



Association of Mortgage Intermediaries' response to FCA Call for Input
SME access to the Financial Ombudsman Service

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.

Introduction

The call for input to inform the FCA review of whether the thresholds for small and medium sized enterprises (SMEs) to be able to refer complaints to the Financial Ombudsman Service (Ombudsman Service) remain appropriate was an online submission primarily consisting of questions requiring a Yes/No/I don't know response.

Questions

Do you think the current size thresholds for SMEs to be able to refer a complaint to the Financial Ombudsman Service are appropriate?

Yes

Do you have a view on what the threshold criteria should be?

Yes

What do you think the thresholds should be?

We feel that the current thresholds are suitable and there would be little to no benefit to be had from changing them.

What benefit would come from the thresholds you suggest?

In keeping the thresholds the same, we can be sure that they are appropriate.

What is the impact or disadvantages of the current thresholds?

NA

Have there been changes to the way SMEs operate that you think we should take into account when considering whether the current thresholds are set at the appropriate level?

No

What are these changes in the way SMEs operate?

NA

Please detail:

What are the causes that have led to changes? NA

How they have impacted on SMEs? NA

Whether they impact on specific categories of SMEs? NA

What impact do these changes have on the appropriateness of the thresholds? NA

Do you think that the Financial Ombudsman Service's remit should be extended to enable it to consider complaints from SMEs that are currently considered too large?

No

Are you aware of any unintended consequences that have arisen from the extension of the Financial Ombudsman Service's jurisdiction? e.g. in 2018 some interested parties were concerned it could lead to a reduction in access to finance for SMEs.

No

Briefly outline what these unintended consequences are.

NA