

**New Homes Bonus (NHB) – post Settlement December 2016**

**Appendix H**

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
2011/12	379	379	379	379	379	379				
2012/13		390	390	390	390	390				
2013/14			397	397	397	397	397			
2014/15				776	776	776	776			
2015/16					994	994	994	994		
2016/17						1,462	1,462	1,462	1,462	
2017/18							1,186	1,186	1,186	1,186
2018/19								1,186	1,186	1,186
2019/20									1,186	1,186
2020/21										1,186
	379	769	1,166	1,942	2,936	4,398	4,815	4,828	5,020	4,744
Used to fund revenue	-	-	1,166	1,166	1,166	1,166	700	400	200	-
Used for BBH						2,000	2,000			
Added to Reserves	379	769	-	776	1,770	1,232	2,115	4,428	4,820	4,744
<b>Total Reserve figure</b>	<b>379</b>	<b>1,148</b>	<b>1,148</b>	<b>1,924</b>	<b>3,694</b>	<b>4,926</b>	<b>7,041</b>	<b>11,469</b>	<b>16,289</b>	<b>21,033</b>

**Notes:**

The 2016 Autumn Statement introduced changes to the mechanism of NHB. This includes 5 years of payments in 2017/18 and 4 years in 2018/19. A 0.4% baseline was also introduced, which needs to be exceeded before any NHB payments are made. For 2017/18, measured against the total band D equivalents in the district, 0.4% equates to approximately 240 additional houses a year before we receive anything. The projected figures in *red italics* are subject to further consultation. The government has retained the option of making adjustments to the baseline in future years.

An increase in the baseline of 0.1% is equivalent to approximately 60 band D dwellings, which at the standard payment of £1,530 per dwelling would reduce NHB by £92k.

Actual amounts for the future years 2018/19 to 2019/20 will only be confirmed once the results of the further consultation on the future allocation of NHB are announced. At this point, figures for 2020/21 are based only on the assumption that payments continue into the 2020s which has not yet been confirmed.

Reliance on NHB to support revenue is being tapered down over the period from 2017/18 to 2019/20. This tapering period will enable us to take measures to increase income and phase in additional spending reductions to balance the budget as new homes bonus cannot be considered a permanent source of income.

The table also assumes that £2m of the NHB reserve is used to fund the capital project of Broadbridge Heath (BBH) leisure centre in 2016/17 and also in 2017/18 as previously approved by Cabinet.