

Income Evidence Requirements Guide Fast-Track and Non Fast-Track cases

**The following table shows our standard documentation requirements for evidence of income.
For Fast-Track cases all income evidence must be retained for 2 years from completion.
We do not accept an employer's reference as proof of income.**

See the end of the document for rules on acceptable payslips, P60's and bank statements

Primary Income (100%)	Acceptable Proof
Permanent contract of employment (Basic salary)	<ul style="list-style-type: none"> • Payslip(s)
Fixed term contracts	<ul style="list-style-type: none"> • Payslip(s) and • Evidence of continuous employment for the last 12 months and either • Confirmation from employer of long-term employment arrangement, or • Confirmation from reputable agency of secure further positions
Pensions and annuities (currently receiving)	<ul style="list-style-type: none"> • Pension payslip or • Pension statement and • 3 Months Bank Statements <p>Pension statements and annuity letters may not be handwritten or amended and must show:-</p> <ul style="list-style-type: none"> • Applicant's name and address, which must match that stated on the application form • Pension/Annuity Company's name, address, telephone number and company's registration number (if Ltd) and be on headed paper or show company stamp • Show pay dates • Cover at least one month (5 consecutive weeks) • Show gross income • Show net pay <p>Pension Statements (Private/Company/State) must:</p> <ul style="list-style-type: none"> • Show regularity of Payment • Not be older than 12 months <p>Annuity Letters must:</p> <ul style="list-style-type: none"> • Show lump sum invested in fund • Show amount payable monthly • Show end date if applicable • Not be older than 12 months
Pensions (not yet receiving)	<ul style="list-style-type: none"> • Statements from the organisation providing the pension confirming both the projected pension income and the assumed retirement date or • FSA regulated letter from the Scheme Administrator
Employed income (salary) for Director limited company (20% or more shareholding in a company)	<ul style="list-style-type: none"> • Latest 2 years' accounts signed by a Chartered or Certified accountant showing latest 3 years' figures, where available or Accountant's letter (template on www.abbeyforintermediaries.com)

Contd:

Primary Income (100%)	Acceptable Proof
Net profit of a sole trader/partnership	<ul style="list-style-type: none"> • Latest 2 years' accounts signed by a Chartered or Certified accountant showing latest 3 years' figures where available. The latest financial year covered must be no older than eighteen months. Or • Self Assessment Returns and HMRC tax calculation forms covering at least 2 years. The end of the tax period covered must be no older than eighteen months (forms must be official and cannot come from the HMRC website) or • Accountant's letter (template on www.abbeyforintermediaries.com)

Other Primary Income (100%)	Acceptable Proof
London weighting	<ul style="list-style-type: none"> • Payslip(s) supported by YTD figures
Large Town Allowance	<ul style="list-style-type: none"> • Payslip(s) supported by YTD figures
Shift allowance	<ul style="list-style-type: none"> • Payslip(s) supported by YTD figures
Employer's mortgage subsidy	<ul style="list-style-type: none"> • Payslip(s) supported by YTD figures
Housing Allowance	<ul style="list-style-type: none"> • Payslip(s) supported by YTD figures
Car Allowance	<ul style="list-style-type: none"> • Payslip(s) supported by YTD figures
Dividends for Directors	<p>Latest 2 years' accounts signed by a Chartered or Certified Accountant showing latest 3 years' figures, where available. The latest financial year covered must be no older than eighteen months. Or</p> <ul style="list-style-type: none"> • Accountant's letter (template on www.abbeyforintermediaries.com)
DWP/HMRC benefits guaranteed for life	<p>It is becoming much less common for the DWP/HMRC to confirm eligibility for a state benefit for life.</p> <ul style="list-style-type: none"> • Letter from DWP/HMRC confirming "Guaranteed for Life" (otherwise treat as Secondary income)
Working Tax Credit	<ul style="list-style-type: none"> • HMRC tax credit award letter (all pages), or • Bank Statements clearly identifying the source of the income
Child Benefit	<ul style="list-style-type: none"> • DWP child benefit letter, or • Bank Statements clearly identifying CHB and • Confirm in the notes section on Introducer Internet that you have checked that the mortgage will remain affordable when the benefits end
Child Tax Credit	<ul style="list-style-type: none"> • HMRC tax credit award letter (all pages), or • Bank Statements clearly identifying the source of the income and • Confirm in the notes section on Introducer Internet that you have checked that the mortgage will remain affordable when the benefits end

Aimed at Intermediaries and investment professionals only

Secondary Income (50%)	Acceptable Proof
Overtime	<ul style="list-style-type: none"> At least 3 months payslips supported by YTD figures
Second job (not in the same line of work as the primary job)	<ul style="list-style-type: none"> Payslip(s)
Bonuses that are paid monthly or less frequently	<p>Monthly</p> <ul style="list-style-type: none"> At least 3 months payslips supported by YTD figures <p>Quarterly</p> <ul style="list-style-type: none"> P60 and either Most recent payslip including the bonus payment or Bank Statements for past 6 months <p>Yearly</p> <ul style="list-style-type: none"> Last 3 years P60's and Most recent payslip including the bonus payment
Performance related bonuses	<p>Monthly</p> <ul style="list-style-type: none"> At least 3 months payslips supported by YTD figures <p>Quarterly</p> <ul style="list-style-type: none"> P60 and either Most recent payslip including the bonus payment or Bank Statements for past 6 months <p>Yearly</p> <ul style="list-style-type: none"> Last 3 years P60's and Most recent payslip including the bonus payment
Commissions	<p>Monthly</p> <ul style="list-style-type: none"> At least 3 months payslips supported by YTD figures <p>Quarterly</p> <ul style="list-style-type: none"> P60 and either Most recent payslip including the bonus payment or Bank Statements for past 6 months <p>Yearly</p> <ul style="list-style-type: none"> Last 3 years P60's and Most recent payslip including the bonus payment
Discretionary mortgage subsidies and housing allowance	<p>Restricted term subsidies may be considered as a secondary income subject to a minimum term of 5 years</p> <ul style="list-style-type: none"> Contract of employment and Confirm in the notes section on Introducer Internet that you are satisfied that the mortgage will remain affordable when the allowance ends

Contd:

Secondary Income (50%)	Acceptable Proof
Investment income (excluding rental income)	<p>Evidence of a regular income from this source showing a consistent or improving return.</p> <ul style="list-style-type: none"> • Bank statements and • Evidence of the source, e.g. portfolio of stocks and shares and • Confirm in the notes section on Introducer Internet that the applicants have confirmed their intention to retain the capital for investment purposes <p>As Investment Income is complex and different for every case it is advised that you speak to your Sales Team about what evidence of the source is required.</p>
Maintenance payments	<ul style="list-style-type: none"> • Court Order/other formal written agreement and • Bank Statements and • Confirm in the notes section on Introducer Internet that you are satisfied that the mortgage will remain affordable when the payments end
Non-guaranteed DWP/HMRC benefits eg Carer's allowance	<ul style="list-style-type: none"> • Letter from DWP/HMRC confirming "Continuous" or "Indefinite"
Rental income from mortgage free property	<ul style="list-style-type: none"> • Tenancy agreement* and either • Bank Statements or • Self Employed Accounts (if applicable) <p>*must include names and addresses of both applicant(s) and tenant(s), tenancy period, property address and rental agreement</p>
Rental income from mortgaged property (ies)	<ul style="list-style-type: none"> • In ALL cases a completed Rental Income Form (template on www.abbeyforintermediaries.com) must always be provided and the payment coverage calculation must be carried out for each buy to let mortgage, with any shortfalls being factored into the affordability assessment.
Rental income in excess of 150% (see Rental Income Form)	<ul style="list-style-type: none"> • Rental Income Form (template on www.abbeyforintermediaries.com) and • Tenancy agreement* and • Bank Statements <p>*must include names and addresses of both applicant(s) and tenant(s), tenancy period, property address and rental agreement</p>
Fostering income	<ul style="list-style-type: none"> • Confirmation from authority that it has been ongoing and how long it is likely to continue and • Details of future placements (where relevant) and, either • Bank Statements or • Self Employed Accounts (if applicable)

Wherever payslips, P60's or bank statements are required the following rules apply

Payslip Rules

Payslips may not be handwritten or amended

must show:

- Applicant's name, which must match that stated on the application form
- Employer's name (either the company directly employing the applicant or that of a known parent company where the applicant is employed by a subsidiary).
- Pay dates/Pay period
- Cover at least one month (for weekly pay - 5 consecutive weeks)
- Basic Income
- Any additional payments being used in affordability, e.g. allowances (cumulative figures, i.e. year to date gross figures, must be stated)
- Gross Pay
- Deductions of loans (e.g. season tickets)
- Net Pay

must:

- be dated no more than two months earlier than the application (5 weeks, if weekly paid).
- If the employer's name is not shown on the main part of the payslip, then the payslip may still be accepted provided you obtain a copy of **either**
 - The applicant's bank statement showing the credit along with the employer's name, **or**
 - A copy of the latest P60 showing the employer's name.
- If a payslip doesn't show the applicant's name, but includes their National Insurance Number, a P60 will be required, which must show the applicant's name and National Insurance Number.

Electronic Payslips

Electronic payslips may be used where the applicant cannot provide a hard copy payslip.

P60 Rules

P60's may not be hand written or amended

must show:

- Applicant's full name, which must match that stated on the application form
- Applicant's National Insurance Number
- Employer's name and address, which must match that stated on the application form
- Latest Tax Year
- Deductions of loans (e.g. student loan)
- Gross pay and tax deducted
- Total pay for year

Bank Statement Rules

A bank statement (including online statements, see below for acceptability) can be used to support acceptance of a payslip not showing the employer's name provided the statement shows the amount credited and the employer's name.

Online Bank Statements are acceptable* subject to:

- Print shows internet source i.e. https address
- The statements must include the Bank's name together with the Applicant's account number
- Haven't been amended by hand
- The outgoings must be in line with those stated

* online bank statements cannot be used on their own unless the name of the applicant is shown (as well as adhering to the below rules on bank statements).

Bank statements can be used on their own to confirm salary through salary credits but the following rules must be adhered to:

- Non-Abbey bank statements can be accepted up to 75% loan to value
- Abbey bank statements can be accepted up to 95% loan to value.
- Must cover a minimum period of 3 months
- Must show a minimum of 3 salary credits if paid monthly (12 if paid weekly).
- The latest bank statement must be dated no more than one month earlier than the date of the application (1 week if weekly paid)
- Must show employer's name
- Must be up to date and consecutive
- Joint bank statements cannot be used to confirm income on a sole mortgage application unless the provenance of the salary credits is clear.

Additional packaging requirements

Please use Rightfax only. As e-mail is not secure we do not accept attachments.

For ALL cases, the following must be supplied:

- The new fax header to confirm you have supplied the necessary evidence

The following must be supplied where relevant:

- Rental Income Form in **ALL** cases where a client has a mortgaged Buy to Let property in the back ground
- A signed declaration if a lender's or landlord's reference is required
- For Let to Buy applications, details of how the deposit is to be paid and a letter from the applicants confirming they will be living in their new property as owner occupiers

In the 'notes' field on Introducer Internet where relevant:

- Give full details if repaying loans from the new mortgage
- For leasehold properties, ensure the annual service charge is detailed
- Confirm that where a deposit is being provided as a gift, it is not a loan and is only repayable on the sale of the property

Additional documents may sometimes be requested to help agree a case.

Aimed at Intermediaries and investment professionals only

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