

New Homes Bonus (NHB) – January 2022

Appendix G

												Appendix A		
ending 2022/23		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
5 years in 2017/18	2011/12	379	379	379	379	379	379							
4 years from 2018/19	2012/13		390	390	390	390	390							
1 year from 2020/21	2013/14			397	397	397	397	397						
No new payment in 22/23	2014/15				776	776	776	776						
	2015/16					994	994	994	994					
	2016/17						1,462	1,462	1,462	1,462				
0.4% baseline	2017/18							1,186	1,186	1,186	1,186			
0.4% baseline	2018/19								1,185	1,185	1,185	1,185		
0.4% baseline	2019/20									974	974	974	974	
0.4% baseline	2020/21										1,485			
0.4% baseline	2021/22											904		
0.4% baseline	2022/23												1,123	
<i>Ended</i>	<i>2023/24</i>													
		379	769	1,166	1,942	2,936	4,398	4,815	4,827	4,807	4,830	3,063	2,097	<i>0</i>
Used to fund revenue		0	0	1,166	1,166	1,166	1,166	700	0	0	0	0	0	0
Used for BBH leisure centre		0	0	0	0	0	2,000	5,000	4,500	358	0	0	0	0
Neighbourhood warden seeding									36	92	0	0	0	0
Investment property / infrastructure										4,018	0	3,000	3,000	3,000
Added to / (drawn from) Reserves		379	769	0	776	1,770	1,232	-885	291	339	4,830	63	-903	-3,000
Total Reserve figure		379	1,148	1,148	1,924	3,694	4,926	4,041	4,332	4,671	9,501	9,564	8,661	5,661

Notes:

The December 2021 Provisional Settlement unexpectedly included a one-off NHB payment for 2022/23, plus the expected one previous legacy payment from 2019/20. The 0.4% baseline is the amount which needs to be exceeded before any NHB payments are made. Measured against the total band D equivalents in the district, 0.4% equates to approximately 250 additional houses a year before we receive the payment in 2022/23.

Reliance on NHB to support revenue was tapered down to nil in 2018/19. We took other measures to balance the budget as new homes bonus was not considered a permanent source of income. We expect Government to confirm the end of NHB in its current form and include it as a counterweight in any re-baselining of business rates and the Fair Funding Review in 2023/24. Government has not yet confirmed the projected figure in *red italics*. We anticipate an alternative or replacement scheme, if it happens, being much less generous than the current scheme.

The table assumes that NHB reserve is used to fully fund up to £3m of commercial property investment and / or infrastructure each year thus financing the purchases and reducing the MRP charge of an unfinanced asset. In 2019/20, £4m was spent part-financing Piries car-park and Oakhurst phase 4. No NHB was used to fund the reduced capital programme in 2020/21.