



Association of
Mortgage Intermediaries

Association of Mortgage Intermediaries' response to CP21/17: Quarterly Consultation Paper No.33

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

Q3.1: Do you have any comments on the proposal to remove the consultation process for amending forms made by Direction?

We are supportive of the proposal to remove the consultation process for amending forms made by Direction, as long as this does result in a more transparent and smoother process for firms.

We agree that the proposal should help avoid undue delays resulting from firms having to obtain supplementary information they were unaware was required at the time of submission. Our member firms are currently facing long delays in FCA authorisations, therefore any measures that can help to speed up the process are welcomed.

It is important that the information requested by the FCA via forms made by Direction remains fair and proportionate. Information must also realistically be available to firms. The FCA should be cognisant of current policy work that may influence the type and amount of information that is requested from firms as part of the forms listed.

For example, in its discussion paper on diversity and inclusion in the financial sector the FCA considers whether to collect diversity data about an individual as part of the information provided for Senior Management Function applications.

If introduced, the FCA must ensure that firms are made aware of what additional information will be requested in a form in good time before the change is made live and that the date the amended form comes into effect is communicated clearly.

We suggest that where forms ask for additional information not previously requested, these are communicated via FCA Regulation Roundup or as part of the FCA's weekly e-mail update.

Q3.2: Do you have any comments on the proposal to move forms made by Direction from the Handbook?

Provided that the forms are available via the FCA website; are easily searchable and remain downloadable; and the Handbook contains hyperlinks for ease of use by the reader, then we are supportive of this proposal.

It would be problematic if the only access a firm/individual has to a full, printable copy of a form is via Connect. This is because only select staff members within firms have access to Connect and forms must be downloaded and often retained as a scanned copy by those who have completed it. Also, some firms require signatures so it is important that forms can be accessed by download and printed.

Q3.3: Do you have any views on whether Authorisation forms made through rules should not be consulted on in the future and moved from the Handbook?

Our comments to Q3.1 apply equally to Q3.3.