

Discounted homes for key workers and local residents as flagship First Homes scheme launches

- Scheme to help local young people and key workers on to the housing ladder launches near Bolsover
- 'Own Your Home' campaign launched to highlight the support available to get people on to the housing ladder.

Discounted houses for local people and key workers will be made available as a new housing scheme launches today (4 June 2021).

The First Homes scheme will help local first-time buyers – many of whom will be key workers like NHS staff and veterans – onto the property ladder by offering homes at a discount of at least 30% compared to the market price.

That same percentage will then be passed on with the sale of the property to future first-time buyers, meaning homes will always be sold below market value – benefitting local communities, key workers, and families for generations to come.

The scheme will support local people who struggle to afford market prices in their area, but want to stay in the communities where they live and work.

The first First Homes properties went on the market today as part of the first phase of an early delivery project in the Bolsover district, East Midlands, with the Housing Secretary in attendance.

Further sites are set to launch across the country in the coming weeks. A further 1,500 will enter the market from the autumn, with at least 10,000 homes a year being delivered in the years ahead and more if there is demand.

Delivery of the scheme is part of the government's wider pledge to build one million new affordable and attractive homes in this Parliament and help put home ownership within reach for people across the country.

Major high-street lenders Halifax and Nationwide Building Society, along with local building societies and community lenders, announced that they will be offering high loan-to-value mortgages against First Homes to support the roll-out of the scheme.

First Homes follows on from the 95% mortgage guarantee scheme which helps first-time buyers secure a mortgage with just a 5% deposit and the government's 'Own Your Home' campaign showcasing the range of flexible home ownership options available.

The campaign highlights the support available to help make home ownership a realistic and affordable option for more people than ever.

Broadcast, digital and radio adverts are showcasing the range of government schemes available to aspiring home-owners to help them get their foot on the housing ladder.

First-time buyers can find the right scheme for them via the [Own Your Home website](#) which provides a single gateway for all routes to home ownership.

The website is an easy and accessible way for first-time buyers to start their home ownership journey and find the right government scheme for them.

Housing Secretary Rt Hon Robert Jenrick MP said:

Enabling more people to buy their own homes is at the heart of the mission of this government, and First Homes will offer a realistic and affordable route into home ownership for even more people who want to own their own home.

Thanks to First Homes, we will offer more homes to local people and families, providing a route for first-time buyers to stay in their local areas rather than being forced out due to rising prices.

First Homes will also support our fantastic key workers who are looking to get their first foot on the housing ladder – from front-line doctors and nurses to delivery drivers and supermarket staff – by giving many of them the chance to buy a home at a 30% discount.

These homes will be locked in for perpetuity to first-time buyers and key workers from their local area – making them an asset to both their owners and the wider local community.

Tim Beale, CEO of Keepmoat Homes, said:

We are delighted to be working with our partners in government, Homes England and Bolsover District Council, to launch the First Homes scheme which is specifically designed to support first time buyers and keyworkers and help them take their first steps on the property ladder.

Keepmoat Homes is one of the UK's leading home-builders for first time buyers so it is great to be part of this initiative which will help even more people realise their dream of owning their own home. This is a true example of how working in partnership helps to support local people and communities.

David Postings, CEO of UK Finance, said:

Key workers have kept the country running during the pandemic and we are committed to doing what we can to help them, and other local first-time buyers across England, to realise their dreams of owning

their own homes.

Our commitment is shared across all necessary stakeholders, as underscored by the high level of co-operation between lenders, government, local authorities and developers in helping drive the First Homes scheme forward.

Robin Fieth, Chief Executive of the Building Societies Association, said:

Building societies have always been dedicated to bringing home ownership within reach for as many people as possible, which is why we are working with the sector to help bring forward mortgages for First Homes as soon as possible.

Building societies, both large and small, are pleased to be among the first lenders to offer mortgages in support of this new product.

Councils will also be able to prioritise the homes for key workers such as nurses and teachers who have been looking to get on the housing ladder while supporting their community throughout the pandemic.

Each individual local authority can set a local connection test to determine who should be prioritised for the scheme based on the needs' of their communities.

Additionally the government has made available a further £40 million package to local councils to help level up local communities.

This includes £20 million of capital funding for the 70 successful bids for the Land Release Fund (LRF) and £10 million of resource funding from the One Public Estate (OPE) programme which is delivered in partnership between MHCLG, the Cabinet Office and the Local Government Association.

The LRF funding will release council-owned land for more than 2,600 homes over the next two years by helping to regenerate mainly brownfield land across the country which is often unused and derelict.

Councils are also being supported to release their brownfield land for housing through the £75 million Brownfield Land Release Fund (BLRF) of which up to £25 million will support self and custom build projects.

Meanwhile, the package also includes a £9.1 million fund for local authorities to support the delivery of garden communities in areas such as Chelmsford, Dunsfold and Corby. Overall, the Garden Community programme has the potential deliver over 350,000 new homes by 2050.

Funding will help unlock land to help deliver more new homes and vibrant communities for people to live and work in.

Meanwhile, reforms are being made to give powers to development corporations to support regeneration and growth in all areas of the country.

£2.8 million awarded to Carlisle, Exeter, Tewksbury and the Wirral to develop proposals to unlock significant numbers of homes and jobs through the New Development Corporation Competition (NDCC).

The publication of the [government's response to the technical consultation on Development Corporation Reforms](#) to ensure that development corporations have the powers to unlock strategic development in all parts of the country.

First Homes

First Homes will be for first-time buyers only, and councils will be able to prioritise them for local people and for key workers. This scheme is a part of the government's commitment to deliver 1 million homes by 2024.

First Homes will make a proportion of new homes available with a minimum 30% discount on the open market value which will be passed on with the sale of the property to future first-time buyers. This means homes will always be sold below market value and local communities will benefit for generations to come.

The government working with several regional and national lenders to deliver the first of these homes in Bolsover and elsewhere in England.

The first 'First Homes' will be marketed over the summer of 2021, and the government will be funding a further 1,500 homes to come to the market from the end of 2021.

The following banks and building societies have announced their participation in the First Homes scheme, agreeing to provide 95% loan-to-value mortgages for First Homes:

1. Chorley Building Society
2. Darlington Building Society
3. Halifax
4. Leeds Building Society
5. Mansfield Building Society
6. Nationwide Building Society
7. Newcastle Building Society

A number of Britain's top lenders have lent their support to the scheme, publishing a [joint statement](#) (PDF, 171 KB, 2 pages)

Government home ownership schemes

95% Mortgages

The mortgage guarantee scheme allows first time buyers to purchase a home with only a 5% deposit. The scheme will help to increase the supply of 5% deposit mortgages for credit-worthy households by supporting lenders to offer these products through a government-backed guarantee.

Help to Buy: Equity Loan

Is a loan from the government that you put towards the cost of buying a newly built home. Help to Buy aims to help first-time buyers to get on the property ladder. If you're eligible for an equity loan, you can borrow up to 20% (40% if you're in London) of the market value of a new home. When you take out an equity loan, you only pay interest on the amount you borrowed.

Shared Ownership

Gives first time buyers the option to buy a share of their home (between 10% and 75%) and pay rent on the remaining share. Our new Affordable Homes Programme aims to deliver around 180,000 homes with around half of these available to purchase through shared ownership.

We are making shared ownership more accessible by reducing the initial share you can buy in your new home from a quarter to 10% and allowing you to increase your share in 1% instalments. This means that you can increase your share of the property in manageable payments when you want, at a pace that is right for you

Help to Build

Scheme to help self and custom home building become a realistic option to get onto the housing ladder through lower deposit mortgages. Lowering the required deposit will free up capital, so people can build the home that they want and need whether it's a commissioned, made to order home, or a new design from scratch. The scheme will provide an equity loan on the completed home, similar to the Help to Buy: Equity Loan scheme.