

Appendices

1.

**NORTHAMPTON**
BOROUGH COUNCIL**Item No.**

7

CABINET REPORT**Report Title****RESPONSE TO THE CONSULTATION BY CLG ON THE
PROPOSED NEW HOMES BONUS****AGENDA STATUS****PUBLIC**

Cabinet Meeting Date:	15 th December 2010
Key Decision:	No
Listed on Forward Plan:	Yes
Within Policy:	Yes
Policy Document:	No
Directorate:	Planning and Regeneration
Accountable Cabinet Member:	Cllr. Richard Church
Ward(s)	All

1. Purpose

- 1.1 The purpose of this report is to consider the Government's proposals to introduce the New Homes Bonus to create an incentive, which rewards local authorities that deliver sustainable housing development.
- 1.2 The consultation runs until 24th December 2010.

2. Recommendations

- 2.1 To approve Appendix 1 as the Council's response to the Department of Communities and Local Government on the consultation in respect of the proposed New Homes Bonus.

- 2.2 To delegate to the Portfolio Holder and the Director of Planning and Regeneration, the ability to incorporate any additional issues and comments into the response to CLG that may be made by consultees prior to the closure of the consultation period.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The Coalition Agreement sets out the Government's commitment to provide incentives for local authorities to deliver sustainable development, including new homes and businesses. These incentives involve changes to the local government finance system to reward those Councils, which deliver growth. One of these incentives is to replace the Housing and Planning Delivery Grant (HPDG) with the New Homes Bonus. Other proposed incentives are set out in the White Paper "Local Growth" and will include ways of enabling Councils to retain locally revised business rates and retaining the Community Infrastructure Levy.
- 3.1.2 The Government intends that the New Homes Bonus will help local authorities and their partners to realise their growth ambitions and ensure that local communities can see the benefits, as well as the costs, of economic growth and housing development, in particular, in their area. The New Homes Bonus is intended to ensure that the benefits of growth are returned to those communities.
- 3.1.3 The consultation document is seeking views on three areas: the scheme design, data collection and other additional issues, including equality issues. The consultation document specifically seeks views on thirteen specific areas in the forms of questions.

3.2 Issues

- 3.2.1 A draft response to the consultation is set out in Appendix 1 of this report. Cabinet is being asked to consider and approve this as a response to the Government consultation document on the introduction of the New Homes Bonus.

3.3 Choices (Options)

- 3.3.1 The Council could choose not to respond to the consultation document. However, it is considered that course of action would mean that the Council would not be able to draw to the Government's attention, issues which are specific to Northampton. These are set out in detail in Paragraphs 1.3 and A13 of Appendix 1. As a significant part of Northampton's growth requirement is to be provided in neighbouring authorities, the New Homes Bonus needs to make provision for an

appropriate element of cross boundary payment to affected communities. Not making a response is not recommended.

- 3.3.2 The Council can choose to make a response in the form set out in Appendix 1 of this report.

4. Implications (including financial implications)

4.1 Policy

- 4.1.1 This report has no direct policy implications, but requires a “policy view” re the proposed 80/20 split of income between Districts and the County.

4.2 Resources and Risk

- 4.2.1 There are no resource or risk implications in responding to the consultation. Depending upon the number of houses built, this initiative will produce funding income to the Council rewarding those who encourage growth.

4.3 Legal

- 4.3.1 There are no legal implications.

4.4 Equality

- 4.4.1 The Government has undertaken an Equality Impact Assessment and found that the proposed introduction of a New Homes Bonus would be fair to all groups with protected characteristics. When the scheme is introduced, NBC may have to undertake its own Equality Impact Assessment prior to implementation.

4.5 Consultees (Internal and External)

- 4.5.1 Director of Housing, Head of the West Northamptonshire Joint Planning Unit and the Director of Finance have been involved in preparing the response.

4.6 How the Proposals deliver Priority Outcomes

- 4.6.1 The introduction of the New Homes bonus would help the Council and all its communities deliver the corporate priorities.

4.7 Other Implications

4.7.1 There are no other implications.

5. Background Papers

5.1 New Homes Bonus Consultation published by CLG – November 2010.

Report Author

Sue Bridge
Head of Planning
Ext. 8921