Financial Crisis (GFC) and The Great Recession
- Post GFC, mortgage arrears escalate, then peak, then deepen (CBI) – factors both structural (McCarthy, 2014) and spatial (Waldron, 2016)
- Now a cohort of “difficult to solve” cases (including many South Mayo MABS clients) – (Programme for Government)
- Increasing risk of housing exclusion (repossessions etc) – (CBI)



South Mayo MABS, Unit 14, Nephin Halls, Hopkins Road, Castlebar, Mayo  
Tel: 0761 07 2670 Email: [castlebar@mabs.ie](mailto:castlebar@mabs.ie) Website: [www.mabs.ie](http://www.mabs.ie)



# Policy context for mortgage arrears

- Pre 2008: “Go to MABS” (Catholic-familial/subsidiarity approach?)
- 2009 – 2012: “Forbearance and Insolvency” (socio-liberal approach?)
- 2013 to date: “Resolution and Repossession” (moral overlay?)
- Focus on:
  - The national (as opposed to the regional, spatial)
  - The account (as opposed to the account holder/household)
  - Frameworks (facilitation as opposed to intervention)



South Mayo MABS, Unit 14, Nephin Halls, Hopkins Road, Castlebar, Mayo  
Tel: 0761 07 2670 Email: [castlebar@mabs.ie](mailto:castlebar@mabs.ie) Website: [www.mabs.ie](http://www.mabs.ie)



# Spatial context

Co. Mayo for example (Census 2011, Mayo CC- LECP):

- Greater emphasis on ('normalisation' of) owner occupation
- Distinctive dwellings/housing stock (including builds)
- Different socio-economic profile (typical of rural populations – hence, our findings may be relevant to other areas?)
- Older population
- Spatial poverty and deprivation



South Mayo MABS, Unit 14, Nephin Halls, Hopkins Road, Castlebar, Mayo  
Tel: 0761 07 2670 Email: [castlebar@mabs.ie](mailto:castlebar@mabs.ie) Website: [www.mabs.ie](http://www.mabs.ie)

funded & supported by  
**Citizens Information Board**  
information · advice · advocacy



# Themes (and narrative) emerging

- Housing stress (cf. Downey, 2014)
- Shelter poverty (cf. Stone, 1993)
- Risk of housing exclusion (cf. Feantsa: ETHOS typology of homelessness)
- Demographics (e.g. older families, precarity of income)
- Questionable intermediary and lending practices
- Arrears persistence, affordability issues but desire to “battle on...”
- Case by case approach morphed into a lender by lender one
- Power imbalance (creditor v debtor) needs to be addressed



South Mayo MABS, Unit 14, Nephin Halls, Hopkins Road, Castlebar, Mayo  
Tel: 0761 07 2670 Email: [castlebar@mabs.ie](mailto:castlebar@mabs.ie) Website: [www.mabs.ie](http://www.mabs.ie)

funded & supported by  
**Citizens Information Board**  
information · advice · advocacy



# The Future...

- Reference to “difficult to solve cases” in: A Programme for a Partnership Government (2016):
  - “Establish a dedicated new court to sensitively and expeditiously handle mortgage arrears and other personal insolvency cases, including through imposing solutions, including those recommended by the new service. The hearings of this court could be held in private if requested by the debtor”
- Findings suggests that spatial dimension (place) and past history (narrative) important in contextualising solutions
- Also that housing stress and shelter poverty metrics may be useful in determining affordability
- Write-downs (already provided for in personal insolvency legislation and within the CCMA) may sometimes be the only realistic option given individual case and wider (housing crisis) context – may need to be ‘imposed’...



South Mayo MABS, Unit 14, Nephin Halls, Hopkins Road, Castlebar, Mayo  
Tel: 0761 07 2670 Email: [castlebar@mabs.ie](mailto:castlebar@mabs.ie) Website: [www.mabs.ie](http://www.mabs.ie)

