



Value assessment - impact specialist finance limited

Name of product / service	MORTGAGE ADVICE / BROKING
Assessment reason	CONSUMER DUTY – Scheduled Review
Drafted by (Position)	John Stanfield (Quality Control)
Senior Manager Approval / Check and Sign off	Victor Jannels Co Chairman (SMF 3) 09/05/2024

Service description
<p>An initial conversation /meeting / discussion. (Will be any of 'physical / zoom / telephone')</p> <p>Fact-finding / information gathering to understand client circumstances and needs / priorities.</p> <p>Review client mortgage knowledge and attitude and tolerance towards mortgages and any risk.</p> <p>Assess needs and objectives and set/agree defined goals.</p> <p>Carry out research and due diligence. (Including initial affordability check).</p> <p>Access to mortgages portfolio/understand retirement strategy based on client's financial goals.</p> <p>Personalised recommendation designed to achieve a client's mortgage goals.</p> <p>Check client understanding of recommendation (meets client needs and priorities / objectives considering any perceived circumstantial temporary / long term vulnerability)</p> <p>Mortgage plan / objectives and initiation (Application)</p> <p>Confirmation of actions taken. (Suitability Letter production and explanation / seek signed client copy – via electronic signature as appropriate)</p>

Target market
<p>Those starting a mortgage for the first time.</p> <p>Mortgage for a particular / specific need.</p> <p>Specialist Sectors (to include most client types, situations, needs and requirements)</p> <p>Mortgage Planning – include Later life.</p> <p>BTL and Consumer Buy to Let</p> <p>Bridging (short term) and Commercial Mortgages / Mixed use property types)</p> <p>Ethical or sustainable preferences / considerations</p>

Limitations
<p>Customers with no appetite for risk or ability to afford a Mortgage.</p> <p>Customers clearly outside of lender criteria and requirements</p> <p>Where suspicions arise on the integrity of the proposed client/s , their scenario or information. (Compliance with Legal / internal reporting process)</p> <p>Customers where non-investment protection or general insurance needs identified are handed off to approved 3rd party service provider. (This may be reviewed at a later date because impact currently maintain the relevant FCA permissions).</p> <p>Customers requiring advice on other regulated areas where impact specialist finance does not</p>

hold the relevant FCA permissions and / or qualifications (For example Non-Mortgage services such as Pensions, Wealth Management and Retirement planning)

Price

Our charges are:

- Mortgages (Home Finance) & Consumer Buy to Let: Direct Clients - £199.00 on formal application submission with client approval/ agreement and £375 on receipt of the clients Mortgage Offer. All Packaged cases - £199 on formal application.
- Bridging and Commercial: £395.00 after we have obtained a Decision in Principle and submit formal application to lender with client approval.
- Lifetime Mortgages £395.00 after we have obtained a Decision in Principle and on submission of formal application with client approval/instruction. A further £395.00 on receipt of the Mortgage Offer.

We believe our fee structure to be reasonable, clear, fair and transparent.

Market research when designing service

We are aware of the service and fees provided and charged by many of our peers. That said, all are currently reviewing and, in many cases, we anticipate will be increasing their fees to accommodate their own increased cost of living and outgoing business charges. Our fees, for the considerable expertise provided should be considered on the lower side and we do not expect to increase our quoted fee structure for the foreseeable future.

Value/Benefits

Independence, therefore flexible in adapting to market / lender changes and demands.

Access to qualified mortgage advisers.

Family-owned business that has been around for 33 years.

Multi-Award-winning business – see website www.impactsf.co.uk

Knowledge experience of mortgages and advice market.

Access to innovative / multi award winning CRM system (OMS).

High quality customer service (direct phone line, website enquiries, availability out of hours where required, social media)

Ensuring quality applications and therefore avoiding unexpected issues or delays e.g. with fraud checks. This includes some lenders underwriters being onsite.

Access to advice and support around ancillary services, GI, protection to support mortgage obligation (Adviser signposting for such services so client understands why and who they are being referred to – client permissions obtained)

Professional relationships with third party professionals e.g. surveyor, solicitor, accountant etc,

Ability to help clients avoid or be prepared for common pitfalls – general overview to each, as needed.

Build long term relationship with regular reviews for client to realise ongoing mortgage / product requirements and objectives.

Able to navigate complex mortgages / standard mortgages / other mortgage needs.

Identify possible General Insurance / Non-Investment Protection shortfalls and potential needs – prior to handoff.

Regulated environment for consumers with designated Complaint Contact and access to FOS.

Face to face interactions, / virtual communications channels/ and phone meetings to suit client needs.

Behavioural biases present

Minimal

However - Ability to recognise, and adapt to, any examples of behavioural biases that may be

present in target market. For example, client circumstances resulting in preference towards certain product solution or type (i.e. specialist Lenders) which may or may not provide the client best value and or best rate / outcome.

Our task is to ensure appropriate result, using the information available and the clients' stated preferences and 'real' requirements.

Characteristics of vulnerability

. We will adapt our service according to the needs / circumstances of our customers.

Situations where we perceive a vulnerability (temporary or long term) may potentially compromise the value of the service we offer. They may include:

Lack of financial literacy (first time buyer / low level of financial sophistication).

Mental capacity where the client has no form of third-party support available.

Language or speech capacity reduced

Temporary / Situational vulnerability

All forms of considered vulnerability always remembering the client's position and wellbeing.

Total cost a client might pay

We expect the total cost for our advice and administration fees, plus product, and platform charges to be set at a maximum of £574.00 on all mortgages where we have the necessary Regulatory Permissions.

Our firm will consistently assess provider / Lender value assessment to understand how the products we recommend deliver value.

Additional Evidence

We have received 1 complaint in the period (satisfactorily resolved).

Evidence of additional steps / measures when a level of 'vulnerability' - we currently operate an annual training / testing regime for all Direct Staff. There is also a Client Vulnerability Record Form for staff to use to identify (flag) potential clients and the additional considerations.

- Our client retention records are at 74%
- Internal Adviser MI / Quality / Performance / Completions / Individual 'Satisfaction' from clients - all reviewed frequently
- Proof of client understanding – incorporated into interview process and suitability letter. (Client confirms by responding to and signing / dating a pdf version of the suitability letter for the file. This includes a number of questions on client understanding)
- Trust Pilot reviews up to 380 and 'Excellent' (91%)

Conclusion	Our advice service does provide fair value
Actions required	YES, there will be regular reviews (at least annually)
Next review date	09/11/2024

