

New Homes Bonus

Indicative Calculations

Appendix to New Homes Bonus item for Council meeting on 20th December

Year	Housing stock at start of year	Built this year	Money accrued from houses built in...						TOTAL monies accrued
			2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	
2004/05	52,507	232	£333,848						£333,848
2005/06	52,739	330	£333,848	£474,870					£808,718
2006/07	53,069	141	£333,848	£474,870	£202,899				£1,011,617
2007/08	53,210	189	£333,848	£474,870	£202,899	£271,971			£1,283,588
2008/09	53,399	240	£333,848	£474,870	£202,899	£271,971	£345,360		£1,628,948
2009/10	53,639	299	£333,848	£474,870	£202,899	£271,971	£345,360	£430,261	£2,059,209
Average built each year		238							

Year	EFDC Share of NHB (80%)	Block Grant Received
2004/05	£267,078	£7,091,444
2005/06	£646,974	£7,299,226
2006/07	£809,294	£8,627,408
2007/08	£1,026,870	£9,161,106
2008/09	£1,303,158	£9,321,680
2009/10	£1,647,367	£9,368,289

The tables above show the total New Homes Bonus (NHB) that would have been payable if the scheme had been in operation from 2004/05 (the figures have been calculated using the key assumptions in the consultation). The NHB is funded by taking money from the Block Grant pot that would otherwise be allocated to local authorities. This means the figures shown for Block Grant in the table above would have been lower if NHB had been in place, although it is not possible to predict accurately how much lower. The figures are given for Block Grant to illustrate how significant NHB is likely to be as a funding stream. If a 28% reduction in Block Grant had taken place over the period the grant for 2009/10 would have been £6.75 million and so NHB at £1.65 million would have represented 20% of grant income.