



Steve Grimshaw

A cash incentive

The new homes bonus gives councils a reason to work harder to bring empty homes back into use



As the government has acknowledged, for decades house building has failed to keep pace with people's needs. Recent research from the Institute of Public Policy Research estimates that the UK's housing shortfall could reach 750,000 by 2025. The onus is on local authorities to find a solution.

The Communities and Local Government department has introduced the new homes bonus as an incentive for local authorities to deliver new housing. Under the scheme, councils are awarded a bonus for an increase in net dwellings year-on-year.

For each additional home created, which includes reducing the number of long-term empty homes, councils receive a bonus equivalent to the annual national average council tax for a property in that band. The bonus is paid for six years.

The scheme was introduced this year and the first bonuses were allocated in April.

Over the next few weeks, many local authorities will begin re-examining their council tax lists to see if there has been a net increase in housing that would make them eligible for the new homes bonus in 2012.

Councils are starting to recognise that tackling long-term empty homes, challenging though it can be, is an essential part of their response to the new homes bonus - and one that council tax payers can legitimately expect their local authority to pursue.

In the short term, many councils can benefit from the new homes bonus simply by updating their data on empty homes. By bringing their council tax lists up to date and



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recording which long-term empty properties are now occupied, many local authorities will be eligible for the bonus.

However, in the longer term we should see councils formalising their approach on empty homes and residents rightly want to see their local authority taking positive action

to tackle empty properties.

Since 2005, Kent Council has run No use empty, which has returned almost 1,700 empty homes to use. The scheme has been adopted by other local authorities around the UK, including Bristol Council, and we would invite other councils to get in touch if they want to do likewise.

Local authorities should use the additional funding from the new homes bonus to intensify efforts to launch formal empty homes schemes, which, in turn, would reduce the numbers of long-term empties, provide additional homes and maximise the new homes bonus payable in the process.

Steve Grimshaw is project manager of the No use empty scheme at Kent Council