

GROWTH & PROSPERITY OVERVIEW SCRUTINY PANEL

Briefing Note: Government Policy Changes

Nov 2010

1. Preventing Homelessness Grant 2011/12 – 2015/16

Secretary of State for Communities and Local Government announcement;

Because of the excellent value for money secured from homelessness grant and the key role it plays in supporting the vulnerable, Ministers have decided to protect this grant, holding it at this year's level of investment this year which totals £100million. Ministers attach particular priority to work to prevent single homelessness and rough sleeping.

As part of work to simplify funding for local authorities, Preventing Homelessness Grant will be paid as Area Based Grant from April 2011. This grant will be paid directly to all local housing authorities including district councils. Smaller funding lines for housing management activities such as fraud and under-occupation will also be rolled into this single Preventing Homelessness Grant. The total grant funding over the next 4 years will exceed £400 million: £109m in 2011/12, £109m in 2012/13, £108m in 2013/14 and £107m in 2014/15.

We have carefully reviewed the funding we retain at national level to support work with the voluntary sector, so that we can allocate as much as possible to local authorities. £19m each year will be retained nationally, with a total of £90m in 2011/12, £90m in 2012/13, £89m in 2013/14 and £88m in 2014/15 being allocated to local authorities through Area Based Grant. By comparison, we only allocated £55m in grant to local authorities at the beginning of the current financial year. Detailed allocations by authority are to be published as part of the local government finance settlement in early December. I hope that this information will help you to start planning your resources for future years.

Other key elements of the settlement which will impact on your work include:

- Cuts to the Supporting People programme have been minimised, with £6 billion to be invested and a gradual reduction of 12% over the next 4 years.
- Supporting People funding will be rolled into formula grant as part of measures to simplify local government funding.
- Capital funding totalling £37.5m has been secured to launch a second round of the Places of Change hostels improvement programme, with this additional investment starting in April 2012.

- More than £200m has been secured to continue the Mortgage Rescue Scheme to support vulnerable homeowners and prevent homelessness as a result of repossession.
- CLG has protected funding for Council budgets and spending on frontline services. CLG is reducing revenue funding for Local Government by 22%, compared with 33% for CLG as a whole.

2. Planning for Schools Development

I wish to draw your attention to a public consultation on 'Planning for Schools Development', which the Government launched on 14 October.

This consultation document invites views on the Government's proposals to make changes to the General Permitted Development Order (GPDO) to give a permitted development right for change of use planning permission for schools development, to complement the Government's 'free schools' policy. This consultation follows the Ministerial Statement made to Parliament by the Secretary of State for Communities and Local Government on 26 July.

The consultation document is available at the attached link:

<http://www.communities.gov.uk/publications/planningandbuilding/planningschoolsconsultation>.

The closing date for responses is **Friday, 10 December 2010**.