

REVISING THE NEW FOREST DISTRICT COUNCIL STARTER HOME SCHEME

1. INTRODUCTION

- 1.1 The purpose of this report is to seek approval for lowering the current age threshold for the Starter Home scheme from 23 years of age to 21 years of age. In all other respects the New Forest District Council scheme will remain unchanged.

2. BACKGROUND

- 2.1 Initially introduced by the Council in 2016, the Starter Home scheme has been enabling qualifying first time buyers to purchase designated new-build homes within new developments across the New Forest District.
- 2.2 To date the model has successfully enabled approximately 60 Starter Homes to be sold to qualifying households at a 20% discount to open market value.
- 2.3 In line with criteria for the national starter home scheme as detailed in the Housing and Planning Act 2016 and subsequent government modifications (through technical consultation documents), the New Forest model currently reflects the following fundamental requirements:-
- Purchasers (single or joint) must always be first time buyers.
 - Purchasers should be at least 23 years old and younger than 40, however if one buyer in a joint purchase is older than 40, they will still qualify as long as the other first time buyer is between 23 and 40.
 - No age restrictions apply to first time buyers if they are current or former members of the armed services who were injured in service, or, if the first time purchaser was the partner of a member of the armed services who died in service.

3. CHANGES REQUIRED

- 3.1 To date the age related eligibility criteria have been maintained by the council, however, it has come to light that the lower age threshold may be unreasonably disadvantaging otherwise appropriate and justified first time buyers.
- 3.2 Although the original age threshold was set to follow the nationally prescribed Starter Home scheme – in which the 23 year old threshold was defined – the national position remains unclear, as the required regulations have not yet been published or enacted.
- 3.3 Once the national regulations are in place it may be necessary to review and revise the local Starter Homes scheme, however, during the interim it is recommended that the local approach be extended to permit sales of Starter Homes to qualifying first time buyers who are 'at least 21 years of age'.

4. CONCLUSIONS

- 4.1 Given the in-built age flexibilities for some first time buyers who are older than 39 years of age, permitting increased latitude for slightly younger first time buyers is justified and within the scope of the district council to approve. Indeed recently seen correspondence from the Ministry of Housing Communities and Local Government has

explicitly confirmed that the local scheme is not bound in any way by the emerging national Starter Homes model.

- 4.2 Nonetheless as and when the national Starter Home regulations are enacted it may be prudent to ensure that the New Forest scheme precisely aligns in all respects, but until that takes place, the slight reduction in age eligibility will increase the scope for take-up by young residents who aspire to a home of their own.

5. FINANCIAL IMPLICATIONS

- 5.1 There are no financial implications arising as a result of an age threshold change to the Council's Starter Home scheme.

6. CRIME & DISORDER IMPLICATIONS

- 6.1 There are none

7. ENVIRONMENTAL IMPLICATIONS

- 7.1 No environmental implications will arise from an age threshold change to the Council's Starter Home scheme

8. EQUALITY & DIVERSITY IMPLICATIONS

- 8.1 The Starter Homes scheme will be available to a wider age range of first time buyers than had previously been the case

9. RECOMMENDATIONS

- 9.1 That the Council revises the lower age threshold of the New Forest District Council Starter Homes scheme from at least 23 years of age to at least 21 years of age.

10. PORTFOLIO HOLDER ENDORSEMENT

I have agreed to the recommendation of this report.

CLLR E J HERON

Sign: **Date:** 31 May 2019

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Background Papers:

Council's Starter Home Scheme as defined by schedules in S106 agreements Housing and Planning Act 2016 NPPF (revised Feb 2019): Annex 2 Starter Homes Regulations: Technical consultation and government response (February 2017)