



*Association of Mortgage Intermediaries' response to FCA Call for Input:
Using technology to achieve smarter regulatory reporting*

This response is submitted on behalf of the Association of Mortgage Intermediaries (AMI). AMI is the trade association representing over 80% of UK mortgage intermediaries.

Intermediaries active in this market act on behalf of the consumer in selecting an appropriate lender and product to meet the individual consumer's mortgage requirements. Our members also provide access to associated protection products.

Our members are authorised and regulated by the Financial Conduct Authority (FCA) to carry out mortgage and insurance mediation activities. Firms range from sole traders through to national firms and networks, with thousands of advisers.

Response

We are concerned about the resource that is being dedicated to a project where a problem seems to have been created in order to discuss hypothetical solutions. We would expect to see FCA resources prioritised to areas of greatest risk, and we do not feel that the benefit of these proposals would outweigh the costs, particularly for small firms for which reporting is not a significant burden. We would like to see more consideration given to the broader spectrum of firms paying the regulatory bills, and their representation within the overall TechSprint participants.

Given that a full cost benefit analysis has not been carried out, we cannot see how this work has been initiated given the need to meet the FCA's statutory principle that "a burden or restriction which is imposed on a person, or on the carrying on of an activity, should be proportionate to the benefits, considered in general terms, which are expected to result from the imposition of that burden or restriction" (FSMA 2000 c. 8 s. 2(3)(c)).

We are disappointed that instead of a measured approach in assessing whether there is even a problem that needs resolving, there has been more appetite to spend time and fee payers' costs on aiding the development of a commercial proposition. We therefore strongly disagree that it is the regulator's role to lead such a project with commercial benefit to not only the technology providers but also large firms with a commercial interest. Any funding of prototypes should be sourced from individual firms with such interest and not levied on industry.