



# Tenant Letting Check

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Understanding  
Reports  
January 2013

## Comprehensive Reports

The Tenant Assessment reports are divided into seven separate sections, each providing different information, all of which help to provide TLC with an overview of the applicant's suitability as a tenant, thus allowing TLC to make a informed recommendation to our clients.

### Overall decision

The overall decision is made up using the information gained in all sections of the application process. The final report decision will be one of the following -

**Accept, Accept on Condition, Accept with Guarantor + Conditions, More Info required, or Decline.**

This decision is only made once all the relevant references and information have been received. The final report decision is colour coded for visual identification of the recommendation made. This section will confirm how suitable TLC has found the applicant, it shows the decision made along with the reasoning behind this decision and it will also advise our clients of any actions they need to carry out.

If the **Linked address, Identity and Fraud Information** section is '**conditional**', investigation may be required before an overall decision of Accept can be given. If the agent/landlord does not wish to have further investigation the decision may be a decline.

The next five sections of the report are automatically completed, using information gained from Call Credit using both a Call report (Tenant Vetting) system and the CallML (Money Laundering) system. This information is emailed automatically to our clients in the form of the interim report, once the applicant has submitted the application form.

### Affordability/Rent Ratio

**Share of monthly / weekly rent**

**Salary and/or additional sources of income taken into account**

**This is not linked to an applicant's credit rating.**

Calculates the ratio between income and rent.

< or = 40%

40% - 42%

> 42%

**ACCEPT**

**CONDITIONAL**

**ACCEPT WITH GUARANTOR**

If '**CONDITIONAL**' we will accept the application if the applicant's employment shows that they have been employed for more than 12 months with their current employer as this shows stability.

| <b>Risk score</b>                        |   |
|--|---|
|  | <p>519 or below shows high risk and is a <b>DECLINE</b><br/>           520-569 shows medium risk and is a <b>CONDITIONAL</b><br/>           570 or above shows low risk and is an <b>ACCEPT</b></p> <p>TLC's Risk Score uses the Fair Isaac or FICO credit system from Call Credit to calculate the applicants risk score and is used to determine how much risk an applicant poses.</p>  |
| <b>How the risk score is calculated.</b> | <p>The data elements taken into account to calculate the risk score are:</p> <ul style="list-style-type: none"> <li>• Derogatory (ie CCJ's/bankruptcies/ insolvencies) and Electoral Roll data</li> <li>• Electoral Roll Reference (forename 1st initial match)</li> <li>• Years on Electoral Roll at Current Address (forename)</li> <li>• Years on Electoral Roll at Current Address (surname)</li> <li>• Time Since Most Recent CCJ (Applicant)</li> <li>• Total Number of CCJ's (Applicant)</li> <li>• Total (Original Value) of CCJ's (Applicant)</li> <li>• Cameo Data</li> <li>• Number of Bank/Building Society Searches in Last 3 months</li> <li>• Number of Credit Card Searches in Last 3 months</li> <li>• Number of Retailer Searches in Last 3 months</li> <li>• Number of Finance House Searches in Last 3 Months</li> <li>• Total Number of Searches (4-6 months)</li> <li>• Total Number of Searches (Last 3 months)</li> </ul> |

**Linked Address, Identity and Fraud Information**

**Is the applicant confirmed as living at the address given?**

Using a credit reference agency’s consumer files, TLC is able to confirm if an applicant is listed at the address stated on their application form.

**Yes** means a match has occurred and the address given in this application is consistent with that held by the credit bureau.

**No** means no match has occurred.

**Not Applicable** means no search has been carried out as the applicant’s address was overseas.

**Is the applicant’s date of birth confirmed?**

Using a credit reference agency’s consumer files, TLC is able to confirm an applicant’s date of birth is as stated on their application form.

**Yes** means a match has occurred and the date of birth given in this application is consistent with that held by the credit bureau.

**No** means no match has occurred.

**Not Applicable** means no search has been carried out as the applicant’s address was overseas.

**Is there any detrimental information at alternative or linked addresses?**

**This section will only show if there is something detrimental to show you.**

We automatically search 6 years worth of address links for derogatory information. These address links are usually created from the movement of credit. Once an address link is established, TLC will search this undisclosed address for derogatory information.

**Yes** means derogatory information exists at an address which has been found. The results of this discovery will be displayed in the Public Information section and result in a Decline.

**No** means address links have been searched and no derogatory data exists.

**Not Applicable** means there are no linked addresses.

**Inferred/Potential Alias**

TLC automatically searches the credit bureau’s consumer files to establish whether your applicant is known under a pseudonym, i.e. maiden name, different spelling of an applicant’s surname.

**Yes** means an alias, or potential alias, has been found and further searches will be carried out to confirm no derogatory information is linked to the pseudonym.

**No** means that no aliases or potential aliases exists.

**Not Applicable** means no search has been carried out as the applicant’s address was overseas

## **Identity and Proof of Residency Check (Money Laundering)**

**A full Current address is mandatory**

\* Please note that if it is requested on the final report to obtain and keep on file proof of residency & ID and this is not actioned, then the application will become invalid.

The law now requires that we carry out a Money Laundering Check on all applicants, in compliance with The Money Laundering Regulations 2007 (*Proceeds of crime Act*). Using the CallML System, we look to match the applicant's details against the following databases and files.

### **Database Checks**

SHARE  
Electoral Roll  
County Court Judgments  
Insolvencies  
Debt Relief Orders  
Bankruptcy Restriction Orders  
UK Investors

### **File Checks**

- HM Treasury Financial File (a file, sourced by the Bank of England, which highlights names of suspects who have been linked to terrorist activity)
- OFAC SDN File - Specially Designated Nationals (a file, sourced by the United States Treasury, which highlights any individuals (and their relatives) who are involved in corrupt regimes.
- PEP File - Politically Exposed Persons (a file which includes names of any Government personnel and key figures within the UK i.e. judges, QC's, who could be vulnerable and at risk.
- Passport Data.
- Gone Away File (contains data from the electoral roll and negative or change of address information from a number of active major syndicated customer databases)
- Non-Standard Address Data
- Value Added Services –CIFAS (is a fraud warning), Deceased & address links

## Public Information

This section will only appear on our reports when detrimental information has been found.

If Public Information or Credit Information is a 'conditional' and if Affordability and the third party references are all accept, the overall decision is 'Accept'.

Public information files (i.e. CCJ's, bankruptcies and insolvencies) are searched and summary data returned or warning flags.

**Note:** Notice of corrections and Notice of Disputes are derived from public files and will be displayed within our reports.

**No** adverse data is '**Accept**'.

If the applicant has a bankruptcy (current or set aside), any insolvencies or a CCJ for greater than £100 in the last 12 months this is classed as '**Decline**' and tenancy will not be recommended even if the applicant offers an advanced rental payment or a guarantor.

Other CCJs, i.e. Satisfied CCJs, result in a '**Conditional**' and are acceptable with a suitable guarantor or an advanced rental payment.

The final two sections are dependent on the tenancy and employment status options submitted by the applicant and will only display landlord and/or employment reference information if it is applicable to the individual.

## References

The references are obtained from the current Employer and Landlord/Managing Agent (if in rented accommodation).

Landlords/Managing Agents:

- If no dilapidation or arrears reported then this is classed as accept.
- If high dilapidation or arrears are reported then this is a decline.
- We also ask whether the managing agent/landlord would re-let to the tenant. If yes, accept; if no, decline.

Employers:

- If salary, position and length of contract is verified by the employer this is classed as accept.
- If the details are inconsistent then this is a conditional, or sometimes a decline.
- The overall decision may be supported with conditions i.e. seek proof of residency or ID, or seek proof of income. Copies of these proofs must be taken and kept on file.