

REPORT OF: HOUSING, HEALTH AND ECONOMIC DEVELOPMENT
SERVICES MANAGER

TO: POLICY AND RESOURCES COMMITTEE

DATES: 19th MARCH 2020

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**FIRST HOMES – CONSULTATION ON THE DESIGN AND
DELIVERY OF FIRST HOMES**

PURPOSE OF REPORT

To seek Policy and Resources Committee permission to submit proposed responses to consultation questions set in relation to proposals by Government.

RECOMMENDATIONS

Policy and Resources is recommended to agree to the response to consultation being forwarded as the Council's response to the proposals by Government.

REASON

To ensure Policy & Resources Committee is updated regarding this new initiative launched by Government. To also ensure the Council's views are considered as part of the consultation exercise.

ISSUE

MHCLG is seeking views on their First Homes policy to deliver discounted homes for local people. The consultation is open to everyone including a wide range of interested parties from across the public and private sectors, as well as from the general public. The consultation closes at 11.45am on 3rd April 2020.

The main features of the First Homes scheme (appendix 1) are:-

- First homes are flats and houses built on developments. These will be sold with a discount of at least 30%. Local areas will be able to set a larger discount to ensure the homes are affordable to local people.
- They will be sold to local people who want to stay in the community where they live or work but are struggling to purchase a home at market prices

- They will be prioritised for first-time buyers, serving members and veterans of the Armed Forces, and key workers such as nurses, police and teachers
- The discount will be passed on to future buyers when First Homes are resold so more people can be helped onto the ladder.
- Buyers will have access to conventional mortgage products
- First Homes are for people to live in, so they won't be allowed to be used as holiday homes or as buy-to-lets.

Proposed response to consultation

The consultation exercise seeks views on First Homes for local people, considering both the design of the policy and options for its implementation. It covers the following areas:

- what First Homes are and who should be eligible for them
- how the scheme should work in practice
- how to deliver more of these homes through developer contributions
- the requirement for delivering these homes through planning or legislation

Proposed responses to consultation have been provided in Appendix 2. This includes response to the question set (question1), whether the Council agrees with the minimum discount of 30%. As per proposed response to Question 1 of the consultation, due to poor viability in many parts of the Borough there is no, or low, requirement for any affordable housing provision. If developers needed to provide a 30% discount its believed we wouldn't get any of this tenure developed and thus a 20% discount would be better for the Pendle area.

IMPLICATIONS

Policy

Whilst the implementation of First Homes itself may result in changes to future planning policy, there are no policy implications arising directly from this report.

Financial

There are no policy implications arising directly from this report.

Legal

There are no legal implications arising from this report.

Risk Management

There are no known risk management implications arising from this report.

Health and Safety:

There are no health and safety implications arising from this report.

Sustainability:

There are no sustainability issues arising from the contents of this report.

Community Safety:

There are no community safety issues arising from the contents of this report.

Equality and Diversity:

There are no known equality and diversity issues arising from this report.

APPENDICES –

Appendix 1 – A Guide to First Homes

Appendix 2 – Proposed Consultation response