

Information/Discussion Paper

Environment Overview and Scrutiny Committee

14 September 2011

New Homes Bonus Environmental Improvements Programme

This note contains the information to keep Members informed of matters relating to the work of the Committee, but where no decisions from Members are needed

1. Why has this come to scrutiny?

- 1.1 To update the committee on proposals for administering 'New Homes Bonus' funding which has been allocated by Council to local environmental improvements.
- 1.2 A list of schemes which the Cabinet is minded to support will be separately circulated to Environment O&S members on Friday 9th September.
- 1.3 Cabinet would welcome the early views of the Environment O&S Committee about which schemes should be a priority for support, subject to assurances to be secured about governance and delivery arrangements.

2. New Homes Bonus 2011

- 2.1 The Council has recently received its first allocation of the New Homes Bonus (NHB) from central government.
- 2.2 NHB has been designed to address the disincentive within the local government finance system for local areas to welcome growth. Until now, increased housing in communities has meant increased strain on public services and reduced amenities. NHB reduces this disincentive by providing local authorities with the means to help mitigate the strain the increased population causes. This should ensure that the economic benefits of growth are returned to the local authorities and communities where growth takes place. In addition, in doing so, NHB is intended to engender a more positive attitude to growth, and create an environment in which new housing is more readily accepted.
- 2.3 The Bonus commenced in April 2011, and will match fund the additional council tax raised for new homes and long term empty properties brought back into use, with an additional amount for affordable homes, in each of the following six years.
- 2.4 Cheltenham's first allocation of NHB amounts to £290,275 and Council agreed on 27th

June, 2011, that this will be used to create 2 funds for the following uses:-

- 2.5 Environmental improvements** - £130,000, supplemented by £30,000 from the civic pride reserve, to provide a total fund of £160,000 for small environmental works. Bids from within council departments will be made and decided by Cabinet in the autumn. The aim will be to tackle environmental issues in packages costing around £15,000 or so a time. An initial request has been made, and supported by Cabinet, for £10,800 to purchase larger waste bins for the council's parks to remove the need to use wheelie bins to cope with the summer peak in activity, plus replacement bins adjacent to Imperial gardens to complement the re-paving scheme.
- 2.6** Criteria for applying and administering the environmental improvements fund are currently being refined and will be the basis for prioritisation and associated recommendations by officers. Funding is likely to be distributed in 2 phases during the year.
- 2.7** The environmental improvements fund will be subject to a bidding process by internal Council departments, with bids signed off by a member panel drawn from the Cabinet.
- 2.8 Promoting Cheltenham** – this fund is being dealt with via separate arrangements which have already been reported to the E&BI Overview and Scrutiny Committee and Cabinet and are not therefore covered in detail by this report. However, for information, this funding comprises £160,275, supplemented by £18,731 of unspent LAA performance reward grant, giving a total fund of £179,006, for economic development purposes to help tackle the recession and promote the town as a place in which to do business, by sponsoring activities and events which will attract visitors and trade. It will include cultural activities such as the festivals and tourism activities.

3. Next Steps

- 3.1** It is proposed that Cabinet will approve prioritised bids and related governance arrangements, which are being resourced through the New Homes Bonus allocation for 2011-12.

Background Papers	Council report entitled 'Financial outturn 2010/11 and budget monitoring to May 2011' – 27th June, 2011
Contact Officer	Mike Redman, Director Built Environment, 01242 264160, mike.redman@cheltenham.gov.uk
Accountability	Cllr John Rawson, Cabinet Member for Built Environment