



Cumann Lucht Bainistíochta Contae agus Cathrach  
County and City Management Association

2nd November 2018

Dear Colleague

**Re: Standard Development Bond**

As discussed at our October meeting the proposed CCMA Housing Development Bond was circulated to all Chief Executives. A small number of comments were received in response. The principal clarification of note is that the decision on whether to accept a time limited bond is a matter for each Local Authority, not the developer and that it is important that the Industry and the Department are clear in this regard.

The other comments relate to issues with the time limited provisions of the bond. It should be noted that this bond is only to be used as a third option if a cash or time unlimited bond is not feasible. For local authorities who currently have no issues with getting either a cash or time unlimited bond, there will be no requirement to use this bond.

There is a difficulty in some areas and with some Developers in procuring Bonds and both the Minister of State, the Department and the Industry in general are keen to address this blockage in the delivery of essential Housing Units.

The wording has been agreed after much discussion involving the LUTs committee, industry, bond providers and the banking sector, with input from the Housing Delivery Office and the Minister of State. The objective is to alleviate bottlenecks in housing development in areas where provision of a cash or time unlimited bond is a major stumbling block.

This is to be the standard bond for the sector, to be used unmodified, for these cases. The operation of the Bond will be reviewed after six months in use and any modifications or amendments can be discussed with the stake holders at that time.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'Peter Hynes', written over a horizontal line.

**Peter Hynes.**  
**Mayo Chief Executive**