# Strategic programme

**Our 5-year strategic plan, Strategy HFA 2020 reached its conclusion this year and a review is timely. The HFA met or exceeded all significant objectives during the life of the Plan. During that time, we saw strong growth in lending to approved housing bodies and the commencement of funding for universities for the development of new student accommodation. We also saw the introduction of the successful Rebuilding Ireland Home Loan by local authorities for which the HFA has lent €364 million to date.**

Four strategic pillars were identified in the formulation of the Plan. These were:

- Customers and competitors
- Stakeholders
- Organisation Interdependence
- Internal Capability

### Customers and competitors

Pillar 1 detailed the HFA's plans for loan book growth and product development. Our loan book grew from €3.7 billion in 2015 to €5.2 billion in 2020 – an increase of 40% during the life of the plan and in excess of the €5 billion forecast. The pipeline of new business remains strong with AHB loans approved but not yet advanced standing at €627 million in December 2020.

The HFA continued to diversify its borrowings by arranging facility agreements with both the European Investment Bank and the Council of Europe Development Bank, as well as borrowing long-term fixed rate finance from the NTMA. Availing of the interest rates currently on offer in the market has enabled the HFA to offer long-term fixed rate finance for the provision of social and affordable housing at market leading rates, which is central to our mission. The HFA also offered a range of new lending products during the term of the Plan, including bridging and construction facilities for AHBs, local authority revolving facilities and financing for the successful Rebuilding Ireland Home Loan. The role of the HFA to support HEIs in their development of student accommodation was recognised by government and passed into legislation.

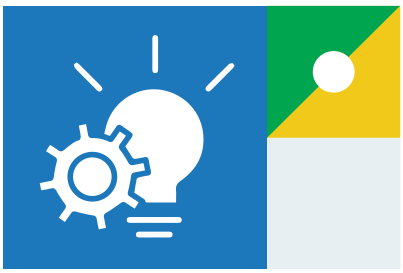
### Stakeholders & Organisation Interdependence

Pillars 2 and 3 addressed interaction with organisations in the wider 'Housing Group' and the development of relationships with key stakeholders.

During the life of the Plan, the HFA maintained its strong relationships with key funders including the NTMA, EIB and CEB leading to an improved funding profile, access to additional long term, competitively priced fixed rate funding as required and recourse to the NTMA as the backstop liquidity provider. The HFA has been identified by both the EIB and CEB as their preferred intermediary for housing related lending to AHBs and local authorities.

# Strategic programme (continued)

The HFA communicates extensively with existing customers (AHBs, LAs and HEIs) via direct channels, the use of social media and our website, attendance at events and making presentations. The HFA has contributed to the development of a number of government initiatives, e.g. CALF/PAA review, Rebuilding Ireland Home Loan, cost rental model and affordable housing models.



## Internal Capability

Pillar 4 involved an assessment of the internal operations of the organisation to ensure that adequate resources were in place for the delivery of the objectives in Pillars 1, 2 and 3. During the 5-year plan,

- a full review of existing staff levels and composition was completed leading to an organisation restructure into Lending and Corporate teams and the recruitment of skilled staff;
- the Treasury and credit processes were fully reviewed, and amendments were made to streamline these processes and increase efficiency; and,
- external feedback on the effectiveness and efficiency of the HFA processes continues to be sought from our customers on an ongoing basis.

## To summarise

The HFA Board and Management undertook a complete review of the Plan in late 2020 in anticipation of drawing up a new strategy in its replacement. Work is well underway in the development of our new strategy – *HFA 2025* – which will be finalised and published in the coming months. This new Plan promises to build on the success of its predecessor, with the continued growth of its current lending portfolios and the planned introduction of new lending schemes.