

First Homes - Process and Guidance

This guidance focusses on what to expect from the council throughout the First Homes process and is provided to:

- Support developers and conveyancers unfamiliar with the councils' First Homes process
- Ensure a consistent and transparent approach to First Homes delivery
- Clarify responsibilities at each stage of the process
- Reduce delays caused by incomplete or incorrect submissions

If you are not familiar with the basics of the First Homes scheme, please visit our dedicated FAQ page.

For First Homes purchasers to understand more about buying process, you can direct them to our First Homes – From Applying to Moving in page on our website.

Key Parties and Roles

Party	Role
Local Authority – Affordable Housing Team	Administers the First Homes process, assesses eligibility and issues formal approvals
Developer	Notifies the Local Authority of the First Homes units, and issues and supports purchasers with the completion of their First Homes application
Applicant (Purchaser)	Submits application and all supporting evidence
Applicant's Conveyancer	Provides legal and mortgage documentation and liaises on exchange/completion
Developer's Conveyancer	Ensures compliance with Section 106 and conveyancing requirements
Mortgage Adviser (if applicable)	Confirms mortgage arrangements for applicant

A high-level overview of the application process for new build sale has been published by the Department for Levelling Up, Housing & Communities and can be found in **Appendix A** of this document.

The Process

Stage 1 – Developer Notification

The developer must notify the council's Affordable Housing Team when the expected commencement dates for the First Homes units are known and the marketing stage is approaching. This early notification enables timely preparation of application and legal documentation.

Stage 2 – Preparation of Application and Conveyancer Packs

Upon notification, the council's Affordable Housing Team will:

- Prepare site-specific application and conveyancer packs, tailored to the relevant Section 106 legal agreement
- Include applicable criteria, for example:
 - National First Homes criteria
 - Local eligibility requirements (if applicable)
 - Definitions and key clauses
 - Perpetual discount percentage (minimum 30%)
- Undertake a final review of the documentation with the council's Legal team prior to issuing the application pack

Stage 3 – Marketing

Where applicable, the developer is required to market the First Homes for three months in accordance with any **local** eligibility criteria.

If there is no sale after three months, the developer must notify and evidence this to the Affordable Housing Team who, if satisfied, will confirm that the First Home can be marketed in accordance with **national** eligibility criteria.

Stage 4 – Application Submission

The developer should now issue the application form to prospective purchasers and support them with completing and submitting the form.

The developer should submit the completed application form on behalf of the purchaser and include all supporting evidence.

All applications must include:

- Completed and signed First Homes application form
- Confirmation and legal declarations confirming first-time buyer status
- Mortgage confirmation or Decision in Principle
- Proof of income (total household income must not exceed £80,000 per annum)
- Evidence of local connection (where applicable)
- Armed Forces eligibility evidence (where applicable)

Note: Incomplete submissions will delay assessment. Any missing information will be sought by the Affordable Housing Team.

Stage 5 – Application Review

The council's Affordable Housing Team will assess the application and verify that:

- All sections of the application form are fully completed and signed
- The First Homes discount has been correctly applied
- The discounted purchase price does not exceed £250,000
- Mortgage and deposit amounts total the discounted purchase price
- The applicant meets all relevant national and/or local eligibility criteria

Subject to any additional information required, applications will be assessed within **five working days** of submission.

Stage 6 – Distribution of Authority to Proceed (ATP) and Conveyancer Pack

If satisfied, the Council will prepare an Authority to Proceed (ATP). Once prepared, the Affordable Housing Team will issue the ATP and Conveyancer Pack, and distribute it to:

- The purchaser
- The purchaser's conveyancer
- The purchaser's mortgage adviser (if applicable)
- The developer
- The developer's conveyancer

Stage 7 – Submission of Legal and Financial Documentation

In line with the issued Conveyancer Pack, the purchaser's conveyancer must submit the following to the Affordable Housing Team:

- Completed Solicitor's Undertaking
- Signed Legal Declaration
- Confirmed Mortgage Offer
- Completed UK Finance Disclosure of Incentives Form

All documentation must reflect the First Homes application form submission, the discounted First Homes value and fully comply with the relevant Section 106 agreement.

Stage 8 – Authority to Exchange

The Affordable Housing Team will review the conveyancer's submission to confirm:

- Mortgage and funding arrangements are compliant
- Legal documentation reflects First Homes obligations
- All documentation aligns with the original application submission

If satisfactory, the council will issue an Authority to Exchange (ATE). Documentation will be reviewed with a view to issuing an ATE within **twenty-eight days** of receipt.

Contracts must not be exchanged until an ATE has been issued.

Stage 9 – Exchange and Completion Confirmation

Following exchange and completion, the purchaser's conveyancer must notify the council's Affordable Housing Team.

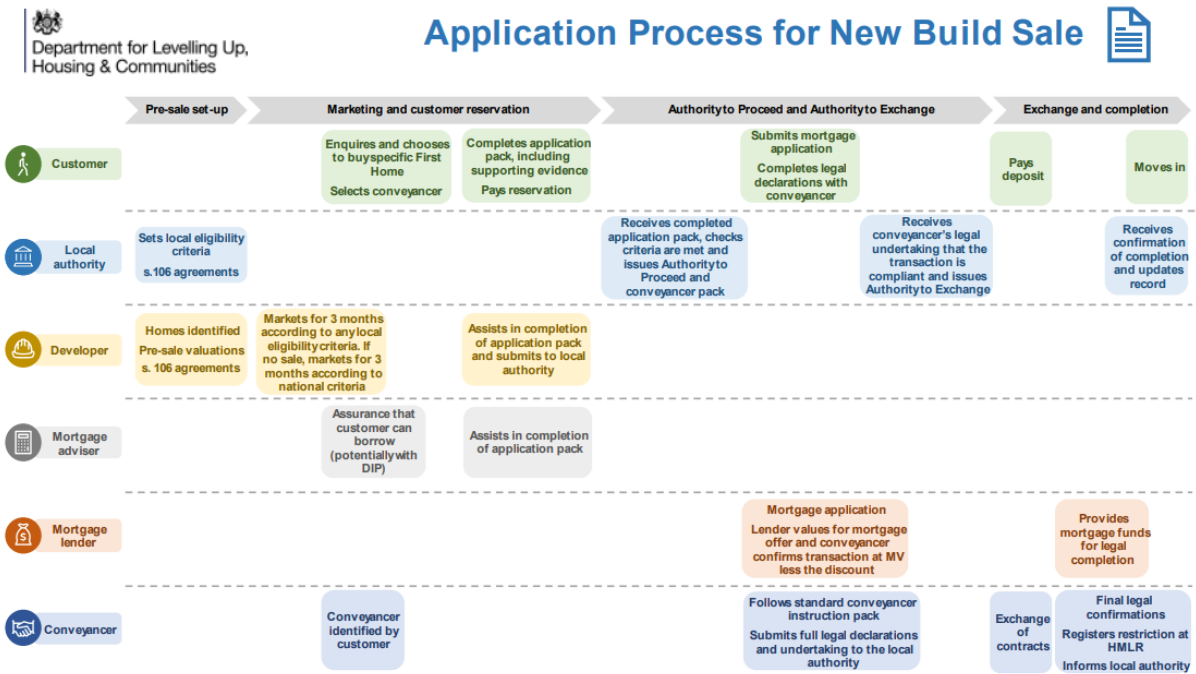
Confirmation must be provided for both **exchange and completion** dates to ensure the council's records accurately reflect the disposal of the First Homes unit.

Key notes

- First Homes units remain subject to perpetual discount obligations under the relevant Section 106 agreement
- Failure to comply with the above process may result in transaction delays or refusal to approve the exchange

If you have any further queries or remain unsure of the process, please feel free to contact the Affordable Housing Team at affordablehousingteam@southandvale.gov.uk

Appendix A – Overview of Application Process for New Build Sale



Source: [First Homes: Local Authority Guidance Notes \(Department for Levelling Up, Housing & Communities, February 2024 \(Version 2\)\)](#)