

To: Local Authority leaders

Rt Hon Christopher Pincher MP

Minister of State for Housing

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Dear Local Authority leader

2021/22 New Homes Bonus Provisional Allocations

As part of Spending Review 2020, the Chancellor of the Exchequer announced that there would be a further round of New Homes Bonus allocations under the current scheme for 2021/22. I am writing to let you know that the provisional allocations for 2021/22 have been published today.

The allocations for 2021/22 include previously announced legacy payments totalling £426m but, as in 2020/21, these new allocations for 2021/22 will not result in new legacy commitments being made in subsequent years on those allocations. The allocations are provisional, to allow local authorities to check the data used in the calculation.

The allocations will total £622m for English local authorities in 2021/22. Taken together with instalments from previous years, this brings the total amount of funding awarded under the New Homes Bonus to £9.5bn. The total number of net additional homes rewarded over the period is over 2m. This includes over 500,000 affordable homes provided.

The provisional allocations have been announced as part of the Local Government Finance Settlement and details of your authority's allocation can be found at: https://www.gov.uk/government/publications/new-homes-bonus-provisional-allocations-2021-to-2022.

Provisional Allocations Representations

Local authorities have up until 18 January 2021 to make representations on the provisional allocations before final allocations are confirmed later in the new year, details can be found in the annex to this letter and representations should be sent to newhomesbonus@communities.gov.uk for consideration, any representations not sent to this address may not be included in the representations process. Local authorities' Chief Executives have also been notified.

RT HON CHRISTOPHER PINCHER MP

