

HIGHBURY GROUP ON HOUSING DELIVERY

RESPONSE TO MHCLG CONSULTATION ON THE DESIGN AND DELIVERY OF FIRST HOMES

Introduction

The Highbury Group comprises an independent group of specialists from the public, private and independent sectors with a membership drawn from housing, planning and related professions; it offers advice and makes representations to Government and other agencies on a variety of subjects, with the aim of maintaining and increasing the output of housing, including high quality affordable housing (see footnote).

We welcome the Government's consultation on a new model for the delivery of discounted market homes. We support some elements of the proposal as an improvement on previous schemes, but have a number of concerns as to the scheme's implementation.

Affordability

We support the proposal in para 21 for discounts to be available in perpetuity through the imposition of restricted covenants. We would certainly support a cap on property value as suggested in para 24. This should vary according to the size of home and household size of prospective purchaser and should be no greater than the average property price for this type of property within the local area. We do not support the application of a nationally determined price cap as operating under the existing Help to Buy equity loan scheme. A single price cap for the whole London area is not appropriate.

Eligibility

Eligibility, both for initial homes and homes available for repurchase, should be through a nomination by the Local Authority. Any applicant should demonstrate a) a need for the specific dwelling on the basis of a) insufficient income and/or savings to purchase an undiscounted dwelling, and b) location in terms of location of employment. This should not necessarily be restricted to a specific local authority area. In the case of London, a proportion of homes developed under the scheme should be available for nomination from a London-wide listed operated by the Greater London Authority. Local authorities and the Mayor of London should have the discretion to prioritise key workers. The scheme should be limited to first time buyers, and should exclude any household in ownership of a rented property as well as existing owner-occupiers. The proposed restriction in para 44 that homes purchased under the scheme should be used as sole residence' rather than 'sole or primary'.

Delivery

We do not support the proposed exemption in para 52 from Community Infrastructure Levy.

We do not support the imposition of any specific percentage or numerical target for provision of 'First Homes' on an individual planning authority. It is for a specific local authority to set any target for this housing product on the basis of assessed local and sub-regional requirement for this product relative to other forms of housing product as assessed in local or sub-regional housing market assessments. The use of s106 agreements for this product relative to the use of agreements to support other forms of sub-market housing, such as social rented housing, should be at the discretion of the individual planning authority and related to the relative need for different products. The level of discount should also be a matter for local discretion. We are therefore strongly opposed to the imposition of any target or minimum discount level by central government.

Equality aspects

We are concerned that the equality assessment set out in paras 82-87 disregards for negative impact of prioritising the provision of 'First Homes' over other housing accessible by households on lower incomes. The setting of any nationally imposed target is inherently discriminatory.

Note: The views and recommendations of the Highbury Group as set out in this and other papers are ones reached collectively through debate and reflect the balance of member views. They do not necessarily represent those of all individual members or of their employer organisations. The group's core membership and previous statements and research presentations are on the group's website:

<https://www.westminster.ac.uk/highbury-group-on-housing-delivery>

Duncan Bowie
Chair, Highbury Group on Housing Delivery
Bartlett School of Planning, UCL
duncanbowie@yahoo.co.uk