



## **New Homes Bonus and the Local Growth Fund: Technical consultation**

### **Response from National Parks England**

**19 September 2013**

1. National Parks England supports the policy-making process by co-ordinating the views of the ten English National Park Authorities. It is governed by the Chairs of the ten Authorities. Our response represents the collective view of officers who are working within the policies established by the National Park Authorities (NPAs) and follows internal consultation amongst the All Parks Heads of Planning Professional Group. We are happy for our response to be made publicly available and would be happy to discuss any of the points we make further with officials if that would be helpful.
2. In July 2013 the Government launched a technical consultation seeking views on the suggested mechanisms for the pooling of £400 million of New Homes Bonus funding through local enterprise partnerships to support strategic housing and other local economic growth priorities. National Parks England wishes to make the following points in response to the consultation document.

#### **Scope of the Consultation**

3. National Parks England understands that the ten English national park authorities (NPAs) were not directly notified of this consultation which is disappointing. England's National Parks make up approximately 9.3% of the nation's land area and the national park authorities have a statutory role as the sole local planning authorities for their respective areas. The English National Parks are home to over 330,000 people and therefore it would have been appropriate for the national park authorities to have been directly notified and engaged in this consultation.

#### **Q1. Views on the underlying principles of pooling the New Homes Bonus within Local Enterprise Partnership Areas**

4. National Parks England notes the proposals to pool £400 million from the New Homes Bonus within local enterprise partnership areas to support strategic, locally-led economic growth priorities, including housing. Our main concerns with this proposal are that; (i) it potentially further removes funding from those public bodies who are making decisions on new housing; and (ii) it severs the link with the broad location of development and where the money is invested in. Despite the claim in the consultation document that the pooled funds will be used for local priorities as the funding will remain within Local Enterprise Partnership areas, in reality the proposed pooling may result in local areas that accommodate housing missing out on funding.

5. By way of example, the New Forest National Park Authority is positively engaged with the work of the Enterprise M3 LEP, but the geographical area covered by this LEP means that pooled funding from the New Forest could be spent over 60 miles away in the north of the LEP area in Surrey. This appears to contradict the principles of localism and the rationale behind the New Homes Bonus fund being created to incentivise local communities to accommodate development. This incentive will be significantly weakened if local funding is pooled to be spent in a sub-regional area.
6. National Parks England would also like to take this opportunity to highlight a wider concern with the way the New Homes Bonus is currently administered. When the New Homes Bonus was originally established in 2010, the Government confirmed that, *"...billing authorities will be expected to negotiate with National Park Authorities and the Broads Authority to recognise their role as the sole local planning authority for their area in granting planning permissions. This could conclude in an agreement to split the funding from New Homes Bonus between them at a locally determined rate or to reach an agreement on funding a specific community project..."* - para. 24, New Homes Bonus: final scheme design (February 2011).
7. Despite this clear guidance - allied to the Government stating that funding should be focused where the planning decision lies (i.e. the NPA as the local planning authority) - national park authorities across the country have met with significant resistance from local authorities sharing their funding. In a number of National Parks dwelling completions (including those for affordable housing) are significant and therefore the funding generated is potentially important to the work of the authority. In the Lake District National Park for example, a total of 104 dwellings were completed over the two year period between April 2010 – March 2012, of which 83 were for local need and local affordable need. These figures would indicate that the Lake District National Park Authority would be entitled to a significant New Homes Bonus payment, but these grants instead go to the constituent local authorities who financially benefit from the housing permitted by the national park authorities but who, to date, have not worked with the National Park Authority on how this should be spent or shared the funds.
8. The current proposal to require local authorities to contribute up to 35% of their funding to the Single Local Growth Fund (SLGF) has the potential to further remove funding from where the planning decision actually sits, and sever the link between local communities accommodating growth and receiving funding for local projects.

National Parks England  
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