



16 February 2024

Director of Housing  
South Dublin County Council  
Town Centre  
Tallaght  
Dublin 24

### **Local Authority Lending – Local Authority Home Loan Allocation for 2024**

Dear Director,

I refer to the local authority lending allocation for the Local Authority Home Loan [LAHL] and home improvement schemes.

#### **2024 Lending Allocation**

A sum of **€13,830,000** is allocated for **new lending approvals in 2024**. The actual loan drawdown may take place in either 2024 or subsequent years. **Loans that receive Approval in Principle (AIP) in 2024 will be treated as new lending approvals in 2024**. For clarity, this lending approval covers **LAHL applications** that receive AIP in 2024.

Loans approved in 2024 remain valid for six months post-approval. Any 2024 loan approvals that expire in 2024 may be 'recycled' for the purpose of the 2024 allocation.

**Loan commitments** (loans paid out and outstanding approvals), based on approvals given in 2024, **may not at any time in 2024 exceed the amount notified above without prior approval from the Department**. Where it becomes evident that the level of demand is greater than the amount of the allocation now being notified, **local authorities should contact the Department as soon as possible before committing themselves to further approvals under the scheme. Additional allocations may be available from the Department**. Progress against the allocation will be monitored.

There should be no new Rebuilding Ireland Home Loan [RIHL] Approvals in Principle in 2024; as this scheme closed to new applications on 4 January 2022. Therefore, the 2024 lending allocation does not extend to new RIHL approvals in 2024.



### **Outstanding LAHL Approvals from 2023 and 2022**

The 2023 allocation that issued on 24 February 2023 covers LAHL loans that received AIP in 2023. Similarly, the 2022 allocation that issued on 4 February 2022 covers both RIHL and LAHL loans that received AIP in 2022.

The 2022 and 2023 allocations cannot be used for loans that receive AIP in 2024. Loans drawn down in 2024 from the AIPs issued in 2023 or 2022 must be separately recorded and identified to the Department and on the HFA system as from the 2023 or 2022 allocation.

### **Rebuilding Ireland Home Loan [RIHL]**

To note that all outstanding RIHL AIPs [from 2019 to 2022] are now deemed to be expired with an exception for self build properties that are currently underway and at least one stage payment has been made. Such RIHL applicants whose AIP has expired should now reapply under the LAHL.

### **Drawdowns from HFA – Information Required**

Local authorities must clearly state in the relevant comments box on the HFA website the date of the AIP so that lending under each category can be tracked. However, for GDPR reasons, **personal identifying details** of the borrower for example name and address of the property **must not be included** on the HFA website. In addition, personal documents which contain identifying details of the borrower should not be attached to the HFA system.

When loans are being drawn down from the HFA, local authorities must select the correct loan type either under RIHL or LAHL.

For **RIHL applications received prior to 15 January 2020 that are drawn down from 1 January 2024**, the **Fixed Interest Rebuilding Ireland Home Loan (or the Variable Loan Rebuilding Ireland Home Loan** if such an approval remains outstanding) loan type **must** be selected.

For **RIHL loans drawn down from 1 January 2024**, the **Fixed Interest Phase Four Rebuilding Ireland Home Loan** loan type **must** be selected.

For **LAHL loans drawn down from 1 January 2024**, the **Fixed Interest Phase Two Local Authority Home Loan** loan type **must** be selected.

Local authorities are reminded that loans should be drawn down regularly and in a timely manner from the HFA. **Local authorities should ensure that the rate that they lend**



**to borrowers is the same rate at which they obtain the loan from the HFA.** While local authorities may decide to group a number of loans together and drawdown a lump sum to cover this group of loans on a monthly basis, **it is not appropriate to group loans for the entire year together and have one drawdown for the year.**

### **Accounting Systems**

When entering **RIHL loans** onto your local authority accounting system, the category **RIHL must** be utilised.

When entering **LAHL loans** onto your local authority accounting system, one of the following categories **must** be utilised:

- **LAHL** – for all **private purchases** using LAHL. This would be the majority of purchases.
- **LAHLAFFORD** – if the dwelling is purchased through the **Affordable Housing Scheme using a LAHL**
- **LAHLTP** – if the dwelling is purchased through **the Tenant Purchase Scheme using a LAHL.**

Additional fields must also be completed:

- Property price at the time of purchase, i.e. purchase price
- Date of house purchase
- Applicant(s) gross annual income at AIP [in the case of joint applications, this is their combined gross annual income]
- Direct Debit Payments / Standing Order

### **Reporting**

Statistics on the operation of the LAHL for each month must be returned within 10 working days of month end.

### **Summary**

To summarise, the following conditions apply to your 2024 lending allocation of **€13,830,000**:

- This is the total amount which you are allowed to grant as AIP in 2024 under LAHL. This amount **must not be exceeded without prior authorisation from the Department.** Additional allocation may be available;
- date of AIP to be recorded for the Department on HFA website;
- loans that receive AIP in 2024 may also be drawn down beyond the end of 2024;
- 2024 loan approvals that expire in 2024 can be recycled for 2024.



**2025 Lending Allocation**

You are advised that, in 2025, you are authorised to approve new lending up to 20% of the value of your 2024 lending allocation prior to being officially advised of your 2025 allocation. This is to ensure that there are no delays to issuing AIPs for LAHL applicants pending the official notification of lending allocations for 2025 from the Department.

Any enquiries relating to this letter may be made to [localauthorityhomeloan@housing.gov.ie](mailto:localauthorityhomeloan@housing.gov.ie)

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Michael Hough', is placed over a light grey rectangular background.

Michael Hough  
Local Authority Mortgage Lending and LIHAF  
*cc: Head of Finance, Chief Executive*