



# Home Loans

## Packaging Guide

Released March 2026

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**tandem**

VERSION 10.1

For Approved and Regulated  
Introducer Use Only

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## 1. Summary Guidelines

### Product Highlights:

- Secured Loans from £10,000 minimum to £250,000 in England, Wales and Scotland. Northern Ireland £100,000 maximum.
- Our product is based on a rate to risk model, meaning customers get an interest rate which reflects their current circumstances.
- Any Shared Ownership considered (regardless of % share on S/O) up to £50,000 in England and Wales only. Consent to lend from the proprietor of the Shared Ownership charge required
- Loans to retired applicants
- We can sit up to 3rd charge up to £100,000
- All adverse credit, recent or historic considered
- 1st and 2nd charge arrears considered on certain plans (Page 5)
- Single application allowed where property in single name
- Consumer BTL accepted up to £50,000, maximum LTV 80%

### Our Service:




- Commission is paid the same day as the deal pays out
- Real-time updates, daily management information and real time case notes available via our portal
- We're available Monday to Thursday 9am to 6pm and Friday 10am to 5pm

### Basic Criteria:

- Ages between 21–70 years old (loans to be repaid by 70th birthday)
- Owner occupiers and Consumer BTL
- We lend in England, Wales, Scotland and Northern Ireland
- Minimum employed, Self-Employed monthly income or monthly pension income should be (NET FIGURES) £1,200 for single applications, £1,500 for joint applications (excluding any benefits)
- Salary must be paid directly into a bank account by bank transfer
- Self-Employed applicants need to have been trading for a minimum of 24 months
- Self-Employed can benefit from a loan size of up to £250,000
- We cannot accept applicants in active Bankruptcy Orders or Involuntary Arrangement Schemes (applies in England, Wales and Northern Ireland)
- We cannot accept applicants in active Sequestration Orders, Trust Deeds, Debt Arrangement Schemes and Debt Management Plans.
- Most recent mortgage / secured loan payments must have been made.

Please refer to full Product Guide sheet as this may contain certain key criteria amendments.

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## Matrix Summary Guide

Min/Max Loan Amount	£10,000 to £25,000	£25,001 to £50,000	£50,001 to £75,000	£75,001 to £100,000	£100,001 to £150,000	£150,001 to £200,000	£200,001 to £250,000
LTV	See Product Guide						
Minimum Term	See Product Guide						
Maximum Term	See Product Guide						
No of Charges (including Tandem)	3	3	3	3	2	2	2
DTI - Absolute maximums. Referral limits will apply.	75%	75%	75%	75%	75%	75%	75%
LTI	8 x gross salary	8 x gross salary	7 x gross salary	6 x gross salary	5 x gross salary	5 x gross salary	5 x gross salary
ACTI	Max 85%			Max 75%			
Min Time in Employment	1 month (see Page 15 for conditions)						
Min Time Self Employed	24 months						
Proof of income employed monthly	3 payslips						
Proof of Income employed weekly	4 payslips						
Proof of income self-employed	See Section 8 & 9						
Minimum Employed NET single income	£1,200						
Minimum Employed NET joint income	£1,500						
Maximum CBTL	£50K			N/A			
Maximum Mortgage Arrears considered	2	2	2	1	0		
Minimum-Maximum Age	21-70						
First Mortgage Consent Required	N						

We can consider cases outside some of the above. Any exception to the above must be referred prior to submission.

## 2. Introduction

This document sets out our lending requirements and is designed to help you, as an approved introducer, understand what we need and how to submit an application successfully. If at any stage you're unsure about how to provide or fully disclose information, please contact your Account Manager or the Broker Support Team, they are here to support you.

As part of our commitment to Consumer Duty and responsible lending, each application is assessed on an individual basis. We review the information provided to ensure the applicant has been appropriately considered for the most suitable product for their circumstances, and that our lending standards are met. To support this, we may occasionally ask for additional information or clarification. This helps ensure good outcomes for customers and that we lend responsibly.

It's important that all information submitted is complete, accurate, and up to date. Inaccurate or missing details can delay the process or lead to unsuitable outcomes for the customer, so please take care when preparing each application. Where there's any uncertainty about what needs to be disclosed or how to present information, please get in touch with your Account Manager or the Broker Support Team for guidance.

We regularly review our criteria and underwriting processes to reflect market developments, changes in underwriting practice, and evolving regulatory requirements. Any updates will be communicated in writing and recorded in the version control log below.

### Underwriting/Case Management Team Contact Details

For any queries, please find contact details below:

Email: [secured.packaging@tandem.co.uk](mailto:secured.packaging@tandem.co.uk)

Telephone: 01253 603969

Fax: 01253 807123

Address: Viscount Court, Sir Frank Whittle Way, Blackpool FY4 2FB

### a. Definitions/Abbreviations

Throughout this document, the following definitions/abbreviations are used:

Definition/Abbreviation	Explanation
I&E	Income and Expenditure
ID	Identification for the Applicant
LTV	Loan to Value, relating to the equity in the property
DTI	Debt to Income, relating to affordability
ACTI	Actual Remaining Unsecured Debt Level (Following Consolidation, excluding HP, defaults and CCJ's) to Gross Annual Household Income ratio
LTI	Loan to Income, relating to secured lending vs gross household income used for affordability purposes (including total annual rental income, benefits, pensions, maintenance)
CSA	Child Support Agency
CBTL	Consumer Buy-to-Let
TBL	Tandem Bank Limited

### 3. Loan Criteria

#### a. Loan Types

All loans granted are based on the applicant meeting our criteria and affordability assessments, and the payment type is a capital and interest repayment.

**We offer the following types of loans:**

- Fixed rate for the first 2 years with ERC
- Fixed rate for the first 3 years with ERC
- Fixed rate for the first 5 years with ERC
- Fixed rate for the first 5 years with no ERC
- Consumer BTL up to £50,000
- We do not offer loans by way of a first charge.

#### b. Fees and Commission

- A broker fee of up to 12.5% of the net loan, maximum £5,000 requested by the applicant can be added to the loan. The broker fee on a further advance should only be levied on the amount of new monies due to the customer.
- Fees can be added to the loan advance, or the applicant can choose to pay these up front (where this is the case, the fees are collected with the first Direct Debit and remitted to you in the usual way).
- Commission payments are paid upon completion of the loan.

#### c. Minimum/Maximum Loan Amounts

Please consult the latest product guide for details (please refer to page 5 of this guide for more information).

Please note that the maximum loan advance detailed in the criteria guide excludes any broker and/or lender fee.

#### d. LTV/Equity

For the calculation of LTV, the total secured debt is calculated as follows:

Balance of Mortgage + Total Gross Loan Amount (incl fees) + any balance of additional charges/Shared Ownership share (see page 10, section f. for how to calculate this) /property value.

#### e. Term

Loan Terms are amount specific and can be for full or part year, minimum 36 months. See current Product Guide for details.

#### f. Loan Purpose

The loan purpose must be provided. The following purpose will not be considered:

- Settling debts to avoid or clear an existing IVA/Trust Deed/DRO/Bankruptcy/Debt Arrangement Scheme
- Any business purposes
- Property purchase
- Settling a HMRC tax bill where the customer is still self-employed
- Repayment of gambling debts
- Property development finance

### **g. Debt Consolidation**

When a loan is being used for debt consolidation, we'll normally send payments via bank transfer directly to the creditors, where possible. To support this, please ensure that sort codes, account numbers, and reference details are captured as part of the application. We'll always make direct payments where we can. Where possible, please provide a settlement statement or letter from the creditor. This helps ensure that the account details and redemption figures are clear, accurate, and up to date.

If a creditor doesn't accept bank transfers, the customer will need to provide an undertaking confirming they'll clear the debt once the loan funds are received.

### **Secured Loans and Mortgage Arrears**

Where the loan is being used to settle existing secured loans or mortgage arrears, evidence of the current arrears balance or settlement amount should be obtained and kept on file. If an existing secured loan or charge on the property is being cleared, a letter confirming the settlement balance and that the charge will be removed upon receipt of funds, must also be held on file.

### **Part Consolidation**

Part consolidation of credit is permitted. In these cases, the monthly payment will be calculated as a percentage of the balance that remains after the part consolidation, to ensure affordability is assessed fairly.

### **Customer Awareness**

It's important that the customer is made aware that by consolidating their debts, the total amount repayable may increase, even though their monthly payments may reduce. Clear communication of this helps ensure customers fully understand the implications and supports good outcomes under Consumer Duty.

### **Further Borrowing and Re-Consolidation**

If an applicant has previously consolidated accounts with us and has since re-run borrowing or taken on further significant debt, especially where an existing second charge loan (whether originally from us or another lender) is being consolidated, we'll need a clear explanation and rationale for the new borrowing. This information helps us understand the customer's current financial position and assess whether the lending remains appropriate and responsible. Please note that this assessment may influence our decision to lend.

### **Applicant Funds Dispatch**

Funds will normally be dispatched to the Applicant and/or creditor via BACS transfer, which can take anywhere up to 48 hours to reach the Applicant's bank account. Creditor payments can take up to 5 days to reach applicants creditor accounts.

## 4. The Security Property

### a. Valuation Types

The type of valuation report required is dependent on property value, loan size and LTV. A RICS valuation is mandatory for houses valued >£1M or flats valued > £750K. They are detailed in the current Product Guide. Where the property was purchased within the last 6 months the purchase price should be used for LTV calculation.

A drive by/full valuation completed by a RICS surveyor would supercede any of the above. A RICS valuation is valid for 6 months.

Confidence Level	Max Property Value	Max LTV
6.0 or higher	House: £1,000,000 Flat: £750,000	100%
≥5.0 up to 6.0	House: £1,000,000 Flat: £750,000	90%
≥4.0 up to 5.0	House: £1,000,000 Flat: £750,000	50%
<4.0	Not allowed	Not allowed

Leasehold and Freehold properties within England, Scotland, Wales, and Northern Ireland are acceptable. For Scotland and Northern Ireland, the title must be clear of cautions/inhibitions, unless they are being cleared as part of the loan.

Commercial or semi commercial properties will not be considered in any circumstance.

### b. Occupiers Waiver

Except for married or cohabiting applicants applying for a loan in a sole name, no waivers or disclaimers will normally be required for residents at the security address over the age of seventeen.

Where an applicant is divorced, please ensure ensure that this is indicated on the relevant claim. We may require evidence that the other party has no remaining rights to the property.

Where an applicant is separated, you must ensure that this is indicated on the relevant claim. We may require sight of a Deed of Separation.

### c. Property for Sale

TBL will not consider an application where the property is up for sale. For further assistance or guidance please contact the referrals team.

## 5. Mortgages and Charges

### a. Consent & charges remaining

We do not require consent where a restriction has been registered by the first mortgagee on the Land Registry.

If a second charge/secured loan is to be left in place, we must obtain written confirmation of the current outstanding balance if using a different amount to the credit file or the account is not on the credit file.

### Lending behind a First Charge with an obligation to lend

TBL may lend where the first charge lender has registered an obligation for further lending on the Land Registry Title subject to:

- The application must continue to meet lending criteria and product limits using the LTV which includes the obligated lending.
- Please confirm (and supply) if the first charge lender requires a Deed of Postponement
- Please note - case submissions to underwriting must include the letter of consent to enable us to work the file.

### b. Land Registry not Updated

For loans with a recent re-mortgage/new mortgage, where the Land Registry has not been updated to reflect change in ownership/lender, we must obtain a copy of the TP1/TR1/lease information signed by all applicants. If the new mortgage is not showing on the credit file, we require the BMO along with the completion statement from the solicitor or the completion letter from the mortgage company confirming the full loan details e.g., balance, payment, rate, term.

### c. First Time Buyer

Evidence of first mortgage payment being paid by way of filtered bank statement is required if no evidence of well-maintained mortgage history (e.g., FTB). An alternative credit search showing the payment made is also acceptable.

### d. Secured Settlement Figures

Any charges being consolidated must have a valid settlement figure and undertaking letter on file. This should confirm the settlement balance and that the charge will be removed upon receipt of the funds.

### e. Ex-Council/Local Authority Properties

We will only lend behind Right to buy in the 5th year of the applicants ownership. There may be a need for further investigation in certain circumstances.

The applicant name(s) must match the names on the RTB paperwork.

### f. Leasehold:

All costs in relation to service charge/ground rent must be included in the Affordability Assessment. The remaining term of the leasehold should be a minimum of 40 years at the end of our loan term. Please note in Scotland, there is no yearly charge for leasehold.

### g. Shared Ownership / Key Worker Schemes

Where the property is subject to a Shared Ownership scheme, it must be investigated with the applicant as to what percentage of the property they own and documented in the file.

For all Shared Ownership loans, we require consent to lend from the proprietor of the Shared Ownership charge.

**The calculation to arrive at the Shared Ownership balance is:**

On Shared Ownership properties, the % share owned should be calculated from the up-to-date valuation figure and subtracted from the valuation figure. The resultant figure should be added to the mortgage balance.

**For example:**

Applicant owns 70% of the property, property valuation is £100,000. Therefore 70% of this valuation is £70,000.

Valuation £100,000 - £70,000 = £30,000, which should be added to the Mortgage Balance and input in the Secured Loan Balance field to calculate the LTV correctly and allocate correct rate/plan.

**For Key Worker schemes:**

- Key workers will either have a home buyers' loan usually interest free with no regular repayment based on a percentage of the property value to be repaid upon sale or shared ownership loan with a regular payment which should be reflected on the income and expenditure.
- If the payment is due to start during the term of the loan, the highest monthly payment during the term should be included in the affordability assessment

**Please note we cannot complete loans for Shared Ownership in Scotland or Northern Ireland. We also cannot complete a 3rd charge for certain Shared Equity schemes. Please scrutinise the terms and conditions to identify any clause that may refer to early repayment of the Equity Loan.**

**h. Consumer Buy to Let:**

A CBTL is defined as a mortgage or remortgage secured on a property purchased which was not entered into by the borrower wholly or predominantly for the purposes of a business carried on or intended to be carried on by the borrower. These include Reluctant and Accidental Landlords as well as Residential properties where the borrower or a relative occupy any part of the property at any time.

A full customer income and expenditure assessment is undertaken for all CBTL applicants.

**i. Interest Only Mortgages**

Where lending behind interest only mortgages if the loan term extends past the mortgage term a credible repayment plan must be evidenced and must not exceed 75% LTV.

## Credible Repayment Plans

	Definition	Evidence Required
<b>Savings</b>	<b>Existing cash savings held in:</b> <ul style="list-style-type: none"> <li>• A UK savings account</li> <li>• Cash ISA</li> <li>• Premium Bonds</li> </ul>	A statement dated within the last 35 days
<b>Endowments</b>	An endowment policy taken out in the names of the mortgage borrowers using the lowest estimated projection quoted on the latest endowment policy statement	An endowment policy statement, including endowment projections and surrender value dated within the last 12 months.  They must confirm the end of the endowment policy is on or before the mortgage term end date
<b>Stocks &amp; Shares ISAs</b>	UK Stocks & Shares ISA using a maximum of <b>50% of the most recent value</b>	A Stocks & Shares ISA statement dated within the last 35 days
<b>Investments</b>	UK Shares/Gilts/Unit Trusts/OEIC and Investment Bonds using a maximum of 50% of the most recent value	A statement dated within the last 35 days
<b>Sale - Other Property</b>	A second home or BTL property in the UK already owned by the applicant(s) using a <b>maximum of 75% of the valuation, minus any secured lending</b>  It cannot be a commercial property or the applicant's main residence (current or intended)	The latest mortgage statement (dated within the last 35 days) if any secured lending is held  A solicitors letter confirming ownership of the property OR;  A Register of Title from the Land Registry OR;  An automated District Land Registry search (DLR)  A current independent physical valuation (PV) dated within the last 12 months is required OR;  An AVM of the property can be completed (where the AVM fails and does not meet lender criteria then a PV will be required)

For joint mortgage applications, a repayment plan in the name of one or both of the applicant's names is acceptable, however where a party who is not on the mortgage application is one of the holders of the repayment plan, this cannot be used.

For sole mortgage applications, the repayment plan must be in the name of the applicant only.

**CARE: The suitability of any repayment plan must never be recommended by TBL**

## j. Portfolio Landlords

A portfolio landlord is a client who has four or more BTL mortgaged properties. TBL do not accept applications from Portfolio Landlords.

- All properties owned by the customer they have resided in, in the last 3 years, must be credit searched. Any mortgage not shown on the credit search will need to be proven by way of mortgage statement, showing that these are up to date.
- Any credit relating to the applicant at the addresses of another property will be taken into account including adverse credit. Securing on CBTL & Properties in the background. Where the applicant(s) own additional properties on a Buy-to-Let (BTL) basis, we will require evidence of rental income (last 3 months filtered bank statements or copy of AST) and BTL mortgage payments. We will only lend to applicants with no more than 3 BTL mortgages
- BTL properties are assessed on an Interest Rate Cover Ratio  $ICR\% = (\text{Gross monthly rental income} \div \text{stressed BTL mortgage payment}) \times 100$ . The calculator Tab on the I&E will do this for you. BTL properties with an ICR of 145% or more may be excluded from the affordability assessment. Where an ICR falls below 145%, the shortfall must be included as an expenditure within the affordability assessment. Where an ICR falls below 100%, the property is not considered as self-funded and cannot be excluded from the affordability assessment. All associated costs must therefore be included in the affordability assessment. NB: we do not put the rental income into the I and E (only the costs)

## 6. Applicants' Details

### a. Name

Applicants may only proceed in the Applicant(s) full legal name, with ID verification to support that name. For married or divorced individuals where the land registry hasn't been updated, a marriage certificate or decree absolute will be required. Where a name has been changed via deed poll, a certified true copy of the deed poll will be required.

### b. Age

All applicants must be aged 21 or over, and the term must finish before their 70th birthday.

### c. UK/Irish Nationals

**We will provide mortgages for customers who:**

- Are UK or Republic of Ireland Nationals OR;
- Hold a UK or Republic of Ireland passport

### d. Foreign Nationals (inc. EU/EEA & Swiss)

**We will provide mortgages for foreign nationals resident in the UK where they have:**

- Pre-settled & settled status evidenced via GOV.UK website or;
- Indefinite leave to remain in the UK or;
- Indefinite leave to enter the UK or;
- Have been granted a right of abode by the Home Office

In the event of a joint application, where one applicant has not got permanent right to reside and party to the 1st mortgage, it is permitted to add them to our application, providing their income is not included in the affordability assessment (unless the right to reside permit covers the full term of our loan).

### **e. Vulnerable Consumers**

TBL considers a consumer vulnerable if they are unable to fully safeguard their own welfare or the welfare of other household members for reasons such as:

- Age
- Ill-health
- Disability
- Language barrier – limited understanding of English may affect comprehension
- Insufficient understanding of the product or process
- Severe financial insecurity
- Severe personal circumstances, e.g., recent bereavement
- Undue influence or pressure from third parties, e.g., a joint applicant not involved in or fully understanding a business purpose loan

This list is not exhaustive. In line with FCA guidance, each case is assessed individually to determine whether the client could be considered vulnerable.

### **Broker Responsibilities**

Brokers are expected to identify any potential financial vulnerability as part of their KYC process.

Where permission is granted by the applicant, brokers should disclose any vulnerabilities to us.

If there is any uncertainty or concern about an applicant's understanding, circumstances, or vulnerability, brokers should contact the Underwriting Case Management Team for guidance.

### **Actions for Vulnerable Applicants**

Where there is concern that an applicant may be vulnerable or may not fully understand the 2nd charge mortgage illustration or its implications, we may require independent legal advice before any payout.

Recognising and disclosing vulnerability ensures lending decisions are responsible, fair, and aligned with good outcomes under Consumer Duty.

### **f. Marital Status**

All owners named on the Land Registry title must be included in the application. Tandem does not accept Sole Borrower, Joint Proprietary applications.

Tandem will accept applicants in addition to those named on the Land Registry title (Joint Borrower, Sole Proprietor), for example, a cohabiting or married couple where the property is registered to just one party. The applicants must be resident at the property.

Tandem does not accept applications for guarantor mortgages.

We will consider applications where there are more than 2 people on the Land Registry. All parties will be required to sign the legal charge or standard security if in Scotland.

Where there is an ex-partner still on the mortgage or land registry, a joint application must be made, with both parties signing the credit agreement and land registry. ILA may be requested.

### **g. Widowed Applicants**

If the applicant is widowed and the deceased partner is still registered on the land registry or mortgage, i.e. a deceased person still being a named proprietor, we cannot complete until the land registry (or other equivalent) has been updated – a death certificate is no longer sufficient.

#### **h. Applicant Contact Details**

All applicants will need to provide a telephone number, including home (where the applicant(s) have a home number), mobile or work number, in addition to a minimum one contactable email address.

#### **i. The Reflection Period**

All applicants will receive a 7–day reflection period after the Binding Mortgage Offer has been issued. The customer can accept The Binding Mortgage Offer at any point by signing the mortgage deed and returning it us.

#### **j. Unacceptable Applicants**

Any Applicant who doesn't meet the criteria detailed within this Lending policy, will be deemed unacceptable for lending purposes.

#### **We will not consider applications from the following persons:**

- Applicants currently in an IVA/Trust Deed/Bankruptcy
- Applicants with an outstanding liability following bankruptcy.
- Applicants that have previously defaulted on a Mortgage/Secured Loan
- Applicants in receipt of support/benefits towards their mortgage payments
- Applicants who have been granted a power of attorney by a 3rd party where the security is owned by the 3rd party
- Trusts
- Businesses including Small and Medium Sized Enterprises (SME's)
- Guarantors or sureties
- Holds diplomatic immunity.
- Is deemed to be politically exposed (PEPs) and Relative or close associates (RCAs) may be considered for approval following enhanced due diligence and sign off by the MLRO
- Is a professional gambler
- A portfolio landlord (defined as a landlord with 4 or more BTL mortgaged properties)
- A mortgage application where the applicant and the broker are one and the same.
- An employee of TBL.
- Non- UK Residents

#### **k. Telephone Security Check**

All applicants will be subject to an outbound telephone security check before funds are released. This will be to either their home, mobile or work number.

If during the call, an Applicant is identified as potentially vulnerable, or unable to understand the agreement they are about to enter into, further investigation may be required.

Where an Applicant is unsure or unaware of the agreement they are about to enter into, this will require further investigation, and could result in the application being declined.

## 7. Proof of ID

All Applicants will be subject to electronic ID verification and will also be required to provide documentary proof of ID for signature confirmation.

### a. Acceptable Proof of ID:

The following documents can be used as proof of ID:

- Valid Driving License (in date)
- Valid Passport (in date)
- National identity Card
- Front and back of debit card (the card number and CVV must be blocked on any photocopy of cards)
- Government issued documentation

Name on the identification must match the land registry, or the following may be required:

- Marriage Certificate in conjunction with one of the above documents
- Official Deed Poll letter/Decree absolute

Where ID has been provided and the signatures don't match. We may request additional proof.

If name differs on identification to Land Registry one and the same letter may be required e.g., Sara Jane Smith vs Sara Jayne Smith.

## 8. Proof of Residency

### a. Address History

All Applicants need to provide 3 years address history where applicable, and all addresses should be credit searched. All adverse credit information registered against the applicant at any address will be taken into consideration.

### b. Residential Status

All Applicants must reside within the UK on a permanent basis. Permanent residency is classed as residing in the UK for a minimum of 50% (183 days per year) of the year (this also includes people working abroad or offshore)

### c. Proof of Residency

Proof of residency will be taken from the voters roll at the current address of all applicants.

If the Applicant(s) are not listed on the current voters' roll, then proof of residency may be provided by the following list of documents:

- Council Tax Statement (dated within current year)
- Utility Bill from gas, electric (dated within last 60 days) or water supplier (dated in last 12 months)
- Landline/broadband bill dated within last 60 days.
- Where the property has been purchased in the last 3 months only, a mortgage statement is acceptable combined with a successful Tandem internal validation OR a bank statement showing the current address.

If you are unable to provide any of the proofs listed, the case must be referred for approval in advance of full pack submission to underwriting.

## 9. Sources of Income

The following types of income will be considered for each Applicant:

- Employed
- Self-Employed
- Professional Self-Employed classed as holding a professional qualification for e.g., accountancy, medicine, vets, IT, architect, law, opticians and dentists
- Sub-Contractor
- Long Term Agency Worker (12 months or more)
- Semi-Retired (drawing pension but still employed)
- Retired
- Fixed Term Contracts
- Umbrella Companies
- Day Rate Contractors

\*Please note we do not accept Benefits only applicants

### a. Employed Applicants

A minimum of 1 year's employment history should be recorded for all applicants where applicable. The following criteria is to be met for employed applicants:

- Continuously Full Time Permanently Employed/Part-Time. No more than 3 jobs in the last 12 months.
- For advances  $\leq$  £50,000, 1 month in current role if 12 months continual employment in similar sector - applicant should have received their first pay and previous job payslip or P45 or P60, OR; minimum time in employment is 6 months in current role (must be out of probation),
- For advances  $>$  £50,000 applicants must be minimum 6 months in current role (must be out of probation).
- All second job incomes – Minimum 6 months in role. Due consideration must be given and fully documented, to the sustainability of total hours worked.
- Any applicant outside of the above should be referred in advance.

### b. Contracting Applicants

- The applicant must have an employment history showing continuous fixed term contract employment for a minimum of 12 months, where at least one contract renewal has been agreed. This is to be evidenced by a fixed term contract signed by both the applicant as the contractor and their employer
- Contracts which have less than 3 months remaining are acceptable provided there is evidence of a renewal or extension to that contract.
- There is no requirement for a minimum time in current contract, providing the applicant can evidence the required 12 months.
- TBL allows a maximum gap of 4 weeks in between contracts in the last 12 months.
- There are no restrictions on industry, and minimum income/contract value must be in line with standard minimum income criteria.
- Agency workers income acceptable providing has more than 12 months history with the same agency

### c. Self-Employed Applicants

**Self-Employed:**

Must have been trading for a minimum of 24 months.

Any individual receiving PAYE income will be treated as self-employed where they own more than 25% of the company.

**Professional Self-Employed:**

Must work in a Professional Capacity and have obtained a professional qualification. Professional Self-Employed qualification e.g., accounting, architect, dentist, lawyer, solicitor, judge, doctor, nurse, optician, optometrist, pharmacist, veterinarian, physiotherapist. This is not an exhaustive list.

**d. Parental Leave**

When an applicant is on (or about to go on) parental leave, their income can still be used for mortgage affordability, but how we use it depends entirely on their return-to-work intentions.

Follow this guide to determine what income is allowable and what evidence is required.

**Scenario 1: Returning on the Same Terms (Hours & Pay)**

If the applicant is returning to work with no changes to their previous hours or salary, you can use 100% of their full, pre-leave pay, subject to the following conditions:

Required Actions & Evidence:

- A signed declaration from the applicant stating they are returning to work on the same terms.
- Add the new newborn/child as a dependent and input any anticipated childcare costs into the affordability calculator.
- If there is a temporary drop in income during the leave (e.g., moving from full pay to Statutory Maternity Pay), you must document how they will cover the shortfall. Acceptable subsidies include:
  - Corporate employee benefits / top-ups
  - Statutory Maternity Pay (SMP)
  - Partner's income (if they are a joint applicant)
  - Proven savings

If the applicant cannot prove how they will cover a short-term income reduction, the application would likely fail affordability.

**Scenario 2: Returning on Different or Reduced Terms**

If the applicant is returning to work but changing their hours or salary (e.g., shifting to part-time), you can only use their new, future salary.

Required Actions & Evidence:

- Please provide a letter from the employer confirming the new contractual changes, the new salary, and the effective return-to-work date.
- Add the new dependent and anticipated childcare costs into the calculator.
- Income Shortfall: Document how they will cover the gap between current leave pay and mortgage payments (using savings, SMP, partner's income, etc.).

If the shortfall cannot be evidenced, the loan would likely fail affordability.

**Scenario 3: Not Returning or Undecided**

If the applicant states they are not returning to work, or if they are still undecided about their future employment:

- Completely discount their income from the affordability calculation.
- The mortgage must be affordable solely on any other joint applicant's income.

**e. State Benefits/Additional Income**

Additional income received from either state benefits or a second job will be considered. Please refer to Acceptable Types of Income.

**The following state benefits/Allowances are acceptable:**

- Child Benefit for dependent children
- Working or Child Tax credits or Adoption Allowance for dependent children
- Universal Credit
- Personal Independence Payment (PIP) (for applicants and dependent children only)
- Employment and Support Allowance (ESA)
- Industrial Injuries Disablement Benefit
- Carer's Allowance (for applicants and dependent children only)
- State and Private Pensions
- Long term Foster Carer allowance on referral basis only

Where a customer is opting for a term which will take them beyond the end date for some of the benefits (for example child benefit) a secondary affordability assessment should be placed in the file to demonstrate future affordability without the benefits.

Any income is to be evidenced via latest full letter of entitlement and 3 months filtered bank statements. Applicants in receipt of support/contributions towards mortgage payments are unacceptable.

**f. Court Ordered and CSA Managed Maintenance Payments****Child Maintenance Payments**

Child maintenance payments are acceptable providing it is consistent and can be used, evidenced via 3 months filtered bank statements.

**g. Existing Customers**

An existing customer can apply for further funds once their existing account has been running for a minimum 6 months, with no arrears. Additional underwriting criteria applies, due consideration must be given if the same/repeat debts are being consolidated. This will be assessed and may affect our decision to lend.

The broker fee on a further advance should only be levied on the amount of new monies due to the customer. Commission will be paid on the additional net loan amount only.

**h. Lending into Retirement**

Lending into Retirement (LiR) is defined as a loan whose term takes the lending beyond the expected age of retirement (EAOR).

Tandem caps the EAOR age at 70. i.e. where the applicant states an EAOR over the age of 70, the EAOR Tandem will use is 70

In the absence of a customer stated EAOR, the state age of retirement must be used. TBL considers all LiR applications as a "likely change to income during the term of the loan" and, in line with MCOB 11.6.14R, we will consider the impact of such income changes in our affordability assessments.

**Already Retired**

Applicants will be assessed using their evidenced retirement income

**Retirement during the term of the loan**

Where EAOR occurs during the term of the loan, the initial affordability assessment is conducted using the current income. A secondary affordability assessment must be undertaken using the evidenced projected retirement income. Expenditure may be adjusted to reflect the position at the point of retirement such as removal of financial dependents and contractual commitments which would no longer be in place.

Sale of property/downsizing is not accepted as a retirement income.

As part of the application process, each customer should be asked their expected retirement age. Where the term of the new advance takes them beyond their expected retirement age, future affordability for the repayments should be confirmed, along with evidence of future income. In the event of a joint application where one applicant is expecting to retire during the term, future affordability still must be determined for the repayments although if affordable based on employed applicant salary, evidence of pension would not be required.

**Where the customer's intention is to continue making monthly repayments evidence of future income is as follows:**

- Latest state pension annual statement or DWP letter confirming pension income.
- Latest annual statement of expected pension due on retirement (including pension projection)
- Letter from pension provider confirming expected pension due on retirement.
- Letter from qualified accountant, actuary or pension provider confirming projected pension value.

**Where various levels of income are projected, the average/mid/normal return or equivalent must be used**

**Where the customer's intention is to settle the loan in full following receipt of a lump sum, the following documents are acceptable:**

- Annual statement from pension provider confirming projected lump sum
- Letter from Employer/pension provider confirming projected lump sum

#### **i. Unacceptable Sources of Income**

**The following types of income are deemed as unacceptable for use of income:**

- Income derived from property rental (except for CBTL applications)
- Housekeeping money from a resident in the property
- Income from a zero-hour contract (except bank work in the NHS where its consistent). Bank nursing income may be used as a second income only (i.e. not the main source of income.) subject to being a minimum of 6 months in role.
- Under notice of Redundancy
- Agency workers if less than 12 months
- Off sick unless it is a short-term illness and evidenced returning to work within one week. Please ensure you explain the nature of the sickness upon submission.
- Sole income is from Foster carers
- Proceeds of gambling
- Teaching/Training/University grants
- Lodger Income
- Any unprovable income
- Child Benefit where an applicant's individual gross salary is greater than £60,000.
- Unearned income i.e. Interest from savings, investment income.
- Annual or Biannual Bonus
- Benefits only income

## 10. Proof of Income

### a. Loan Affordability

**Affordability will be established using the following methods:**

- Income and Expenditure highlighting free cash
- Stress test
- DTI calculation
- LTI
- ACTI - Unsecured Debt Level (Following Consolidation)

Once the income and expenditure section is fully completed the form will confirm if the application has passed requirements, fails requirements or requires referral. The amount of benefits on any application, as a percentage of earned income, should not exceed 50%.

Due consideration must be given that stated costs are realistic and the income used is in policy or has been referred if any uncertainty exists. Resultant discrepancies may be challenged/questioned at underwriting stage. This may include requesting bank statements (Please see Bank Statements section for more information) or accountants reference.

Note: Some personal loans will show as front-loaded interest in the credit report- in these cases the amount shown on the credit report should be used unless written confirmation of the outstanding balance is obtained.

## b. Acceptable Proof Required

We will accept the following types of income, with the following evidence being provided:

Income Type	Evidence required
Basic Salary  Fixed Allowances  Shift Allowance/ Unsociable Hours Allowance  Secondary Income (Minimum 6 months required in current role)	<p>No more than 3 jobs allowed in the last 12 months.</p> <p>100% income used for affordability.</p> <p>Using the lower of the averaged 3 monthly or 4 weekly pay slips or the annualised YTD per the latest pay slip.</p> <p>Exceptions to the above would be:</p> <ul style="list-style-type: none"> <li>• Where a change in annual salary can be evidenced.</li> <li>• In the event of absence from work where a return to work can be evidenced.</li> <li>• Where the applicant (s) have received an annual bonus in the 3 months, this should be discounted from the income.</li> <li>• Where the income has been enhanced from receiving holiday pay.</li> </ul> <p>Evidenced by:</p> <ul style="list-style-type: none"> <li>• Minimum 3 payslips (monthly), with the latest being no more than 60 days old from application or if paid more often than monthly a minimum of 4 weekly payslips must be provided.</li> <li>• Where the applicant has not been in their current employment long enough to provide the above, please obtain one of the following to confirm continuous employment: P45/P60 or last payslips from previous employers.</li> <li>• Where the applicant is unable to supply consecutive payslips, a bank statement and/or employer's reference may be required to evidence continued income.</li> </ul>
Regular Bonus/ Commissions	<p>100% income used for affordability (weekly, fortnightly, four weekly, monthly &amp; quarterly).</p> <p>Minimum 3 Payslips within the last 60 days of application or if paid more frequently than monthly, the last 4 payslips. The bonus or commissions should be regular and consistent, not a short-term trend. Reflected in the year to date.</p>
NHS Bank Work	<p>100% income used for affordability</p> <p>Evidenced via Payslips and /or P60</p> <p>Where the applicant can evidence 6 months continuous NHS bank income.</p> <p>Where NHS Bank Income is not the applicant's main source of income.</p> <p>I.e. can only be treated as Secondary Income.</p>
Employment in family business with 25% or less shareholding	<p>Minimum 3 Payslips within the last 60 days of application or of paid more frequently than monthly, the last 4 payslips. Income should be calculated the same as employed income and the last 3 months filtered bank statements, with the latest being no more than 60 days old of application.</p> <p>A Companies house check to confirm shareholding will take place.</p>
Regular Shift Allowance/London Weightings/Car Allowance/Large Town Allowance	<p>Income should be calculated the same as employed income and bank statements may be requested. Minimum 3 Payslips within the last 60 days of application or of paid more frequently than monthly, the last 4 payslips. The allowance should be regular and consistent.</p>

Income Type	Evidence required
Maternity Pay	<p>If in receipt of full Maternity pay this can be accepted providing written confirmation is received stating the term/amounts to be paid.</p> <p>In all cases Maternity Pay is only accepted if it can be evidenced from the employers a schedule of due payments over the maternity period, the date the applicant is returning to work, the income they will be receiving, and any childcare costs have been taken into consideration.</p> <p>Where there is a shortfall between the clients maternity pay ending and their return to work date consideration to be given to any provision such as savings. Where the applicant is unable to provide evidence to cover any short-term reduction in income, SMP must be used.</p> <p>Where proof of full maternity pay cannot be provided SMP must be used.</p>
Second Job	<p>Minimum 6 months required in current role. Role should be permanent and sustainable.</p> <p>Income should be calculated the same as employed income and bank statements may be requested. Minimum 3 Payslips dated within the last 60 days of application or if paid weekly, the last 4 payslips.</p>
Self Employed – Limited Company over 25% shareholding	<p><b>Minimum 2 years trading</b></p> <p>100% of applicant’s share of dividends and director’s salary (also referred to as director’s remuneration or emoluments) less tax &amp; if applicable NI.</p> <p>The net monthly income will be calculated using the average of the applicant’s total income (i.e. dividends and director’s salary less tax &amp; if applicable NI) over the last 2 years</p> <p>However, if the applicant’s latest year’s total income is lower than the average, the latest year’s figure will be used.</p> <p>Please note: where the application is unaffordable based on dividends and director’s salary, net profits after corporation tax and director’s salary may be considered. The net profits after corporation tax must be evidenced from the last 2 years finalised financial accounts.</p> <p>Evidenced by:</p> <p>Last 2 years HMRC SA302’s/tax calculation* with corresponding Tax year overview statement</p> <p>*The Tax Calculation can be an online print out from HMRC website, an SA302 or the computation produced by the customer’s accountant using commercial software and submitted to HMRC</p> <p>This must be no more than 18 months old from date at the date of offer</p> <p>AND</p> <p>Companies House searches are carried out on Limited Companies and Limited Company Directors.</p>
Sole Trader/ Partnerships/ Limited Liability Partnerships (LLP’s)	<p><b>Minimum 2 years trading</b></p> <p>100% of applicant’s share of net profit less tax &amp; NI.</p> <p>The net monthly income will be calculated using the average net profits less tax &amp; NI over the last 2 years.</p> <p>However, if the latest year net profits less tax &amp; NI is lower than the average, the latest year’s figure will be used.</p> <p>Evidenced by:</p> <p>Last 2 years HMRC SA302’s/tax calculation* with corresponding Tax year overview statement</p> <p>*The Tax Calculation can be an online print out from HMRC website, an SA302 or the computation produced by the customer’s accountant using commercial software and submitted to HMRC.</p> <p>This must be no more than 18 months old from date at the date of offer.</p>

Income Type	Evidence required
Professional Self Employed	<p><b>Minimum 12 months trading</b> 100% income used for affordability.</p> <p>Gross income from the last 3 remittance slips to be ran through listentotaxman.com calculator to ensure tax and NI liabilities factored into income.</p> <p>Evidenced by: Latest SA302 and last 3 remittance slips OR Last P60 and last 3 remittance slips</p>
CIS/Sub-Contractors	<p><b>Minimum 12 months trading</b> 100% income used for affordability</p> <p>Gross income from the last 3 remittance slips to be ran through listentotaxman.com calculator to ensure tax and NI liabilities factored into income.</p> <p>Evidenced by: Last 3 Month's Remittance Advice Slips (not admissible if seasonal work and Tax year overview should be used) AND Latest HMRC tax calculation + Tax year overview</p>
Fixed Term Contracts/ Agency Workers (> 12 mths history with the same agency)	<p>100% income used for affordability</p> <p>Please refer to Sources of Income - <i>Contracting Applicants</i> Fixed Term Contractors Income may be treated as Basic Salary.</p> <p>Evidence via Current Contract &amp; where applicable the previous contract Last 3 months' pay slips</p>
Umbrella Companies	<p><b>Minimum 12 months trading</b> Where an applicant has changed from LTD company to Umbrella, the Last SA302 should be provided along with recent remittance slips.</p> <p>Evidenced by: Minimum 3 months' pay slips AND Latest P60</p>
Pension – Already receiving (Company, private, state and widow's pension)	<p>We will accept any of the following as evidence of pension income:</p> <ul style="list-style-type: none"> <li>• Latest private/company pension award statement, dated within the last 12 months, showing annual/monthly income.</li> <li>• A letter or statement from the Department for Work and Pensions (DWP) dated within the last 12 months.</li> <li>• The latest bank statement showing the last three pension credits to confirm the amount and frequency.</li> </ul>

Income Type	Evidence required
<p>Projected retirement income</p> <p>For use, refer to the Lending into Retirement section of this policy.</p>	<p>100% income used for affordability</p> <p>Where various levels of income are projected, the average/mid/normal return or equivalent must be used.</p> <p>Evidence accepted as proof of projected retirement income is as follows:</p> <ul style="list-style-type: none"> <li>• Latest state pension annual statement or DWP letter confirming pension income.</li> <li>• Latest annual statement of expected pension due on retirement (including pension projection)</li> <li>• Letter from pension provider confirming expected pension due on retirement.</li> <li>• Letter from qualified accountant, actuary or pension provider confirming projected pension value.</li> </ul>
<p>Child benefit</p>	<p>If the annual salary is £60,000 (Gross) or less, it will be assumed that the applicant will be in receipt of child benefit. Child benefit will not be considered where the annual salary is greater than £60,000.</p> <p>Where the income is due to stop during the term of the loan a secondary affordability assessment to take place to confirm future affordability for the loan.</p>
<p>Tax Credits (working and Child)/adoption allowance.</p>	<p>The latest full letter of entitlement, showing details of income due, the review period and any other conditions of payment evidenced by the last 3 months filtered bank statements.</p> <p>Where the income is due to stop during the term of the loan a secondary affordability assessment to take place to confirm future affordability for the loan.</p>
<p>Personal Independence Payment (PIP) (for applicants and dependent children only) (Formerly DLA)</p>	<p>Statement/Letter from the Department for Work and Pensions (DWP). Must show details of income due, the review period and any other conditions of payment.</p> <p>This must be dated within the last 12 months AND evidenced by last 3 months filtered bank statements.</p>
<p>Carers Allowance (for applicants and dependent children only)</p>	<p>Statement/Letter from the Department for Work and Pensions (DWP) showing details of income due, the review period and any other conditions of payment.</p> <p>This must be dated within the last 12 months</p>
<p>Universal Credit</p>	<p>The latest full letter of entitlement, showing details of income due, the review period and any other conditions of payment evidenced by the last 3 months filtered bank statements.</p>
<p>Employment and Support Allowance (ESA) (Formerly Incapacity Benefit)</p>	<p>Statement/Letter from the Department for Work and Pensions (DWP) showing details of income due, the review period and any other conditions of payment. This must be dated within the last 12 months and evidenced by last 3 months filtered bank statements.</p>
<p>Fostering Allowance</p>	<p>For Long term foster care placements only. Foster care income is not included in the minimum income requirements. Documentary evidence from the local authority/ agency. A history of payment, including 3 months filtered bank statements dated in the last 60 days to evidence monies due is also required.</p>
<p>Child Maintenance Payments</p>	<p>Filtered bank statements showing the last 3 months income.</p> <p>The last 3 bank statements showing the income being received. Where the income is due to stop during the term of the loan a secondary affordability assessment to take place to confirm future affordability for the loan.</p>

Income Type	Evidence required
Rental Income from a CBTL property CBTL applications only	<p>Tenancy agreement signed by current tenant or rental income evidenced via filtered bank statement showing last 3 months deposits.</p> <p>Expenditure is calculated in the same way as residential applications.</p> <p>The mortgage payment for the CBTL must be included in the expenditure assessment.</p> <p>Income is captured and calculated in line with the above residential approach.</p> <p>The rental income up to the value of the CBTL mortgage payment is used in the initial affordability assessment.</p> <p>Where the application passes affordability before stress and subsequently fails after the stress test, a secondary affordability assessment may be undertaken to include the full CBTL rental income. Should this pass affordability after stress, the application can be approved.</p>
Industrial Injuries Disablement Benefit	<p>Statement/Letter from the Department for Work and Pensions (DWP) showing details of income due, the review period and any other conditions of payment. This must be dated within the last 12 months and evidenced by last 3 months filtered bank statements.</p>

## 11. Credit Reference Information

A TransUnion search is to be completed for each applicant for all addresses disclosed for the last 3 years and will be valid for 60 days from the date of application.

Where there are differences between the amount provided by the applicant and the amount shown on the credit file, the greater amount is to be used.

### a. Credit Information

The documented reasoning should be submitted in the file for any relevant categories listed below based on the client credit file(s).

For cases where a significant amount of recent credit is evident and the overall credit conduct may raise concern, we reserve the right to ask for explanations.

County Court Judgements	<p>Discussed and documented:</p> <ul style="list-style-type: none"> <li>Reasons for CCJ in the last 24 months</li> <li>Monthly payment amount (if making monthly payments)</li> </ul> <p>Where the Applicant states that they are not making monthly payments, and the CCJ is under two years old, 1% of the outstanding balance is to be included in the expenditure.</p>
Defaults	<p>Discussed and documented:</p> <ul style="list-style-type: none"> <li>Reasons for Default in the last 24 months</li> <li>Monthly payment amount (if making monthly payments)</li> </ul> <p>Where the Applicant states that they are not making monthly payments, and the CCJ is under two years old, 1% of the outstanding balance is to be included in the expenditure.</p>
Mortgage/Secured Loan Arrears	<p>Discussed and Documented:</p> <ul style="list-style-type: none"> <li>Reason for missed payments in the last 12 months</li> <li>If applicable arrears outstanding</li> </ul> <p>Any outstanding Mortgage/Secured Loan arrears must be confirmed in writing, and any outstanding arrears to be settled directly from the loans advance. The most recent payment must have been paid. Please see current matrix for full details.</p>

Unsecured Loans/Car Finance	<p>All live credit to be discussed and documented.</p> <ul style="list-style-type: none"> <li>Name of creditor</li> <li>Monthly payment amount</li> <li>Reasons for missed payment/arrears if applicable in the last 12 months</li> </ul> <p>Any credit that is not being directly consolidated from the loan advance must be included in the expenditure, unless proof that it has been recently settled is provided or there is less than 2 months left to run on the agreement.</p>
Mail Order Entries	<p>All live credit to be discussed and documented.</p> <ul style="list-style-type: none"> <li>Name of creditor</li> <li>Monthly payment amount</li> <li>Reasons for missed payment/arrears if applicable in the last 6 months.</li> </ul> <p>Any credit that is not being directly consolidated directly from the loan advance, the monthly payment to be included in the expenditure as 5% of the outstanding balance unless the customer can provide proof that it has been recently settled or there is less than 2 months left to run on the balance.</p>
Credit Cards	<p>Discussed and Documented:</p> <ul style="list-style-type: none"> <li>Name of creditor</li> <li>Monthly payment amount</li> <li>Reason for missed payment/arrears in the last 6 months.</li> <li>&gt;6 cash advances and &gt;£3,000 in the last 3 months, bank statements should be obtained.</li> </ul> <p>Any credit that is not being directly consolidated directly from the loan advance, the monthly payment to be included in the expenditure as 3% of the outstanding balance unless the customer can provide proof that it has been recently settled.</p>
Active Payday Loans (defined as an interest-bearing loan with a term of 3 months or less)	<p>Discussed and Documented:</p> <ul style="list-style-type: none"> <li>Name of creditor</li> <li>Reason for taking out payday loan.</li> </ul> <p>All pay day loans are to be consolidated directly from loan advance.</p>
Communication Entries	<p>Ignored for affordability purposes as already included in expenditure.</p>
Discharged bankruptcy in England, Wales and Ireland/Sequestration in Scotland	<p>Un-Discharged bankrupts will not be considered. If the Official receiver still hold a charge over the property, a discharge certificate will be required prior to completion of the loan, along with confirmation from the Trustee that they have no further interest in the property.</p>
IVA/Trust Deeds/DAS	<p>Current active IVA, Trust Deeds and DAS will not be considered.</p>
Cautions/Scottish Inhibitions	<p>Equitable charges are accepted within the limits as set out in the current Product Guide, unless being cleared directly as part of the loan. Scottish inhibitions are acceptable, provided they are being cleared directly as part of the loan.</p>

## b. Expenditure

A full Income and Expenditure must be completed using customer declared figures and submitted with all cases.

**Expenditure that is always required to live in a house. Essential expenditure includes:**

- Housekeeping (food and washing)
- Gas, electricity, and other heating
- Water
- Telephone
- Council tax
- Buildings insurance
- Ground rent and service charge for leasehold properties
- Essential travel (i.e. travel costs to and from work or school)
- All committed expenditure
- Any costs associated with the ownership (leasehold/shared ownership rent).
- Any future changes to affordability the customer(s) have made you aware of during the application process
- Childcare costs are expected to be included in the affordability assessment for children aged 12 years and 0 days or younger. Where costs are expected but not included, an explanation of child care arrangements is required

**Any non-committed expenditure does not need to be included. These can include:**

- Lottery payments
- Gym memberships
- Charities
- Savings

The free cash once the stress test has been applied to the mortgage and any subsequent secured loans should be 1p or more.

Essential traveling costs should not be reduced.

We reserve the right to question expenditure if it deemed as not being plausible, which may include requesting bank statements . Please see Bank Statements section for more information.

## c. Bank Statements

A bank statement may be requested as part of the underwriting process and will be indicated as a requirement by our decision engine. These should be:

- Dated within the 60 days from the date of sale
- Be a full 30 days transactions, unless it's a full monthly statement
- The account where the Tandem direct debit will be taken from
- They must cross reference to the applicant
- Where most household bills are paid from.

**As part of the bank statement review, the following should be investigated:**

- Any DD's/standing orders/bills payments should be included in the I&E
- Payday loans - any pay day loans and must be settled as part of the loan advance and explanation provided
- Large credits (over £100) investigated to see if any additional borrowings other than listed on the credit file

- TBL can potentially consider applicants on a case by case basis that have recurring gambling transactions. This is subject to underwriters being comfortable that it is well within the clients means and that the gambling is not excessive. The number/frequency of transactions warrant further investigation; this should be discussed with the applicant for vulnerability and referred prior to submission. Where gambling is more than 5% of the net salary the application should be declined
- Bank charges - any regular bank account costs (overdraft charges, monthly fees) to be added to the I&E and bounced entry charges investigated and documented why
- Payment transfers > £100 to anyone not named on the loan agreements.

#### **d. No Bank Statement Required**

This will be displayed via your system API response or the broker portal or by contact with Tandem to confirm if required.

The monthly expenditure must not fall below the agreed ONS data for household costs and living expenditure.

1. Additional costs to be documented
  - a. Council tax (advised by customer). The 10-month figure should be used. Evidence is required to support use of a 12-month figure.
  - b. Water costs (in Mainland UK only and advised by customer)
  - c. Shared ownership/Leasehold costs
  - d. Childcare costs (if applicable and advised by the customer)
  - e. Any other costs outside of ONS and credit file (child maintenance, other travel expenses)
  - f. Overdraft balances at 3.5% (where not settling)
2. If the mortgage/secured loan isn't on the TransUnion search, recent conduct will be required by way of a mortgage statement or Equifax/Experian. The account must be up to date (no current arrears outstanding), or bank statements will be requested.
3. Where utilities are shown on the TransUnion search, the payment amount for those showing must be included on the I&E for affordability purposes.
4. Active Credit information should be taken from TransUnion credit file (or any other search that may be submitted alongside to confirm information not shown on TransUnion credit search) and applied to the income and expenditure form.
5. If processing from a bank statement, please use the correct expenditure sheet.

## **12. Mortgage Payment History**

**Proof of the Mortgage payments history can be evidenced in the following ways:**

- The Mortgage showing on the credit search (TransUnion, Equifax or Experian), updated within the last 60 days.
- An up-to-date Mortgage Statement/BSQ if not showing on any credit file.

Where the Mortgage/Secured Loan is in arrears, the amount of the arrears must be confirmed via a BSQ or letter from the lender.

Applicants where the DSS, or any other body are making contributions to the mortgage are not accepted.

## 13. The Submission Pack

**All applications should be submitted using our submission checklist.**

Please ensure you have the most up to date version and all items required to produce a Binding Mortgage Offer are contained within the pack and include the latest Excel version of the Income and Expenditure (I&E) form to ensure we offer the most favourable customer journey to completion.

### a. Turnaround Times

Subject to volumes, any documentation provided will be assessed within a 1day period (weekends not included).

### b. Land Registry Search

No loan may be secured as a first charge. The loan will be secured by way of a second charge or by way of an equitable mortgage notice.

If the name stipulated on the Land Registry search is incorrect or not the correct full legal name, then we will require proof of ID in the form of a passport or driving license, marriage certificate or certified copy of the deed poll.

Entries under the B register which have monetary value and are to remain must be added to the mortgage balance to ensure the correct LTV is calculated and added to the other charges section on the income and expenditure form.

Entries under the C register which have a monetary value and are to remain must be added to the mortgage balance to ensure the correct LTV is calculated and added to the other charges section on the income and expenditure form.

### c. Standard Security

All submission packs for security on properties in Scotland must contain a Scottish property and personal search, provided by Wilson McKendrick. Please request this in advance of submission.

Please ensure the search is clear and any requests on the search must be satisfied.

### d. Northern Irish Deeds

For security properties located in Northern Ireland, we will request the relevant searches from Wilson-Nesbitt Solicitors.

This should be requested from us upon receipt of a firm commitment to proceed with the loan in place from the Applicant and prior to submission of the case.

## 14. Version Control

Version No	Date issued	Details of Change
V10	25/10/2025	Policy/Product amends
V10.1	26/03/2026	Policy/Product amends