



Commitments Guide

This guide is to support with keying into TSB Mortgage Pro.

TSB Mortgage Pro will automatically take the following commitments into consideration that all customers will have to pay so don't need to be keyed:

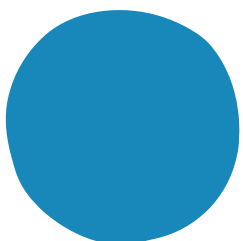
- Internet and Multimedia
- Mobile Phones
- Insurance
- Council Tax
- Energy Bills
- TV Licence
- Water
- Basic travel costs - Excluding high commuting costs, please refer to **Commuting Costs** below.
- Motor Maintenance and Repair
- Clothing
- Supermarket Spend e.g. Food

Commitments keyed must be rounded up to the nearest £1.

When discussing commitments, please consider any future changes that may impact the application. See our [Future Changes page](#) for more information.

Commitment Type	Commitment Category	Commitment Option	Regular Monthly Payment	Current Balance Owing
Beneficial Loans	Not required to be keyed if provided by an employer for a travel season ticket or Cycle to Work Scheme. However, if payments are higher than average, please see Commuting Costs .	N/A	N/A	N/A
Buy now pay later - includes short term agreements with online credit providers e.g. Klarna, Clearpay, Laybuy and PayPal credit.	Committed Expenditure	Buy now pay later	As advised by your client. If payments have not started, the future payment must be keyed.	As advised by your client.
Background property - See Second Property.	Household Expenditure	Second home running costs	As advised by your client.	N/A

Commitment Type	Commitment Category	Commitment Option	Regular Monthly Payment	Current Balance Owing
Car Finance - Includes Hire Purchase/Car Lease, Company Car top up and Personal Contract Plans.	Committed Expenditure	Hire Purchase	As advised by your client. Where a car allowance is paid but doesn't cover the full cost of the commitment, the additional cost must be keyed.	These commitments may not have an outstanding balance, so key the number of months remaining multiplied by the monthly payment.
Charge Card	Committed Expenditure	Credit Card	See Credit Card for keying.	See Credit Card for keying.
Childcare - includes nursery, childminder costs, childcare vouchers and before/after school clubs.	Household Expenditure	Childcare	As advised by your client. If paid annually/ per term and/or by savings, recalculate the costs as a monthly commitment.	N/A
Company Car top-up - Where the finance payment exceeds the car allowance.	Committed Expenditure	Hire Purchase	Additional cost to be keyed only.	See Car Finance for keying.
Commuting Costs - above average or accommodation away from home.	Household Expenditure	Other Expenditure	As advised by your client.	N/A
Credit Card	Committed Expenditure	Credit Card	<p>Balanced cleared - Key the regular monthly payment and ongoing monthly payment to match the current balance owing. Key £0 into the balance being paid on or prior to completion of this mortgage.</p> <p>Minimum payment - Key the regular monthly payment and current balance owing as advised by your client.</p> <p>Balance not reducing - Key the regular monthly payment as £1 and current balance owing as advised by your client. Key £0 into the balance being paid on or prior to completion of this mortgage.</p> <p>Set amount greater than the minimum payment - Key the regular monthly payment and current balance owing as advised by your client.</p> <p>Not used - Commitment not required to be keyed.</p>	



Commitment Type	Commitment Category	Commitment Option	Regular Monthly Payment	Current Balance Owing
Debt Management Plan/IVA – Lending will only be considered for existing customer applications via an underwriter referral. For new lending, applicants will need to be discharged for a minimum of 6 years to be considered.	Committed Expenditure	Personal Loan	As advised by your client.	As advised by your client.
Dependents*	Personal Details	Financial Dependents	N/A	N/A
Estate Management costs/maintenance/ Service charges** – For freehold properties.	Household Expenditure	Ground Rent	As advised by your client. If there are no charges, leave as £0.	N/A
Factor Fees (Scottish properties)**	Household Expenditure	Service Charge	As advised by your client. Key Ground Rent as £0. If there are no charges, leave both Service Charge and Ground Rent as £0.	N/A
Forces – Help to Buy Scheme (also known as Long Service Advance of Pay).	Committed Expenditure	Interest Free Loan	As advised by your client OR Repayable over 10 years. So, divide amount borrowed by 120.	As advised by your client.
Forces Contributions – accommodation charges contribution in lieu of council tax (CILOCT).	Household Expenditure	Other Expenditure	As advised by your client.	As advised by your client.
Ground Rent**	Household Expenditure	Ground Rent	As advised by your client. If there are no charges, key £1 for leasehold properties or £0 for freehold properties.	N/A
Hire Purchase – See Car Finance.	Committed Expenditure	Hire Purchase	See Car Finance for keying.	See Car Finance for keying.
Interest Free Loan	Committed Expenditure	Interest Free Loan	As advised by your client.	As advised by your client.
IVA – See Debt Management Plan.	Committed Expenditure	Personal Loan	As advised by your client.	As advised by your client.

Commitment Type	Commitment Category	Commitment Option	Regular Monthly Payment	Current Balance Owning
Loan - Including loans deducted from the salary e.g. car loans.	Committed Expenditure	Personal Loan	As advised by your client.	As advised by your client.
Mail Order	Committed Expenditure	Mail Order	See Credit Card for keying.	See Credit Card for keying.
Maintenance*	Household Expenditure	Maintenance	As advised by your client.	N/A
Mortgage - For second homes or Buy to Let properties.	Existing Mortgages	N/A	As advised by your client.	As advised by your client.
Other essential expenditure that your client is not willing to or cannot give up - Including care of a family member or significant hobby costs.	Household Expenditure	Other Expenditure	As advised by your client.	N/A
Overdraft	Committed Expenditure	Overdraft	<p>Balance cleared - Key the regular monthly payment and current balance owing as the balance at the time of application. Key £0 into the balance being paid on or prior to completion of this mortgage field. Unless it is being cleared by debt consolidation, then key the amount to be cleared.</p> <p>Used each month - Key the regular monthly payment as £1 and the current balance owing as advised by your client.</p> <p>Reduced by set amount - Key the regular monthly payment and current balance owing as advised by your client.</p> <p>Not used - Commitment not required to be keyed.</p>	
Pension Contributions	Not required to be keyed.	N/A	N/A	N/A
Rental	Household Expenditure	Tenancy/Rental on Other Property	As advised by your client.	N/A
School/Education/University Fees	Household Expenditure	School or Education Fees	As advised by your client. If paid annually/ per term and/or by savings, recalculate the costs as a monthly commitment.	N/A
Second Property*** - essential property expenditure e.g. council tax and utility bills only.	Household Expenditure	Second Home Running Costs	As advised by your client.	N/A

Commitment Type	Commitment Category	Commitment Option	Regular Monthly Payment	Current Balance Owing
Service Charge**	Household Expenditure	Service Charge	As advised by your client. If there are no charges, key £1 for leasehold properties or £0 for freehold properties.	N/A
Shared Ownership/ Equity	Household Expenditure	Shared Ownership Rent or Equity Shareholder Charge dependent on application type.	As advised by your client.	N/A
Student Loan	Committed Expenditure	Student Loan	See keying information below****	As advised by your client.

*Dependents and Maintenance

A dependent is anyone (child or adult) who is financially reliant on the applicant and who is not a party to the mortgage. All dependents need to be recorded under applicant 1.

Where a child lives/stays with the applicant(s) part time and maintenance is being paid, the maintenance must be keyed as a commitment and the child needs to be recorded in the dependents field within Mortgage Pro under applicant 1.

Where a child does not live/stay with the applicant(s) and maintenance is being paid, the maintenance must be keyed as a committed expenditure. However, the child does not need to be recorded as a dependent.

**Ground Rent, Service Charges and Estate Management Charges

Ground Rent/Service Charge/Estate Management Charge only need to be keyed for the property being mortgaged. These don't apply to Buy to Let applications. See our [Property page](#) for more keying information.

***Second Property in the background

This is applicable to Residential applications where the client owns a second home in the background and Second Home applications where the main Residential property is in the background. These costs must be keyed whether the background property is mortgaged or mortgage free, and even if the costs are covered by someone else e.g. a family member.

This is not applicable to background Buy to Let properties, including properties not currently being let, if the intention is for it to be let within the foreseeable future.

****Student Loans

A student loan only needs to be keyed as a commitment when the applicant is making payments to it.

Employed Customers

If additional income has been keyed e.g. overtime, bonus, shift allowance, you must check whether there was an increase in the student loan that month. Where it has increased, you must calculate and key an appropriate monthly average for the student loan payment.

If the additional income has not been used in the affordability, then the increased student loan payments do not need to be keyed.

If an applicant has had a pay rise and this can be evidenced, then establish and key the new monthly student loan payment going forward.

On the next page are different scenarios to support with keying student loans for employed applicants. Please contact us for support with specific scenarios or calculations.

Self Employed customers

Where income is keyed as increasing across the two years, add together the student loan payments across the two tax calculations, divide by 24 and key this amount as the monthly payment.

Where income is keyed as decreasing across the two years, add together the student loan payments on the latest tax calculation, divide by 12 and key this amount as the monthly payment.

Student Loan keying scenarios

Scenario 1 - Additional income on one payslip and being used for affordability.

Normal monthly student loan payment £90 on two payslips then one payment of £389 due to bonus.

Calculate annual amount - $£90 \times 11 + £389 = £1379$

Average - $£1379/12 = £115$

Monthly amount to key - £115.

Scenario 2 - Additional income on two payslips and being used for affordability.

Normal monthly student loan payment £90 on one payslip then two higher payments of £175 and £145 due to shift allowance.

Calculate monthly average - $£90 + £175 + £145 = £410/3 = £137$

Monthly amount to key - £137

Scenario 3 - Additional income on all three payslips and being used for affordability.

Student loan payments of £115, £125 and £110 due to commission received every month.

Calculate monthly average - $£115 + £125 + £110 = £350/3 = £117$

Monthly amount to key - £117

Scenario 4 - Three payslips on file, with additional income on two which is not being used.

Normal monthly student loan payment of £50 on one payslip then two higher payments of £70 and £60 due to overtime.

As additional income not being used, key the normal payment of £50.

Scenario 5 - Payslip(s) on file with additional income not being used.

Obtain a recent payslip with the basic pay only to establish the normal student loan figure to key.

If there isn't a recent payslip with just basic pay present, key the higher student loan payment from the payslip on file subject to there being no impact on affordability.

If lending is not affordable, confirm what student loan plan the applicant is on. We'll then calculate and advise the correct student loan payment to key.

The Gov.uk website can support with establishing an applicant's student loan plan with information on:

- [Repayment plan types.](#)
- [How much to repay.](#)

There may be instances where applicant(s) have payments to a post graduate loan, this is another type of student loan and will be keyed the same way as a student loan. Please be aware that if an applicant has both student and post graduate loan payments, then both will need to be keyed.