



15 June 2023

Circular 24/2023

Local Authority Home Loans Scheme (LAHL) and expedited application process for applicants who have received a Notice of Termination

I am directed by Mr. Darragh O’Brien T.D., Minister for Housing, Local Government and Heritage, to put in place an Expedited Application Process for the Local Authority Home Loan for renters who have been given a Notice of Termination regarding their current tenancy.

As set in the Quarter 1 2023 Housing for All update, the Government has given a commitment to expedite the application process for the Local Authority Home Loan for tenants who have received a Notice of Termination from their current accommodation. The intention of this measure is to give this cohort of renters a timely decision on whether the LAHL is a viable means for them to purchase their own home.

Local Authorities are requested to expedite the application process for the Local Authority Home Loan for tenants who have received a ‘Notice of Termination’ from their current rental property. If approved, the LAHL can be used to purchase their current or other property, assuming it is within the scheme eligibility criteria. The usual eligibility criteria and LAHL terms and conditions still apply to applicants under the Notice of Termination Expedited Process, as it does to all applicants.

Actions to Expedite the Application Process for Tenants who have received a Notice of Termination:

To expedite the process, Local Authorities will need to put in place the following administrative procedures:

1. Check if the Notice of Termination section has been ticked under Loan Purpose in the Application Form (which has been amended – see below);
2. If Notice of Termination is selected, this should be accompanied by a Notice of Termination notification, including the date issued and the expiration date;
3. The processing of this application should be prioritised ahead of all other LAHL applications. Once eligibility has been confirmed and necessary validation checks completed, it should be sent immediately to the Housing Agency underwriters or uploaded on the Digital File Transfer System (DFTS), whichever is relevant;
4. The Housing Agency will in turn prioritise a Notice of Termination application and return a speedy decision to the Local Authority for its Credit Committee decision;
5. On return from the Housing Agency, Local Authorities should convene a Credit Committee meeting in a timely manner, if not already planned, to make the final decisions on these Notice of Termination applications.
6. Decisions on Notice of Termination loan applications should be communicated quickly to the applicant.
7. In the event of an application being declined, local authorities should attach the Rented Property for Sale Information leaflet to inform those applicants to consider their housing options.



Application Form

An updated application form is available on <https://localauthorityhomeloan.ie/>. This is available in English and Irish and should be used for all loan applications. The updated application form is amended to accommodate the expedited application process for Notice of Termination applications. In addition, changes have been made in other parts of form to streamline it.

The following has been added for Notice of Termination applicants:

- A new page 2 inserted after the cover page to cater for applicants who have received a 'Notice of Termination'.
- Note the new notification on pg 4, under the section, 'For those Renting'
 - **Tenants in private rented accommodation who have received a Notice of Termination should submit a copy of this Notice of Termination with their application.**

In addition to the Notice of Termination changes, the following changes have been made to streamline the application form:

- Checklist for Applicants (pg 4) renamed as Document Checklist for Applicants
- Pg 4 (second tick box) was amended to require that relevant income details be shown for all applicants. This is also changed in Appendix 3 Mortgage Application Confirmation.
- Loan Purpose moved from pg 11 to the new pg 2, to highlight the loan purpose from the outset.
- Various items were removed to simplify the form, including
 - "Details of property to be mortgaged" was removed from page 11
 - Mortgage Details on pg 12 are simplified
 - Contact Details on pg 12 removed
- Also on pg12, 'Loan amount' has been amended and applicants will now choose between:
 - Specific Loan Amount €
 - Max allowed
- Additional checkboxes were added on pg 12 related to gifts and 3rd party contributions.
- An extra comment was added to the checklist related to proof of insufficient mortgage

DFTS

When submitting a Notice of Termination application via the DFTS SharePoint system, the section '* NoT Application' should be set to 'Yes' and the supporting Notice of Termination notification should be uploaded as a mandatory document.



Local Authority Home Loan Website

The <https://localauthorityhomeloan.ie/> is the designated Local Authority Home Loan website and contains an FAQ and Information Centre. Please note the additional reference to the Notice of Termination Expedited Process on the Website for applicants' information. It also contains a 'Contact Us' section for applicants. Local Authorities should ensure that their contact details are up to date on the website and provide dedicated emails where in place.

A calculator for applicants can be found on the website for applicants to get an estimate of what they may be able to borrow. Enquiries on the LAHL should in the first instance be directed to the website. However, specific queries by Notice of Termination applicants should be dealt with as a matter of urgency, whether by email or phone.

It is the responsibility of each local authority to ensure that all of its publicly available information refers to the changes to the Local Authority Home Loan and new application forms on <https://localauthorityhomeloan.ie/>.

Please bring this Circular to the attention of all staff working in the Housing and Finance areas. A copy of this Circular and related documentation is available on the SharePoint system <http://circulars.lgcsb.ie/doecirculars> under 'Housing' and on the <https://www.housingmanual.ie>.

Any queries in relation to this Circular may be addressed to Housing Local Authority Homeloan localauthorityhomeloan@housing.gov.ie or by telephone to 01 8882000.

Yours sincerely

Michael Hough
Principal Officer
Strategic Policy and LA Mortgage Lending



Appendix 1 –Rented Property for Sale Information Leaflet

[https://www.rtb.ie/images/uploads/general/Local_Authority_Assistance -
_Notice_of_Termination_for_Rented_Property_Being_Sold.pdf](https://www.rtb.ie/images/uploads/general/Local_Authority_Assistance_-_Notice_of_Termination_for_Rented_Property_Being_Sold.pdf)