
Review of the First Homes Policy

Relevant Portfolio Holder		Councillor Sue Baxter
Portfolio Holder Consulted		Yes
Relevant Head of Service		Judith Willis Assistant Director of Community and Housing Services
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Wards Affected		No specific ward relevance
Ward Councillor(s) consulted		Not Applicable
Relevant Strategic Purpose(s)		Housing
Non-Key Decision		
If you have any questions about this report, please contact the report author in advance of the meeting.		

1. RECOMMENDATIONS

The Cabinet is asked to RESOLVE that:-

- 1) The Council's revised First Homes Policy is approved.**

2. BACKGROUND

- 2.1 The Government introduced a new affordable housing product known as First Homes to be provided by all local housing authorities from 28th March 2022, as 25% of the affordable housing on Section 106 sites. First Homes are discounted market sale units with criteria set by legislation. They:

- a) must be discounted by a minimum of 30% against the open market value;
- b) are sold to a person or persons meeting the First Homes eligibility criteria;
- c) on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and,

- d) after the discount has been applied, the first sale must be at a price no higher than £250,000 (or £420,000 in Greater London).

3. OPERATIONAL ISSUES

- 3.1 The First Homes policy was approved by the Council in September 2022 for Section 106 developer led sites. Following the removal of the mandate from the NPPF the policy has been updated to remove the mandated elements.

- 3.2 An update to the National Planning Policy Framework (NPPF) guidance 2024 has offered an opportunity to review this approach:

“The requirement to deliver a minimum of 25% of affordable housing as First Homes, as set out in 'Affordable Homes Update' Written Ministerial Statement dated 24 May 2021, no longer applies. Delivery of First Homes can, however, continue where local planning authorities judge that they meet local need. Except where a Mayoral, combined authority or high-level joint plan is being prepared as a framework for strategic policies at the individual local authority level, in which case it may be most appropriate for the local authority plans to provide the requirement figure.”

- 3.3 The removal of the mandatory requirement allows Strategic Housing to flexibly negotiate with developers, appropriate affordable housing products on site. Bromsgrove Council has delivered three First Homes to date.

4. FINANCIAL IMPLICATIONS

- 4.1 There are no financial implications to the Council as a result of this policy.

5. LEGAL IMPLICATIONS

- 5.1 The NPPF has made the inclusion of First Homes optional for local authorities.

6. OTHER IMPLICATIONS

Local Government Re-organisation

- 6.1 There are no specific implications for Local Government Reorganisation.

Relevant Council Priority

- 6.2 Housing – the flexible application of this policy will provide more affordable home ownership options and help to reduce the pressure on the housing register.

Climate Change Implications

- 6.3 The revised First Homes Policy is expected to have a neutral to slightly positive climate impact. Greater reliance on Registered Providers may result in more consistent delivery of new homes built to modern energy-efficient standards, supporting overall low-carbon housing objectives.

Equalities and Diversity Implications

- 6.4 The re-alignment of the First Homes policy will help make more lower cost affordable home ownership models available, which is more likely to impact households from diverse backgrounds.

7. RISK MANAGEMENT

- 7.1 By re-aligning the First Homes policy, the Council is more likely to meet local housing needs rather than the needs of households from outside of the District.
- 7.2 By continuing to provide First Homes flexibly the Council is supporting the viability of Section 106 sites to ensure that Registered Providers are able to purchase the affordable housing element.

8. APPENDICES and BACKGROUND PAPERS

Appendices

Appendix 1 - The review Bromsgrove First Homes Policy

9. REPORT SIGN OFF

Department	Name and Job Title	Date
Portfolio Holder	Councillor Sue Baxter Cabinet Member for Planning, WRS and Strategic Housing	23.6.26
Lead Director / Head of Service	Judith Willis Assistant Director Community and Housing Services	23.6.26
Financial Services	James Walton, Section 151 Officer	23.6.26
Legal and Democratic Services	Nicola Cummings, Principal Solicitor – Governance and Jess Bayley-Hill, Principal Democratic Services Officer	24/06/26
Policy Team (if equalities implications apply)	Emily Payne Engagement and Equalities Officer	N/A
Climate Change (if climate change implications apply)	Matthew Eccles Climate Change Manager	26.6.26