

**COUNCIL BUSINESS
COMMITTEE**

6.00 P.M.

5TH MARCH 2020

PRESENT:- Councillors Joan Jackson (Chair), Geoff Knight, Paul Stubbins,
David Whitaker and Jason Wood

Apologies for Absence:

Councillors Michael Mumford and Oliver Robinson.

Officers in attendance:

Fiona Clark	Planning Policy Officer (Homes and Communities) (minutes 7-11)
Rebecca Richards	Planning Policy Officer (minutes 7-11)
Debbie Chambers	Democratic Services Manager and Deputy Monitoring Officer

7 MINUTES

The minutes of the meeting held on 31 October 2019 were agreed as a correct record.

8 ITEMS OF URGENT BUSINESS AUTHORISED BY THE CHAIR

There were no items of urgent business.

9 DECLARATIONS OF INTEREST

There were no declarations of interest at this stage.

10 RESPONSE TO THE FIRST HOMES CONSULTATION (Pages 4 - 8)

Fiona Clark, Planning Policy Officer (Homes and Communities) presented a report of the Director of Economic Growth and Regeneration advising Members of the Government's First Homes Consultation and seeking approval for submission of a response. A draft response was appended.

Members asked a number of questions, which the Planning Policy Officer (Homes and Communities) responded to. They then looked at the draft response in detail, making a number of comments to be incorporated in the consultation response before submission.

Resolved:

That, subject to inclusion of the additions and amendments to wording requested by the Committee, the draft response be submitted as the City Council's response to the Government's First Homes Consultation.

(The final consultation response is appended to these minutes.)

11 NORTH WEST MARINE PLAN CONSULTATION

Rebecca Richards, Planning Officer presented a report submitted by the Director of Economic Growth and Regeneration informing Members of the North West Marine Plan, which was out for consultation until 6 April 2020.

Councillors asked a number of questions and discussed the draft response, which was appended for consideration.

The Committee were happy with the draft wording but asked that the need for working together on coastal protection to reduce the impact of flooding throughout the coastline be highlighted, as well as the protection of marine life and wildfowl.

Resolved:

That the draft consultation response, subject to the addition of wording reflecting the Committee's comments (above), be submitted to meet the deadline.

12 LONE WORKING POLICY FOR COUNCILLORS

Members considered a draft policy submitted by the Democratic Services Manager entitled "Personal Safety and Lone Working Policy for Councillors". This was a report which the Committee had requested at its October meeting.

Members were happy with the content of the draft and wished to record their thanks to Jane Glenton, recently retired Democratic Services Officer, who had researched and drafted the policy.

Resolved:

That the Personal Safety and Lone Working Policy for Councillors be circulated to Elected Members, published on the "for Councillors" pages of the Intranet and included in information packs for newly-elected Councillors.

13 APPOINTMENTS TO COMMITTEES AND CHANGES TO MEMBERSHIP

There were no appointments to Committees or changes in membership.

Chair

(The meeting ended at 7.20 p.m.)

**Any queries regarding these minutes, please contact
Debbie Chambers, Democratic Services - telephone (01524) 582057 or email
dchambers@lancaster.gov**

Appendix 1 – Proposed Lancaster City Council response to the consultation

The consultation poses a series of question to which the following responses are recommended.

Q1. a) Do you agree with a minimum discount of 30% (but with local flexibility to set a higher one)?

b) If not, what should the minimum discount be? i. 20% ii. 40% iii. Other (please specify)

Yes

Q2. a) Should we set a single, nationally defined price cap rather than centrally dictate local/regional price caps?

b) If yes, what is the appropriate level to set this price cap? i. £600,000 ii. £550,000 iii. £500,000 iv. £450,000 v. Other (please specify)

No - A national price cap would not adequately reflect local house prices and incomes. Price caps at the level suggested would not result in homes being affordable for first time buyers with discounts in the region of 30%.

Q3. a) If you disagree with a national price cap, should central Government set price caps which vary by region instead?

No - Price caps should be set by Local Authority area to reflect local house prices and incomes.

b) If price caps should be set by the Government, what is the best approach to these regional caps? i. London and nationwide ii. London, London surrounding local authorities, and nationwide iii. Separate caps for each of the regions in England iv. Separate caps for each county or metropolitan area v. Other (please specify)

See answer to Q3

Q4. Do you agree that, within any central price caps, Local Authorities should be able to impose their own caps to reflect their local housing market?

Yes

Q5. Do you agree that Local Authorities are best placed to decide upon the detail of local connection restrictions on First Homes?

Yes

Q6. When should local connection restrictions fall away if a buyer for a First Home cannot be found? i. Less than 3 months ii. 3 - 6 months iii. Longer than 6 months iv. Left to Local Authority discretion

iv. Left to Local Authority discretion

Q7. In which circumstances should the first-time buyer prioritisation be waived?

Local authority's should have the discretion, in exceptional circumstances, to meet

the needs of people on the Council's housing allocation waiting list and for specialist needs such as homes for older people, for those with particular needs or for community groups where an affordable discount is made.

Q8. a) Should there be a national income cap for purchasers of First Homes?

No - Income caps should be at local authority level to reflect local incomes. The differentials within a local authority area should be taken into account.

b) If yes, at what level should the cap be set?

c) Do you agree that Local Authorities should have the ability to consider people's income and assets when needed to target First Homes?

Yes

Q9: Are there any other eligibility restrictions which should apply to the First Homes scheme?

No

Q10. a) Are Local Authorities best placed to oversee that discounts on First Homes are offered in perpetuity?

No

b) If no, why?

At present Local Authorities are not resourced to oversee discounts. The process would add an additional burden to Local Authorities. While they may be best placed to determine local eligibility, additional resources would need to be made available for this process to be carried out and to ensure that it does not slow down the purchase process.

Q11. How can First Homes and oversight of restrictive covenants be managed as part of Local Authorities' existing affordable homes administration service?

Affordable housing provided through S106 agreement in Lancaster City Council area are administered by Registered Providers. A similar provision could be put in place by Government to oversee First Homes. If the Council were to oversee the ongoing provision, additional resources would be required from government to provide the capacity to assess valuations and eligibility and for the ongoing enforcement of the restrictions.

Q12. How could costs to Local Authorities be minimised?

Appointment and funding of specified independent valuers funded by Government could remove the burden upon local authorities. The cost should not however be passed onto purchasers.

Q13. Do you agree that we should develop a standardised First Home model with local discretion in appropriate areas to support mortgage lending?

Yes - engagement with lenders will be key as at present lenders are reluctant to

support shared ownership or existing forms of discounted market sale units. Without mortgage products in place in each local area, developers are unlikely to wish to deliver the tenure and if delivered it would not be attainable by those they are intended for.

Q14. Do you agree that it is appropriate to include a mortgage protection clause to provide additional assurance to lenders?

Yes

Q15. For how long should people be able to move out of their First Home and let it out (so it is not their main or only residence) without seeking permission from the Local Authority?

i. Never ii. Up to 6 months iii. 6- 12 months iv. Up to 2 years v. Longer than 2 years vi. Other (please specify)

i. Never

Q16. Under what circumstances should households be able to move out of their First Home and let it for a longer time period? (Tick all that apply)

- i. Short job posting elsewhere X
- ii. Deployment elsewhere (Armed Forces) X
- iii. Relationship breakdown
- iv. Redundancy
- v. Caring for relative/friend
- vi. Long-term travelling
- v. Other (please specify) **Individual assessment and for a maximum of 6 months.**

Q17. Do you agree that serving members and recent veterans of the Armed Forces should be able to purchase a First Home in the location of their choice without having to meet local connections criteria?

Yes

Q18. What is the appropriate length of time after leaving the Armed Forces for which veterans should be eligible for this exemption?

i. 1 year ii. 2 years iii. 3-5 years iv. Longer than 5 years

ii. 2 years

Q19. Are there any other ways we can support members of the Armed Forces and recent veterans in their ability to benefit from the First Homes scheme?

Communication of the scheme to veterans groups.

Q20. Which mechanism is most appropriate to deliver First Homes?

- i. Planning policy through changes to the National Planning Policy Framework and guidance
- ii. Primary legislation supported by planning policy changes

i. Planning policy through changes to the National Planning Policy Framework and guidance

Q21. Which do you think is the most appropriate way to deliver First Homes?

i. As a percentage of section 106 affordable housing through developer contributions ii. As a percentage of all units delivered on suitable sites

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Q22. What is the appropriate level of ambition for First Home delivery?

i. 40% of section 106 ii. 60% of section 106 iii. 80% of section 106 iv. Other (please specify)

The percentage should be determined by local circumstances and the needs for other types of affordable housing. Additional resource will be required for local authorities to produce viability assessments to determine the level of First Homes and the mix with other types of affordable homes necessary to meet local needs. Support from Government and the Planning Inspectorate will also be required to ensure that First Homes, together with other types of affordable home and infrastructure can be delivered without landowners and developers being able to reduce requirements on viability grounds.

Q27. Do you agree that the proposal to exempt First Homes from the Community Infrastructure Levy would increase the delivery of these homes?

Yes

Q28. Do you think the Government should take steps to prevent Community Infrastructure Levy rates being set at a level which would reduce the level of affordable housing delivered through section 106 obligations?

Yes – however, steps are also needed to be taken to ensure that the necessary infrastructure, including the requirements for incremental infrastructure, either through S106 or CIL is provided. To be sustainable affordable housing requires the provision of infrastructure to support placemaking and community.

Q29. a) What equality impacts do you think the First Homes scheme will have on protected groups?

The provision of homes to meet specific needs may be reduced due to the impact on the viability of development.

b) What steps can the Government take through other programmes to minimise the impact on protected groups?

Ensure that the provision of First Homes does not prevent the delivery of other types of affordable housing and specific housing that meet the needs of groups and local people. The amount of delivery and the mix of First Homes and other affordable products should be determined at the local level depending upon local need.

Q30. Do you have any other comments on the First Homes scheme?

Controls on service charges should be included to ensure that First Homes are not made unaffordable by high additional charges.

Require that First Home owners must have adequate Buildings Insurance in place.

The discount on First Homes must remain in place in perpetuity.