

Iain Wright MP opens new starter homes for young people

Iain Wright MP, Parliamentary Under Secretary of State, officially launched a new groundbreaking initiative in Birmingham on 16th October, introducing the new Starter Homes *model for young people.



L-R Tim Sewell Family HA, Iain Wright MP, Jean Templeton St Basils HA, Tony Wehby Family HA

Trinity Court, a Family Housing Association development of 24 units, includes 8 apartments for 16- 25 year olds. Designed in partnership with St Basils, the scheme will help young people to get a start on the property ladder. (* see below.)

Homelessness Minister Iain Wright said:

“Giving young people access to housing, employment and financial advice and support is crucial if we want them to help them break-out of the cycle of homelessness and unemployment. This scheme will give young people the opportunity to take responsibility for themselves and their money so that they can make a successful transition to independent living.”

The new development built in partnership with Housing Corporation, Family Housing Association, Thomas Vale Construction and St Basils, consists of 12 affordable rented, 8 Starter Homes for young people and 4 intermediate market rented properties.

Specially designed as an innovative 'pathways to home ownership' scheme, the unique element of the starter homes pilot is that a proportion of the weekly rent is placed in a savings fund. After three years, depending upon the tenant, this account can then be used as a deposit to help the young tenants to broaden their housing choices, for example by contributing to a deposit to help them to buy their own home. The scheme creates a strong link between personal savings, personal investment and housing choice.



Iain Wright MP and Tenant Mohammed Al Abdali

Jean Templeton St Basils Chief Executive said:

“Having worked closely with young people in housing need over a number of years we commissioned national research, funded by the Housing Corporation, to find out what is really happening across the country. It became clear that often 16 – 25 year-olds are invisible to housing policy unless they experience extreme vulnerability and homelessness. While there are many examples of current schemes that encourage sustained employment for vulnerable young people, these are almost exclusively time limited and geographically-bound. Our research identified the core elements of a starter homes model for young people which we have used to initiate this first pilot scheme.

“Within this scheme for young people entering employment for the first time, rent and charge payments are kept low enough to reduce benefit dependency and help maintain sustainable employment. On top of all of this, a weekly contribution is placed in a savings fund by St Basils in order to help young people build up a deposit towards permanent housing.”

“As the first national pilot of its kind, we are pleased to be a part of something that will provide a real opportunity for young people to work and save, therefore opening up real choices for their futures.”



Iain and Mohammed outside Trinity Court.

David Stevenson, Family HA, Director of Investment, Assets and Regeneration, said

“We are delighted with this new development. The apartments are of fantastic quality, in a superb location and it is a great to be working with St Basils to provide an opportunity for young people to rent a city centre apartment, whilst saving towards a deposit for their own home in the future.”

The development has been funded using Housing Corporation Social Housing Grants and Private Finance secured by Family Housing Association.

***The Starter Homes for Young People The Model.**

Our research has identified the core elements of a starter homes model. We have considered how the scheme would operate and various options for financing. In summary the scheme would contain these elements:

- A model that makes the link between personal savings, personal investment and housing choice.
- Affordable housing for young people within communities (not isolated or separate).
- Bespoke housing management for two or three, or up to five years.
- An element of rent or other subsidised payment to be placed in a savings fund for young people to build a saving ethic and for a down payment towards permanent housing.
- Revenue or capital contributions from partners or the Government to ensure rent and charge payments are low enough to reduce benefit dependency and to help maintain sustainable employment.

(Extract: St Basils starter homes initiative for young people)

More information on our [website read Executive Summary](#)

For more information and to download copies of the research visit www.stbasils.org.uk/Corporate+and+partnerships/Starter+Homes/

If you would like a hard copy of the research findings please contact Catherine Clarke, Communications Officer, St Basils heath Mill Lane, Deritend, Birmingham, B9 4AX or call 0121-772-2483.