

# Planning News

20 October 2023

## Budget 2023

On October 10, 2023 the Government announced a budget package of €6.94bn for investment in Housing, Planning, Water Services, Local Authorities and Heritage Infrastructure. Notably, deferral of the Residential Zoned Land Tax was announced alongside the budget.

The focus of the budget pot was housing, allocating a record €5.1bn investment. The Minister for Housing, Local Government and Heritage, Darragh O'Brien TD, highlighted that this funding *"will ensure we can continue to deliver new affordable homes for purchase and rent at pace."* Minister O'Brien also intends to seek Cabinet approval for an additional €6.75bn for the Land Development Agency (LDA) and Housing Finance Agency (HFA) for longer term investment in future housing need.

Other significant funding allocations include €1.8bn for improvements to Water Services, €428.4m in Local Property Tax Baseline Funding for Local Authorities, over €230m for Planning Services, and €166m for Heritage projects.



## Budget Allocations

The principal allocations relevant to housing delivery and regeneration are summarised as follows:

- **€5.1bn investment in Housing for All** comprised of €2.6bn from the exchequer, €978m from LDA and €1.5bn HFA funding.
- **€1.6bn for Social Housing Delivery** to enable the delivery of 9,300 new-build social homes by local authorities and Approved Housing Bodies.
- **€50m for the National Regeneration Programme** to improve housing estates in some of the most economically disadvantaged communities.
- **€50m for the Croí Cónaithe Fund** representing a 66% increase from the 2023 allocation, to support the building of apartments for sale to owner-occupiers, through activating existing planning permissions and the refurbishment of vacant properties.
- **Over €230m for Planning** providing a substantial increase to cover additional resources at An Bord Pleanála (to be renamed as An Coimisiún Pleanála) and Local Authorities to fully resource the sector for the upcoming reform of the planning system.

- **€136m for the Urban Regeneration and Development Fund in 2024** to support the regeneration of towns and cities through local projects, as well as advancing the development of a cross-border innovation hub.
- **€166m allocation for Heritage Services** allowing for:
  - a 12% increase in Heritage Council funding to support Heritage teams in Local Authorities;
  - support for over 1,000 projects to continue the conservation and protection of archaeological, built heritage and national monument assets;
  - investment in conservation measures at the State's 600 Natura sites; and
  - additional Investment in National Parks and Nature Reserves.
- **Additional information** on the budget announcement can be found [here](#).

## Residential Zoned Land Tax (RZLT)

- RZLT is an annual tax on land zoned for residential use and has the benefit of access to necessary services (eg water supply, road access, public lighting).
- The rate of RZLT is set at 3% of the land's market value. The market value is to be self-assessed by the landowner.
- The tax was due to take effect from 1 February 2024, however the first liability date has been deferred until **1 February 2025**.
- Revenue has indicated that landowners will be afforded the opportunity to engage with local authorities, seeking a change in the zoning of their land, in respect of the mapping process being undertaken in 2024 and 2025.
- Further updates will be provided as more information becomes available. Government Guidance on RZLT can be accessed [here](#).

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