

Appendix 17:

First Homes Scheme

First Homes is a new affordable home ownership programme, from the Government, which will offer first time home buyers at least a 30% discount on a new-build home. The discount will be funded by developers as part of their contributions through planning obligations. The discount will be passed on to all future purchasers in perpetuity. In future, 25% of all affordable homes delivered by developers as part of their obligatory contributions will be First Homes.

Neighbourhood planning groups will be able to contribute to the delivery of First Homes by identifying suitable sites within neighbourhood plans for these homes, for which planning permission can then be secured. In addition, neighbourhood planning groups can also put in place neighbourhood development orders, able to grant planning permission directly for schemes that can include First Homes. Furthermore, in the same way as local authorities, neighbourhood planning groups will be able to apply a higher minimum discount of either 40% or 50% to First Homes, where the evidence justifies this. Neighbourhood planning groups will also be able to apply additional criteria to set a lower income cap, prioritise key workers, or specify a local connection requirement based on current work or residency. Any eligibility restrictions imposed by neighbourhood planning groups will be time limited to the first three months that properties are marketed for – after this any unsold homes will revert to the national standard criteria.

Note: HNA recommendation for FHS

The findings of the HNA assessment suggest that 30% discounted First Homes will be unaffordable to average income households in Hayton. Neighbourhood plan qualifying bodies will have discretion to increase the discount on the new First Homes product from 30% to 40% or 50% where there is evidence to suggest this is appropriate.

This HNA suggests that the highest possible discount level of 50% is necessary and strongly justified in Hayton.