

### **New Homes Bonus Grant**

Consultation on the New Homes Bonus was published on 12 November 2010. The consultation period ends in December, so the proposed scheme could change. The purpose of the bonus is to encourage councils and communities to allow more homes to be built in their area. The government would match the Council Tax raised from all new homes, or properties brought back into use, for six years, and an additional £350 would be paid for each new affordable home. The level of grant would be linked to the national average Council Tax rather than Chorley's Council Tax, which is below the national average.

The bonus would be based on Band D equivalent net additions, using figures from the annual Council Tax Base Data form and other sources. It would take account of recent demolitions and long-term empty homes. Though Chorley has set an annual target in excess of 300 new homes, the adjusted figure is likely to be closer to 250 per annum.

### **Planning Application Fees Increase**

The Secretary of State launched a consultation paper on proposed changes to the planning application fees regime which would decentralise responsibility for setting fees to local planning authorities. The paper also proposes to allow authorities to charge for some of those applications which are currently free.

Fees are currently set nationally, which means they do not take account of differing local circumstances and market conditions. This is contrary to the spirit of localism, and the principle that decisions should be taken at the lowest possible level, by people who are accountable to the public.

Research suggests that the majority of local planning authorities are failing to recover costs from fee income whilst some authorities are actually generating more income through charging fees than it costs to process applications. The only way to overcome this is to enable authorities to set their own fees which reflect local costs, and encourage them to run a fair and efficient system.

If accepted and approved by Parliament, the changes would be implemented from April 2011, with a six month transition period until October 2011.