

NEW HOMES BONUS GROSS PAYMENT CALCULATOR: INSTRUCTION GUIDE

PROVISIONAL ALLOCATIONS (DECEMBER 2012)

- Please **select the method you wish to use** to estimate gross incentive payments.
 - If you wish to see the provisional estimate of cumulative payments for Year 1, Year 2 and Year 3 (April 2011, 2012, and 2013 respectively) for your local authority, please select the first option.
 - If you wish to see provisional payments for Year 3, using the net change in CTB data between October 2011 and October 2012, please select the second option.
 - If you wish to estimate illustrations of payments based on housing delivery split by council tax band, please select the third option.

(Note: to return to the front page, please click 'Return to homepage' on any other sheet.)

- Within your chosen method, please **select your local authority or county** from the drop-down list (top-left of the page). Local Authorities are in alphabetical order; counties can be found at the bottom of the list.

For illustration, a number of summary statistics are presented for each local authority and county upon selection.

3. Cumulative Payments of Delivery in Year 1 to Year 3 (Option 1)

Once the local authority or county has been selected from the drop down list, the bonus to be paid is indicated in the turquoise boxes. The payment for each year is matched for a total of 6 years. This year's cumulative payment therefore consists of the third instalment of delivery in Year 1, the second instalment of delivery in Year 2 and the first instalment of delivery in Year 3 (see below). For more detail on how the bonus is calculated for the latest year (Year 3) select the second option on the front page.

		Year of payment →		
Year of delivery ↓	Cumulative Payments	2011/12	2012/13	2013/14
	Year 1 (Oct 2009-10)	£X	£X	£X
	Year 2 (Oct 2010-11)		£Y	£Y
	Year 3 (Oct 2011-12)			£Z
	Provisional Total Payments		£X + Y	£X + Y + Z

4. Payments for Delivery in Year 3 only (Option 2)

Once the local authority or county has been selected, the total payments for Year 3 are indicated on the right hand side of the page. This also provides a 'tier split' for each given authority. The tables on the left hand side provide the data used to calculate the bonus.

- **Net additions** are calculated by subtracting effective stock (**total stock less long-term empty homes**), as recorded on the CTB form in one year from the previous year. Please note figures are presented by band; not in Band D equivalent. Payments are based on matching the average national council tax band of the unit built.

- **Gross affordable supply** comprises of social rent, intermediate rent and low cost home ownership and includes both new build and acquisitions.¹ Payments for new build affordable homes are based on matching the average national council tax band of the unit built plus an additional £350 per unit per annum. Payments for acquisitions to the affordable stock are equal to £350 per unit per annum.² Also rewarded are **traveller pitches**

¹ <https://www.gov.uk/government/organisations/departments-for-communities-and-local-government/series/affordable-housing-supply>

² Payments do not include the council tax element, as acquisitions do not qualify as new supply of housing.

PLEASE NOTE THE CALCULATOR HAS BEEN UPDATED (DECEMBER 2012).

consist of all new annual supply of pitches on traveller sites owned and managed by local authorities or Registered Social Landlords.³

- **Empty homes** refer to the number of long term empty homes brought back into use annually in your local authority. This is measured by Lines 12, 14 & 15 of the CTB form. If there is an increase in the number of empty homes, this is presented as a negative number. Payments are based on matching the average national council tax band of the unit brought back into use.

- **If the calculated components result in a negative change** in net supply (demolitions and/ or an increase in empty homes outweigh other factors), the gross incentive payment for that years delivery is set to zero before the affordable housing premium is added. Payments for previous delivery will not be affected.

Example: Local authority X has a reduction in effective stock of -10, which would give a negative payment. This is set to zero. As part of its reduction in overall units however the authority has delivered 10 affordable units (subject to a £350 premium). This gives a total payment for the year's delivery of £3,500 (see below).

Local Authority X:	Net additions	-10	Then....	Affordable units	10
	Empty homes back into use	0			
	Total	-10		Total	10
	Set to zero as negative	0		Payment	£3,500

Option 2 on the calculator does not take into account previous/ subsequent delivery or cumulative payments. This is presented in Option 1.

5. Estimate Illustrations of Payment by Band (Option 3)

Please select your local authority or county and **enter your estimates for each of the parameters into the green boxes**. The estimated payments, including tier split, are indicated on the right hand side.

(Note: it is not necessary to complete all boxes.)

- **Net additions** refer to the net supply of homes within a year. Please enter estimates, including affordable housing units delivered but excluding empty homes brought back into use. Do not include traveller pitches as these are separately included lower down. Demolitions should be entered as negative figures.

- **Gross affordable supply** comprises of social rent, intermediate rent and low cost home ownership and includes both new build and acquisitions. Payments for new build affordable homes are based on matching the average national council tax band of the unit built plus an additional £350 per unit per annum. Do not include traveller pitches as these are separately included lower down.

- **Empty homes** refer to the number of long term empty homes brought back into use annually in your local authority. If there is an increase in the number of empty homes, please enter this as a negative figure. Payments are based on matching the average national council tax band of the unit brought back into use.

- **Traveller pitches** consist of all new annual supply of pitches on traveller sites owned and managed by local authorities or Registered Social Landlords.⁴ Payments are based on national average band A plus an additional £350 per pitch per annum.

- **If the calculated components result in a negative change** in net supply (demolitions and/ or an increase in empty homes outweigh other factors), the gross incentive payment for that years delivery is set to zero before the affordable housing premium is added. Payments for delivery in previous years will not be affected.

³ <https://www.gov.uk/government/organisations/department-for-communities-and-local-government/series/gypsy-and-traveller-caravan-count>

⁴ <https://www.gov.uk/government/organisations/department-for-communities-and-local-government/series/gypsy-and-traveller-caravan-count>