Friday, 12 November 2010

New Homes Bonus

The government has provided more details on the new homes bonus that local councils will get when they allow houses to be built.

I am certain that this is a step in the right direction in trying to counter the considerable disincentives LAs face in agreeing to new homes. It's hard, however, to be optimistic that it will lead to that much more house building. This will depend on whether the incentives are sufficient to offset the reduction in direct government expenditure and the moves to give local communities more say in decisions. On the latter the BBC reports: "Ministers say the number of new homes being built is at its lowest peacetime level for 85 years and it intends to overhaul the planning system to make it easier to get schemes off the ground and to give councils and communities the final say over where developments are sited." I continue to think that these two objectives largely contradictory.