

Decision maker: Planning Committee

Subject: New Homes Bonus

Report by: Claire Upton-Brown, City Development Manager

Ward affected: All

Key decision (over £250k):

1. Purpose of report

To advise the committee of the New Homes Bonus allocated to the council for period 2014 - 2015 and potential changes to future allocations.

2. Recommendations

That the report is noted.

3. Background

The New Homes Bonus is a grant paid by central government to local councils for increasing the number of homes in their administrative area.

The New Homes Bonus is paid each year for 6 years (the bonus started in 2011 - 2012). It is based on the amount of extra Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use. There is also an extra payment for providing affordable homes. It is up to local councils to decide how the New Homes Bonus is spent.

For the period 2014 - 2015, the council has been allocated £2,094,547.

The table below sets out the total New Homes Bonus payment to date.

New Homes Bonus: Aggregate numbers of homes recognised for the four years 2011 / 2012 to 2014 / 2015					
	Net additions to housing stock (exc. empty homes)	Empty homes brought into use (net)	Affordable units rewarded	Total final payment for 2014 / 2015	Total New Homes bonus to date (inc. 2014 / 2015 payment)
Portsmouth	1,428	280	519	£2,094,547	£5,497,934

In the HM Treasury's autumn statement (December 2013), the Chancellor announced that the government would be carrying out an evaluation of the New Homes Bonus, which it hoped would be completed by Easter 2014. As part of the evaluation he stated that the government would consult on measures to further improve the incentive provided by the New Homes Bonus, in particular through mechanisms to withhold payments where planning approvals are granted on appeal.

This consultation has yet to take place therefore members of this committee will be kept informed as and when more information becomes available.

4. Reasons for recommendations

For information to the planning committee.

5. Equality impact assessment (EIA)

None.

6. Head of legal services' comments

The report is for information only.

7. Head of finance's comments

The report is for information only.

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 Signed by:

Appendices:

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
New Homes Bonus final allocations for 2014 to 2015	https://www.gov.uk/government/policies/increasing-the-number-of-available-homes/supporting-pages/new-homes-bonus
Autumn Statement 2013	https://www.gov.uk/government/publications/autumn-statement-2013-documents