TONBRIDGE & MALLING BOROUGH COUNCIL

STRATEGIC HOUSING ADVISORY BOARD

08 November 2010

Report of the Director of Health and Housing

Part 1- Public

Matters for Information

1 <u>COMPREHENSIVE SPENDING REVIEW</u>

Summary

This report summarises the emerging detail following the Government's Comprehensive Spending Review of 20 October. We are seeking to better understand the details and implications of these proposals in order to maximise the Council's opportunities to assist local communities.

1.1 The Implications for Housing

- 1.1.1 The review commits to making social housing "more responsive, flexible and fair so that more people can access social housing that better reflects their needs". Key points include:
 - a cut in the capital budget for affordable housing from £8.4 billion to £4.5 billion over the next four years. £200 million of this will be committed to continuing the Mortgage Rescue Scheme and £100 million to bring empty homes back into use:
 - a New Homes Bonus that will match the additional Council Tax from every new home in the next six years, providing local authorities with an incentive to build more homes;
 - a commitment of £2 billion towards completion of the Decent Homes Programme in order to more than halve the backlog by 2015;
 - a reform of the council housing finance system;
 - a commitment of £6.5 billion to the Supporting People Programme over the next four years, which represents an 11.5 per cent cut;
 - Homelessness Grant will remain at £100 million a year;
 - protection of the Disabled Facilities Grant funding;

- a rise in the level of social housing rents to 80 per cent of market rents with a new tenure to be know as Affordable Rent; and
- reform of benefits to save £7 billion per year by 2014-15.
- 1.1.2 Much of the detail surrounding these key points is as yet unclear, and will emerge only as new policy develops over the coming months.
- 1.1.3 A more general summary is provided in the CLG letter which is attached at **[Annex 1]**.
- 1.2 Legal Implications
- 1.2.1 None arising from this report.
- 1.3 Financial and Value for Money Considerations
- 1.3.1 None arising from this report.
- 1.4 Risk Assessment
- 1.4.1 None arising from this report.

Background papers: contact: Janet Walton

Nil

John Batty
Director of health and Housing