The Financial Conduct Authority Mortgages Market Study Interim Report (MS16/2.2)

Response by the Intermediary Mortgage Lenders Association

July 2018

IMLA

IMLA is the representative trade body for mortgage lenders who lend wholly or predominantly through intermediaries. Our 42 members include banks, building societies and specialist lenders.

Summary

- The Interim Report indicates that the market is working well for the majority of consumers, and that significant changes are not necessary. There may be many reasons why consumers who could benefit from switching choose not to do so: that said, the industry could take steps to encourage a greater number to find better products.
- We have, in conjunction with UK Finance and the Building Societies Association, issued a joint press release (**attached – see Appendix 1**) supporting a voluntary agreement, which undertakes to take steps to help a significant number of borrowers who could benefit from switching to a better product with their existing lender. As indicated in the press release, a number of lenders have already committed to this agreement, and it is anticipated that more will sign up to it in the coming weeks and months. [A copy of a list – undated – of committed lenders is attached as Appendix 2.]
- It will be important that any regulatory changes proposed by the FCA should be proportionate and not risk disturbing the balance in other parts of the market, the vast majority of which are working well.
- The enhanced advice regime which was introduced following the Mortgage Market Review (MMR) has only been in place for four years – during which period interest rates have been very low and the volume or new mortgage transactions sluggish. It

would therefore be premature to make further changes at a time when interest rates can only move in one direction – upwards.

- The Interim Report makes a number of assumptions about what consumers want and how they might best be served: it will be important to test these assumptions and seek consumers' views before making changes which may not prove to be as helpful as intended.
- There is scope for giving consumers more information on which to base their choices, but a balance must be struck between what it is possible to provide and what is likely to be helpful to consumers.
- There are risks in encouraging consumers to believe that they are entitled to a particular mortgage product – or that there is one product that is "right" for them. The MMR approach – which recommended that products should be "suitable" – was more pragmatic and realistic.
- We question whether the risk that some consumers may experience "cost and inconvenience" in receiving advice outweighs the risk that those consumers who most need advice might opt not to receive it.
- There is a strong emphasis throughout the Interim Report equating "cheapest" with best": whilst cost is a factor, it is not the only one. The report already acknowledges that 70% of customers are getting the cheapest deal, and that this may increase to nearer 90% once individual circumstances such as speed, flexibility of criteria and service are taken into consideration. In any comparable market this is exceptional.

Responses to specific questions

Q1: Do you have any views on our vision for the market?

The Interim Report makes some fairly broad assumptions about what consumers could and should do in order to obtain lower-priced mortgages. Whilst it acknowledges that consumers may have various reasons for choosing a product that may not appear to be the cheapest, there appears to be a strong emphasis on equating "cheapest" with "best". However, beyond identifying a number (a minority, albeit a sizeable one) of consumers who are judged to be paying over the odds for their mortgages, the case for wholesale change has not been made very strongly. There is no evidence of widespread mis-selling, poor advice or commercial bias caused by the procuration fees paid to intermediaries by lenders. Competition amongst lenders is currently fierce and ability to switch products high for many consumers.

The FCA's Occasional Paper 39, published recently, discusses assumptions which may be made about consumer preferences, including an assumption that, all else being equal, "*consumers prefer a cheaper product to a more expensive one*." The Paper continues: "*However, in most real-life cases, there are often trade-offs to be made between price and other product features across choices, so a dominance relationship between choices may be difficult to establish, particularly for products with multiple features*." This analysis is highly

relevant to the issues raised in the Interim Report regarding consumers' choice of mortgage products.

The emphasis of the previous Mortgage Market Review (MMR) had been on providing advice which ensured that consumers were recommended "suitable" products. The Interim Report now appears to be stepping back from the MMR's conclusions, proposing a loosening of the advice requirements. The MMR's enhanced advice regime has only been in force for four years, during which period interest rates have been very low and the volume of new mortgage transactions sluggish. It may therefore be premature to make further changes at a time when interest rates can really only move in one direction – upwards.

Q2: Do you think tools of the kind outlined could help consumers find more easily the best mortgage for them?

Many consumers choose to source their mortgage via an intermediary precisely because they are aware that the choice is wide, the options numerous, and they simply do not have the knowledge, time or inclination to do all the research themselves. They are entitled to rely on (a) a given level of professionalism and expertise from an intermediary who is – by definition – authorised and regulated by the FCA, and (b) the protection provided by FCA rules that require the lender to act responsibly in undertaking to lend to them. In addition to this are the requirements of MCOB 2.6A.1R, which provides that firms must act in the best interests of their customers, and an over-arching regulatory Principle (6) that firms must treat their customers fairly.

The report notes that it is difficult for consumers to choose an intermediary on an informed basis and that over half select their intermediary on the basis of a recommendation from friends/family/an estate agent. There is scope for giving consumers more information on which to base their own choices, including greater transparency regarding the fees which they may be charged for advice, but a balance must be struck between what it is possible to provide by way of information and what is actually helpful to consumers, whose views on this should be sought.

We are aware of new technological developments designed to create more effective tools enabling consumers to identify both mortgage products and intermediaries. We think it preferable to allow these to develop in a competitive market: if firms understand the FCA to be considering its solutions to be imposed on the whole sector, they will hold back from committing resources to developing their own.

Q3: What do you think would be necessary for this approach to work and what do you see as the main challenges?

The main challenge in providing more information about lenders' criteria would lie in keeping it up to date and not creating a sense of "entitlement" for consumers who consider that they "fit" those criteria. Lenders need to change their criteria and policies from time to

time – sometimes quite quickly - in order to meet specific targets or limits on lending, and to enable adjustments to be made in order to manage their balance sheets. On the other hand, there will be occasions and cases where, even though the lender may have an apparently rigid rule (for example, on not accepting a particular type of property), it may be possible to flex that rule according to the individual circumstances.

Information about intermediaries would need to be carefully considered and contextualised so that it did not advantage some to the detriment of others. Figure 7.2 illustrates some of the potential pit-falls: the analysis of panel size is based on a sample of just 6 firms which operate panels of lenders – all of which have at least "around 20" lenders on their panels. The analysis does not provide details of the sizes of lenders on those panels – but given that the Report acknowledges (top of Chapter 3) that the 6 largest lenders hold around three-quarters of balances of outstanding first-charge residential mortgages, it seems highly likely that most, if not all those would feature on an intermediary panel of 20 lenders. The FCA's existing rules (MCOB 4.4A.5G) permit intermediaries to define themselves as offering advice on an "unlimited" range of products if that range is drawn from a "sufficiently broad" selection of products and is reviewed regularly. A combination of largest, medium-sized, smallest and specialist lenders would therefore give such a representative sample. The Report also acknowledges (para 7.34) that "almost all of the intermediaries on our sample allow advisers to make off-panel recommendations": it would be very important to make sure consumers were aware of this, so that they did not unnecessarily reject one intermediary simply because it did not have a particular lender on its panel.

Q4: Could there be any unintended consequences?

As suggested above, there is a risk that access to additional information about lenders' criteria and intermediaries could encourage some consumers to assume that they are *entitled* to a particular mortgage. There will, however, be occasions where, although a consumer might meet all the criteria and affordability requirements, a particular product might no longer be available because the funds being committed by the lender had been exhausted, or the lender had reached capacity on lending on a particular development, or at a particular LTV or to a particular group of borrowers. Lenders have to work within their risk appetites and lending policies, as well as parameters set by their prudential regulator.

More broadly, there is a risk that consumers may be led towards thinking that there is one mortgage product that is "right" for them. This is highly subjective: the MMR stepped away from the original MCOB concept of recommending the "most suitable" product and substituted a "suitable" product. This is entirely reasonable given the myriad factors which need to be taken into account when selecting a mortgage, and the fact that suitability can only really be assessed on the information available at the point of sale. But with a long-term commitment such as a mortgage, it is important that consumers – advised or not – consider the impact of current decisions on their likely future requirements. So a product which may look to be second or third best at point of sale may prove, two years down the line, to have been eminently suitable for the individual.

Q5: Do you think consumers would benefit from more choice on the tools they use (including advice) and the support they receive in the way outlined above?

The industry's voluntary Mortgage Code, which was in effect from 1997 to 2004, offered consumers three levels of service at point of sale: advised, non-advised and execution-only. When the then FSA assumed responsibility for mortgage regulation its MCOB rules, effective from October 2004, discarded the "execution only" level and mandated sales that were either advised or non-advised. For advised sales, the emphasis was on the adviser assessing the consumer's needs and circumstances. For non-advised sales, the products sold still had to be "suitable". The MMR review concluded that consumers did not understand the difference between "advised" and "non-advised" sales and that many who had not received advice assumed that they had, in fact, done so. The MMR concluded that *all* sales should be advised where there was inter-active contact between the consumer and a firm (lender or intermediary). The revised rules came into effect in April 2014 and have therefore been operational during a period of historically low interest rates and low levels of new mortgage originations, although there has been considerable activity in re-mortgaging. The question is therefore whether this is the right time to consider further amendments to the MCOB rules, when the existing ones have been in place for a relatively short period.

Q6: What do you think would be necessary for this approach to work and what do you see as the main challenges?

The MMR made the rules on giving advice more explicit in terms of what intermediaries and lenders are required to do. It is not clear how relaxing some of those rules, or enabling consumers to choose how much advice they need, or whether to have advice at all, would be beneficial. By definition, we don't know what we don't know: some consumers might be tempted to assume that they have greater knowledge than is the case – and deny themselves some important information which could influence their eventual mortgage choice. A skilled adviser will soon discover which areas need more explanation, or which areas can be dealt with relatively quickly. It could be very challenging for lenders, intermediaries and their respective compliance colleagues to design processes which enabled consumers to choose where they did and didn't want to receive advice.

Paragraph 9.19 notes the need for the FCA to "balance the benefits to those consumers who would be able to select affordable, suitable, good-value products without the cost and inconvenience of advice, against the costs to those customers who might obtain poorer outcomes as a result of choosing not to take advice." This surely goes to the heart of the regulatory challenge: the FCA can write rules which impact regulated firms – it cannot write rules which bind consumers. So - whilst those rules may set expectations and requirements for how firms must approach mortgage sales and advice – they cannot control which options consumers will choose, or protect consumers from making poor choices. By making advice the norm for the majority of sales and emphasising the need for products to be *suitable* and for lenders to lend *responsibly*, the FCA chose to put in place safeguards for the majority of consumers. Does it now believe that the MMR went too far? Does the risk that some consumers may experience "cost and inconvenience" in receiving advice outweigh the risk that precisely those consumers who most need advice might opt not to receive it?

There needs to be more analysis of the potential numbers who would opt not to receive advice, and the potential detriment that could arise, before any wholesale unpicking of rules that were deemed to be necessary following detailed review and consultation.

Q7: Could there be any unintended consequences?

As stated – the unintended consequence would be that those consumers who most need advice could be those most likely to reject it, on grounds of "cost and inconvenience".

Q8: Do you think consumers should be given more help to assess intermediaries' strengths and weaknesses in the way outlined above?

Some consumers might benefit from having access to further information – but the type and volume of such information would need to be carefully considered so that it did not overload consumers or cause some groups of intermediaries to be unfairly disadvantaged.

There is no doubt a wealth of information that consumers *could* be given about intermediaries, such as the size of business, range of lenders they deal with, average times for completing a mortgage application for a client, complaints rate, persistency rates, fees charged/received and so on. What is less clear is how easily consumers would be able to interpret such information and whether it would genuinely impact on the quality of the mortgage choices eventually made. Is there clear evidence that consumers are actively seeking this additional information?

Q9: What do you think is necessary for this approach to work and what do you see as the main challenges?

There are challenges in quantifying and qualifying information so that it reflects an intermediary's experience and competence in a fair way: a firm or individual which concentrates on more complex/niche products will have a lower/slower completion rate than one which deals largely with straightforward mainstream products.

Q10: Could there be any unintended consequences?

The most obvious risk is that consumers will make decisions based on misleading or inaccurate information. The process of collating and providing this information could create its own mini-industry which would ultimately be of very little benefit to consumers and could be detrimental to perfectly competent firms.

Q11: Do you think it should be made easier for consumers with active lenders to switch?

There may be many reasons why consumers who could benefit from switching choose not to do so – and these will not be apparent without more detailed consumer research. Some may be contemplating moving property and therefore not wish to lock themselves into a new product. The impact of divorce/separation may need to be taken into account here, together with consumers who are planning to relocate for work purposes. The fact that cheaper deals may be available from other lenders may not be enough to entice some

consumers away: they may value the service they currently receive and the familiarity of a known and trusted lender. Others may feel that the effort of switching doesn't justify the cost savings - and there is likely to be similar evidence of this attitude in the utility, mobile phone and broadband markets. Further, prices and deals can fluctuate quickly in a highly competitive market, so that a deal which looks very attractive one month may be overtaken by a better deal in another. The Occasional Paper referred to in relation to Q1 above draws attention to the fact that some products may have complex features, making decisions about which options might be "best" less obvious. That said, the Interim Report identifies a significant number of consumers who could benefit from switching: as referred to in the summary above, the industry has already taken steps to encourage a greater number to do so.

Q12: Which consumers should be covered in our approach?

Much has been said about so-called mortgage "prisoners" who are unable to switch away from existing lenders because they do not meet a new lender's affordability criteria. As time goes by and these consumers continue to evidence that they can afford to make regular payments to their existing lenders, the case would seem to be made for taking that ability to repay into account and enabling another lender to accept them more easily.

Q13: What do you think is necessary for this approach to work, and what do you see as the main challenges?

Cases would need to be considered and underwritten carefully. It might be necessary to stipulate that there should be no extra borrowing. For loans being repaid on an interest-only basis, it would be preferable for consumers to switch onto capital and repayment products.

Q14: Could there be any unintended consequences?

The main risk would be that consumers on interest-only mortgages might switch away from their existing lender for a short time, and benefit from a lower rate of interest, but still make no real inroads into the capital debt owed. At some point the lender holding the mortgage might have to conclude that the consumer will never be in a position to repay the capital – and seek possession.

Q15: Do you think we should do more to encourage long-term inactive customers to switch in the way outlined above?

Unless there is something which specifically prevents consumers from switching, the market should be allowed to function normally. The Report estimates that 800,000 consumers could benefit from switching. It does not offer detailed analysis of how large those consumers' loans are, how long they still have to run or the average amount which each consumer could save. Then again, averages can be misleading. There may well be numbers of consumers who are happy to remain inactive. If attention is to be focused on any particular groups, it should be on those who, for whatever reason, would like to switch but find it difficult to do so.

Q16: What do you think is necessary for this approach to work in the mortgages sector and what do you see as the main challenges?

Industry averages may be misleading here – and the data which is the subject of the Interim Report's analysis is already now two years out of date: lenders will need to examine their individual mortgage books to identify consumers who have not switched products but who would apparently have been eligible to do so – and take appropriate action to inform those consumers about their options. This is precisely the approach which lenders who have signed up to the industry agreement referred to above and outlined in the attached press release have either already taken or are committing to take in the near future.

Q17: Could there be any unintended consequences?

Given that the Report acknowledges that the majority of customers do in fact get good deals, any proposals for change must clearly define which groups are intended to be helped by specific measures and how. Failure to do this would risk knock-on effects for other groups of customers. For example, lenders' business models will make certain assumptions about customers on SVR. There is a potential risk that new and product transfer customers could end up paying more to allow lenders to retain a viable profitable business model.

Q18: Do you have any comments on our timelines?

We have been invited to take part in two Working Groups set up by the FCA to begin to scope out the work which will need to be done once the responses to the Report have been fully digested and the final Policy Statement published. It will be important to all respondents to the Interim Report that the FCA maintains a position that nothing will be decided until the consultation period has closed and that the final outcome has not therefore already been pre-judged. Also, given the age of the data on which the Interim Report is based, it may become clear that the current position is in fact materially different, which should influence the final conclusions reached by the FCA on any desirable action by the industry.

Q19: Do you have any views on the relevance of our findings on first-charge residential mortgages to other mortgage markets that we regulate and which were not within the scope of the market study – for example, second charge?

Given that the MCOB rules also now apply to second-charge lending it is clearly relevant that any changes which are considered should work equally well for both product types. The over-arching requirements that mortgage products should be affordable and suitable to consumers should be sufficient.

Q20: Do you have any views on the extent to which these potential remedies (with further enhancement or refinement) are relevant to lifetime mortgages

Remedies relating to switching may have less relevance within the lifetime mortgage market because consumers may well have taken out lifetime mortgage products precisely because they wanted to make a "once and for all" decision, after which they would not need to

worry about changing products, ability to repay and so on. There is of course a risk that someone who took out lifetime mortgage a few years ago might today be able to find a cheaper product – and it is currently possible to re-mortgage in many circumstances. But given the nature of the product and the demographic which it is intended to serve, there would seem to be less relevance with regard to switching.

Q21: Do you have any views on these options or any other alternatives?

The MCOB rules were the result of protracted consultation with the industry, as were the refinements introduced by the MMR. Further regulatory change should only be introduced if it is clearly justified, and full account is taken of the potential knock-on effects for other parts of the industry.

Appendix 1

For immediate release 10.30am, Tuesday 31 July 2018

Press Release

LENDERS HELP 'INELIGIBLE' HOMEOWNERS TIED TO REVERSION RATES TO SWITCH PRODUCTS

Working closely with the Financial Conduct Authority (FCA) following its Mortgages Market Study interim report, 59 authorised lenders representing 93 per cent of the UK's residential mortgage market[1] have agreed common standards to help existing borrowers on reversion rates who are up-to-date with repayments but, because of stricter affordability criteria, are currently ineligible to move to an alternative product provided by their lender.

This is the result of a cross-industry voluntary commitment announced today by UK Finance, the Building Societies Association (BSA) and the Intermediary Mortgage Lenders Association (IMLA).

In its Mortgages Market Study interim report[2], the FCA identified a relatively small proportion of borrowers who are on a reversion rate, are up-to-date with repayments and would benefit from switching to a new deal but cannot do so[3].

This cross-industry commitment applies only to customers of those lenders that are able to offer alternative products to their existing borrowers. A number of authorised lenders already offer their existing customers the opportunity to switch[4]. However, as required, lenders have undertaken to write to any qualifying borrowers by the end of 2018 if they haven't already done so. Customers do not need to take any action[5] and will not be obliged to switch if they do not wish to.

To qualify, the following standard principle-based criteria* will apply:

Customers will need to -

- be first charge owner-occupiers
- be existing borrowers of an active lender

- be on a reversion rate
- be looking for a like-for-like mortgage
- be up to date with payments
- have a minimum remaining term of 2 years
- have a minimum outstanding loan amount of £10,000

And be able to benefit from switching *(*where it is legally possible under current regulations and law. There may be other exclusions that apply[6]).*

Jackie Bennett, Director of Mortgages, UK Finance said: *"Lenders have responded to the FCA's challenge and made a voluntary commitment to help these longstanding borrowers, offering them the ability to switch to an alternative product if they meet the agreed standard criteria – a potential solution that covers 93 per cent of the residential mortgage market. We expect more lenders to participate in the coming months. Furthermore, we will be working closely with the FCA and active lenders to see what might be possible for customers of inactive and unregulated lenders. Participating lenders will be contacting qualifying homeowners so for now, customers don't need to do anything but wait to hear from their mortgage provider."*

Paul Broadhead, Head of Mortgage and Housing Policy at the Building Societies Association (BSA) said: *"It is pleasing that the FCA recognises that the mortgage market works well for the vast majority of borrowers. By signing up to this voluntary agreement lenders will ensure that existing borrowers are not disadvantaged by the changes to mortgage regulation since the financial crisis. The agreement formalises the actions that many societies have been taking and provides clarity and confidence for all affected borrowers."*

Kate Davies, Executive Director of the Intermediary Mortgage Lenders Association (IMLA) said: *"The FCA's Interim Report on its Mortgage Market Study acknowledged that the mortgage market is generally working well for the majority of borrowers. It noted that some improvements could be made for the minority groups who find themselves unable to switch products, as a result of regulatory changes brought into effect since they took out their loans. This initiative will help a number of those borrowers, and further work is planned to address the needs of others."*

The announcement coincides with the deadline for responses to the FCA's interim Mortgages Market Study. In the study the regulator found that competition in the mortgage market is working well for the vast majority of people but identified several ways in which the market could work better for others. It also highlighted that there are some borrowers who may benefit from switching yet are unable to move on to a new product, a small proportion of whom are with authorised lenders.

This commitment is focused on customers with active lenders initially, with a view to further consideration of what might be possible for the 20,000 customers with inactive lenders and the 120,000 customers with unregulated mortgage owners, as identified by the FCA – who are not UK Finance, BSA or IMLA members.

Lenders may be able to offer alternative options to some customers. As the FCA recognises, this is not a contractual right, so the circumstances of the case and the lender's policy will determine what options may be available.

Ends

For further information please contact:

- UK Finance press office: 020 7416 6750
- BSA press office: 020 7520 5926 and 5927
- IMLA press office: Contact Fran Hart, Amy Boekstein or Lee Jones at Instinctif Partners: imla@instinctif.com 020 7457 2020 / 07772 994 582

Notes to Editor

UK Finance's consultation response can be found here.

A blog by Sue Rossiter, Principal, Mortgage Policy at UK Finance can be found here [this is no longer available].

1. A list of the lenders who have committed to the voluntary agreement can be found here: [see Appendix 2]. This list includes parent and related brands within each group. It excludes lifetime and pure buy-to-let providers. We expect more lenders to commit over the coming months.
2. FCA Mortgage Market Review, 26 April 2014 - http://www.fsa.gov.uk/about/what/mmr
3. The FCA has identified a relatively small proportion of borrowers who took out a mortgage pre-crisis, are on a reversion rate and up-to-date with repayments, and would benefit from switching to a new deal but cannot. These customers are

sometimes referred to as 'mortgage prisoners'. The regulator estimates that there are 10,000 of these customers with active lenders based on data from 2016. This is only a snapshot as customers will move in and out of eligibility. Residential mortgage providers will be identifying and contacting eligible customers over the coming months and before the end of 2018.

4. UK Finance recently published its quarterly Product Transfer data for the first time which showed that the majority of mortgage customers switch to a new deal shortly after their previous deal expires. This data supports the FCA's observation that most borrowers choose to remain with their current lender when they switch product.

5. By the end of 2018 all qualifying borrowers will have been contacted – if there hasn't already been a communication from the firm in 2018. Firms will develop their own strategies for further communications with this or subsequent cohorts of qualifying customers.

6. The following exclusions apply:

    a. Any change to the terms of the mortgage which is likely to be material to affordability would be excluded e.g. additional borrowing, change of term, adding or removing a party to the mortgage.

    b. Overseas properties - only mortgages on properties in Great Britain and Northern Ireland are included in this agreement.

    c. Arrears – customers who have aggregate arrears of more than one monthly payment in the past 12 months are not eligible.

    d. Discontinued products – firms do not need to replicate like for like e.g. if they no longer offer particular products (such as Sharia compliant products, etc).

    e. Permissions for commercial lets – the agreement will not apply where consent to let has been given.

    f. Securitisation/closed books – while not a total bar on moving borrowers to a new product, some active lenders may not be able to offer new products immediately due to regulatory and/or legal constraints.

7. UK Finance is a trade association which was formed on 1 July 2017 to represent the finance and banking industry operating in the UK. It represents around 250 firms in the UK providing credit, banking, markets and payment-related services. The new organisation brings together most of the activities previously carried out by the Asset Based Finance Association, the British Bankers' Association, the Council of Mortgage Lenders, Financial Fraud Action UK, Payments UK and The UK Cards Association.

8. The Building Societies Association (BSA) represents all UK building societies, which collectively serve more than 23 million customers and have total assets of over £393 billion. Together with their subsidiaries they hold residential mortgages of over £302 billion, 22% of the total outstanding in the UK. They hold over £271 billion of retail deposits, accounting for 18% of all such deposits in the UK. Building societies account

for 36% of all cash ISA balances. They employ approximately 43,000 full and part-time staff and operate through approximately 1,500 branches.

9. The Intermediary Mortgage Lenders Association (IMLA) is the trade association that represents mortgage lenders who lend to UK consumers and businesses via the broker channel. Its membership unites 42 banks, building societies and specialist lenders, including 16 of the top 20 UK mortgage lenders responsible for almost £180bn of annual lending.
   IMLA provides a unique, democratic forum where intermediary lenders can work together with industry, regulators and government on initiatives to support a stable and inclusive mortgage market. Originally founded in 1988, IMLA has close working relationships with key stakeholders including the Association of Mortgage Intermediaries (AMI), UK Finance and the Financial Conduct Authority (FCA).

Appendix 2

Lenders who have signed up to the agreement

A list of the lenders who have committed to the voluntary agreement can be found below. This list includes parent and related brands within each group. It excludes lifetime and pure buy-to-let providers. We expect more lenders to commit over the coming months.

1. Accord Mortgages
2. Bank of Ireland UK PLC
3. Bank of Scotland
4. Barclays plc
5. Barnsley Building Society
6. Bath BS
7. Beverley Building Society
8. Britannia
9. Buckinghamshire BS
10. Cambridge Building Society
11. Chelsea Building Society
12. Chorley Building Society
13. Clydesdale Bank
14. The Co-operative Bank plc
15. Coventry Building Society
16. Darlington Building Society
17. Direct Line
18. Dudley Building Society
19. Family Building Society
20. First Direct
21. Halifax
22. Hanley Economic Building Society
23. Hinckley & Rugby Building Society
24. HSBC plc
25. Ipswich BS

26. Kensington Mortgages
27. Leeds Building Society
28. Leek United Building Society
29. Lloyds Bank
30. Mansfield Building Society
31. Market Harborough Building Society
32. M&S Bank
33. Metro Bank
34. Nationwide Building Society
35. NatWest
36. Newbury Building Society
37. Newcastle Building Society
38. Nottingham Building Society
39. Norwich & Peterborough BS
40. One Savings Bank Plc
41. Platform
42. Principality Building Society
43. Progressive Building Society
44. RBS plc
45. Saffron Building Society
46. Santander UK Plc
47. Scottish Building Society
48. Scottish Widows Bank
49. Skipton Building Society
50. Stafford Railway Building Society
51. Teachers Building Society
52. Tesco Bank
53. Tipton & Coseley Building Society
54. Ulster Bank

55. Vernon Building Society

56. Virgin Money Holdings (UK) plc

57. West Bromwich Building Society

58. Yorkshire Bank

59. Yorkshire Building Society

[NB this undated list was published as an attachment to the joint press release – it is therefore assumed that it was correct as at 31st July 2018]