



SIGOMA

The Special Interest Group of Municipal Authorities (Outside London)

Chair: Councillor Sir Stephen Houghton
CBE (Barnsley MBC)

Vice Chair: Councillor Lord Peter Smith
(Wigan MBC)

The Rt Hon Sajid Javid MP
Secretary of State for Local
Government
2 Marsham Street
London
SW1P4DF

Date: 1 November 2016

Contact: CllrStephenHoughton
@barnsley.gov.uk

New Homes Bonus

Dear Mr Javid,

As you are no doubt aware, local authorities have yet to receive a final answer regarding the Department's intentions for the New Homes Bonus following proposals put forward in the Local Government Finance Settlement 2016-17.

In December 2015, your predecessor announced that he would extend the Bonus indefinitely, but with some changes which would be consulted on. He also specified that that all savings would be retained by local government to contribute towards social care provision.

While indicative figures for allocations to 2019-20 were released as part of that settlement, SIGOMA Authorities are concerned that neither the Department's response to the subsequent [New Homes Bonus Technical Consultation](#) (first launched last December) nor the final allocations themselves have yet been published.

In our response to the consultation SIGOMA supported the intention to move funding away from New Homes Bonus to support social care and other immediate demands on local resources as soon as possible, and not with a phased effect from 2018-19, provided that the full savings made as a result of the change were returned to local government.

It is difficult to overstate the importance of this issue. The Care Quality Commission has recently stated that social care is now at "tipping point". We see this reflected in the experiences of our members and the now established general consensus among health and social care professionals that urgent action is needed to remedy the current crisis in care.

Irrespective of the extent to which Department intends to alter the New Homes Bonus, in light of current budget pressures it is essential that all local authorities are given the funding certainty they need in order to plan their finances effectively.

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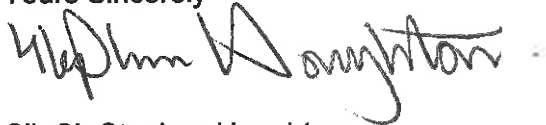
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I would therefore ask you to provide this certainty through early publication of a final decision on this matter or, at the very least, official notice of the intended publication date.

I look forward to hearing from you.

Yours Sincerely



Cllr Sir Stephen Houghton

Chair of SIGOMA

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