



Association of  
Mortgage Intermediaries

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*Association of Mortgage Intermediaries' response to The Recognition of Professional Qualifications and Regulation of Professions Call for Evidence (BEIS)*

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This response is submitted on behalf of the Association of Mortgage Intermediaries (AMI) and the Association of Finance Brokers (AFB). AMI is the trade association representing over 80% of UK mortgage intermediaries. AFB sits within AMI and represents second charge (formerly secured loan) brokers.

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. AMI members also provide access to associated protection products. AFB members also provide access to unsecured products.

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

## Response

As a trade association we have selected certain questions from the online consultation questions that are of relevance. We wanted to take the opportunity to respond to some areas given that mortgage advisers must be qualified to be able to provide regulated mortgage advice.

In the consultation paper, Table 1: Examples of regulated and non-regulated professions includes financial advisers in the column 'professions that are not regulated'. However, the title 'financial adviser' includes investment, mortgage and protection advisers and they and the activities that they carry out are both regulated.

**Please let us know anything you think we need to understand regarding how effectively the regulatory system serves public interests within the sectors in which you have particular interest or expertise.**

It is important that consumers can access a central resource to check that individuals are qualified to give advice and that they hold the appropriate qualifications. The FCA Directory, which will be made up of details of certified and assessed persons and their qualifications, will serve this purpose and form an integral part of consumer protection and trust.

**Is there anything else you would like to mention about employing regulated professionals?**

The housing and mortgage market is an important part of economic recovery after Covid-19. Demand for mortgages currently remains high because of pent-up demand following the 2019 election, Brexit and the changes to stamp duty land tax (SDLT) as properties up to £500,000 in value are exempt on transactions until 31 March 2021.

It is important that consumers have access to regulated advice, and this is provided by qualified professionals. Taking out a mortgage is likely to be one of the biggest financial commitments for a consumer, so it is important that consumers who require advice are assisted by individuals that have been deemed fit and proper and competent to do so.

An individual who wants to work as a mortgage broker in the UK should be required to obtain an appropriate FCA recognised qualification before being able to give advice (e.g. a qualification obtained through a professional recognised body such as Chartered Insurance Institute or London Institute of Banking and Finance). This is important as, unlike other professions such as accountancy where there is a recognised global standard, the UK mortgage market differs to other mortgage markets within the EEA or Switzerland. If an individual holds a qualification from these jurisdictions it should not be treated as equivalent. This is important to ensure professionalism and integrity in the profession but also to maintain an appropriate degree of consumer protection.