

## **Application & Referencing Guidance for Prospective Tenants**

Before setting up a tenancy, Island Lettings will undertake referencing and affordability checks before approaching the landlord for formal approval of an application.

### **Referencing Process**

Island Lettings uses a combination of independent third-party referencing together with internal assessment procedures as part of the application process.

In order to assist with the referencing process, applicants must ensure that all requested information and supporting documentation is supplied accurately and promptly.

All applicants will also be required to complete Right to Rent checks in accordance with current legislation.

Please ensure that all referees, guarantors and next of kin nominated within the application process have been advised that they may be contacted in relation to the tenancy application.

### **Information You May Need to Provide**

When completing an application form, you may be required to provide:

- Full address history (typically covering the previous 3 years)
- Proof of identity and address
- Employment details and income information
- Current landlord or letting agent details
- Bank details for referencing purposes
- Details of any pensions, benefits or additional income
- Self-employment information where applicable
- Supporting affordability documentation where requested

Please ensure that all information provided is accurate and complete, as missing or incorrect information may delay the application process.

### **Affordability Assessments**

As part of the referencing process, affordability assessments will be carried out to help determine whether the tenancy is likely to be sustainable.

As general affordability guidance, applicants would ordinarily be expected to demonstrate income broadly equivalent to approximately 2.5 times the annual rent.

However, applications may be assessed holistically taking into account wider financial

circumstances including:

- savings
- pensions
- benefit entitlement
- additional household income
- credit profile
- tenancy history
- guarantor support
- other relevant affordability considerations

The landlord will ultimately make the final decision on whether to proceed with an application.

### **Guarantors**

Depending upon the outcome of referencing, affordability assessment and the overall application profile, additional security such as a guarantor may be requested.

A guarantor may assist in strengthening an application where:

- affordability is considered limited
- financial resilience is reduced
- referencing criteria are not fully satisfied
- the landlord considers additional security appropriate

As general guidance, guarantors would ordinarily be expected to demonstrate income broadly equivalent to approximately 3 times the annual rent, although wider financial circumstances may also be considered.

Guarantors will be subject to referencing and credit checks and will be required to enter into a formal Deed of Guarantee.

### **Credit Checks & Financial Information**

Credit checks may form part of the referencing process.

Applicants are encouraged to disclose any adverse credit history, County Court Judgments (CCJs), Individual Voluntary Arrangements (IVAs), bankruptcy orders or other relevant financial matters at the earliest opportunity.

Failure to disclose relevant information may adversely affect the application outcome.

In some circumstances, applications may still be considered subject to additional

supporting information or guarantor support.

### **Security Deposit & Rent**

Before the commencement of a tenancy, applicants will normally be required to pay:

- a tenancy deposit (where applicable)
- rent in cleared funds

Deposits will normally be protected within an authorised tenancy deposit protection scheme.

Unless otherwise agreed, tenancy deposits are generally equivalent to 5 weeks' rent.

Subsequent rental payments will usually be payable by standing order.

### **Pets**

Tenants wishing to keep a pet at a property must first obtain the landlord's written consent.

Any pet request will be considered individually, taking into account factors such as the type of property, suitability of the pet, lease restrictions (where applicable), building regulations and any other relevant considerations.

Additional pet terms or conditions may apply where consent is granted.

### **The Property**

Applicants should satisfy themselves as to the suitability and condition of the property prior to proceeding with an application.

Unless otherwise agreed in writing:

- the property is taken "as seen"
- utility accounts will remain the tenant's responsibility
- council tax will remain the tenant's responsibility
- tenants are responsible for arranging contents insurance
- television, broadband and telephone services should be independently verified by applicants prior to occupation

If the property is managed by Island Lettings, routine inspections may be carried out periodically during the tenancy.

## Moving Into the Property

Prior to move-in, applicants will normally be required to:

- sign all tenancy documentation
- complete Right to Rent checks
- pay all monies due
- provide any outstanding documentation
- arrange utility accounts where appropriate

Keys will not normally be released until all tenancy requirements have been satisfied.

## Holding Deposits

Where a holding deposit is taken, this will be dealt with in accordance with current legislation and the terms of the Holding Deposit Agreement.

In certain circumstances, a holding deposit may be retained where an applicant provides false or misleading information, withdraws from the application or otherwise breaches the agreed terms of the holding deposit arrangement.

## Privacy Notice

Island Lettings processes personal information in accordance with UK GDPR and the Data Protection Act 2018.

Personal information provided during the application and tenancy process may be shared with:

- referencing providers
- credit reference agencies
- landlords
- contractors or service providers where necessary
- relevant authorities where legally required

Full details regarding how personal data is processed can be found within our Privacy Policy.

If you have any questions regarding how your information is handled, please contact:

[info@islandlettings.co.uk](mailto:info@islandlettings.co.uk)