

P - 04 - 487 A Welsh Government deposit loan scheme for first time Welsh home buyers – Correspondence from the petitioner to the clerking team, 06.06.2013

The petition for an national, annual, capped deposit fund to help the first time home buying citizens of Wales is meant to address the fact that the cost of a home in Wales is way above the means of many young people especially, because house prices have risen in Wales whilst average wages remain relatively low. The aim of this proposed scheme is to help first time buyers whose earnings are below a certain threshold and have lived or worked in Wales continuously for at least 10 years or have full time business links to Wales, to have a fair chance to live and work within their own areas, helping to contribute towards a more sustainable economy whilst not being priced out of the market by unreasonable average wage to property price ratios. The figure of 15,000 annual loans in the petition is a top estimate - in total in 2012, 8,700 loans were advanced to first-time buyers in Wales for example. Not all of these first time buyers would qualify as being eligible for the deposit scheme of course, as many would be earning a reasonable wage above a certain threshold. But 5000 applicants a year for example would mean a reasonable annual (and repayable) sum of £37.5 million. A scheme such as this might also only need to last for 5-10 years as, as happens with similar schemes in the Peak District and North York Moors National parks, the capped number of properties in question could possibly form a 'housing stock' that kept their eligible occupancy clause for future first time buyers, as the original buyers hopefully moved on to other/bigger properties as time goes on.